



**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING
APRIL 3, 2018 – 5:30 p.m.**

AGENDA

- I. CALL TO ORDER** Mary Thompson, President
- II. INVOCATION** Chaplain Farrell Ard
- III. PLEDGE OF ALLEGIANCE** Mary Thompson
- IV. MISSION/VISION/VALUES OF MEDICAL CENTER HEALTH SYSTEM** Mary Thompson
- V. APRIL 2018 EMPLOYEES OF THE MONTH** Rick Napper
 - Clinical: Becky Wiscombe, Mammography Tech Supervisor, Radiology Breast Care Center
 - Non-Clinical: Laura Gomez, Patient Accounts Manager, Patient Accounts
 - Nurse: Steve McCracken, RN Charge, 7 Central (Dedicated Educational Unit)
- VI. REVIEW OF MINUTES** Mary Thompson, p.4-12
 - Regular Meeting – March 6, 2018
 - Special Meeting – March 16, 2018
- VII. COMMITTEE REPORTS**
 - A. Finance Committee** David Dunn, p.13-83
 - 1. Financial Report for Four Months Ended February 28, 2018
 - 2. Capital Expenditure Request: Cardiac Ultrasound
 - B. Joint Conference Committee** Fernando Boccalandro, MD, p.84-105
 - 1. Medical Staff or AHP Initial Appointment/Reappointment
 - 2. Change in Clinical Privileges/or Scope of Practice/or Supervisor
 - 3. Change in Medical Staff or AHP Staff Status
 - 4. Change in Medical Staff or AHP Staff Category
 - 5. Change in Medical Staff Bylaws/Policy/Privilege Criteria
 - 6. Criteria for Privileges and Delineation of Clinical Privileges and Procedures
 - a. Bariatric Surgery Criteria
 - b. Advance Registered Nurse Privilege Form and Criteria
 - c. Pediatric Privilege Form
 - d. Neonatal-Perinatal Medicine Privilege Form
 - 7. Continuing Medical Education (CME) Annual Mission Statement
 - 8. Institutional Review Board (IRB) 2017 Annual Report

- VIII. TTUHSC AT THE PERMIAN BASIN REPORT**..... Gary Ventolini, M.D.
- IX. PRESIDENT/CHIEF EXECUTIVE OFFICER’S REPORT** Rick Napper
- Fitch Ratings Update Robert Abernethy
- X. APPROVAL ITEMS** Rick Napper
- Consider for approval an engagement agreement between
The Studer Group, LLC and Ector County Hospital District
pertaining to evidence based leadership. Heather Bulman, p.106-117
- XI. EXECUTIVE SESSION**
- Meeting held in closed session as to (1) Consultation with attorney regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code; (2) Deliberation regarding negotiations for health care services, pursuant to Section 551.085 of the Texas Government Code; (3) Deliberation regarding exchange, lease, or value of real property pursuant to 551.072 of the Texas Government Code; (4) and Deliberation and 90 Day Evaluation of President/Chief Executive Officer of Ector County Hospital District, pursuant to Section 551.074 of the Texas Government Code.
- XII. MCH PROCARE PROVIDER AGREEMENT**Julian Beseril
- XIII. SANTA ROSA CONSULTING AGREEMENT** Ron Griffin, p.118-133
- XIV. CONSIDER FOR APPROVAL AND AUTHORIZE THE PRESIDENT/CHIEF EXECUTIVE OFFICER TO EXECUTE LEGAL DOCUMENTS PERTAINING TO ECTOR COUNTY HOSPITAL DISTRICT MEMBERSHIP IN THE TEXAS CARE ALLIANCE, LLC AND THE REFORMATION OF SAME.**Rick Napper/Ron Griffin, p. 134-146
- XV. ADJOURNMENT** Mary Thompson

If during the course of the meeting covered by this notice, the Board of Directors needs to meet in executive session, then such closed or executive meeting or session, pursuant to Chapter 551, Texas Government Code, will be held by the Board of Directors on the date, hour and place given in this notice or as soon after the commencement of the meeting covered by this notice as the Board of Directors may conveniently meet in such closed or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Chapter 551 of said Government Code.

MISSION

Medical Center Health System is a community-based teaching organization dedicated to providing high quality and affordable healthcare to improve the health and wellness of all residents of the Permian Basin.

VISION

MCHS will be the premier source for health and wellness.

VALUES

I-ntegrity

C-ustomer centered

A-ccountability

R-espect

E-xcellence

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING
MARCH 6, 2018 – 5:30 p.m.**

MINUTES OF THE MEETING

MEMBERS PRESENT:

Mary Thompson, President
David Dunn, Vice President
Mary Lou Anderson
Don Hallmark
Richard Herrera
Ben Quiroz

MEMBERS ABSENT:

Bryn Dodd

OTHERS PRESENT:

Rick Napper, President/Chief Executive Officer
Robert Abernethy, Chief Financial Officer
Chad Dunavan, Chief Nursing Officer
Heather Bulman, Chief Experience Officer
Dr. Fernando Boccalandro, Chief of Staff
Dr. Donald Davenport, Vice Chief of Staff
Ron Griffin, Chief Legal Counsel
Jan Ramos, ECHD Board Secretary
Dr. Rama Chemitiganti, TTUHSC Permian Basin
Various other interested members of the
Medical Staff, Employees, and Citizens

I. CALL TO ORDER

Mary Thompson, President, called the meeting to order at 5:30 p.m. in the Board Room of Medical Center Hospital. Notice of the meeting was properly posted as required by the Open Meetings Act.

II. INVOCATION

Chaplain Farrell Ard offered the invocation.

III. PLEDGE OF ALLEGIANCE

Mary Thompson led the Pledge of Allegiance to the United States and Texas flags.

IV. MISSION/VISION OF MEDICAL CENTER HEALTH SYSTEM

Ben Quiroz presented the Mission, Vision and Values of Medical Center Health System.

V. MARCH 2018 EMPLOYEES OF THE MONTH

Mr. Napper introduced the March 2018 Employees of the Month as follows:

- Clinical: None Submitted
- Non-Clinical: Crystal Hoskins, Divisional Secretary, Nursing Education
- Nurse: Alejandro (Alex) Rivera, Registered Nurse, Cath Lab

VI. REVIEW OF MINUTES

Regular Meeting – February 13, 2018

David Dunn moved and Richard Herrera seconded the motion to accept the minutes of the Regular ECHD Board meeting held February 13, 2018 as presented. The motion carried.

VII. TAX ABATEMENT PRESENTATION – Oberon Solar

In order to allow Wesley Burnett to present earlier, David Dunn moved and Richard Herrera seconded the motion to change the order of the agenda. The motion carried.

Wesley Burnette, Director of Economic Development for the Odessa Chamber of Commerce, presented information regarding the possibility of a solar project, called Oberon Solar, being built in Ector County. The company behind the project is 174 Power Global,

This presentation was for informational purposes only. No action was taken.

VIII. COMMITTEE REPORTS

A. Audit Committee (FY 2017 Audit)

David Dunn reported that the FY 2017 External Audit report was provided to the ECHD Audit Committee at the March 6, 2018 meeting. The report was provided by BKD with an unmodified opinion.

David Dunn moved and Ben Quiroz seconded the motion to approve the FY 2017 Medical Center Health System External Audit Report. The motion carried.

B. Finance Committee

Financial Report for Four Months Ended January 31, 2018

David Dunn moved and Mary Lou Anderson seconded the motion to approve the Financials for three months ended January 31, 2018. The motion carried.

C. Joint Conference Committee

Dr. Fernando Boccalandro, Chief of Staff, presented the recommendation of the Joint Conference Committee to accept the following Medical Staff Recommendations:

1. Medical Staff or AHP Initial Appointment/Reappointment

Medical Staff

Applicant	Department	Specialty/ Privileges	Group	Dates
Kotapati, Sessa MD	Medicine	Psychiatry	TTUHSC	03/06/2018 – 03/05/2019
McCormick, Robert DO	Surgery	General & Trauma Surgery	EmCare Surgical Services	03/06/2018 – 03/05/2019

Allied Health Professional (AHP) Staff Applicants

Applicant	Department	Specialty/ Privileges	Group	Sponsoring Physician(s)	Dates
Hester, Michael NP	Surgery	Nurse Practitioner	Permian Premier	Dr. Kirit Patel	03/06/2018 – 03/05/2020

**Please grant temporary privileges*

Reappointment of the Medical Staff and Allied Health Professional Staff

Medical Staff/Or Allied Health Professional Staff

Applicant	Department	Staff Category	Specialty/ Privileges	Group	Dates
Burgoyne, Brian MD	Radiology	Telemedicine	Diagnostic Radiology	VRAD	04/01/2018 – 03/31/2020
Kaler, Lawrence MD	Radiology	Telemedicine	Diagnostic Radiology	VRAD	04/01/2018 – 03/31/2020
Meda, Srikala MD	Medicine	Associate to Active	Internal Medicine	MCH ProCare	04/01/2018 – 03/31/2020
Parsons, Darrell MD	Medicine	Affiliate	Internal Medicine	First Physicians	04/01/2018 – 03/31/2020
Sam, Kim MD	Medicine	Associate	Internal Medicine	MCH ProCare	04/01/2018 – 03/31/2019

Blank Staff Category column signifies no change

Allied Health Professionals

Applicant	Department	Specialty/ Privileges	Group	Sponsoring Physician(s)	Dates
Sullivan, Emily PA	Family Medicine	Physician Assistant	MCH ProCare	Dr. Mavis Twum- Barimah	04/01/2018 – 03/31/2020
Williams, Natalie PA	Surgery	Physician Assistant	Acute Surgical	Dr. Kathy Grove	04/01/2018 – 03/31/2020

Blank Staff Category column signifies no change

2. Change in Clinical Privileges/or Scope of Practice/or Supervisor

Clinical/ Additional Privileges

None were presented.

3. Change in Medical Staff or AHP Staff Status

Resignation / Expiration of Privileges

Staff Member	Staff Category	Department	Effective Date	Action
Dunaway, Kyle CRNA	Allied Health Professional	Anesthesia	02/28/2018	Resigned
Kona, Samata DDS	Active	Surgery	02/28/2018	Resigned
Murphy, Krystal MD	Active	OB/GYN	02/08/2018	Resigned
Stanaland, Robert DDS	Active	Surgery	02/28/2018	Resigned
Williams, Patrick NP	Allied Health Professional	Medicine	02/28/2018	Resigned

4. Change in Medical Staff or AHP Staff Category

Staff Category Changes

Staff Member	Department	Category
Uy, Sing MD	Medicine to Pediatrics	Active

Change in Credentialing Date

Staff Member	Department	Dates
Aljarwi, Mohammed MD	Pediatrics	11/07/2017 – 11/06/2018
Ayyagari, Krishna MD	Medicine	11/07/2017 – 11/06/2018
Dickens, Jessie MD	Surgery	11/07/2017 – 11/06/2018
Geatrakas, Christina MD	Radiology	11/07/2017 – 11/06/2018
Risinger, Brian MD	Radiology	11/07/2017 – 11/06/2018
Lehr, Jackie NP	OB/GYN	11/07/2017 – 11/06/2019
Le, Chuong MD	Radiology	04/04/2017 – 03/31/2019

5. Medical Staff Bylaws/Policy/Privilege Criteria

None were presented.

Richard Herrera moved and Mary Lou Anderson seconded the motion to approve the Medical Staff recommendations (Items VIII. B. 1-4) as presented. (There were no items to present under section VIII. B. 5). The motion carried.

IX. TTUHSC AT THE PERMIAN BASIN REPORT

Dr. Rama Chemitiganti provided the TTUHSC at the Permian Basin Report for informational purposes only. No action was taken.

X. PRESIDENT/CHIEF EXECUTIVE OFFICER'S REPORT

A. Review of Strategic Plan Process

Rick Napper presented his strategic plan process, including Joint Planning, Management Action Plan and 90 Day Action Plan.

This report was for informational purposes only. No action was taken.

B. Physician Transaction Review Committee Process

Rick Napper presented an introduction to the Physician/Provider Transaction Review Committee (PTRC).

This report was for informational purposes only. No action was taken.

C. Quarterly Quality Report

Rick Napper presented the quarterly Quality report.

This report was for informational purposes only. No action was taken.

D. Quarterly Human Resources Report

Rick Napper presented the quarterly Human Resources report.

This report was for informational purposes only. No action was taken.

XI. APPROVAL OF THE NICU/PERINATAL SERVICE SCOPE OF SERVICE AND ORGANIZATIONAL WIDE PROGRAM PLAN

Christin Timmons, Associate Chief Nursing Officer, presented the NICU/Perinatal Service Scope of Service and Organizational Wide Program Plan.

David Dunn moved and Richard Herrera seconded the motion to approve the NICU/Perinatal Service Scope of Service and Organizational Wide Program Plan. The motion carried.

XII. EXECUTIVE SESSION

Mary Thompson stated that the Board would go into Executive Session for the meeting held in closed session as to (1) Consultation with attorney regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code, including litigation update on *Meisell et al., v. ECHD et al.*, and (2) Deliberate and discuss the purchase, exchange, lease, or value of real property pursuant to Section 551.072 of the Texas Government Code.

The individuals present during Executive Session were Mary Thompson, David Dunn, Mary Lou Anderson, Don Hallmark, Richard Herrera, Ben Quiroz, Rick Napper, Ron Griffin, Robert Abernethy, Robbi Banks, and Jan Ramos.

Executive Session began at 6:39 pm.
Executive Session ended at 7:48 p.m.

No action was taken during Executive Session.

XIII. ADJOURNMENT

There being no further business to come before the Board, Mary Thompson adjourned the meeting at 7:48 p.m.

Respectfully Submitted,



Jan Ramos, Secretary
Ector County Hospital District Board of Directors



**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
SPECIAL MEETING
MARCH 16, 2018 – 5:00 p.m.**

MINUTES OF THE MEETING

MEMBERS PRESENT: Mary Thompson, President
David Dunn, Vice President
Mary Lou Anderson
Bryn Dodd
Don Hallmark
Richard Herrera

MEMBERS ABSENT: Ben Quiroz

OTHERS PRESENT: Rick Napper, President/Chief Executive Officer
Ron Griffin, Chief Legal Counsel
Jan Ramos, ECHD Board Secretary
Various other interested members of the Media,
Medical Staff, Employees and Citizens

I. CALL TO ORDER

Mary Thompson, President, called the meeting to order at 5:00 p.m. in the Board Room of Medical Center Hospital. Notice of the meeting was properly posted as required by the Open Meetings Act.

II. EXECUTIVE SESSION

Mary Thompson stated that the Board would now go into Executive Session for consultation with attorneys regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code, including litigation/settlement update on David Meisell et al., v. ECHD et al., Trial Cause No. B-16-12-1180-CV, Appeal No. 11-17-00186-CV.

**Executive Session began at 5:01 p.m.
Executive Session ended at 5:54 p.m.**

No action was taken during Executive Session.

III. CONSIDER AND TAKE ACTION AS NECESSARY REGARDING RECOMMENDATION OF MEDIATED SETTLEMENT AGREEMENT IN DAVID MEISELL et al., v. ECHD et al., TRIAL CAUSE NO. B-16-12-1180-CV, APPEAL NO. 11-17-00186-CV

Ron Griffin, Chief Legal Counsel presented the Contingent Mediated Settlement Agreement, on the following material terms:

1. The parties will negotiate a comprehensive Settlement Agreement ("Agreement").
2. The Agreement is contingent upon execution by all designated representatives for the Plaintiffs/Retirees group and 90% of all additional Plaintiffs.
3. Settling Plaintiffs will dismiss the pending appeal.
4. The Agreement will be subject to a fiduciary-out/material change provision, the specific language to be negotiated.
5. The parties agree to HRA funding in the following defined contributions:

Duration

Ages	Years
Under 51	15
Between 51 and 52	14
Between 52 and 53	13
Between 53 and 54	12
Between 54 and 55	11
55 and over	10

Funding

Under 65	\$12,500/year
Over 65 Medicare A Only	\$ 3,600/year
Over 65 Medicare A & B	\$ 2,500/year

6. The defined contribution for Plaintiffs/Retirees will not exceed those for active employees.
7. The HRA will be subject to a 1 year rollover with a provision for Last In First Out.
8. Effective plan start date January 1, 2019.
9. ECHD will pay attorney fees of \$160,000.

David Dunn made the following motion:

Madam Chair,

I move to approve the Contingent Mediated Settlement Agreement on the terms as presented by Legal Counsel.

Bryn Dodd seconded the motion. The motion carried unanimously.

IV. CONSIDER AND APPROVE 1115 WAIVER CONSULTANT AGREEMENT WITH GJERSET & LORENZ LLP.

Ron Griffin, Chief Legal Counsel, presented a consulting agreement with Gjerset & Lorenz LLP, to assist Medical Center Health System with supplemental Medicaid reimbursement and the Medicaid Section 1115 Texas Healthcare Transformation and Quality Improvement Program Waiver Renewal (1115 Waiver).

Richard Herrera moved and Mary Lou Anderson seconded the motion to approve the Gjerset & Lorenz LLP agreement as presented. The motion carried.

V. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:04 p.m.

Respectfully submitted,




Jan Ramos, Secretary
Ector County Hospital District Board of Directors



DATE: March 30, 2018

TO: Board of Directors
Ector County Hospital District

FROM: Robert Abernethy 
Senior Vice President / Chief Financial Officer

Subject: Financial Report for the month ended February 28, 2018

Attached are the Financial Statements for the month ended February 28, 2018 and a high level summary of the months activity.

Operating Results - Hospital Operations:

For the month ended February, earnings before interest depreciation and amortization (EBIDA) was a surplus of \$1,918,930 comparing favorably to the budget of \$1,316,288 by 45.8%. Inpatient (I/P) revenue was below budget by \$410,999 driven by decreased admissions, patient days, and associated ancillary tests as compared to budget. Outpatient (O/P) revenue was below budget by \$1,298,511 due to decreased Cath Lab and OP surgical volumes. Net Patient Revenue was \$1,403,441 or 5.1% below the budget of \$18,939,889 due to decreased cash collections. Net operating revenue was \$593,321, or 2.4%, below budget due to decreased cash collections that were partially offset by increased sales tax receipts.

Operating expenses for the month were under budget by \$411,963 due to favorable benefits, Texas Tech University faculty, intern, and resident support and repairs and maintenance fees. Benefits expense favorable variance was caused by decreased medical claims. Texas Tech Support expense favorable variance was caused by October and November fee overaccruals by \$839,091. Repairs and maintenance favorable variance caused by decreased IT maintenance contracts due to phase out of contracts for legacy clinical documentation and billing system. Unfavorable variances included salaries wages due to missed department staffing targets, supplies due to increased pharmaceutical costs, and other expenses due to payment of \$148,197 in ad valorem taxes. For the five months ended February, EBIDA is \$1,624,662 or -18.8% compared to the budget of \$2,000,610.

Operating Results - ProCare (501a) Operations:

For the month of February the net loss from operations before capital contributions was \$802,692 compared to a budgeted loss of \$1,300,754. Net operating revenue was above budget by \$301,171 due to increased office and hospital visits caused by a heavy flu season, increased procedures, and increased surgeries. Total operating costs were below budget by \$196,889. The favorable variance was caused by a salaries, wages, benefits, and temporary labor of \$329,175. Purchased services were unfavorable to budget due to decreased staffing provided to FHC and FHC West. After MCH capital contributions of \$498,054 for the month and \$6,166,929 YTD, ProCare showed a negative contribution of \$304,638 for the month and a positive contribution of \$943,358 YTD.

Operating Results - Family Health Center Operations:

For the month of February

the net loss from operations by location:

- Clements: \$201,631 loss compared to a budgeted loss of \$84,212. Net revenue was unfavorable by \$177,332 due to closure of dental services in October. Operating costs were \$59,671 favorable to budget due decreased physician services used from ProCare, and reversal of an overaccrual of natural gas that was booked to the wrong account in January.
- West University: \$89,873 loss compared to a budgeted loss of \$91,452. Net revenue was unfavorable by \$71,535 due to decreased cash collections and was offset by \$73,284 in favorable operating costs related to decreased physician utilization.

Blended Operating Results - Ector County Hospital District:

The Change in Net Position for the month of February was a deficit of \$278,521 comparing favorably to a budgeted deficit of \$716,781. On a year to date basis, our Change in Net Position is a deficit of \$7,330,343 comparing favorably to a budgeted deficit of \$8,931,314.

For the month of February EBIDA was \$1,637,173 compared to a budget of \$1,432,200 that was created by an accumulation of the variances previously described. On a YTD basis, EBIDA was \$2,686,457 vs. budgeted \$1,949,804.

Volume:

Total admissions for the month 1,101 or 4.7% below budget and 1.5% below last year. YTD admissions were 5,725 or below budget by 1.0% and 3.6% above last year. Patient days for the month were 5,566 or 3.2% below budget and 0.1% below last year. YTD patient days were 28,364 or 3.0% above budget and 2.9% above last year. Due to the preceding, total average length of stay (ALOS) was 5.1 for the month and 5.0 YTD. Observation days were below budget by 6.1% and below prior year by 4.9%. YTD observation days were below budget by 0.1% and above prior year by 5.5%

Emergency room visits for the month 4,405 resulting in an increase compared to budget of 1.9% and a decrease as compared to last year of 0.9%. YTD emergency room visits were 22,420 resulting in an increase compared to budget of 13.1% and an increase to prior year of 9.1%. Total O/P occasions of service for the month were 19.1% below budget for the month and 30.0% below last year that was caused by a change in counting methodology between Cerner and McKesson. Cerner is counting an O/P occasion of service by registrations and McKesson counted C/P' occasions of services by visits. We

are currently in the process of building a report to count actual O/P visits in order to report comparable stats.

Revenues:

I/P revenues were below budget for the month by \$410,999 due to decreased admissions, patient days, and the resulting IP ancillary services. O/P revenues were below budget for the month by \$1,298,511 as a result of decreased OP volumes in Cath Lab and OP Surgeries. Total patient revenue was below budget by \$1,709,510, or 1.9%, and total revenue deductions were \$174,018 below budget. This resulted in decreased net patient revenue by \$1,403,441 compared to budget.

Operating Expenses:

Total operating expenses for the month were 1.8% below budget. Major favorable variances include benefits by \$221,265, Texas Tech Support by \$973,134, and repairs and maintenance by \$96,410K. Favorable benefits expense was driven primarily by decreased medical claims in the month. Texas Tech Support fees favorable variance was caused by overaccrual of October and November 2017 fees by \$831,091 as well as the adjustment of December through February accruals to more accurately reflect our expected payments. Repairs and maintenance favorable variance caused by decreased IT maintenance contracts due to phase out of contracts for legacy clinical documentation and billing system. Unfavorable variances included salaries wages and contract labor due to missed departmental staffing targets; supplies due to increased pharmaceutical costs, and other expenses due. The unfavorable pharmaceutical variance was caused by \$220,454 in additional costs incurred due to various drug shortages, \$67,443 in O/P non-formulary expenses, and \$75,577 in weighted average cost (WAC) changes. The Other Expense variance was caused by payment of \$148,197 in ad valorem taxes.

ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
FEBRUARY 2018

	CURRENT MONTH					YEAR-TO-DATE				
	BUDGET			PRIOR YEAR		BUDGET			PRIOR YEAR	
	ACTUAL	AMOUNT	VAR.%	AMOUNT	VAR.%	ACTUAL	AMOUNT	VAR.%	AMOUNT	VAR.%
Hospital InPatient Admissions										
Acute / Adult	1,071	1,128	-5.1%	1,087	-1.5%	5,586	5,642	-1.0%	5,360	4.2%
Neonatal ICU (NICU)	30	27	11.1%	31	-3.2%	139	141	-1.4%	166	-16.3%
Total Admissions	1,101	1,155	-4.7%	1,118	-1.5%	5,725	5,783	-1.0%	5,526	3.6%
Patient Days										
Adult & Pediatric	4,335	4,436	-2.3%	4,358	-0.5%	21,789	20,986	3.8%	21,493	1.4%
ICU	449	423	6.1%	445	0.9%	2,163	2,199	-1.6%	2,139	1.1%
CCU	439	383	14.6%	402	9.2%	2,070	1,991	4.0%	1,939	6.8%
NICU	343	508	-32.4%	365	-6.0%	2,342	2,371	-1.2%	2,007	16.7%
Total Patient Days	5,566	5,750	-3.2%	5,570	-0.1%	28,364	27,547	3.0%	27,578	2.9%
Observation (Obs) Days	636	677	-6.1%	669	-4.9%	3,515	3,519	-0.1%	3,333	5.5%
Nursery Days	234	214	9.3%	245	-4.5%	1,239	1,114	11.2%	1,158	7.0%
Total Occupied Beds / Bassinets	6,436	6,641	-3.1%	6,484	-0.7%	33,118	32,180	2.9%	32,069	3.3%
Average Length of Stay (ALOS)										
Acute / Adult & Pediatric	4.88	4.65	4.9%	4.79	1.8%	4.66	4.46	4.4%	4.77	-2.4%
NICU	11.43	18.80	-39.2%	11.77	-2.9%	16.85	16.81	0.2%	12.09	39.4%
Total ALOS	5.06	4.98	1.6%	4.98	1.5%	4.95	4.76	4.0%	4.99	-0.7%
Average Daily Census	198.8	205.4	-3.2%	198.9	-0.1%	187.8	182.4	3.0%	182.6	2.9%
Hospital Case Mix Index (CMI)	1.5706	1.4657	7.2%	1.3195	19.0%	1.5086	1.4657	2.9%	1.4091	7.1%
Medicare										
Admissions	457	480	-4.8%	493	-7.3%	2,344	2,366	-0.9%	2,231	5.1%
Patient Days	2,374	3,707	-36.0%	2,527	-6.1%	12,223	18,137	-32.6%	11,801	3.6%
Average Length of Stay	5.19	7.72	-32.7%	5.13	1.3%	5.21	7.67	-32.0%	5.29	-1.4%
Case Mix Index	1.7249			1.7255	0.0%	1.6612			1.7111	-2.9%
Medicaid										
Admissions	138	145	-4.8%	140	-1.4%	686	695	-1.3%	745	-7.9%
Patient Days	697	720	-3.2%	605	15.2%	3,550	3,453	2.8%	3,393	4.6%
Average Length of Stay	5.05	4.97	1.7%	4.32	16.9%	5.17	4.97	4.2%	4.55	13.6%
Case Mix Index	1.0410			1.0267	1.4%	1.0653			0.8939	19.2%
Commercial										
Admissions	269	282	-4.6%	268	0.4%	1,426	1,442	-1.1%	1,307	9.1%
Patient Days	1,214	1,254	-3.2%	1,124	8.0%	6,446	6,276	2.7%	5,794	11.3%
Average Length of Stay	4.51	4.45	1.5%	4.19	7.6%	4.52	4.35	3.9%	4.43	2.0%
Case Mix Index	1.5380			1.3916	10.5%	1.5372			1.4522	5.9%
Self Pay										
Admissions	212	222	-4.5%	184	15.2%	1,146	1,155	-0.8%	983	16.6%
Patient Days	1,154	1,192	-3.2%	1,098	5.1%	5,568	5,393	3.2%	5,691	-2.2%
Average Length of Stay	5.44	5.37	1.4%	5.97	-8.8%	4.86	4.67	4.1%	5.79	-16.1%
Case Mix Index	1.5347			1.3195	16.3%	1.3572			1.2295	10.4%
All Other										
Admissions	25	26	-3.8%	33	-24.2%	123	125	-1.6%	260	-52.7%
Patient Days	127	131	-3.1%	221	-42.5%	577	564	2.3%	1,277	-54.8%
Average Length of Stay	5.08	5.04	0.8%	6.70	-24.1%	4.69	4.51	4.0%	4.91	-4.5%
Case Mix Index	2.1158			1.9624	7.8%	1.8241			1.6795	8.6%
Radiology										
InPatient	4,336	3,338	29.9%	4,028	7.6%	21,648	17,358	24.7%	19,186	12.8%
OutPatient	6,550	6,754	-3.0%	7,025	-6.8%	36,924	35,120	5.1%	35,449	4.2%
Cath Lab										
InPatient	250	398	-37.2%	470	-46.8%	2,288	2,070	10.5%	1,622	41.1%
OutPatient	382	418	-8.6%	414	-7.7%	2,196	2,174	1.0%	1,639	34.0%
Laboratory										
InPatient	72,312	54,559	32.5%	60,677	19.2%	349,926	283,707	23.3%	294,443	18.8%
OutPatient	44,063	40,024	10.1%	40,465	8.9%	234,220	208,126	12.5%	181,551	29.0%
NonPatient	9,631	2,170	343.8%	6,020	60.0%	39,579	11,284	250.8%	36,744	7.7%
Other										
Deliveries	149	133	12.2%	142	4.9%	799	690	15.7%	699	14.3%
Surgical Cases										
InPatient	218	298	-26.8%	288	-24.3%	1,430	1,550	-7.7%	1,544	-7.4%
OutPatient	618	584	5.8%	554	11.6%	2,931	3,036	-3.5%	2,896	1.2%
Total Surgical Cases	836	882	-5.2%	842	-0.7%	4,361	4,586	-4.9%	4,440	-1.8%
GI Procedures (Endo)										
InPatient	84	101	-16.8%	94	-10.6%	498	525	-5.1%	497	0.2%
OutPatient	219	243	-9.9%	230	-4.8%	1,349	1,263	6.8%	1,184	13.9%
Total GI Procedures	303	344	-11.9%	324	-6.5%	1,847	1,788	3.3%	1,681	9.9%

ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
FEBRUARY 2018

	CURRENT MONTH					YEAR-TO-DATE				
	BUDGET			PRIOR YEAR		BUDGET			PRIOR YEAR	
	ACTUAL	AMOUNT	VAR.%	AMOUNT	VAR.%	ACTUAL	AMOUNT	VAR.%	AMOUNT	VAR.%
OutPatient (O/P)										
Emergency Room Visits	4,405	4,323	1.9%	4,444	-0.9%	22,420	19,827	13.1%	20,552	9.1%
Observation Days	636	677	-6.1%	669	-4.9%	3,515	3,519	-0.1%	3,333	5.5%
Other O/P Occasions of Service	16,686	21,845	-23.6%	25,923	-35.6%	88,250	113,593	-22.3%	119,751	-26.3%
Total O/P Occasions of Svc.	21,727	26,845	-19.1%	31,036	-30.0%	114,185	136,939	-16.6%	143,636	-20.5%
Hospital Operations										
Manhours Paid	252,568	253,646	-0.4%	253,801	-0.5%	1,377,310	1,311,713	5.0%	1,365,606	0.9%
FTE's	1,578.6	1,585.3	-0.4%	1,586.3	-0.5%	1,596.2	1,520.2	5.0%	1,582.7	0.9%
Adjusted Patient Days	10,257	10,706	-4.2%	10,240	0.2%	51,316	51,679	-0.7%	50,712	1.2%
Hours / Adjusted Patient Day	24.62	23.69	3.9%	24.79	-0.6%	26.84	25.38	5.7%	26.93	-0.3%
Occupancy - Actual Beds	57.0%	58.8%	-3.2%	57.0%	-0.1%	53.8%	52.3%	3.0%	52.3%	2.9%
FTE's / Adjusted Occupied Bed	4.3	4.1	3.9%	4.3	-0.6%	4.7	4.4	5.7%	4.7	-0.3%
InPatient Rehab Unit										
Admissions	34	33	3.0%	40	-15.0%	153	165	-7.3%	197	-22.3%
Patient Days	379	405	-6.4%	497	-23.7%	1,928	2,025	-4.8%	2,306	-16.4%
Average Length of Stay	11.1	12.3	-9.2%	12.4	-10.3%	12.6	12.3	2.7%	11.7	7.7%
Manhours Paid	5,699	5,480	4.0%	6,867	-17.0%	29,411	29,172	0.8%	33,327	-11.8%
FTE's	35.6	34.2	4.0%	42.9	-17.0%	34.1	33.8	0.8%	38.6	-11.8%
Center for Primary Care - Clements										
Total Medical Visits	994	1,318	-24.6%	1,325	-25.0%	4,881	5,624	-13.2%	6,688	-27.0%
Total Dental Visits	-	728	-100.0%	678	-100.0%	350	3,471	-89.9%	3,208	-89.1%
Manhours Paid	484	694	-30.3%	822	-41.1%	2,858	3,744	-23.7%	4,458	-35.9%
FTE's	3.0	4.3	-30.3%	5.1	-41.1%	3.3	4.3	-23.7%	5.2	-35.9%
Center for Primary Care - West University										
Total Medical Visits	648	786	-17.6%	665	-2.6%	3,337	3,872	-13.8%	3,319	0.5%
Total Optometry	227	216	5.1%	206	10.2%	1,322	1,299	1.8%	1,237	6.9%
Manhours Paid	156	152	2.5%	182	-14.1%	850	821	3.5%	872	-2.5%
FTE's	1.0	1.0	2.5%	1.1	-14.1%	1.0	1.0	3.5%	1.0	-2.5%
Total ECHD Operations										
Total Admissions	1,135	1,188	-4.5%	1,158	-2.0%	5,878	5,948	-1.2%	5,723	2.7%
Total Patient Days	5,945	6,155	-3.4%	6,067	-2.0%	30,292	29,572	2.4%	29,884	1.4%
Total Patient and Obs Days	6,581	6,832	-3.7%	6,736	-2.3%	33,807	33,091	2.2%	33,217	1.8%
Total FTE's	1,618.2	1,624.8	-0.4%	1,635.5	-1.1%	1,634.6	1,559.3	4.8%	1,627.5	0.4%
FTE's / Adjusted Occupied Bed	4.1	4.0	4.2%	4.1	0.7%	4.5	4.2	7.3%	4.5	0.7%
Total Adjusted Patient Days	10,955	11,460	-4.4%	11,153	-1.8%	54,810	55,479	-1.2%	54,968	-0.3%
Hours / Adjusted Patient Day	23.63	22.68	4.2%	23.46	0.7%	25.73	24.25	6.1%	25.55	0.7%
Outpatient Factor	1.8427	1.8620	-1.0%	1.8384	0.2%	1.8095	1.8761	-3.6%	1.8394	-1.6%
Blended O/P Factor	2.0869	2.0993	-0.6%	2.1019	-0.7%	2.0691	2.1233	-2.6%	2.1173	-2.3%
Total Adjusted Admissions	2,092	2,194	-4.7%	2,129	-1.8%	10,633	11,119	-4.4%	10,527	1.0%
Hours / Adjusted Admisssion	123.79	118.51	4.5%	122.92	0.7%	132.65	121.00	9.6%	133.40	-0.6%
FTE's - Hospital Contract	58.3	63.0	-7.5%	70.1	-16.8%	63.3	58.5	8.3%	66.7	-5.1%
FTE's - Mgmt Services	39.7	49.9	-20.4%	47.3	-16.1%	43.5	49.9	-12.8%	49.6	-12.2%
Total FTE's (including Contract)	1,716.1	1,737.7	-1.2%	1,752.8	-2.1%	1,741.5	1,667.7	4.4%	1,743.8	-0.1%
Total FTE'S per Adjusted Occupied Bed (including Contract)	4.4	4.2	3.3%	4.4	-0.3%	4.8	4.5	6.8%	4.8	0.2%
ProCare FTEs	227.6	265.9	-14.4%	257.4	-11.6%	237.8	265.9	-10.6%	244.0	-2.5%
Total System FTEs	1,943.7	2,003.6	-3.0%	2,010.2	-3.3%	1,979.3	1,933.6	2.4%	1,987.8	-0.4%
Urgent Care Visits										
Health & Wellness	-	-	0.0%	-	0.0%	-	-	0.0%	396	-100.0%
Golder	-	-	0.0%	723	-100.0%	-	-	0.0%	2,585	-100.0%
JBS Clinic	1,250	1,211	3.2%	1,132	10.4%	6,075	4,947	22.8%	4,659	30.4%
West University	862	870	-0.9%	724	19.1%	4,212	3,153	33.6%	2,630	60.2%
42nd Street	936	790	18.5%	644	45.3%	4,132	2,853	44.8%	1,688	144.8%
Total Urgent Care Visits	3,048	2,871	6.2%	3,223	-5.4%	14,419	10,953	31.6%	11,958	20.6%
Wal-Mart Clinic Visits										
East Clinic	469	466	0.6%	461	1.7%	2,623	1,993	31.6%	1,797	46.0%
West Clinic	441	316	39.6%	313	40.9%	2,202	1,292	70.4%	1,160	89.8%
Total Wal-Mart Visits	910	782	16.4%	774	17.6%	4,825	3,285	46.9%	2,957	63.2%

**ECTOR COUNTY HOSPITAL DISTRICT
BALANCE SHEET - BLENDED
FEBRUARY 2018**

	<u>HOSPITAL</u>	<u>PRO CARE</u>	<u>ECTOR COUNTY HOSPITAL DISTRICT</u>
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 22,805,086	\$ 7,421,435	\$ 30,226,520
Investments	25,747,275	-	25,747,275
Patient Accounts Receivable - Gross	313,560,282	47,064,693	360,624,975
Less: 3rd Party Allowances	(122,691,451)	(23,262,772)	(145,954,223)
Bad Debt Allowance	(146,108,740)	(18,694,123)	(164,802,862)
Net Patient Accounts Receivable	44,760,091	5,107,799	49,867,890
Taxes Receivable	8,272,680	-	8,272,680
Accounts Receivable - Other	22,242,481	3,295,146	25,537,627
Inventories	6,931,972	264,507	7,196,479
Prepaid Expenses	4,739,657	155,459	4,895,116
Total Current Assets	135,499,242	16,244,345	151,743,588
CAPITAL ASSETS:			
Property and Equipment	459,234,066	520,697	459,754,763
Construction in Progress	664,683	-	664,683
	459,898,749	520,697	460,419,446
 Less: Accumulated Depreciation and Amortization	 (263,101,435)	 (305,169)	 (263,406,604)
Total Capital Assets	196,797,314	215,528	197,012,842
INTANGIBLE ASSETS / GOODWILL - NET	79,307	263,491	342,798
RESTRICTED ASSETS:			
Restricted Assets Held by Trustee	6,138,446	-	6,138,446
Restricted Assets Held in Endowment	6,204,799	-	6,204,799
Restricted TPC, LLC	447,620	-	447,620
Restricted MCH West Texas Services	2,055,238	-	2,055,238
Pension, Deferred Outflows of Resources	31,204,964	-	31,204,964
Assets whose use is Limited	-	36,957	36,957
TOTAL ASSETS	\$ 378,426,930	\$ 16,760,321	\$ 395,187,252
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES:			
Current Maturities of Long-Term Debt	\$ 4,637,900	\$ -	\$ 4,637,900
Self-Insurance Liability - Current Portion	3,833,600	-	3,833,600
Accounts Payable	34,720,940	8,124,142	42,845,082
Accrued Interest	1,369,872	-	1,369,872
Accrued Salaries and Wages	8,072,527	6,690,797	14,763,324
Accrued Compensated Absences	4,338,105	175,048	4,513,153
Due to Third Party Payors	1,013,661	-	1,013,661
Deferred Revenue	4,199,107	859,808	5,058,914
Total Current Liabilities	62,185,711	15,849,794	78,035,506
ACCRUED POST RETIREMENT BENEFITS	73,744,144	-	73,744,144
SELF-INSURANCE LIABILITIES - Less Current Portion	2,161,470	-	2,161,470
LONG-TERM DEBT - Less Current Maturities	48,594,235	-	48,594,235
Total Liabilities	186,685,561	15,849,794	202,535,355
FUND BALANCE	191,741,369	910,527	192,651,897
TOTAL LIABILITIES AND FUND BALANCE	\$ 378,426,930	\$ 16,760,321	\$ 395,187,252

**ECTOR COUNTY HOSPITAL DISTRICT
BALANCE SHEET - BLENDED
FEBRUARY 2018**

	<u>CURRENT YEAR</u>	<u>PRIOR FISCAL YEAR END</u>		<u>CURRENT YEAR CHANGE</u>
		<u>HOSPITAL AUDITED</u>	<u>PRO CARE AUDITED</u>	
ASSETS				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 30,226,520	\$ 28,613,702	\$ 3,182,405	\$ (1,569,587)
Investments	25,747,275	9,944,475	-	15,802,800
Patient Accounts Receivable - Gross	360,624,975	261,880,248	31,937,883	66,806,844
Less: 3rd Party Allowances	(145,954,223)	(111,292,583)	(19,277,473)	(15,384,167)
Bad Debt Allowance	(164,802,862)	(129,731,137)	(7,312,604)	(27,759,122)
Net Patient Accounts Receivable	49,867,890	20,856,528	5,347,806	23,663,555
Taxes Receivable	8,272,680	7,863,699	-	408,981
Accounts Receivable - Other	25,537,627	24,080,983	3,400,671	(1,944,027)
Inventories	7,196,479	6,963,047	239,016	(5,585)
Prepaid Expenses	4,895,116	3,944,229	345,688	605,200
Total Current Assets	<u>151,743,588</u>	<u>102,266,665</u>	<u>12,515,586</u>	<u>36,961,337</u>
CAPITAL ASSETS:				
Property and Equipment	459,754,763	455,174,078	517,888	4,062,797
Construction in Progress	664,683	1,173,137	-	(508,455)
	<u>460,419,446</u>	<u>456,347,215</u>	<u>517,888</u>	<u>3,554,343</u>
Less: Accumulated Depreciation and Amortization	<u>(263,406,604)</u>	<u>(254,567,501)</u>	<u>(285,754)</u>	<u>(8,553,348)</u>
Total Capital Assets	<u>197,012,842</u>	<u>201,779,714</u>	<u>232,134</u>	<u>(4,999,006)</u>
INTANGIBLE ASSETS / GOODWILL - NET	342,798	115,702	315,368	(88,272)
RESTRICTED ASSETS:				
Restricted Assets Held by Trustee	6,138,446	4,673,001	-	1,465,445
Restricted Assets Held in Endowment	6,204,799	6,224,654	-	(19,855)
Restricted TPC, LLC	447,620	500,676	-	(53,056)
Restricted MCH West Texas Services	2,055,238	1,985,952	-	69,286
Pension, Deferred Outflows of Resources	31,204,964	31,204,964	-	-
Assets whose use is Limited	36,957	-	15,603	21,354
TOTAL ASSETS	<u>\$ 395,187,252</u>	<u>\$ 348,751,327</u>	<u>\$ 13,078,691</u>	<u>\$ 33,357,233</u>
LIABILITIES AND FUND BALANCE				
CURRENT LIABILITIES:				
Current Maturities of Long-Term Debt	\$ 4,637,900	\$ 4,637,900	\$ -	\$ -
Self-Insurance Liability - Current Portion	3,833,600	3,833,600	-	-
Accounts Payable	42,845,082	8,584,204	5,605,329	28,655,548
Accrued Interest	1,369,872	49,802	-	1,320,070
Accrued Salaries and Wages	14,763,324	5,909,425	6,391,578	2,462,321
Accrued Compensated Absences	4,513,153	4,316,028	255,178	(58,053)
Due to Third Party Payors	1,013,661	1,158,950	-	(145,289)
Deferred Revenue	5,058,914	535,857	859,437	3,663,620
Total Current Liabilities	<u>78,035,506</u>	<u>29,025,765</u>	<u>13,111,522</u>	<u>35,898,218</u>
ACCRUED POST RETIREMENT BENEFITS	73,744,144	67,655,988	-	6,088,156
SELF-INSURANCE LIABILITIES - Less Current Portion	2,161,470	2,161,470	-	-
LONG-TERM DEBT - Less Current Maturities	48,594,235	49,892,633	-	(1,298,398)
Total Liabilities	<u>202,535,355</u>	<u>148,735,857</u>	<u>13,111,522</u>	<u>40,687,976</u>
FUND BALANCE	<u>192,651,897</u>	<u>200,015,470</u>	<u>(32,831)</u>	<u>(7,330,743)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 395,187,252</u>	<u>\$ 348,751,327</u>	<u>\$ 13,078,691</u>	<u>\$ 33,357,233</u>

**ECTOR COUNTY HOSPITAL DISTRICT
BLENDED OPERATIONS SUMMARY
FEBRUARY 2018**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<u>PATIENT REVENUE</u>										
Inpatient Revenue	\$ 49,035,618	\$ 49,446,616	-0.8%	\$ 44,564,333	10.0%	\$ 253,142,598	\$ 243,268,749	4.1%	\$ 224,932,147	12.5%
Outpatient Revenue	53,295,346	54,355,110	-1.9%	49,104,583	8.5%	270,635,035	273,275,640	-1.0%	251,308,841	7.7%
TOTAL PATIENT REVENUE	\$ 102,330,963	\$ 103,801,726	-1.4%	\$ 93,668,916	9.2%	\$ 523,777,633	\$ 516,544,390	1.4%	\$ 476,240,988	10.0%
<u>DEDUCTIONS FROM REVENUE</u>										
Contractual Adjustments	\$ 67,714,805	\$ 61,096,331	10.8%	\$ 53,335,682	27.0%	\$ 343,860,274	\$ 303,983,750	13.1%	\$ 277,091,981	24.1%
Policy Adjustments	216,901	6,742,726	-96.8%	4,626,994	-95.3%	11,792,016	33,475,231	-64.8%	29,311,744	-59.8%
Uninsured Discount	6,712,810	3,314,865	102.5%	2,060,260	225.8%	28,069,764	16,472,990	70.4%	15,537,748	80.7%
Indigent	1,570,513	2,250,027	-30.2%	1,975,682	-20.5%	2,606,293	11,183,845	-76.7%	11,400,836	-77.1%
Provision for Bad Debts	6,620,237	9,678,438	-31.6%	12,429,032	-46.7%	34,964,748	48,032,007	-27.2%	41,657,120	-16.1%
TOTAL REVENUE DEDUCTIONS	\$ 82,835,266	\$ 83,082,387	-0.3%	\$ 74,427,651	11.3%	\$ 421,293,096	\$ 413,147,824	2.0%	\$ 374,999,429	12.3%
	80.95%	80.04%		79.46%		80.43%	79.98%		78.74%	
<u>OTHER PATIENT REVENUE</u>										
Medicaid Supplemental Payments	\$ 1,156,242	\$ 1,156,242	0.0%	\$ (8,551)	-13622.2%	\$ 5,781,212	5,781,212	0.0%	\$ 936,701	517.2%
DSRIP	1,000,000	1,000,000	0.0%	1,000,000	0.0%	4,773,262	5,000,000	-4.5%	5,000,000	-4.5%
Medicaid Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Medicare Meaningful Use Subsidy	132,051	-	0.0%	-	0.0%	132,051	-	0.0%	-	0.0%
TOTAL OTHER PATIENT REVENUE	\$ 2,288,293	\$ 2,156,242	6.1%	\$ 991,449	130.8%	\$ 10,686,525	\$ 10,781,212	-0.9%	\$ 5,936,701	80.0%
NET PATIENT REVENUE	\$ 21,783,990	\$ 22,875,582	-4.8%	\$ 20,232,714	7.7%	\$ 113,171,062	\$ 114,177,778	-0.9%	\$ 107,178,260	5.6%
<u>OTHER REVENUE</u>										
Tax Revenue	\$ 5,915,478	\$ 5,034,649	17.5%	\$ 4,157,644	42.3%	\$ 26,340,864	\$ 23,538,250	11.9%	\$ 18,222,283	44.6%
Other Revenue	845,337	926,724	-8.8%	969,099	-12.8%	3,909,842	4,514,271	-13.4%	4,380,961	-10.8%
TOTAL OTHER REVENUE	\$ 6,760,815	\$ 5,961,373	13.4%	\$ 5,126,743	31.9%	\$ 30,250,706	\$ 28,052,521	7.8%	\$ 22,603,243	33.8%
NET OPERATING REVENUE	\$ 28,544,806	\$ 28,836,955	-1.0%	\$ 25,359,457	12.6%	\$ 143,421,768	\$ 142,230,298	0.8%	\$ 129,781,503	10.5%
<u>OPERATING EXPENSES</u>										
Salaries and Wages	\$ 12,220,154	\$ 12,045,273	1.5%	\$ 11,494,963	6.3%	\$ 64,006,464	\$ 62,336,704	2.7%	\$ 61,204,121	4.6%
Benefits	3,606,626	3,880,222	-7.1%	2,457,220	46.8%	18,014,732	19,199,461	-6.2%	14,994,499	20.1%
Temporary Labor	840,085	883,779	-4.9%	1,121,135	-25.1%	4,811,792	4,623,196	4.1%	5,004,737	-3.9%
Physician Fees	1,216,387	1,223,429	-0.6%	340,100	257.7%	7,115,150	6,219,232	14.4%	1,795,545	296.3%
Texas Tech Support	26,866	1,000,000	-97.3%	-	-	4,026,866	5,000,000	-19.5%	-	-
Purchased Services	2,344,645	2,255,586	3.9%	2,486,929	-5.7%	10,499,904	11,229,928	-6.5%	11,774,055	-10.8%
Supplies	4,676,887	4,329,618	8.0%	4,535,886	3.1%	23,736,263	22,385,878	6.0%	23,075,816	2.9%
Utilities	335,742	325,011	3.3%	341,304	-1.6%	1,684,489	1,639,153	2.8%	1,727,371	-2.5%
Repairs and Maintenance	1,055,997	1,152,872	-8.4%	943,199	12.0%	4,938,406	5,887,237	-16.1%	4,939,467	0.0%
Leases and Rent	199,041	126,137	57.8%	113,572	75.3%	703,760	658,207	6.9%	621,678	13.2%
Insurance	130,902	114,760	14.1%	148,690	-12.0%	650,781	573,550	13.5%	688,625	-5.5%
Interest Expense	268,946	274,228	-1.9%	263,627	2.0%	1,375,580	1,376,119	0.0%	1,318,137	4.4%
ECHDA	28,158	41,626	-32.4%	22,573	24.7%	144,007	221,692	-35.0%	144,307	-0.2%
Other Expense	278,894	185,643	50.2%	159,920	74.4%	925,232	1,061,303	-12.8%	898,146	3.0%
TOTAL OPERATING EXPENSES	\$ 27,229,332	\$ 27,838,184	-2.2%	\$ 24,429,117	11.5%	\$ 142,633,427	\$ 142,411,659	0.2%	\$ 128,186,502	11.3%
Depreciation/Amortization	\$ 1,646,747	\$ 1,877,752	-12.3%	\$ 1,575,646	4.5%	\$ 8,641,620	\$ 9,504,999	-9.1%	\$ 8,129,575	6.3%
(Gain) Loss on Sale of Assets	-	-	0.0%	-	0.0%	(452)	-	0.0%	-	0.0%
TOTAL OPERATING COSTS	\$ 28,876,080	\$ 29,715,937	-2.8%	\$ 26,004,763	11.0%	\$ 151,274,595	\$ 151,916,658	-0.4%	\$ 136,316,076	11.0%
NET GAIN (LOSS) FROM OPERATIONS	\$ (331,274)	\$ (878,982)	-62.3%	\$ (645,306)	-48.7%	\$ (7,852,827)	\$ (9,686,360)	-18.9%	\$ (6,534,573)	20.2%
Operating Margin	-1.16%	-3.05%	-61.9%	-2.54%	-54.4%	-5.48%	-6.81%	-19.6%	-5.04%	8.7%
<u>NONOPERATING REVENUE/EXPENSE</u>										
Interest Income	\$ 13,168	\$ 26,069	-49.5%	\$ 34,591	-61.9%	\$ 135,385	\$ 125,544	7.8%	\$ 165,815	-18.4%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	-	-	-
Donations	-	12,790	-100.0%	30,040	-100.0%	923	12,790	-92.8%	44,205	-97.9%
Build America Bonds Subsidy	84,956	84,323	0.8%	83,690	1.5%	422,338	421,615	0.2%	420,621	0.4%
CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY	\$ (233,150)	\$ (755,800)	-69.2%	\$ (496,984)	-53.1%	\$ (7,294,182)	\$ (9,126,411)	-20.1%	\$ (5,903,932)	23.5%
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ -	-	\$ (52,622)	\$ -	0.0%	\$ (423,757)	-87.6%
Investment in Subsidiaries	(45,370)	39,019	-216.3%	31,398	-244.5%	16,061	195,097	-91.8%	93,074	-82.7%
CHANGE IN NET POSITION	\$ (278,521)	\$ (716,781)	-61.1%	\$ (465,587)	-40.2%	\$ (7,330,743)	\$ (8,931,314)	-17.9%	\$ (6,234,615)	17.6%
EBIDA	\$ 1,637,173	\$ 1,435,200	14.1%	\$ 1,373,687	19.2%	\$ 2,686,457	\$ 1,949,804	37.8%	\$ 3,213,096	-16.4%

**ECTOR COUNTY HOSPITAL DISTRICT
HOSPITAL OPERATIONS SUMMARY
FEBRUARY 2018**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Inpatient Revenue	\$ 49,035,618	\$ 49,446,616	-0.8%	\$ 44,564,333	10.0%	\$ 253,142,598	\$ 243,268,749	4.1%	\$ 224,932,147	12.5%
Outpatient Revenue	41,324,447	42,622,959	-3.0%	37,361,816	10.6%	204,929,399	213,139,697	-3.9%	188,800,611	8.5%
TOTAL PATIENT REVENUE	\$ 90,360,065	\$ 92,069,575	-1.9%	\$ 81,926,149	10.3%	\$ 458,071,998	\$ 456,408,446	0.4%	\$ 413,732,758	10.7%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 60,558,283	\$ 53,841,996	12.5%	\$ 45,726,241	32.4%	\$ 307,687,869	\$ 266,893,635	15.3%	\$ 236,379,496	30.2%
Policy Adjustments	(73,818)	6,473,142	-101.1%	4,618,036	-101.6%	10,447,621	32,087,228	-67.4%	29,093,516	-64.1%
Uninsured Discount	6,612,128	3,018,268	119.1%	1,678,912	293.8%	27,621,343	14,961,489	84.6%	13,438,438	105.5%
Indigent Care	1,476,949	2,051,805	-28.0%	1,810,003	-18.4%	2,263,432	10,170,755	-77.7%	10,301,582	-78.0%
Provision for Bad Debts	5,663,367	9,025,717	-37.3%	11,517,697	-50.8%	23,403,247	44,740,289	-47.7%	37,904,269	-38.3%
TOTAL REVENUE DEDUCTIONS	\$ 74,236,910	\$ 74,410,928	-0.2%	\$ 65,350,889	13.6%	\$ 371,423,513	\$ 368,853,396	0.7%	\$ 327,117,302	13.5%
	82.16%	80.82%		79.77%		81.08%	80.82%		79.06%	
OTHER PATIENT REVENUE										
Medicaid Supplemental Payments	\$ 281,242	\$ 281,242	0.0%	\$ (883,551)	-131.8%	\$ 1,406,212	\$ 1,406,212	0.0%	\$ (3,438,299)	-140.9%
DSRIP	1,000,000	1,000,000	0.0%	1,000,000	0.0%	4,773,262	5,000,000	-4.5%	5,000,000	-4.5%
Medicare Meaningful Use Subsidy	132,051	-	0.0%	-	0.0%	132,051	-	0.0%	-	0.0%
TOTAL OTHER PATIENT REVENUE	\$ 1,413,293	\$ 1,281,242	10.3%	\$ 116,449	1113.7%	\$ 6,311,525	\$ 6,406,212	-1.5%	\$ 1,561,701	304.1%
NET PATIENT REVENUE	\$ 17,536,448	\$ 18,939,889	-7.4%	\$ 16,691,709	5.1%	\$ 92,960,009	\$ 93,961,262	-1.1%	\$ 88,177,157	5.4%
OTHER REVENUE										
Tax Revenue	\$ 5,915,478	\$ 5,034,649	17.5%	\$ 4,157,644	42.3%	\$ 26,340,864	\$ 23,538,250	11.9%	\$ 18,222,283	44.6%
Other Revenue	717,966	788,674	-9.0%	829,676	-13.5%	3,218,876	3,831,131	-16.0%	3,710,815	-13.3%
TOTAL OTHER REVENUE	\$ 6,633,444	\$ 5,823,323	13.9%	\$ 4,987,320	33.0%	\$ 29,559,740	\$ 27,369,381	8.0%	\$ 21,933,098	34.8%
NET OPERATING REVENUE	\$ 24,169,892	\$ 24,763,213	-2.4%	\$ 21,679,029	11.5%	\$ 122,519,749	\$ 121,330,642	1.0%	\$ 110,110,255	11.3%
OPERATING EXPENSE										
Salaries and Wages	\$ 8,426,905	\$ 7,945,416	6.1%	\$ 7,710,157	9.3%	\$ 44,319,794	\$ 41,614,456	6.5%	\$ 42,287,265	4.8%
Benefits	3,136,983	3,358,247	-6.6%	1,881,120	66.8%	15,738,523	16,738,632	-6.0%	12,241,177	28.6%
Temporary Labor	626,872	700,329	-10.5%	784,430	-20.1%	3,630,773	3,523,043	3.1%	3,896,749	-6.8%
Physician Fees	1,065,450	1,073,925	-0.8%	77,522	1274.4%	6,289,145	5,388,121	16.7%	352,663	1683.3%
Texas Tech Support	26,866	1,000,000	-97.3%	-	0.0%	4,026,866	5,000,000	-19.5%	-	0.0%
Purchased Services	2,245,181	2,285,451	-1.8%	2,581,368	-13.0%	10,789,807	11,619,470	-7.1%	12,308,924	-12.3%
Supplies	4,578,874	4,207,332	8.8%	4,402,936	4.0%	22,968,104	21,739,930	5.6%	22,371,960	2.7%
Utilities	332,549	320,596	3.7%	338,405	-1.7%	1,666,990	1,618,688	3.0%	1,706,949	-2.3%
Repairs and Maintenance	1,055,210	1,151,620	-8.4%	943,199	11.9%	4,933,910	5,880,797	-16.1%	4,934,419	0.0%
Leases and Rentals	(26,614)	(61,405)	-56.7%	(56,813)	-53.2%	(271,909)	(278,422)	-2.3%	(266,106)	2.2%
Insurance	81,837	64,092	27.7%	103,055	-20.6%	414,834	320,462	29.4%	455,323	-8.9%
Interest Expense	268,946	274,228	-1.9%	263,627	2.0%	1,375,580	1,376,119	0.0%	1,318,137	4.4%
ECHDA	28,158	41,626	-32.4%	22,573	24.7%	144,007	221,692	-35.0%	144,307	-0.2%
Other Expense	227,389	125,112	81.7%	87,793	159.0%	599,851	647,101	-7.3%	540,343	11.0%
TOTAL OPERATING EXPENSES	\$ 22,074,607	\$ 22,486,571	-1.8%	\$ 19,139,373	15.3%	\$ 116,626,274	\$ 115,410,090	1.1%	\$ 102,292,109	14.0%
Depreciation/Amortization	\$ 1,623,866	\$ 1,854,869	-12.5%	\$ 1,547,503	4.9%	\$ 8,523,183	\$ 9,380,902	-9.1%	\$ 7,988,860	6.7%
(Gain)/Loss on Disposal of Assets	-	-	0.0%	-	0.0%	(452)	-	100.0%	-	0.0%
TOTAL OPERATING COSTS	\$ 23,698,474	\$ 24,341,440	-2.6%	\$ 20,686,876	14.6%	\$ 125,149,006	\$ 124,790,993	0.3%	\$ 110,280,970	13.5%
NET GAIN (LOSS) FROM OPERATIONS	\$ 471,418	\$ 421,773	11.8%	\$ 992,153	-52.5%	\$ (2,629,257)	\$ (3,460,351)	-24.0%	\$ (170,715)	1440.1%
Operating Margin	1.95%	1.70%	14.5%	4.58%	-57.4%	-2.15%	-2.85%	-24.8%	-0.16%	1284.2%
NONOPERATING REVENUE/EXPENSE										
Interest Income	\$ 13,168	\$ 26,069	-49.5%	\$ 34,591	-61.9%	\$ 135,385	\$ 125,544	7.8%	\$ 165,815	-18.4%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	-	-	0.0%
Donations	-	12,790	-100.0%	30,040	-100.0%	923	12,790	-92.8%	44,205	-97.9%
Build America Bonds Subsidy	84,956	84,323	0.8%	83,690	1.5%	422,338	421,615	0.2%	420,621	0.4%
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTION	\$ 569,542	\$ 544,954	4.5%	\$ 1,140,475	-50.1%	\$ (2,070,611)	\$ (2,900,402)	-28.6%	\$ 459,926	-550.2%
Procure Capital Contribution	(498,054)	(1,396,783)	-64.3%	(1,684,340)	-70.4%	(6,166,928)	(6,051,106)	1.9%	(6,439,044)	-4.2%
CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY	\$ 71,488	\$ (851,828)	-108.4%	\$ (543,865)	-113.1%	\$ (8,237,539)	\$ (8,951,508)	-8.0%	\$ (5,979,118)	37.8%
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ -	0.0%	\$ (52,622)	\$ -	0.0%	\$ (423,757)	-87.6%
Investment in Subsidiaries	(45,370)	39,019	-216.3%	31,398	-244.5%	16,061	195,097	-91.8%	93,074	-82.7%
CHANGE IN NET POSITION	\$ 26,117	\$ (812,809)	-103.2%	\$ (512,468)	-105.1%	\$ (8,274,100)	\$ (8,756,411)	-5.5%	\$ (6,309,801)	31.1%
EBIDA	\$ 1,918,930	\$ 1,316,288	45.8%	\$ 1,298,663	47.8%	\$ 1,624,662	\$ 2,000,610	-18.8%	\$ 2,997,196	-45.8%

**ECTOR COUNTY HOSPITAL DISTRICT
PROCARE OPERATIONS SUMMARY
FEBRUARY 2018**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 11,970,899	\$ 11,732,152	2.0%	\$ 11,742,767	1.9%	\$ 65,705,636	\$ 60,135,944	9.3%	\$ 62,508,230	5.1%
TOTAL PATIENT REVENUE	\$ 11,970,899	\$ 11,732,152	2.0%	\$ 11,742,767	1.9%	\$ 65,705,636	\$ 60,135,944	9.3%	\$ 62,508,230	5.1%
DEDUCTIONS FROM REVENUE										
TOTAL REVENUE DEDUCTIONS	\$ 8,598,356	\$ 8,671,459	-0.8%	\$ 9,076,762	-5.3%	\$ 49,869,583	\$ 44,294,428	12.6%	\$ 47,882,127	4.2%
	71.83%	73.91%		77.30%		75.90%	73.66%		76.60%	
Medicaid Supplemental Payments	\$ 875,000	\$ 875,000	0.0%	\$ 875,000	0.0%	4,375,000	4,375,000	0.0%	\$ 4,375,000	0.0%
NET PATIENT REVENUE	\$ 4,247,542	\$ 3,935,692	7.9%	\$ 3,541,005	20.0%	\$ 20,211,053	\$ 20,216,516	0.0%	\$ 19,001,103	6.4%
OTHER REVENUE										
Other Income	\$ 127,371	\$ 138,050	-7.7%	\$ 139,423	-8.6%	\$ 690,966	\$ 683,140	1.1%	\$ 670,145	3.1%
TOTAL OTHER REVENUE										
NET OPERATING REVENUE	\$ 4,374,914	\$ 4,073,742	7.4%	\$ 3,680,428	18.9%	\$ 20,902,019	\$ 20,899,656	0.0%	\$ 19,671,248	6.3%
OPERATING EXPENSE										
Salaries and Wages	\$ 3,793,249	\$ 4,099,857	-7.5%	\$ 3,784,806	0.2%	\$ 19,686,669	\$ 20,722,247	-5.0%	\$ 18,916,855	4.1%
Benefits	469,643	521,974	-10.0%	576,100	-18.5%	2,276,209	2,460,829	-7.5%	2,753,322	-17.3%
Temporary Labor	213,213	183,449	16.2%	336,705	-36.7%	1,181,019	1,100,153	7.4%	1,107,987	6.6%
Physician Fees	150,937	149,503	1.0%	262,578	-42.5%	826,005	831,111	-0.6%	1,442,882	-42.8%
Purchased Services	99,464	(29,864)	-433.1%	(94,439)	-205.3%	(289,903)	(389,542)	-25.6%	(534,869)	-45.8%
Supplies	98,014	122,286	-19.8%	132,949	-26.3%	768,159	645,947	18.9%	703,856	9.1%
Utilities	3,192	4,415	-27.7%	2,899	10.1%	17,499	20,465	-14.5%	20,422	-14.3%
Repairs and Maintenance	787	1,252	-37.1%	-	0.0%	4,497	6,440	-30.2%	5,049	-10.9%
Leases and Rentals	225,655	187,542	20.3%	170,385	32.4%	975,670	936,629	4.2%	887,784	9.9%
Insurance	49,066	50,668	-3.2%	45,634	7.5%	235,947	253,088	-6.8%	233,302	1.1%
Other Expense	51,505	60,532	-14.9%	72,127	-28.6%	325,381	414,202	-21.4%	357,803	-9.1%
TOTAL OPERATING EXPENSES	\$ 5,154,725	\$ 5,351,614	-3.7%	\$ 5,289,744	-2.6%	\$ 26,007,152	\$ 27,001,569	-3.7%	\$ 25,894,392	0.4%
Depreciation/Amortization	\$ 22,881	\$ 22,883	0.0%	\$ 28,143	-18.7%	\$ 118,437	\$ 124,096	-4.6%	\$ 140,714	-15.8%
(Gain)/Loss on Sale of Assets	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING COSTS	\$ 5,177,606	\$ 5,374,497	-3.7%	\$ 5,317,887	-2.6%	\$ 26,125,590	\$ 27,125,665	-3.7%	\$ 26,035,107	0.3%
NET GAIN (LOSS) FROM OPERATIONS	\$ (802,692)	\$ (1,300,754)	-38.3%	\$ (1,637,459)	-51.0%	\$ (5,223,571)	\$ (6,226,009)	-16.1%	\$ (6,363,858)	-17.9%
Operating Margin	-18.35%	-31.93%	-42.5%	-44.49%	-58.8%	-24.99%	-29.79%	-16.1%	-32.35%	-22.8%
MCH Contribution	\$ 498,054	\$ 1,300,754	-61.7%	\$ 1,684,340	-70.4%	\$ 6,166,929	\$ 6,226,009	-0.9%	\$ 6,439,044	-4.2%
CAPITAL CONTRIBUTION	\$ (304,638)	\$ -	-100.0%	\$ 46,881	-749.8%	\$ 943,358	\$ -	-100.0%	\$ 75,186	1154.7%
EBIDA	\$ (281,757)	\$ 22,883	-1331.3%	\$ 75,024	-475.6%	\$ 1,061,795	\$ 124,096	755.6%	\$ 215,900	391.8%

MONTHLY STATISTICAL REPORT

	CURRENT MONTH					YEAR TO DATE				
Total Office Visits	9,694	9,283	4.43%	9,529	1.73%	50,880	46,766	8.80%	45,854	10.96%
Total Hospital Visits	4,943	4,647	6.37%	4,083	21.06%	24,784	23,593	5.05%	20,792	19.20%
Total Procedures	10,929	9,055	20.70%	9,357	16.80%	60,482	45,031	34.31%	44,858	34.83%
Total Surgeries	783	741	5.67%	810	-3.33%	4,251	3,924	8.33%	3,806	11.69%
Total Provider FTE's	93.4	93.8	-0.38%	93.4	0.00%	87.2	93.8	-6.99%	86.5	0.81%
Total Staff FTE's	126.1	134.2	-6.03%	131.1	-3.81%	127.6	134.2	-4.91%	123.8	3.07%
Total Administrative FTE's	8.1	38.0	-78.68%	32.9	-75.38%	23.0	38.0	-39.47%	33.7	-31.75%
Total FTE's	227.6	265.9	-14.42%	257.4	-11.58%	237.8	265.9	-10.58%	244.0	-2.54%

**ECTOR COUNTY HOSPITAL DISTRICT
CENTER FOR PRIMARY CARE CLEMENTS - OPERATIONS SUMMARY
FEBRUARY 2018**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 297,045	\$ 469,653	-36.8%	\$ 461,076	-35.6%	\$ 1,842,350	\$ 2,087,730	-11.8%	\$ 2,000,439	-7.9%
TOTAL PATIENT REVENUE	\$ 297,045	\$ 469,653	-36.8%	\$ 461,076	-35.6%	\$ 1,842,350	\$ 2,087,730	-11.8%	\$ 2,000,439	-7.9%
DEDUCTIONS FROM REVENUE										
TOTAL REVENUE DEDUCTIONS	\$ 239,121	\$ 243,199	-1.7%	\$ 255,742	-6.5%	\$ 1,483,831	\$ 1,205,533	23.1%	\$ 1,155,778	28.4%
	80.5%	51.8%		55.5%		80.5%	57.7%		57.8%	
NET PATIENT REVENUE	\$ 57,924	\$ 226,454	-74.4%	\$ 205,334	-71.8%	\$ 358,520	\$ 882,197	-59.4%	\$ 844,661	-57.6%
OTHER REVENUE										
FHC Other Revenue	\$ -	\$ 8,802	0.0%	\$ -	0.0%	\$ 10,595	\$ 44,012	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ 8,802	-100.0%	\$ -	0.0%	\$ 10,595	\$ 44,012	-75.9%	\$ -	0.0%
NET OPERATING REVENUE	\$ 57,924	\$ 235,257	-75.4%	\$ 205,334	-71.8%	\$ 369,114	\$ 926,209	-60.1%	\$ 844,661	-56.3%
OPERATING EXPENSE										
Salaries and Wages	\$ 22,372	\$ 26,826	-16.6%	\$ 30,280	-26.1%	\$ 138,090	\$ 144,670	-4.5%	\$ 169,119	-18.3%
Benefits	8,328	11,339	-26.6%	7,388	12.7%	49,038	58,191	-15.7%	48,956	0.2%
Physician Services	224,101	252,602	-11.3%	258,726	-13.4%	873,502	1,321,870	-33.9%	1,142,245	-23.5%
Cost of Drugs Sold	9,134	5,238	74.4%	6,212	47.0%	23,045	23,351	-1.3%	27,117	-15.0%
Supplies	2,695	9,248	-70.9%	5,054	-46.7%	19,373	82,131	-76.4%	44,432	-56.4%
Utilities	(18,085)	4,639	-489.9%	5,896	-406.7%	19,210	24,953	-23.0%	28,026	-31.5%
Repairs and Maintenance	4,424	2,667	65.9%	3,804	16.3%	29,291	13,336	119.6%	18,628	57.2%
Leases and Rentals	275	500	-45.0%	455	-39.5%	1,974	2,500	-21.0%	2,364	-16.5%
Other Expense	1,160	1,019	13.9%	2,200	-47.3%	5,360	5,594	-4.2%	6,479	-17.3%
TOTAL OPERATING EXPENSES	\$ 254,406	\$ 314,077	-19.0%	\$ 320,016	-20.5%	\$ 1,158,883	\$ 1,676,596	-30.9%	\$ 1,487,366	-22.1%
Depreciation/Amortization	\$ 5,150	\$ 5,392	-4.5%	\$ 5,510	-6.5%	\$ 25,923	\$ 27,129	-4.4%	\$ 27,562	-5.9%
TOTAL OPERATING COSTS	\$ 259,556	\$ 319,469	-18.8%	\$ 325,526	-20.3%	\$ 1,184,806	\$ 1,703,726	-30.5%	\$ 1,514,927	-21.8%
NET GAIN (LOSS) FROM OPERATIONS	\$ (201,631)	\$ (84,212)	139.4%	\$ (120,192)	67.8%	\$ (815,692)	\$ (777,516)	4.9%	\$ (670,266)	21.7%
Operating Margin	-348.09%	-35.80%	872.4%	-58.53%	494.7%	-220.99%	-83.95%	163.2%	-79.35%	178.5%
EBIDA	\$ (196,481)	\$ (78,821)	149.3%	\$ (114,682)	71.3%	\$ (789,769)	\$ (750,387)	5.2%	\$ (642,705)	22.9%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Medical Visits	994	1,318	-24.6%	1,325	-25.0%	4,881	5,624	-13.2%	6,688	-27.0%
Dental Visits	-	728	-100.0%	678	-100.0%	350	3,471	-89.9%	3,208	-89.1%
Total Visits	994	2,046	-51.4%	2,003	-50.4%	5,231	9,095	-42.5%	9,896	-47.1%
Average Revenue per Office Visit	298.84	229.55	30.2%	230.19	29.8%	352.20	229.55	53.4%	202.15	74.2%
Hospital FTE's (Salaries and Wages)	3.0	4.3	-30.3%	5.1	-41.1%	3.3	4.3	-23.7%	5.2	-35.9%
Clinic FTE's - (Physician Services)	16.5	21.9	-24.7%	20.7	-20.5%	18.4	21.9	-15.7%	22.2	-17.0%

**ECTOR COUNTY HOSPITAL DISTRICT
CENTER FOR PRIMARY CARE WEST UNIVERSITY - OPERATIONS SUMMARY
FEBRUARY 2018**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<u>PATIENT REVENUE</u>										
Outpatient Revenue	\$ 367,379	\$ 264,163	39.1%	\$ 234,892	56.4%	\$ 1,660,377	\$ 1,362,908	21.8%	\$ 1,086,163	52.9%
TOTAL PATIENT REVENUE	\$ 367,379	\$ 264,163	39.1%	\$ 234,892	56.4%	\$ 1,660,377	\$ 1,362,908	21.8%	\$ 1,086,163	52.9%
<u>DEDUCTIONS FROM REVENUE</u>										
TOTAL REVENUE DEDUCTIONS	\$ 320,354	\$ 145,602	120.0%	\$ 211,041	51.8%	\$ 1,447,340	\$ 721,748	100.5%	\$ 819,136	76.7%
	87.20%	55.12%		89.85%		87.17%	52.96%		75.42%	
NET PATIENT REVENUE	\$ 47,025	\$ 118,560	-60.3%	\$ 23,851	97.2%	\$ 213,037	\$ 641,160	-66.8%	\$ 267,027	-20.2%
<u>OTHER REVENUE</u>										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
NET OPERATING REVENUE	\$ 47,025	\$ 118,560	-60.3%	\$ 23,851	97.2%	\$ 213,037	\$ 641,160	-66.8%	\$ 267,027	-20.2%
<u>OPERATING EXPENSE</u>										
Salaries and Wages	\$ 3,157	\$ 3,021	4.5%	\$ 3,812	-17.2%	\$ 17,103	\$ 16,292	5.0%	\$ 17,021	0.5%
Benefits	1,175	1,277	-8.0%	930	26.3%	6,074	6,553	-7.3%	4,927	23.3%
Physician Services	87,606	154,952	-43.5%	130,285	-32.8%	530,802	795,045	-33.2%	702,945	-24.5%
Cost of Drugs Sold	1,945	2,039	-4.6%	5,622	-65.4%	14,642	10,519	39.2%	11,008	33.0%
Supplies	(544)	5,730	-109.5%	4,088	-113.3%	24,244	29,508	-17.8%	28,893	-16.1%
Utilities	3,404	2,176	56.4%	1,951	74.5%	13,242	10,754	23.1%	12,013	10.2%
Repairs and Maintenance	-	833	-100.0%	960	-100.0%	1,316	4,167	-68.4%	8,388	-84.3%
Other Expense	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING EXPENSES	\$ 96,744	\$ 170,028	-43.1%	\$ 147,647	-34.5%	\$ 607,424	\$ 872,836	-30.4%	\$ 785,196	-22.6%
Depreciation/Amortization	\$ 40,154	\$ 39,985	0.4%	\$ 41,241	-2.6%	\$ 200,430	\$ 199,923	0.3%	\$ 206,205	-2.8%
TOTAL OPERATING COSTS	\$ 136,897	\$ 210,012	-34.8%	\$ 188,888	-27.5%	\$ 807,854	\$ 1,072,759	-24.7%	\$ 991,401	-18.5%
NET GAIN (LOSS) FROM OPERATIONS	\$ (89,873)	\$ (91,452)	-1.7%	\$ (165,037)	-45.5%	\$ (594,817)	\$ (431,599)	37.8%	\$ (724,374)	-17.9%
Operating Margin	-191.12%	-77.14%	147.8%	-691.95%	-72.4%	-279.21%	-67.32%	314.8%	-271.27%	2.9%
EBIDA	\$ (49,719)	\$ (51,468)	-3.4%	\$ (123,796)	-59.8%	\$ (394,386)	\$ (231,676)	70.2%	\$ (518,169)	-23.9%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Medical Visits	648	786	-17.6%	665	-2.6%	3,337	3,872	-13.8%	3,319	0.5%
Optometry Visits	227	216	5.1%	206	10.2%	1,322	1,299	1.8%	1,237	6.9%
Total Visits	875	1,002	-12.7%	871	0.5%	4,659	5,171	-9.9%	4,556	2.3%
Average Revenue per Office Visit	419.86	263.64	59.3%	269.68	55.7%	356.38	263.56	35.2%	238.40	49.5%
Hospital FTE's (Salaries and Wages)	1.0	1.0	2.5%	1.1	-14.1%	1.0	1.0	3.5%	1.0	-2.5%
Clinic FTE's - (Physician Services)	9.4	12.9	-27.1%	14.9	-36.9%	12.4	12.9	-3.9%	15.0	-17.4%

**ECTOR COUNTY HOSPITAL DISTRICT
FEBRUARY 2018**

REVENUE BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 34,787,767	38.5%	\$ 36,224,519	44.2%	\$ 175,655,545	38.4%	\$ 173,285,230	41.9%
Medicaid	8,761,871	9.7%	7,349,576	9.0%	42,515,098	9.3%	43,936,520	10.6%
Commercial	23,211,043	25.7%	21,368,713	26.1%	128,795,559	28.1%	112,100,533	27.1%
Self Pay	19,697,200	21.8%	11,379,677	13.9%	89,900,607	19.6%	51,277,984	12.4%
Other	3,902,184	4.3%	5,603,664	6.8%	21,205,189	4.6%	33,132,489	8.0%
TOTAL	\$ 90,360,065	100.0%	\$ 81,926,149	100.0%	\$ 458,071,998	100.0%	\$ 413,732,758	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 6,556,362	39.7%	\$ 4,888,937	31.2%	\$ 33,275,272	38.1%	\$ 25,187,224	30.1%
Medicaid	1,756,782	10.6%	1,784,282	11.4%	7,351,530	8.4%	8,380,849	10.0%
Commercial	6,296,911	38.2%	6,468,575	41.3%	31,540,178	36.0%	36,958,046	44.3%
Self Pay	1,337,054	8.1%	1,192,736	7.6%	6,298,538	7.2%	6,520,914	7.8%
Other	554,356	3.4%	1,338,038	8.5%	9,046,272	10.3%	6,557,690	7.8%
TOTAL	\$ 16,501,465	100.0%	\$ 15,672,568	100.0%	\$ 87,511,788	100.0%	\$ 83,604,722	100.0%
TOTAL NET REVENUE	16,123,155		16,575,260		86,648,484		86,615,457	
% OF GROSS REVENUE	17.8%		20.2%		18.9%		20.9%	
VARIANCE	378,310		(902,692)		863,304		(3,010,734)	
% VARIANCE TO CASH COLLECTIONS	2.3%		-5.4%		1.0%		-3.5%	

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC CLEMENTS
FEBRUARY 2018**

REVENUE BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 34,234	11.5%	\$ 51,513	11.2%	\$ 185,593	10.1%	\$ 222,639	11.1%
Medicaid	103,835	35.0%	139,242	30.2%	672,757	36.5%	603,985	30.3%
PHC	-	0.0%	135,594	29.4%	26,544	1.4%	603,292	30.2%
Commercial	58,216	19.6%	60,161	13.0%	372,592	20.2%	274,544	13.7%
Self Pay	100,110	33.7%	59,748	13.0%	581,567	31.6%	237,032	11.8%
Other	650	0.2%	14,818	3.2%	3,297	0.2%	58,948	2.9%
TOTAL	\$ 297,045	100.0%	\$ 461,076	100.0%	\$ 1,842,350	100.0%	\$ 2,000,439	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 1,457	2.5%	\$ 11,650	6.8%	\$ 13,854	5.4%	\$ 61,810	8.2%
Medicaid	19,894	33.5%	100,597	58.9%	69,362	27.1%	388,787	51.7%
PHC	81	0.1%	16,568	9.7%	5,626	2.2%	89,715	11.9%
Commercial	18,542	31.3%	21,137	12.4%	76,945	30.0%	99,587	13.3%
Self Pay	19,316	32.5%	20,857	12.2%	90,159	35.2%	111,633	14.9%
Other	80	0.1%	-	0.0%	314	0.1%	46	0.0%
TOTAL	\$ 59,370	100.0%	\$ 170,808	100.0%	\$ 256,260	100.0%	\$ 751,578	100.0%
TOTAL NET REVENUE	57,924		205,334		358,520		844,661	
% OF GROSS REVENUE	19.5%		44.5%		19.5%		42.2%	
VARIANCE	1,445		(34,526)		(102,260)		(93,083)	
% VARIANCE TO CASH COLLECTIONS	2.5%		-16.8%		-28.5%		-11.0%	

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC WEST UNIVERSITY
FEBRUARY 2018**

REVENUE BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 41,795	11.4%	\$ 42,254	18.0%	\$ 199,780	12.0%	\$ 200,317	18.4%
Medicaid	160,737	43.8%	84,466	36.0%	767,162	46.3%	413,501	38.1%
PHC	11,018	3.0%	42,723	18.2%	48,377	2.9%	169,631	15.6%
Commercial	76,408	20.8%	35,019	14.9%	320,825	19.3%	172,337	15.9%
Self Pay	76,893	20.9%	23,743	10.1%	320,578	19.3%	93,673	8.6%
Other	528	0.1%	6,687	2.8%	3,655	0.2%	36,704	3.4%
TOTAL	\$ 367,379	100.0%	\$ 234,892	100.0%	\$ 1,660,377	100.0%	\$ 1,086,163	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 910	3.2%	\$ 13,762	16.5%	\$ 7,962.52	5.8%	\$ 65,565	23.9%
Medicaid	3,341	11.7%	42,225	50.8%	35,727	26.2%	85,465	31.1%
PHC	137	0.5%	4,929	5.9%	3,393	2.5%	19,290	7.0%
Commercial	10,311	36.1%	11,119	13.4%	35,977	26.4%	50,178	18.3%
Self Pay	13,714	48.0%	11,131	13.4%	52,938	38.8%	54,034	19.7%
Other	149	0.5%	-	0.0%	457	0.3%	195	0.1%
TOTAL	\$ 28,561	100.0%	\$ 83,166	100.0%	\$ 136,456	100.0%	\$ 274,728	100.0%
TOTAL NET REVENUE	47,025		23,851		213,037		267,027	
% OF GROSS REVENUE	12.8%		10.2%		12.8%		24.6%	
VARIANCE	(18,464)		59,315		(76,582)		7,700	
% VARIANCE TO CASH COLLECTIONS	-39.3%		248.7%		-35.9%		2.9%	

**ECTOR COUNTY HOSPITAL DISTRICT
SCHEDULE OF CASH AND INVESTMENTS - HOSPITAL ONLY
FEBRUARY 2018**

<u>Cash and Cash Equivalents</u>	<u>Frost</u>	<u>Hilltop</u>	<u>Total</u>
Operating	\$ 11,627,906	\$ -	\$ 11,627,906
Payroll	2,691	-	2,691
Worker's Comp Claims	12,651	-	12,651
Group Medical	110,732	-	110,732
Flex Benefits	23,677	-	23,677
Mission Fitness	354,367	-	354,367
Petty Cash	9,420	-	9,420
Dispro	1,055,492	1,179,984	2,235,476
Debt Service	394	-	394
Tobacco Settlement	425	-	425
General Liability	-	1,900,710	1,900,710
Professional Liability	-	2,978,399	2,978,399
Funded Worker's Compensation	-	1,201,951	1,201,951
Funded Depreciation	-	1,225,347	1,225,347
Designated Funds	-	1,120,939	1,120,939
	<u> </u>	<u> </u>	<u> </u>
Total Cash and Cash Equivalents	\$ 13,197,756	\$ 9,607,330	\$ 22,805,086

<u>Investments</u>	<u>Other</u>	<u>Hilltop</u>	<u>Total</u>
Dispro	\$ -	\$ 4,000,000	\$ 4,000,000
Funded Depreciation	-	18,000,000	18,000,000
Funded Worker's Compensation	-	1,000,000	1,000,000
General Liability	-	1,000,000	1,000,000
Professional Liability	-	-	-
Designated Funds	2,042,875	-	2,042,875
Allowance for Change in Market Values	-	(295,600)	(295,600)
	<u> </u>	<u> </u>	<u> </u>
Total Investments	\$ 2,042,875	\$ 23,704,400	\$ 25,747,275
Total Unrestricted Cash and Investments			\$ 48,552,361

<u>Restricted Assets</u>	<u>Reserves</u>	<u>Prosperity</u>	<u>Total</u>
Assets Held By Trustee - Bond Reserves	\$ 4,679,402	\$ -	\$ 4,679,402
Assets Held By Trustee - Debt Payment Reserves	1,459,044	-	1,459,044
Assets Held In Endowment	-	6,204,799	6,204,799
Restricted TPC, LLC	447,620	-	447,620
Restricted MCH West Texas Services	2,055,238	-	2,055,238
Total Restricted Assets	<u>\$ 8,641,304</u>	<u>\$ 6,204,799</u>	<u>\$ 14,846,103</u>

Total Cash & Investments			<u><u>\$ 63,398,464</u></u>
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**ECTOR COUNTY HOSPITAL DISTRICT
STATEMENT OF CASH FLOW
FEBRUARY 2018**

	Hospital	Procure	Blended
Cash Flows from Operating Activities and Nonoperating Revenue:			
Excess of Revenue over Expenses	\$ (8,274,100)	\$ 943,358	\$ (7,330,742)
Noncash Expenses:			
Depreciation and Amortization	8,570,328	71,292	8,641,620
Unrealized Gain/Loss on Investments	(52,622)	-	(52,622)
Accretion (Bonds)	-	-	-
Changes in Assets and Liabilities			
Patient Receivables, Net	(14,603,001)	240,008	(14,362,993)
Taxes Receivable/Deferred	3,254,268	371	3,254,639
Inventories, Prepaids and Other	1,074,150	270,263	1,344,413
Accounts Payable	16,836,173	2,518,813	19,354,986
Accrued Expenses	3,505,250	197,735	3,702,985
Due to Third Party Payors	(145,289)	-	(145,289)
Accrued Post Retirement Benefit Costs	6,088,156	-	6,088,156
Net Cash Provided by Operating Activities	\$ 16,253,313	\$ 4,241,839	\$ 20,495,152
Cash Flows from Investing Activities:			
Investments	\$ (15,750,178)	\$ -	\$ (15,750,178)
Acquisition of Property and Equipment	(3,227,651)	(2,809)	(3,230,460)
Cerner Project Costs	(323,882)	-	(323,882)
Net Cash used by Investing Activities	\$ (19,301,711)	\$ (2,809)	\$ (19,304,520)
Cash Flows from Financing Activities:			
Net Repayment of Long-term Debt/Bond Issuance	\$ (1,298,398)	\$ -	\$ (1,298,398)
Net Cash used by Financing Activities	\$ (1,298,398)	\$ -	\$ (1,298,398)
Net Increase (Decrease) in Cash	\$ (4,346,796)	\$ 4,239,030	\$ (107,766)
Beginning Cash & Cash Equivalents @ 9/30/2017	\$ 41,997,985	\$ 3,182,405	\$ 45,180,390
Ending Cash & Cash Equivalents @ 2/28/2018	\$ 37,651,189	\$ 7,421,435	\$ 45,072,624
Balance Sheet			
Cash and Cash Equivalents	\$ 22,805,086	\$ 7,421,435	\$ 30,226,520
Restricted Assets	14,846,103	-	14,846,103
Ending Cash & Cash Equivalents @ 2/28/2018	\$ 37,651,189	\$ 7,421,435	\$ 45,072,624

ECTOR COUNTY HOSPITAL DISTRICT
TAX COLLECTIONS
FISCAL 2018

	<u>ACTUAL COLLECTIONS</u>	<u>BUDGETED COLLECTIONS</u>	<u>VARIANCE</u>	<u>PRIOR YEAR COLLECTIONS</u>	<u>VARIANCE</u>
<u>AD VALOREM</u>					
OCTOBER	\$ 276,462	\$ 1,300,000	\$ (1,023,538)	\$ 249,105	\$ 27,357
NOVEMBER	584,006	1,300,000	(715,994)	924,056	(340,049)
DECEMBER	1,135,578	1,300,000	(164,422)	2,885,709	(1,750,131)
JANUARY	5,479,301	1,300,000	4,179,301	3,390,679	2,088,622
FEBRUARY	3,286,610	1,300,000	1,986,610	2,266,373	1,020,237
TOTAL	<u>\$ 10,761,957</u>	<u>\$ 6,500,000</u>	<u>\$ 4,261,957</u>	<u>\$ 9,715,922</u>	<u>\$ 1,046,035</u>
<u>SALES</u>					
OCTOBER	\$ 3,753,619	\$ 3,217,497	\$ 536,122	\$ 2,339,047	\$ 1,414,571
NOVEMBER	3,777,148	3,477,235	299,912	2,839,057	938,091
DECEMBER	3,829,080	3,174,525	654,555	2,324,023	1,505,057
JANUARY	3,865,539	3,434,343	431,196	2,583,565	1,281,974
FEBRUARY	4,197,093	3,734,649	462,444	3,162,907	1,034,186
TOTAL	<u>\$ 19,422,478</u>	<u>\$ 17,038,250</u>	<u>\$ 2,384,228</u>	<u>\$ 13,248,599</u>	<u>\$ 6,173,879</u>
TAX REVENUE	<u><u>\$ 30,184,436</u></u>	<u><u>\$ 23,538,250</u></u>	<u><u>\$ 6,646,186</u></u>	<u><u>\$ 22,964,521</u></u>	<u><u>\$ 7,219,915</u></u>

**ECTOR COUNTY HOSPITAL DISTRICT
MEDICAID SUPPLEMENTAL PAYMENTS
FISCAL YEAR 2018**

CASH ACTIVITY	TAX (IGT) ASSESSED	GOVERNMENT PAYOUT	BURDEN ALLEVIATION	NET INFLOW
DSH				
1st Qtr	\$ (2,484,655)	\$ 7,030,444		\$ 4,545,789
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
DSH TOTAL	\$ (2,484,655)	\$ 7,030,444		\$ 4,545,789
UC				
1st Qtr	\$ (555,750)	\$ -		(555,750)
2nd Qtr	(2,925,445)	6,784,427		3,858,982
3rd Qtr	-	-		-
4th Qtr	-	-		-
UC TOTAL	\$ (3,481,195)	\$ 6,784,427		\$ 3,303,232
Regional UPL (Community Benefit)				
1st Qtr	\$ (3,062,308)	\$ -		\$ (3,062,308)
2nd Qtr	(2,017,498)	-		(2,017,498)
3rd Qtr	-	-		-
4th Qtr	-	-		-
REGIONAL UPL TOTAL	\$ (5,079,806)	\$ -		\$ (5,079,806)
DSRIP				
1st Qtr	\$ (7,327,897)	\$ -		\$ (7,327,897)
2nd Qtr	(8,826,302)	20,469,161		11,642,859
3rd Qtr	-	-		-
4th Qtr	-	-		-
DSRIP UPL TOTAL	\$ (16,154,199)	\$ 20,469,161		\$ 4,314,962
MCH Cash Activity	\$ (27,199,855)	\$ 34,284,032		\$ 7,084,177
ProCare Cash Activity			\$ 4,375,000	\$ 4,375,000
Blended Cash Activity	\$ (27,199,855)	\$ 34,284,032	\$ 4,375,000	\$ 11,459,177

INCOME STATEMENT ACTIVITY:

FY 2018 Accrued / (Deferred) Adjustments:

	MCH	PROCARE	BLENDED
DSH Accrual	\$ 1,635,494	\$ -	\$ 1,635,494
Uncompensated Care Accrual	3,722,215	-	3,722,215
Regional UPL Accrual	(3,951,496)	-	(3,951,496)
Regional UPL Benefit	-	4,375,000	4,375,000
Medicaid Supplemental Payments	1,406,212	4,375,000	5,781,212
DSRIP Accrual	4,773,262	-	4,773,262
Total Adjustments	\$ 6,179,474	\$ 4,375,000	\$ 10,554,474

**ECTOR COUNTY HOSPITAL DISTRICT
CONSTRUCTION IN PROGRESS - HOSPITAL ONLY
AS OF FEBRUARY 28, 2018**

	A	B	C	D	E=A+B+C+D	F	G=E+F	H	H-G
RE NUMBER ITEM	CIP BALANCE AS OF 2/1/2018	FEBRUARY "+" ADDITIONS	FEBRUARY "-" ADDITIONS	FEBRUARY TRANSFERS	CIP BALANCE AS OF 2/28/2018	ADD: AMOUNTS CAPITALIZED	PROJECT TOTAL	BUDGETED AMOUNT	UNDER/(OVER) BOARD APRVD/BUDGET
<i>RENOVATIONS</i>									
RE17-1313 ED WAITING RENOVATION	\$ 1,575	\$ 647	\$ -	\$ -	\$ 2,222	\$ -	\$ 2,222	\$ 20,000	\$ 17,778
RE18-1320 BUSINESS OFFICE RENOVATION	-	-	-	-	-	-	-	10,000	10,000
SUB-TOTAL	\$ 1,575	\$ 647	\$ -	\$ -	\$ 2,222	\$ -	\$ 2,222	\$ 30,000	\$ 27,778
<i>MINOR BUILDING IMPROVEMENT</i>									
RE15-1259 PBX - FLOORING REMEDIATION (MAIN HOSPITAL 1ST FLOOR)	\$ 13,030	\$ -	\$ -	\$ -	\$ 13,030	\$ -	\$ 13,030	\$ 45,000	\$ 31,970
RE17-1303 ONE DOCTORS PLACE	11,892	-	-	-	11,892	-	11,892	45,000	33,108
RE17-1305 OR ROOF REPAIR	20,776	-	-	(20,776)	-	-	-	45,000	45,000
RE17-1312 ANCILLARY STERILE STORAGE	25,846	3,872	-	(29,718)	-	-	-	25,000	25,000
RE17-1314 GOLDER SITE SIGNAGE	3,983	-	-	-	3,983	-	3,983	20,000	16,018
RE18-1316 PHARMACY CLEAN ROOM	5,223.3	-	-	(5,223)	-	-	-	25,000	25,000
RE18-1317 MAMMOGRAPHY RENOVATION	753	10,623	-	-	11,376	-	11,376	75,000	63,624
RE18-1318 SURFACE LOT UPGRADES	1,450	19,490	-	-	20,940	-	20,940	40,000	19,060
RE18-1319 315 GOLDER UPGRADES	850	3,800	-	-	4,650	-	4,650	20,000	15,350
SUB-TOTAL	\$ 83,802	\$ 37,785	\$ -	\$ (55,717)	\$ 65,870	\$ -	\$ 65,870	\$ 340,000	\$ 274,130
<i>EQUIPMENT & SOFTWARE PROJECTS - CIP INCOMPLETE</i>									
VARIOUS CAPITAL EXPENDITURE PROJECTS	\$ 79,259	\$ 517,332	\$ -	\$ -	\$ 596,591	\$ -	\$ 596,591	\$ 903,575	\$ 306,984
SUB-TOTAL	\$ 79,259	\$ 517,332	\$ -	\$ -	\$ 596,591	\$ -	\$ 596,591	\$ 903,575	\$ 306,984
TOTAL CONSTRUCTION IN PROGRESS	\$ 164,637	\$ 555,764	\$ -	\$ (55,717)	\$ 664,683	\$ -	\$ 664,683	\$ 1,273,575	\$ 608,892

**ECTOR COUNTY HOSPITAL DISTRICT
CAPITAL PROJECT & EQUIPMENT EXPENDITURES
FEBRUARY 2018**

<u>DEPT</u>	<u>ITEM</u>	<u>CLASS</u>	<u>BOOKED AMOUNT</u>
TRANSFERRED FROM CONSTRUCTION IN PROGRESS/RENOVATION PROJECTS			
	OR Roof Repair	Building	\$ 20,776
	Ancillary Sterile Storage	Building and Equipment	29,718
	Pharmacy Clean Room	Building and Equipment	5,223
TOTAL PROJECT TRANSFERS			\$ 55,717
EQUIPMENT PURCHASES			
	None		\$ -
TOTAL EQUIPMENT PURCHASES			\$ -
TOTAL TRANSFERS FROM CIP/EQUIPMENT PURCHASES			\$ 55,717

**ECTOR COUNTY HOSPITAL DISTRICT
FISCAL 2018 CAPITAL EQUIPMENT
CONTINGENCY FUND
FEBRUARY 2018**

MONTH/ YEAR	DESCRIPTION	DEPT NUMBER	BUDGETED AMOUNT	P.O AMOUNT	ACTUAL AMOUNT	TO/(FROM) CONTINGENCY
	Available funds from budget		\$ 600,000	\$ -	\$ -	\$ 600,000
Oct-17	Clear-Lead Mobile X-Ray Barriers	7290	-	-	4,095	(4,095)
Oct-17	AVL Equipment	9080	-	-	4,187	(4,187)
Nov-17	Dell Workstation	9070	-	-	2,799	(2,799)
Nov-17	Powermics	9070	-	-	11,500	(11,500)
Nov-17	Software	9070	-	-	3,375	(3,375)
Dec-17	Patient Services Refrigeration 2-door	8020	-	-	6,249	(6,249)
Dec-17	Patient Services Refrigerator-single do	8020	-	-	4,650	(4,650)
Dec-17	PowerMic Microphones	9070	-	-	11,500	(11,500)
Dec-17	Downtime PCs	9070	-	-	3,375	(3,375)
Dec-17	Downtime PCs	9070	-	-	2,799	(2,799)
Dec-17	Interface - THA Smart Ribbon	9070	-	-	34,008	(34,008)
Jan-18	Gearview License	9070	-	-	6,320	(6,320)
Jan-18	Premier Pass Training Courses	9070	-	-	43,390	(43,390)
Jan-18	Maestro 4000 Cardiac Ablation System	7220	-	-	43,500	(43,500)
Feb-18	CCW SW Upgrade	6620	-	-	27,095	(27,095)
			\$ 600,000	\$ -	\$ 208,842	\$ 391,158

**ECTOR COUNTY HOSPITAL DISTRICT
SUPPLEMENTAL SCHEDULE OF ACCOUNTS RECEIVABLE - OTHER
FEBRUARY 2018**

	CURRENT YEAR	PRIOR YEAR		CURRENT YEAR CHANGE
		HOSPITAL AUDITED	PRO CARE AUDITED	
AR DISPRO/UPL	\$ (2,910,295)	\$ -	\$ -	\$ (2,910,295)
AR UNCOMPENSATED CARE	722,411	303,428	-	418,983
AR DSRIP	12,327,897	11,642,859	-	685,038
AR NURSING HOME UPL	-	-	-	-
AR BAB REVENUE	-	84,142	-	(84,142)
AR PHYSICIAN GUARANTEES	833,173	652,652	-	180,520
AR ACCRUED INTEREST	97,625	129,868	-	(32,243)
AR OTHER:	6,884,710	4,641,338	3,400,671	(1,157,300)
Procure On-Call Fees	162,300	-	155,300	7,000
Procure A/R - FHC	275,786	-	339,398	(63,611)
Other Misc A/R	6,446,623	4,641,338	2,905,974	(1,100,688)
AR DUE FROM THIRD PARTY PAYOR	1,303,138	2,295,679	-	(992,540)
PROCARE-INTERCOMPANY RECEIVABLE	6,278,968	4,331,016	-	1,947,952
TOTAL ACCOUNTS RECEIVABLE - OTHER	\$ 25,537,627	\$ 24,080,983	\$ 3,400,671	\$ (1,944,027)
PROCARE-INTERCOMPANY LIABILITY	\$ (6,278,968)	\$ -	\$ (4,331,016)	\$ (1,947,952)

**ECTOR COUNTY HOSPITAL DISTRICT
SUPPLEMENTAL SCHEDULE OF HOSPITAL TEMPORARY LABOR FTE'S
FEBRUARY 2018**

TEMPORARY LABOR DEPARTMENT	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR PRIOR YR	PRIOR YR VAR
LABOR AND DELIVERY	0.7	2.0	-64.4%	0.9	-22.5%	1.9	2.0	-6.3%	2.1	-8.8%
INPATIENT REHAB	3.5	0.7	384.2%	-	0.0%	1.7	0.7	139.0%	2.0	-14.5%
OPERATING ROOM	0.8	3.8	-77.7%	5.8	-85.7%	1.5	3.6	-58.8%	4.3	-64.9%
NEO-NATAL INTENSIVE CARE	0.9	2.7	-65.2%	1.1	-15.3%	1.3	2.3	-43.7%	2.5	-47.0%
INTENSIVE CARE UNIT 2	0.2	1.1	-85.6%	-	0.0%	1.3	1.1	17.6%	1.4	-8.4%
4 EAST	1.2	1.6	-29.0%	0.1	1439.1%	1.1	1.5	-24.9%	1.8	-38.3%
CARDIOPULMONARY	1.3	-	0.0%	-	0.0%	1.0	-	0.0%	-	0.0%
TRAUMA SERVICE	1.1	-	0.0%	0.9	20.6%	1.0	-	0.0%	0.2	457.5%
PM&R - OCCUPATIONAL	0.9	0.4	160.0%	-	0.0%	0.8	0.3	120.1%	0.5	55.6%
INTENSIVE CARE UNIT 4 (CCU)	0.7	1.6	-52.1%	-	0.0%	0.6	1.5	-62.6%	1.9	-71.1%
STERILE PROCESSING	0.9	-	0.0%	-	0.0%	0.5	-	0.0%	-	0.0%
EMERGENCY DEPARTMENT	-	0.6	-100.0%	-	0.0%	0.5	0.7	-29.9%	0.9	-42.5%
PHARMACY DRUGS/I.V. SOLUTIONS	-	-	0.0%	-	0.0%	0.5	-	0.0%	-	0.0%
PM&R - PHYSICAL	-	0.4	-100.0%	0.9	-100.0%	0.4	0.4	-9.9%	0.3	36.2%
CARDIOPULMONARY - NICU	1.2	-	0.0%	-	0.0%	0.2	-	0.0%	-	0.0%
ENGINEERING	-	-	0.0%	-	0.0%	0.2	-	0.0%	-	0.0%
5 WEST	-	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%
6 Central	-	1.2	-100.0%	-	0.0%	0.0	1.1	-98.6%	1.3	-98.8%
7 CENTRAL	-	2.1	-100.0%	-	0.0%	-	1.9	-100.0%	2.4	-100.0%
PERFORMANCE IMPROVEMENT (QA)	-	-	0.0%	1.1	-100.0%	-	-	0.0%	0.7	-100.0%
9 CENTRAL	-	1.1	-100.0%	-	0.0%	-	1.0	-100.0%	1.3	-100.0%
8 CENTRAL	-	1.0	-100.0%	-	0.0%	-	0.8	-100.0%	1.1	-100.0%
CHW - SPORTS MEDICINE	-	-	0.0%	-	0.0%	-	-	0.0%	1.0	-100.0%
6 West	-	0.7	-100.0%	-	0.0%	-	0.6	-100.0%	0.8	-100.0%
HUMAN RESOURCES	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
PATIENT ACCOUNTING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
4 CENTRAL	-	0.5	-100.0%	-	0.0%	-	0.5	-100.0%	0.6	-100.0%
FINANCIAL ACCOUNTING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
5 CENTRAL	-	0.4	-100.0%	-	0.0%	-	0.3	-100.0%	0.4	-100.0%
OP SURGERY	-	0.2	-100.0%	-	0.0%	-	0.2	-100.0%	0.2	-100.0%
IMAGING - ULTRASOUND	-	0.1	-100.0%	-	0.0%	-	0.1	-100.0%	0.1	-100.0%
CERNER	-	0.0	-100.0%	-	0.0%	-	0.0	-100.0%	-	0.0%
IMAGING - DIAGNOSTICS	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
RECOVERY ROOM	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
LABORATORY - CHEMISTRY	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
LABORATORY - MICROBIOLOGY	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
LABORATORY - TRANSFUSION SERVICES	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
PM&R - SPEECH	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
MEDICAL STAFF	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
SUBTOTAL	13.5	22.2	-39.0%	10.9	24.3%	14.4	20.6	-30.3%	27.5	-47.8%
TRANSITION LABOR										
INTENSIVE CARE UNIT 4 (CCU)	10.3	5.6	83.9%	7.4	39.0%	11.0	5.4	103.7%	5.1	114.9%
7 CENTRAL	5.1	4.8	4.6%	6.4	-21.1%	5.7	4.3	33.1%	4.5	28.7%
8 CENTRAL	4.4	3.1	42.8%	4.8	-9.6%	3.9	2.7	42.9%	2.6	46.4%
NEO-NATAL INTENSIVE CARE	3.5	2.5	37.2%	3.7	-5.6%	3.4	2.2	55.1%	1.8	89.4%
INTENSIVE CARE UNIT 2	3.9	3.3	17.4%	3.5	10.0%	3.3	3.2	5.0%	3.5	-5.9%
6 Central	2.4	3.3	-26.5%	3.8	-36.7%	3.2	2.9	9.2%	2.8	11.3%
INPATIENT REHAB	1.0	2.2	-54.6%	4.1	-75.5%	2.9	2.1	36.6%	2.5	14.4%
4 EAST	3.0	2.7	12.3%	3.4	-11.9%	2.8	2.4	14.3%	2.2	27.0%
LABORATORY - CHEMISTRY	2.4	1.2	104.6%	1.7	37.9%	2.1	1.1	85.4%	1.4	44.5%
OPERATING ROOM	1.9	0.7	185.3%	2.3	-16.4%	2.1	0.7	217.5%	1.5	34.7%
EMERGENCY DEPARTMENT	1.1	2.0	-47.9%	3.7	-71.6%	2.0	2.2	-8.9%	2.0	-1.0%
5 CENTRAL	1.6	2.2	-27.0%	2.8	-42.8%	1.7	1.9	-12.7%	2.0	-14.8%
LABORATORY - HEMATOLOGY	1.2	0.3	251.2%	0.9	29.8%	1.2	0.3	257.4%	0.2	586.9%
OP SURGERY	0.9	0.8	10.3%	0.9	-0.1%	1.0	0.8	23.4%	0.8	29.2%
CHW - SPORTS MEDICINE	1.0	0.7	52.5%	2.0	-49.0%	0.7	0.7	12.6%	1.1	-35.0%
4 CENTRAL	0.2	1.1	-78.3%	1.5	-84.5%	0.6	1.0	-39.2%	0.8	-30.7%
PM&R - PHYSICAL	-	-	0.0%	-	0.0%	0.6	-	0.0%	-	0.0%
9 CENTRAL	0.2	2.5	-93.7%	3.1	-94.8%	0.4	2.2	-81.6%	2.2	-81.0%
PM&R - OCCUPATIONAL	0.5	0.4	11.8%	1.0	-51.0%	0.3	0.4	-21.9%	0.6	-45.6%
6 West	0.2	0.8	-81.4%	1.1	-86.1%	0.1	0.7	-88.2%	0.7	-87.9%
LABOR AND DELIVERY	0.1	0.5	-83.7%	0.4	-80.4%	0.1	0.5	-87.8%	0.6	-89.7%
5 WEST	0.1	0.2	-62.4%	0.6	-90.4%	0.0	0.1	-92.3%	0.1	-92.2%
CERNER	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TRAUMA SERVICE	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
SUBTOTAL	44.7	40.8	9.6%	59.2	-24.4%	49.0	37.9	29.3%	39.2	25.0%
GRAND TOTAL	58.3	63.0	-7.5%	70.1	-16.8%	63.3	58.5	8.3%	66.7	-5.1%

**ECTOR COUNTY HOSPITAL DISTRICT
SUPPLEMENTAL SCHEDULE OF TEMPORARY LABOR, TRANSITION LABOR & PURCHASED SERVICES - HOSPITAL ONLY
FEBRUARY 2018**

	CURRENT MONTH						YEAR TO DATE					
	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR
RT TEMPORARY LABOR	\$ 51,436	\$ -	\$ 51,436	100.0%	\$ -	100.0%	\$ 122,761	\$ -	\$ 122,761	100.0%	\$ -	100.0%
ICU2 TEMPORARY LABOR	1,698	759	939	123.6%	-	100.0%	77,907	3,947	73,960	1873.9%	5,067	1437.6%
TRAUMA TEMPORARY LABOR	12,350	-	12,350	100.0%	19,512	-36.7%	58,877	-	58,877	100.0%	19,512	201.8%
L & D TEMPORARY LABOR	3,153	11,435	(8,282)	-72.4%	17,979	-82.5%	109,560	61,668	47,892	77.7%	55,578	97.1%
4E TEMPORARY LABOR	11,074	7,938	3,136	39.5%	(4,758)	-332.7%	75,831	38,973	36,858	94.6%	47,014	61.3%
REHAB TEMPORARY LABOR	11,259	6,310	4,948	78.4%	-	100.0%	61,923	32,688	29,235	89.4%	18,318	238.0%
OR TEMPORARY LABOR	7,873	46,091	(38,219)	-82.9%	77,486	-89.8%	76,135	239,674	(163,539)	-68.2%	274,982	-72.3%
ALL OTHER	\$ 69,492	\$ 76,527	\$ (7,035)	-9.2%	\$ 83,512	-16.8%	\$ 260,404	\$ 394,920	\$ (134,517)	-34.1%	\$ 486,443	-46.5%
TOTAL TEMPORARY LABOR	\$ 168,334	\$ 149,061	\$ 19,273	12.9%	\$ 193,731	-13.1%	\$ 843,397	\$ 771,869	\$ 71,527	9.3%	\$ 906,912	-7.0%
ICU4 TRANSITION LABOR	\$ 111,834	\$ 84,066	\$ 27,767	33.0%	\$ 98,274	13.8%	\$ 675,555	\$ 436,841	\$ 238,714	54.6%	\$ 437,001	54.6%
OR TRANSITION LABOR	41,607	9,233	32,374	350.6%	26,460	57.2%	133,788	48,009	85,779	178.7%	115,615	15.7%
8C TRANSITION LABOR	48,847	36,789	12,058	32.8%	51,754	-5.6%	236,082	176,236	59,846	34.0%	178,479	32.3%
CHEM TRANSITION LABOR	18,469	7,431	11,038	148.6%	9,752	89.4%	86,165	38,640	47,525	123.0%	46,855	83.9%
REHAB TRANSITION LABOR	37,701	29,798	7,903	26.5%	49,610	-24.0%	196,370	154,360	42,010	27.2%	233,067	-15.7%
OP SURGERY TRANSITION LABOR	12,111	9,452	2,658	28.1%	5,664	113.8%	57,338	49,152	8,186	16.7%	46,601	23.0%
5C TRANSITION LABOR	17,430	29,353	(11,923)	-40.6%	29,679	-41.3%	96,731	140,281	(43,550)	-31.0%	143,015	-32.4%
6C TRANSITION LABOR	23,254	47,022	(23,768)	-50.5%	36,775	-36.8%	174,416	224,844	(50,428)	-22.4%	231,012	-24.5%
ICU2 TRANSITION LABOR	28,178	47,554	(19,376)	-40.7%	15,062	87.1%	189,170	247,171	(58,001)	-23.5%	282,791	-33.1%
4E TRANSITION LABOR	25,154	46,625	(21,471)	-46.0%	33,237	-24.3%	145,589	228,916	(83,326)	-36.4%	232,122	-37.3%
ALL OTHER	93,954	203,945	(109,991)	-53.9%	234,432	-59.9%	796,172	1,006,723	(210,551)	-20.9%	1,043,280	-23.7%
TOTAL TRANSITION LABOR	\$ 458,538	\$ 551,268	\$ (92,730)	-16.8%	\$ 590,699	-22.4%	\$ 2,787,377	\$ 2,751,174	\$ 36,203	1.3%	\$ 2,989,837	-6.8%
GRAND TOTAL TEMPORARY LABOR	\$ 626,872	\$ 700,329	\$ (73,457)	-10.5%	\$ 784,430	-20.1%	\$ 3,630,773	\$ 3,523,043	\$ 107,730	3.1%	\$ 3,896,749	-6.8%
CERNER OTHER PURCH SVCS	\$ 101,134	\$ 54,145	\$ 46,989	86.8%	\$ 546,704	-81.5%	\$ 442,338	\$ 270,725	\$ 171,613	63.4%	\$ 965,844	-54.2%
PA E-SCAN DATA SYSTEM	67,262	36,079	31,183	86.4%	(65,305)	-203.0%	334,397	180,396	154,002	85.4%	130,647	156.0%
ADM BOND AMENDMENT FEES	-	-	-	100.0%	-	100.0%	129,467	-	129,467	100.0%	-	100.0%
UC-CPC 42ND STREET PURCH SVCS-OTHER	56,135	53,332	2,803	5.3%	33,739	66.4%	304,846	192,604	112,242	58.3%	150,842	102.1%
SERV EXC SURVEY SERVICES	21,180	46,667	(25,487)	-54.6%	57,441	-63.1%	326,470	233,333	93,137	39.9%	338,651	-3.6%
CARDIOVASCULAR SERVICES	26,000	12,500	13,500	108.0%	(6,500)	-500.0%	131,095	62,500	68,595	109.8%	117,090	12.0%
PI FEES (TRANSITION NURSE PROGRAM)	31,081	22,904	8,177	35.7%	38,198	-18.6%	181,710	114,519	67,191	58.7%	173,852	4.5%
OR FEES (PERFUSION SERVICES)	31,188	19,813	11,375	57.4%	24,387	27.9%	139,403	76,012	63,390	83.4%	93,559	49.0%
HISTOLOGY SERVICES	30,576	15,661	14,915	95.2%	15,133	102.1%	206,291	145,114	61,177	42.2%	140,218	47.1%
AMBULANCE FEES	19,380	2,672	16,708	625.3%	12,923	50.0%	74,883	24,887	49,996	200.9%	120,359	-37.8%
ADM CONTRACT STRYKER	100,381	21,817	78,564	360.1%	24,000	318.3%	151,965	105,798	46,167	43.6%	122,866	23.7%
FIN ACCT COST REPORT/CONSULTANT FEES	79,930	6,245	73,686	1180.0%	10,222	681.9%	89,980	46,264	43,716	94.5%	75,731	18.8%
PRO OTHER PURCH SVCS	9,295	18,298	(9,003)	-49.2%	18,298	-49.2%	104,330	69,286	35,044	50.6%	69,286	50.6%
CREDIT CARD FEES	10,248	9,749	499	5.1%	10,530	-2.7%	87,506	54,326	33,180	61.1%	58,675	49.1%
4E OTHER PURCH SVCS	14,831	3,507	11,324	323.0%	3,135	373.1%	55,549	23,556	31,993	135.8%	21,060	163.8%
COMM REL ADVERTISEMENT PURCH SVCS	73,160	22,000	51,160	232.5%	40,474	80.8%	152,854	123,200	29,654	24.1%	91,673	66.7%
MED ASSETS CONTRACT	14,205	10,417	3,788	36.4%	14,044	1.1%	78,035	52,592	25,443	48.4%	70,905	10.1%
ADMIN OTHER FEES	12,366	10,934	1,432	13.1%	10,997	12.5%	66,334	54,669	11,664	21.3%	63,641	4.2%
ADM APPRAISAL DIST FEE	50,717	12,035	38,682	321.4%	-	100.0%	50,717	60,176	(9,460)	-15.7%	36,106	40.5%
COMPLIANCE CONSULTING FEES	4,205	10,582	(6,377)	-60.3%	11,509	-63.5%	51,097	68,615	(17,518)	-25.5%	59,966	-14.8%
MISSION FITNESS OTHER PURCH SVCS	9,766	15,033	(5,267)	-35.0%	12,399	-21.2%	57,044	77,443	(20,399)	-26.3%	74,331	-23.3%
HR RECRUITING FEES	20,806	8,849	11,958	135.1%	7,294	185.3%	75,493	98,817	(23,324)	-23.6%	81,455	-7.3%
CREDIT CARD FEES	17,903	21,862	(3,959)	-18.1%	21,668	-17.4%	88,567	112,585	(24,018)	-21.3%	111,583	-20.6%
UOM (EHR FEES)	11,064	25,359	(14,295)	-56.4%	39,669	-72.1%	68,579	116,126	(47,546)	-40.9%	181,656	-62.2%
TELECOM SERVICES	-	10,880	(10,880)	-100.0%	7,091	-100.0%	81,444	129,925	(48,481)	-37.3%	84,676	-3.8%
PHARMACY SERVICES	14,891	31,153	(16,262)	-52.2%	14,765	0.9%	82,841	157,279	(74,798)	-47.6%	114,256	-27.8%
COMM REL MEDIA PLACEMENT	15,524	58,500	(42,976)	-73.5%	87,402	-82.2%	203,796	279,000	(75,204)	-27.0%	328,772	-38.0%
PA ELIGIBILITY FEES	40,200	51,679	(11,479)	-22.2%	55,059	-27.0%	164,813	243,471	(78,658)	-32.3%	259,398	-36.5%
ADMIN LEGAL FEES	4,581	42,276	(37,695)	-89.2%	30,409	-84.9%	110,771	211,380	(100,608)	-47.6%	234,221	-52.7%
HIM CODING SERVICES	50,442	141,447	(91,005)	-64.3%	117,237	-57.0%	339,586	535,054	(195,468)	-36.5%	443,475	-23.4%
PRIMARY CARE WEST OTHER PURCH SVCS	87,606	154,952	(67,345)	-43.5%	130,285	-32.8%	530,802	795,045	(264,243)	-33.2%	702,945	-24.5%
FHC OTHER PURCH SVCS	224,001	250,602	(26,600)	-10.6%	256,963	-12.8%	867,177	1,311,870	(444,693)	-33.9%	1,134,295	-23.5%
ALL OTHERS	995,122	1,083,504	(88,382)	-8.2%	1,001,202	-0.6%	4,959,989	5,592,902	(632,914)	-11.3%	5,656,894	-12.3%
TOTAL PURCHASED SERVICES	\$ 2,245,181	\$ 2,285,451	\$ (40,270)	-1.8%	\$ 2,581,368	-13.0%	\$ 10,789,807	\$ 11,619,470	\$ (829,663)	-7.1%	\$ 12,308,924	-12.3%

**Ector County Hospital District
Debt Service Coverage Calculation
FEBRUARY 2018**

Average Annual Debt Service Requirements of 110%:

	FYTD			Annualized Consolidated
	ProCare	ECHD	Consolidated	
Decrease in net position	943,358	(8,274,100)	(7,330,743)	(17,593,784)
Deficiency of revenues over expenses	943,358	(8,274,100)	(7,330,743)	(17,593,784)
Depreciation/amortization	118,437	8,523,183	8,641,620	20,739,889
GASB 68	-	6,088,480	6,088,480	18,265,440
Interest expense	-	1,375,580	1,375,580	3,301,391
(Gain) or loss on fixed assets	-	(452)	(452)	(1,084)
Unusual / infrequent / extraordinary items	-	-	-	-
Unrealized (gains) / losses on investments	-	52,622	52,622	126,294
Consolidated net revenues	1,061,795	7,765,313	8,827,107	24,838,146

Note: Average annual debt service requirements is defined to mean the greater of the following 2 calculations:

1.) Average annual debt service of future maturities

	Bonds	BAB Subsidy	Total	110%
2018	3,704,144.87	1,084,539.55	4,788,684.42	5,267,552.87
2019	3,704,003.09	1,050,540.12	4,754,543.21	5,229,997.53
2020	3,703,513.46	1,014,199.56	4,717,713.02	5,189,484.33
2021	3,703,965.62	975,673.80	4,679,639.42	5,147,603.37
2022	3,703,363.82	930,657.44	4,634,021.26	5,097,423.38
2023	3,704,094.49	883,666.27	4,587,760.76	5,046,536.84
2024	3,703,936.71	834,581.31	4,538,518.02	4,992,369.83
2025	3,703,757.92	783,331.19	4,487,089.11	4,935,798.02
2026	3,703,381.35	729,820.73	4,433,202.08	4,876,522.29
2027	3,702,861.24	670,848.36	4,373,709.60	4,811,080.56
2028	3,703,256.93	609,138.35	4,312,395.28	4,743,634.81
2029	3,702,288.56	544,540.00	4,246,828.56	4,671,511.42
2030	3,701,769.56	476,952.84	4,178,722.40	4,596,594.64
2031	3,701,420.06	406,226.18	4,107,646.24	4,518,410.86
2032	3,701,960.19	332,209.33	4,034,169.52	4,437,586.47
2033	3,701,063.45	254,726.47	3,955,789.92	4,351,368.91
2034	3,700,496.62	173,652.02	3,874,148.64	4,261,563.50
2035	3,700,933.18	88,810.18	3,789,743.36	4,168,717.70
	3,702,789.51	658,006.32	4,360,795.82	

OR

2.) Next Year Debt Service - sum of principal and interest due in the next fiscal year:

	Bonds	
Debt Service	4,788,684	← higher of the two

Current FYTD

184.3%

(needs to be 110% or higher)

518.7%

Covenant Computation



Financial Presentation

For the Month Ended

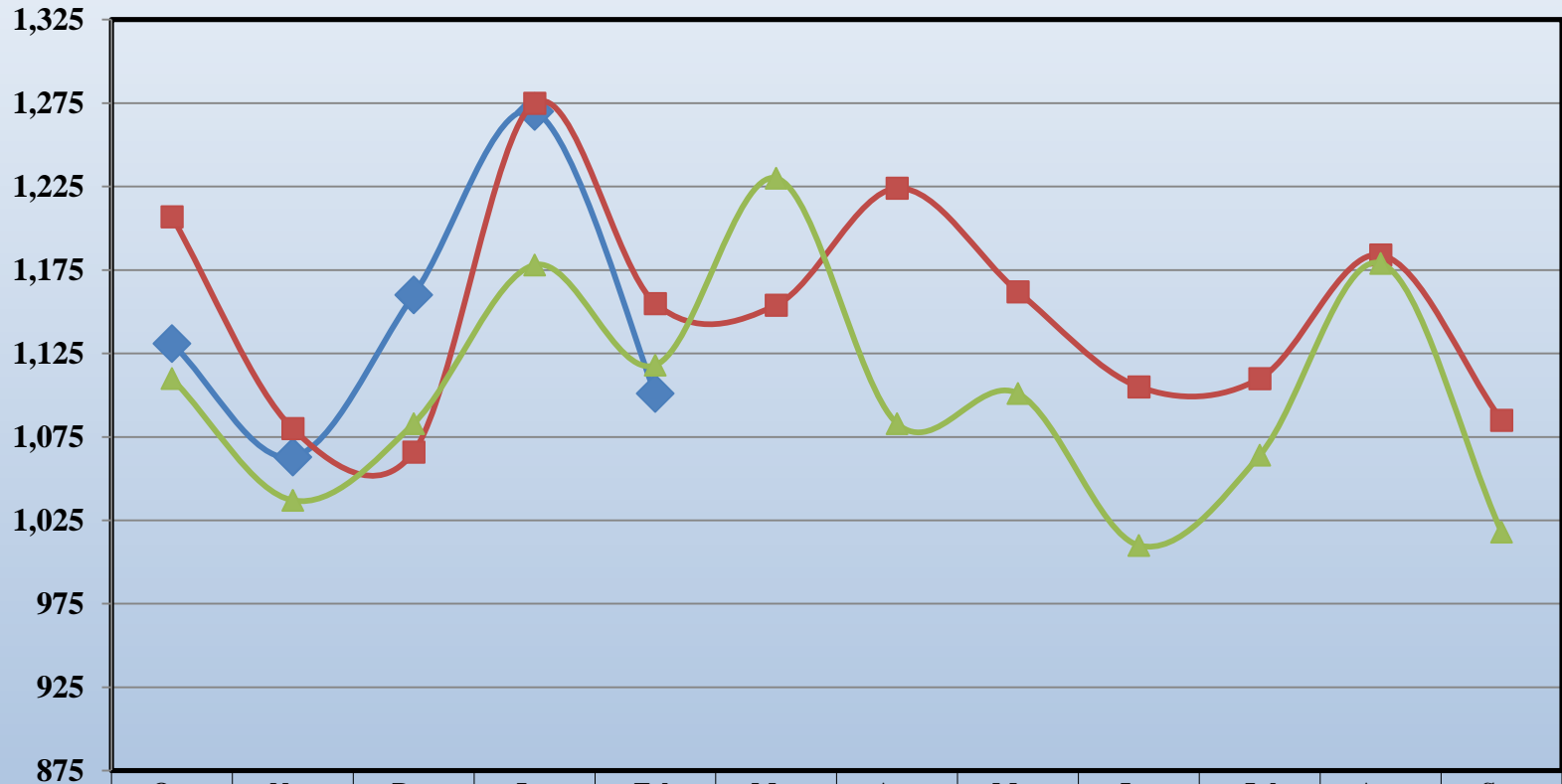
February 28, 2018

Volume



Admissions

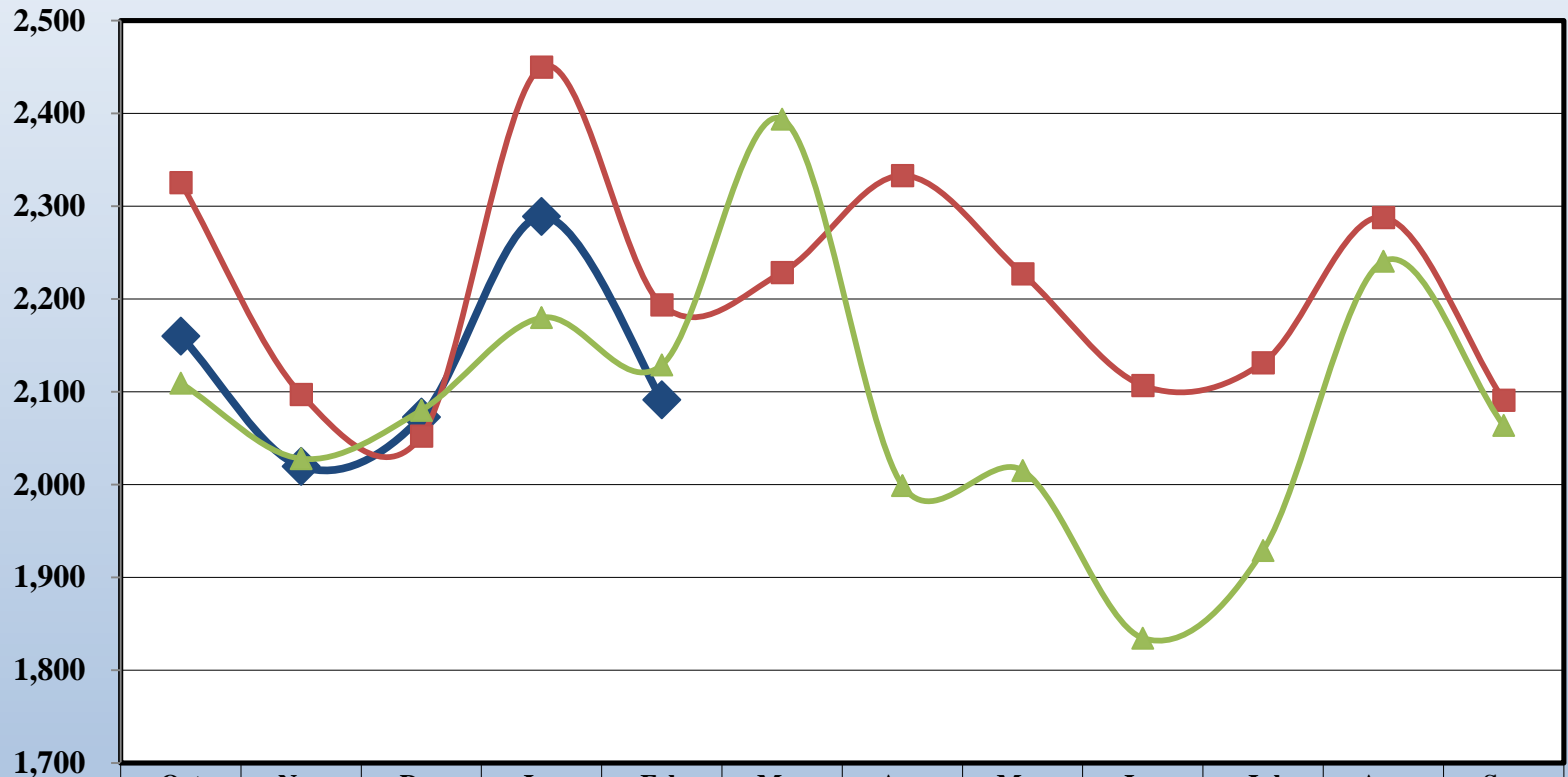
Total – Adults and NICU



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	1,131	1,063	1,160	1,270	1,101							
FY 2018 Budget	1,207	1,080	1,066	1,275	1,155	1,154	1,224	1,162	1,105	1,110	1,184	1,085
FY 2017	1,110	1,037	1,083	1,178	1,118	1,230	1,083	1,101	1,010	1,064	1,179	1,018

Adjusted Admissions

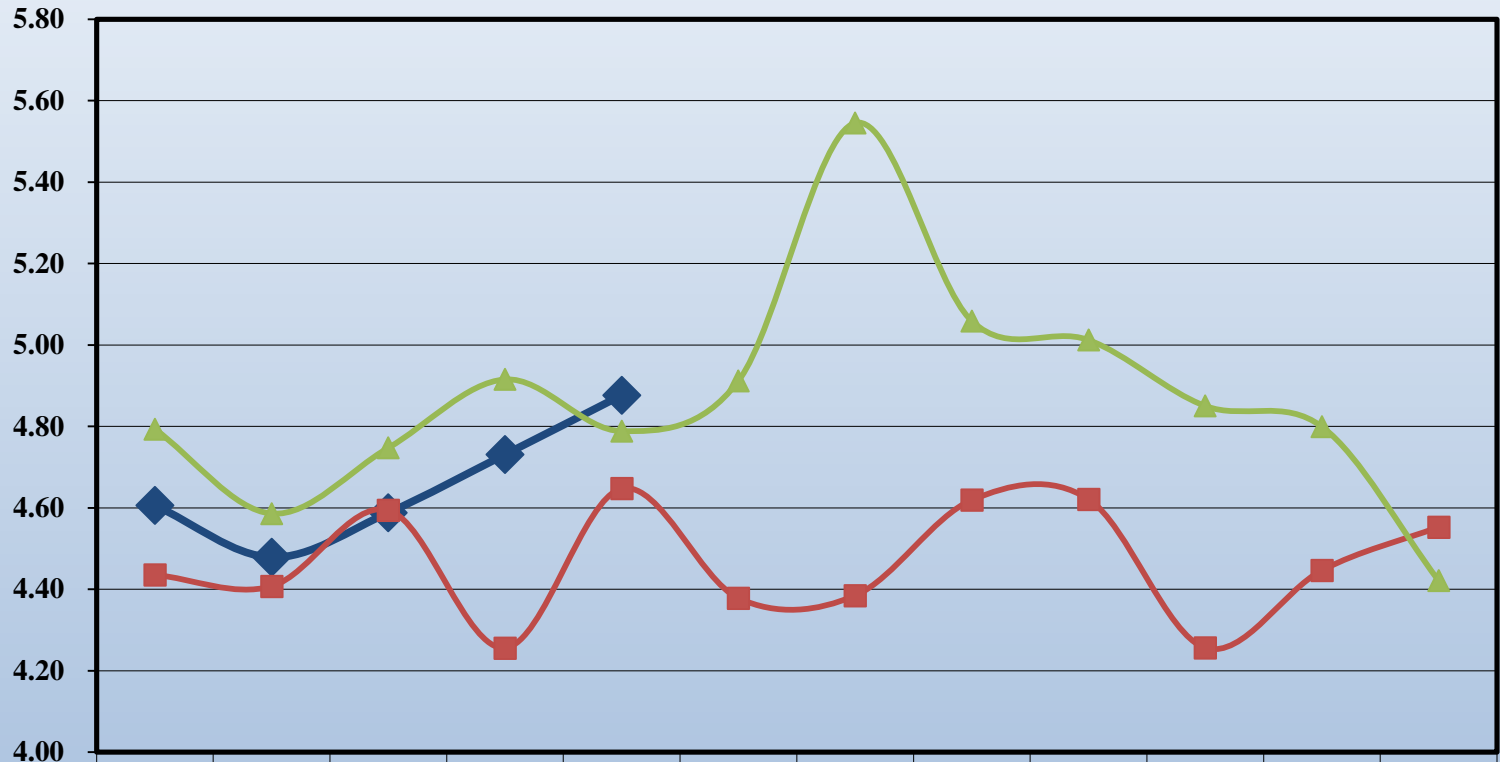
Including Acute & Rehab Unit



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	2,160	2,020	2,073	2,289	2,092							
FY 2018 Budget	2,326	2,097	2,052	2,450	2,194	2,229	2,333	2,227	2,107	2,131	2,288	2,091
FY 2017	2,109	2,028	2,080	2,180	2,129	2,394	1,999	2,015	1,835	1,929	2,241	2,064

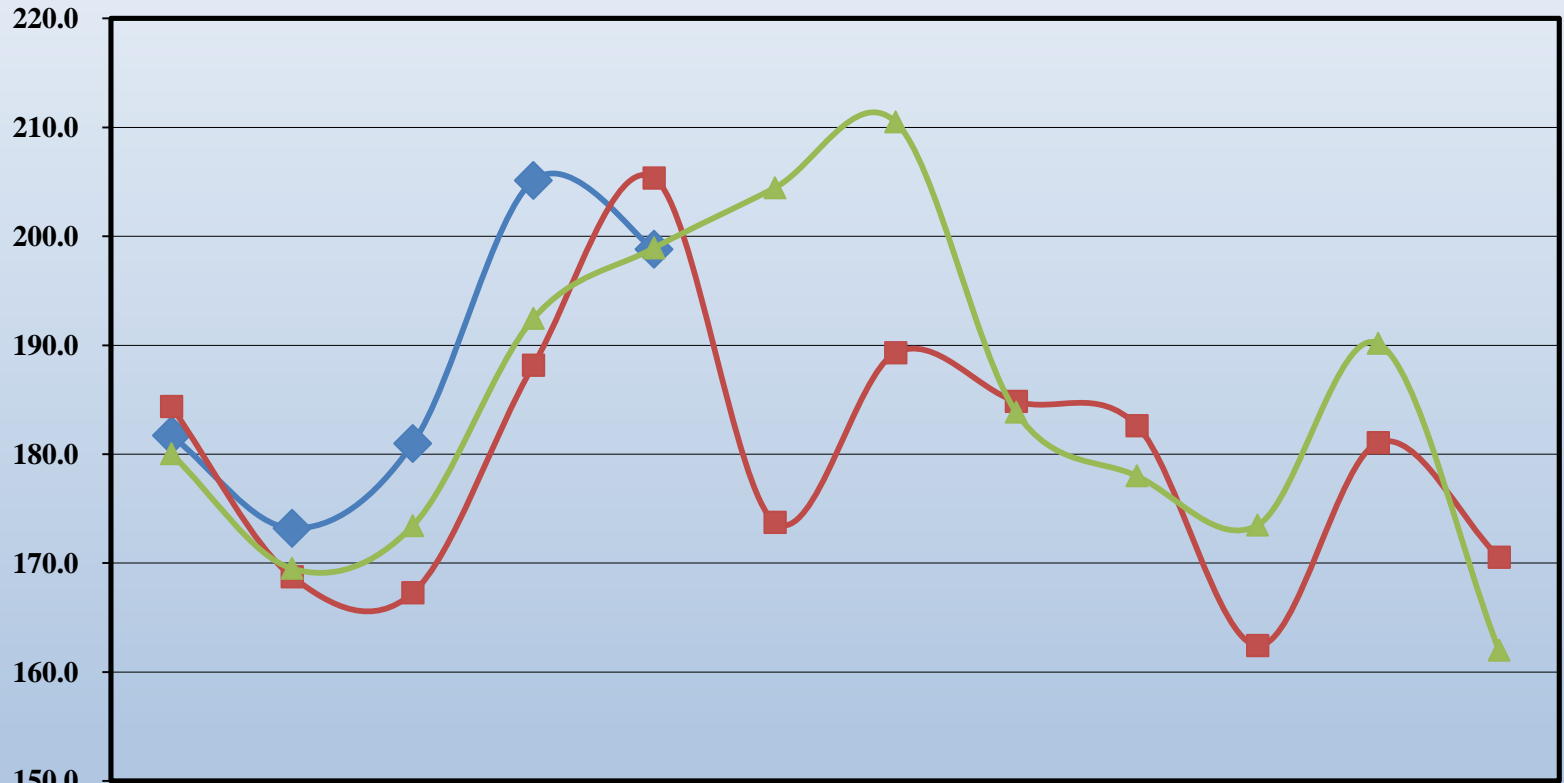
Average Length of Stay

Total – Adults and PEDI



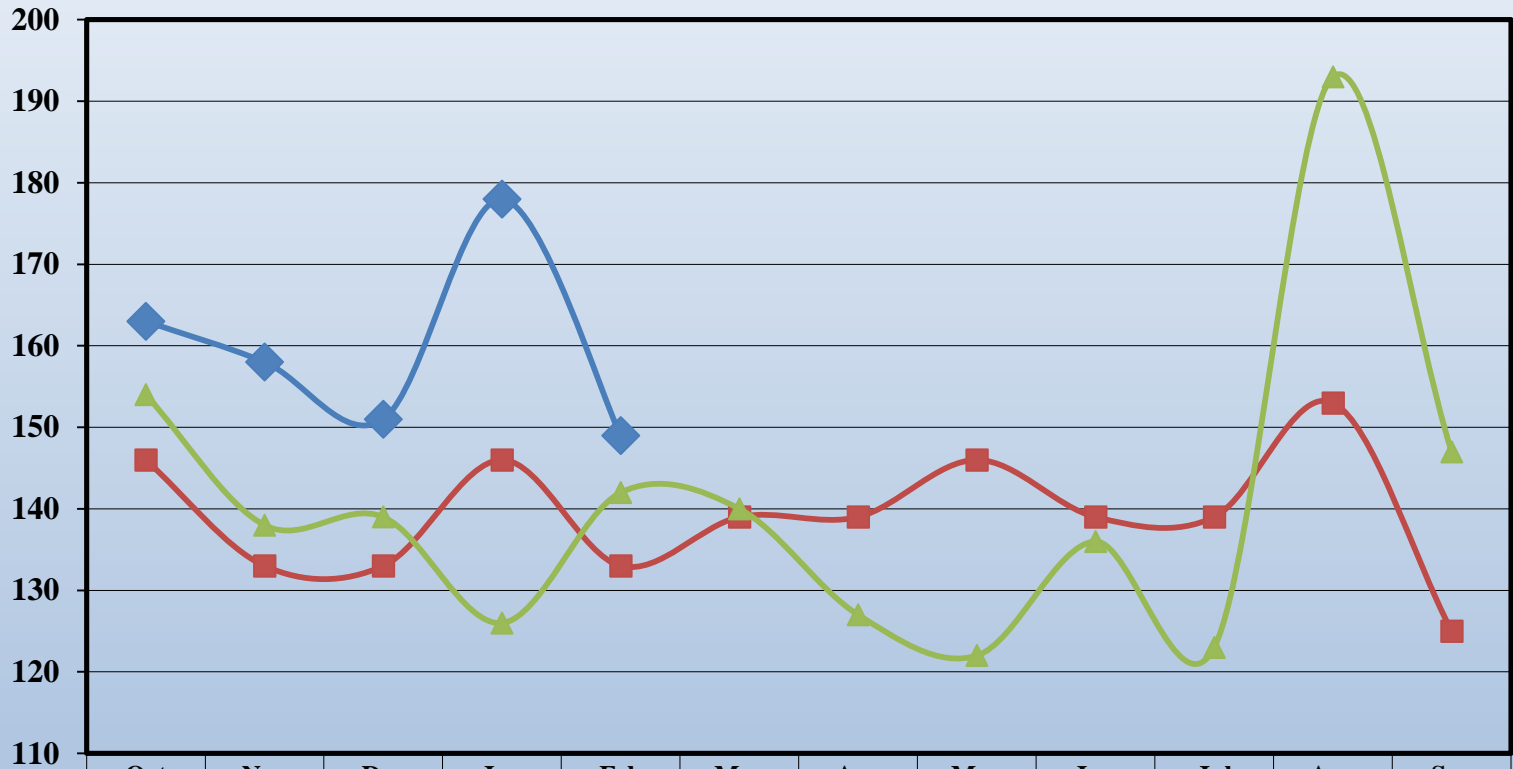
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	4.61	4.48	4.59	4.73	4.88							
■ FY 2018 Budget	4.44	4.41	4.59	4.26	4.65	4.38	4.38	4.62	4.62	4.26	4.45	4.55
▲ FY 2017	4.79	4.59	4.75	4.92	4.79	4.91	5.55	5.06	5.01	4.85	4.80	4.42

Average Daily Census



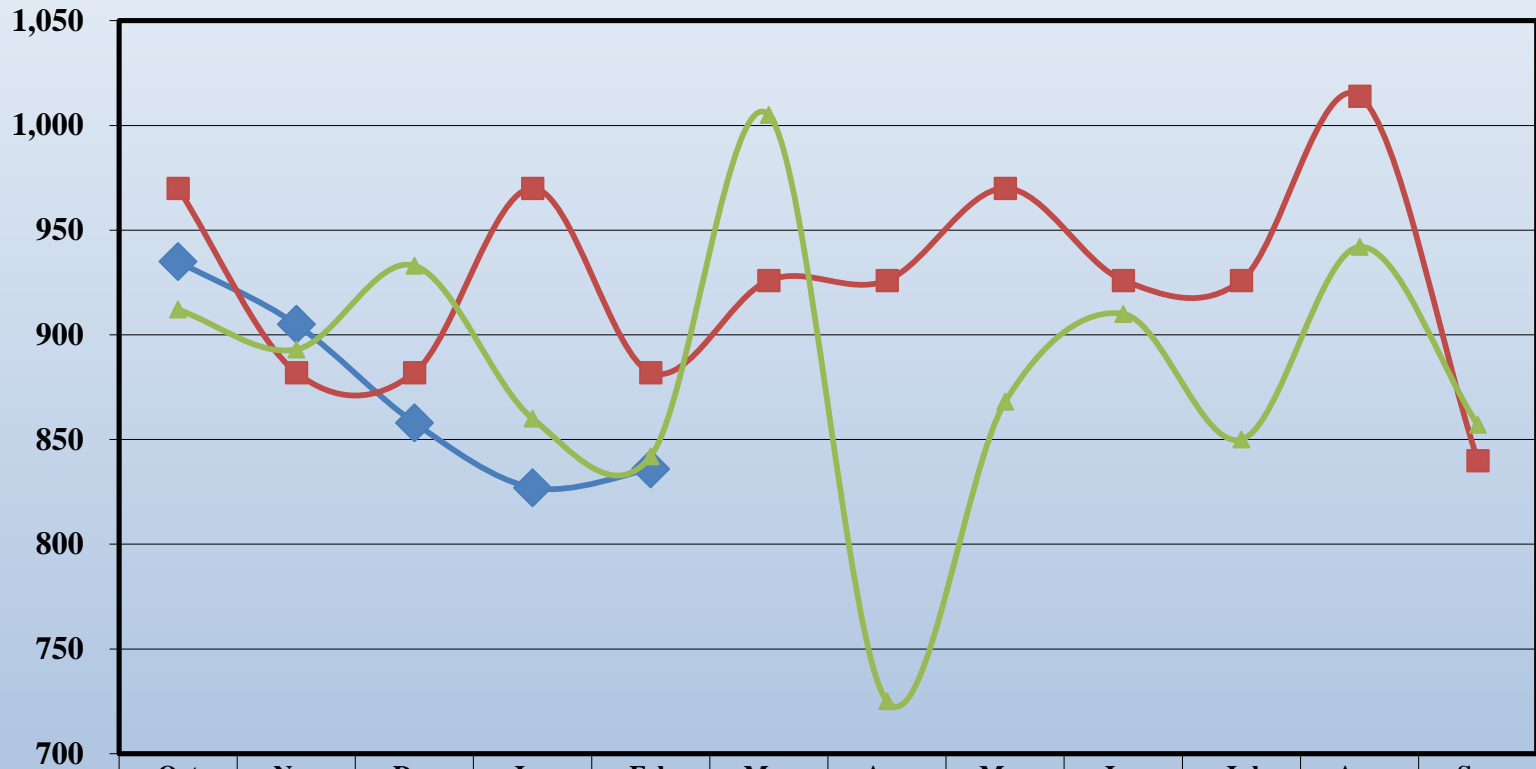
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	181.7	173.2	181.0	205.1	198.8							
■ FY 2018 Budget	184.4	168.8	167.3	188.2	205.4	173.8	189.3	184.8	182.6	162.4	181.1	170.5
▲ FY 2017	180.0	169.5	173.4	192.5	198.9	204.5	210.5	183.8	178.0	173.5	190.2	162.0

Deliveries



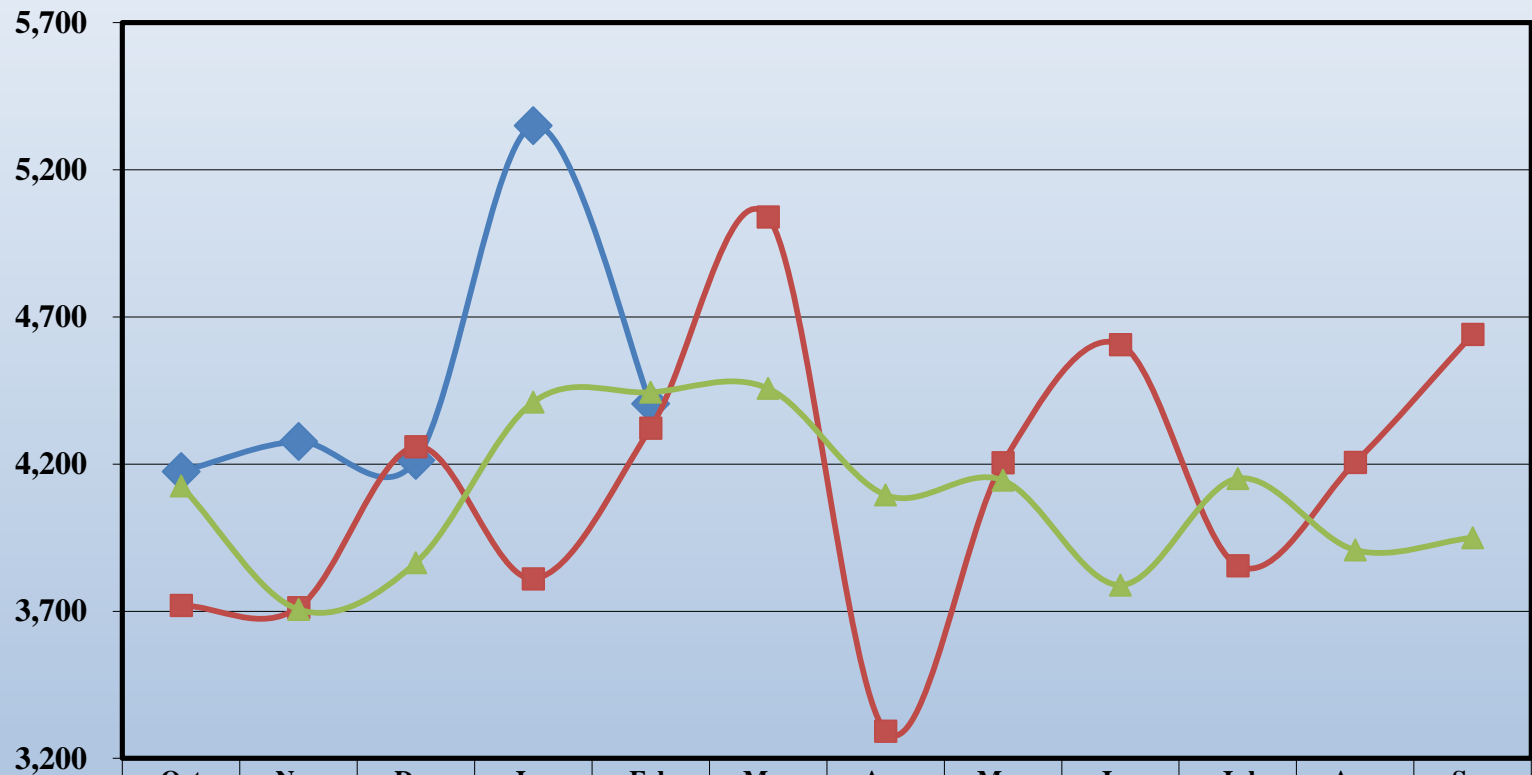
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	163	158	151	178	149							
FY 2018 Budget	146	133	133	146	133	139	139	146	139	139	153	125
FY 2017	154	138	139	126	142	140	127	122	136	123	193	147

Total Surgical Cases



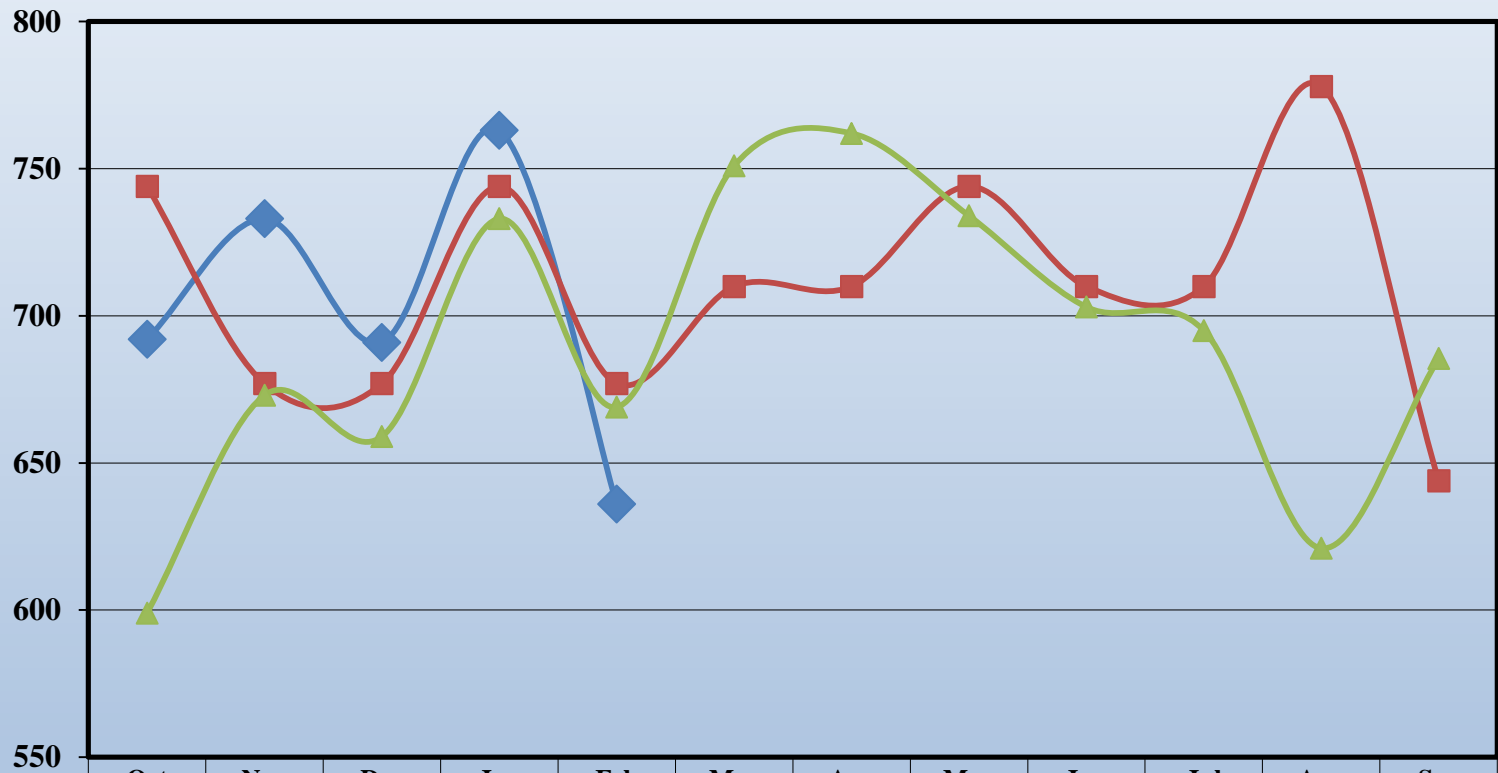
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	935	905	858	827	836							
■ FY 2018 Budget	970	882	882	970	882	926	926	970	926	926	1,014	840
▲ FY 2017	912	893	933	860	842	1,005	725	868	910	850	942	857

Emergency Room Visits



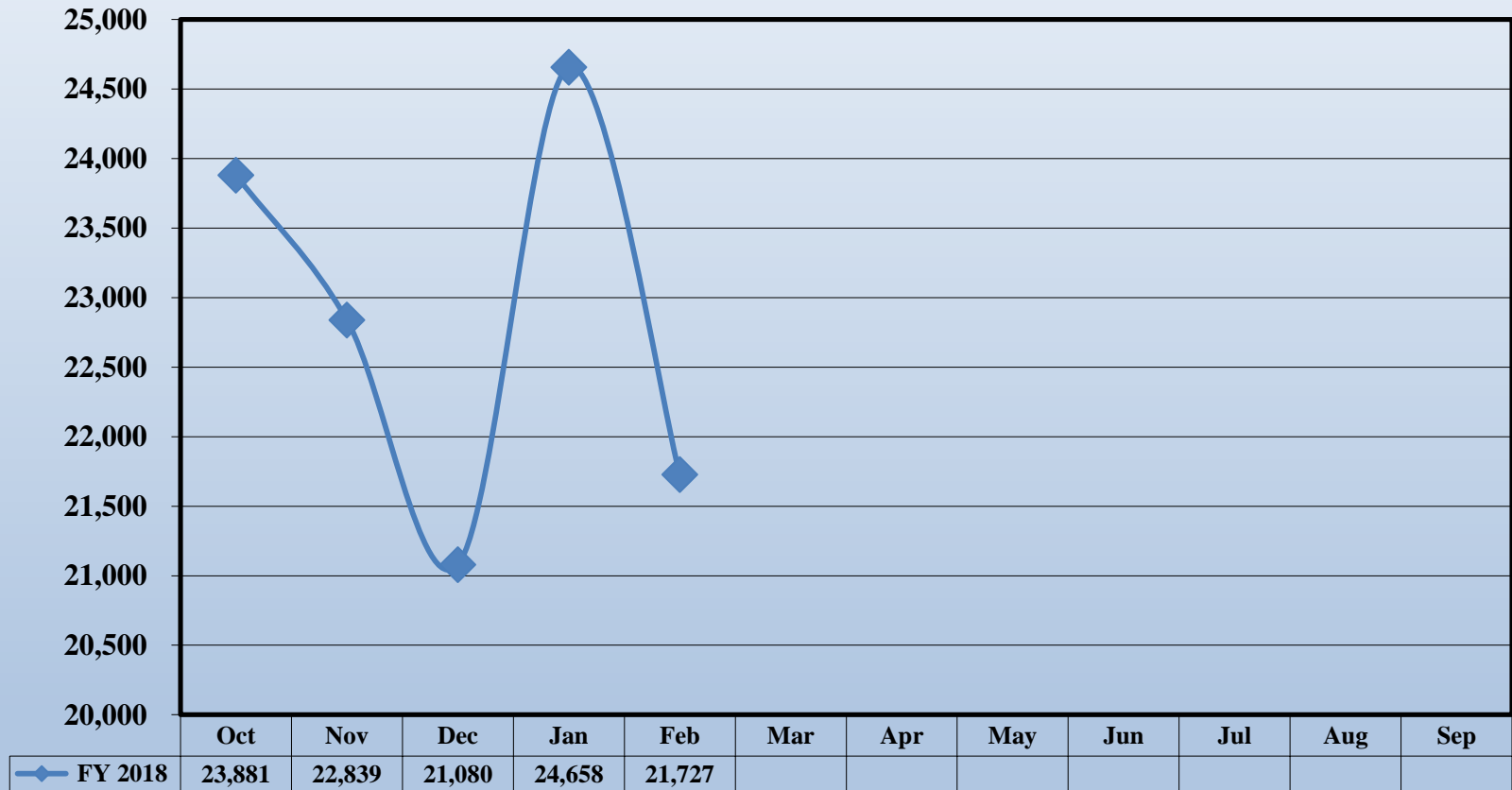
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	4,175	4,277	4,213	5,350	4,405							
FY 2018 Budget	3,720	3,713	4,260	3,811	4,323	5,040	3,293	4,205	4,607	3,855	4,206	4,641
FY 2017	4,126	3,706	3,865	4,411	4,444	4,457	4,095	4,145	3,789	4,151	3,908	3,950

Observation Days



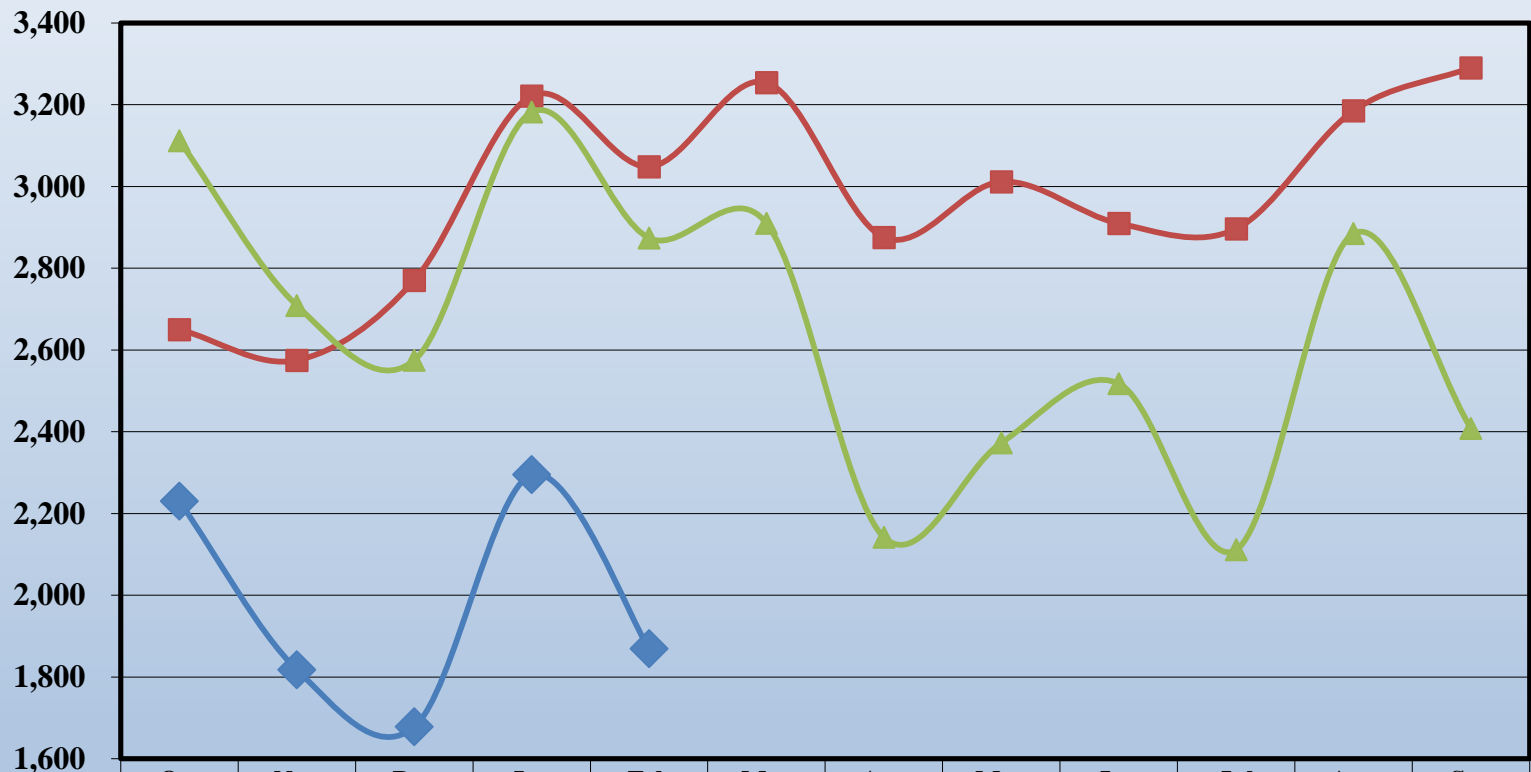
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	692	733	691	763	636							
■ FY 2018 Budget	744	677	677	744	677	710	710	744	710	710	778	644
▲ FY 2017	599	673	659	733	669	751	762	734	703	695	621	686

Total Outpatient Occasions of Service



Center for Primary Care Total Visits

(FQHC - Clements & West University)

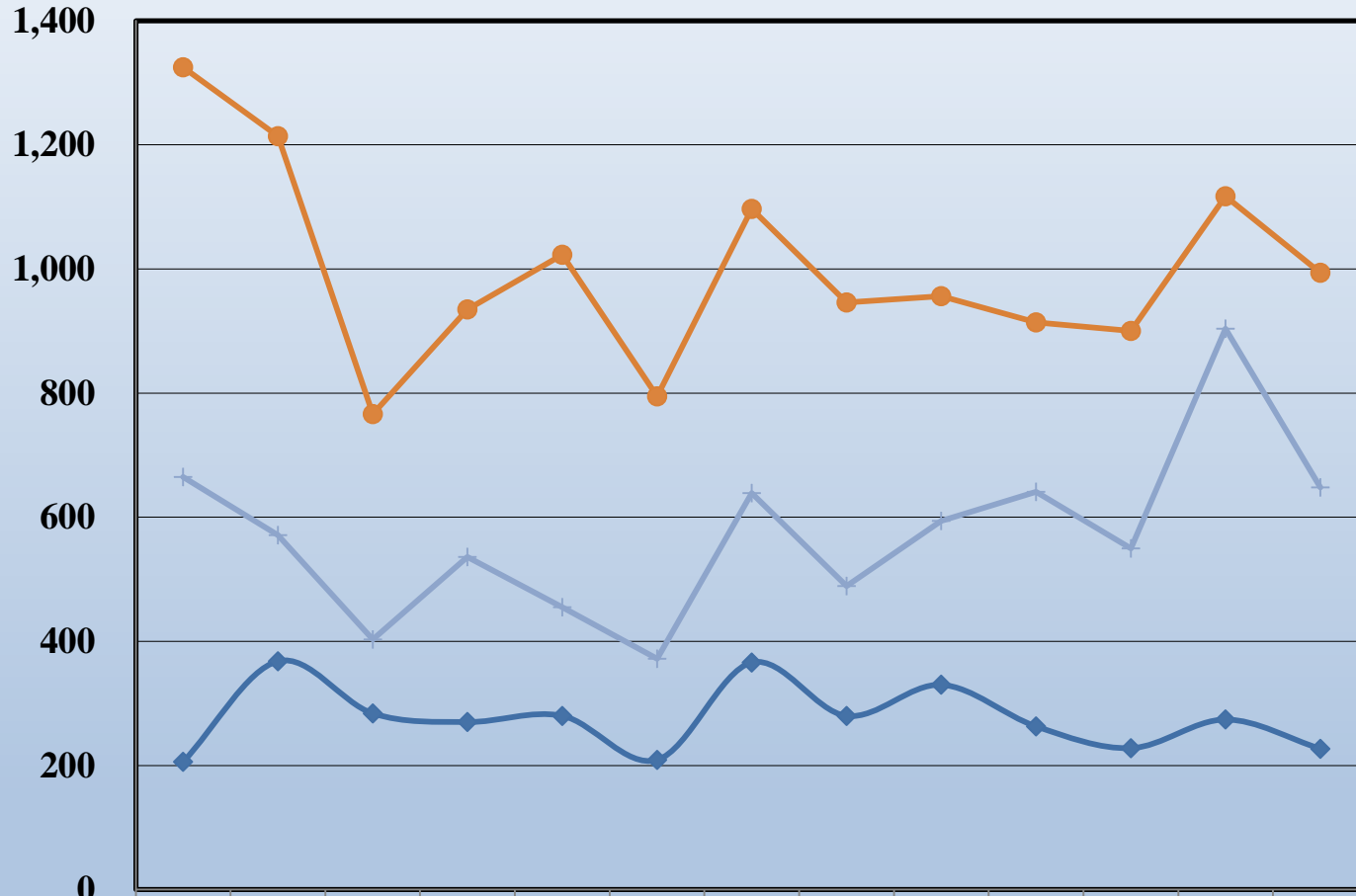


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
—◆— FY 2018	2,230	1,818	1,678	2,295	1,869							
—■— FY 2018 Budget	2,650	2,575	2,771	3,222	3,048	3,254	2,876	3,012	2,910	2,897	3,185	3,291
—▲— FY 2017	3,112	2,709	2,575	3,182	2,874	2,910	2,142	2,373	2,518	2,111	2,885	2,408

Center for Primary Care Visits

(FQHC - Clements and West University)

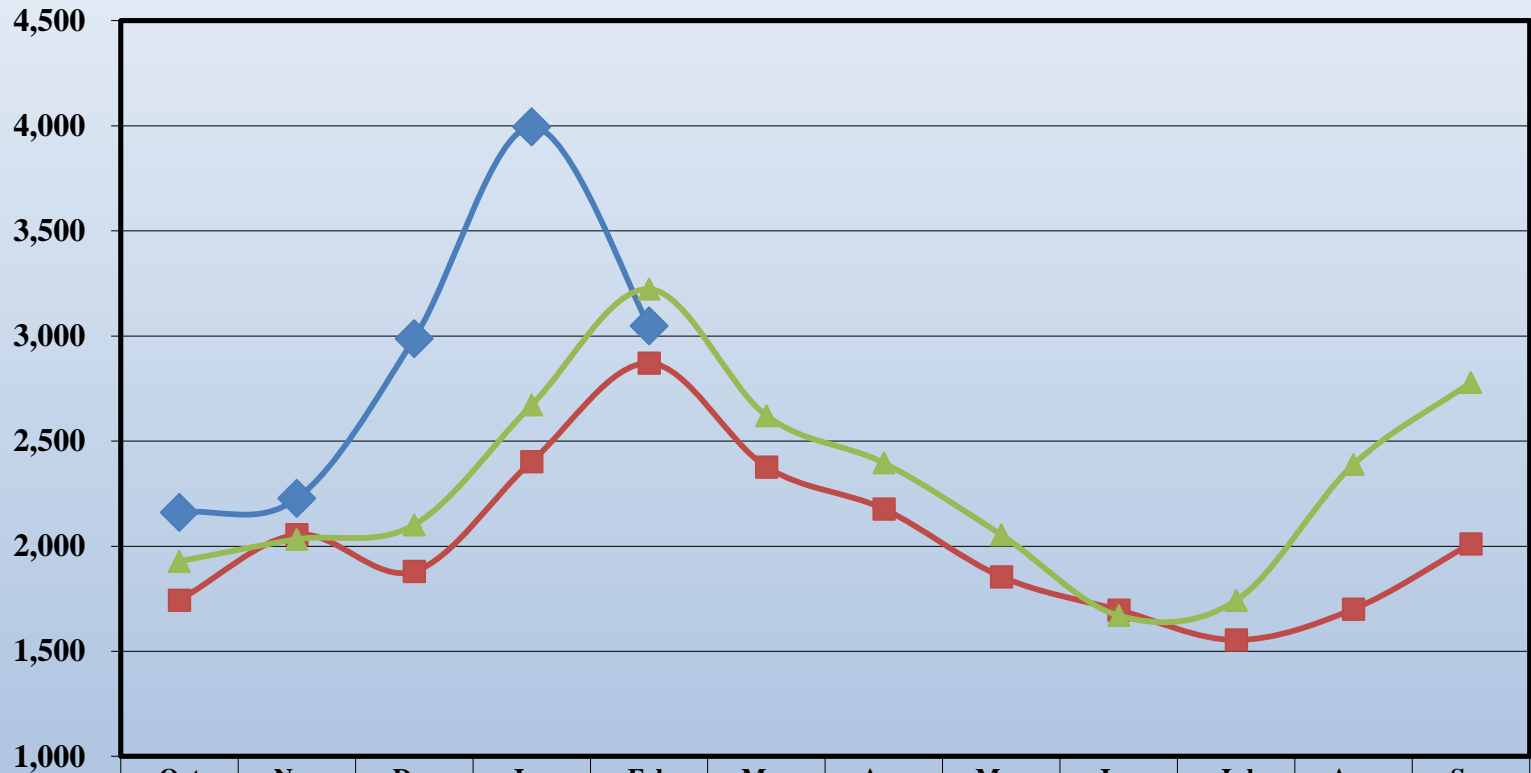
Thirteen Month Trending



	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
—●— Clements Medical	1,325	1,214	766	935	1,023	795	1,097	946	956	914	900	1,117	994
—+— W. University Medical	665	571	403	536	455	372	639	489	594	641	550	904	648
—◆— W. University Optometry	206	368	284	270	280	209	366	280	330	263	228	274	227

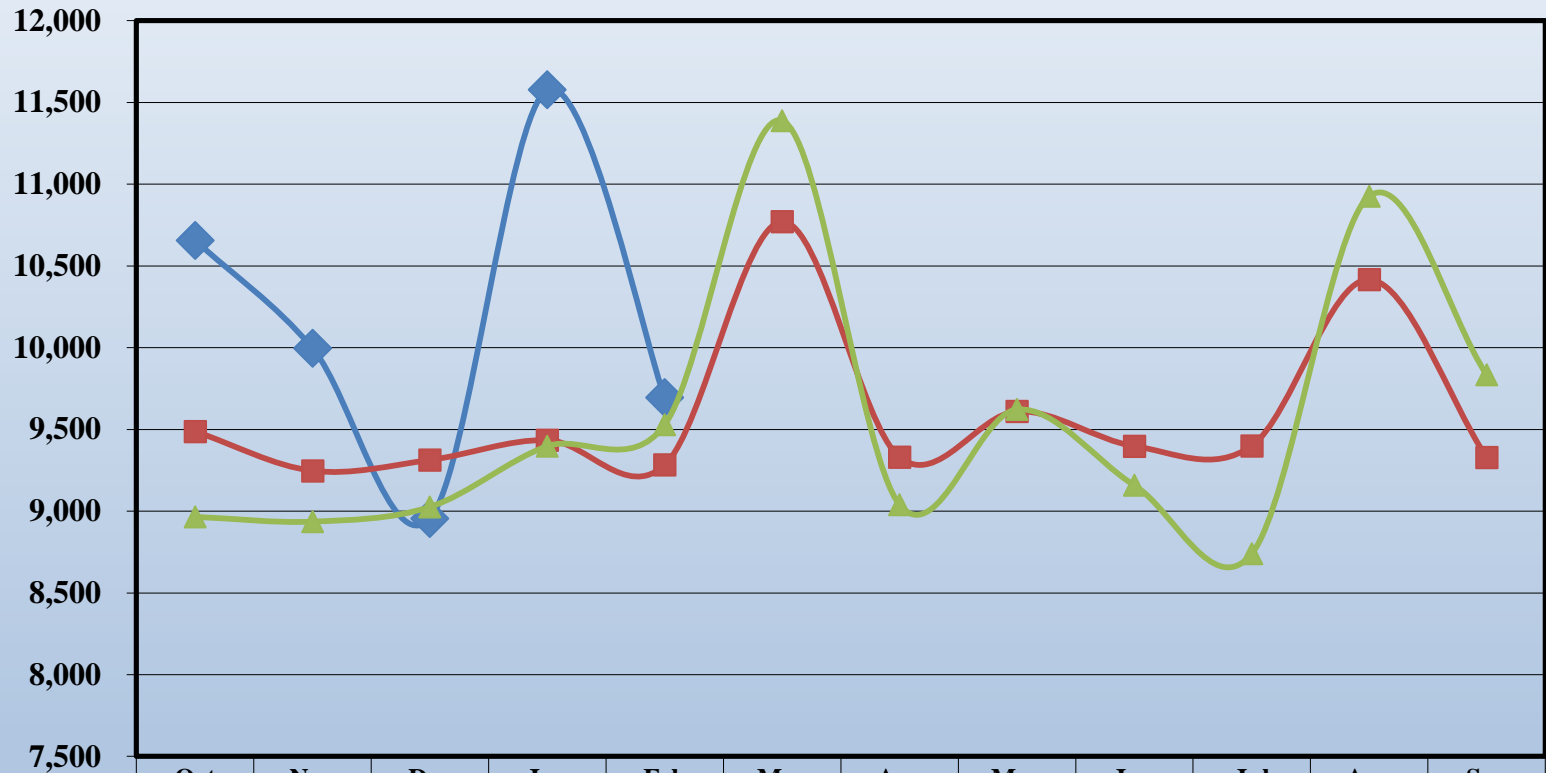
Urgent Care Visits

(Health and Wellness, Golder, JBS Clinic, West University & 42nd Street)



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	2,161	2,227	2,988	3,995	3,048							
FY 2018 Budget	1,744	2,055	1,880	2,403	2,871	2,377	2,177	1,855	1,697	1,554	1,701	2,012
FY 2017	1,928	2,033	2,102	2,672	3,223	2,621	2,396	2,054	1,670	1,742	2,389	2,779

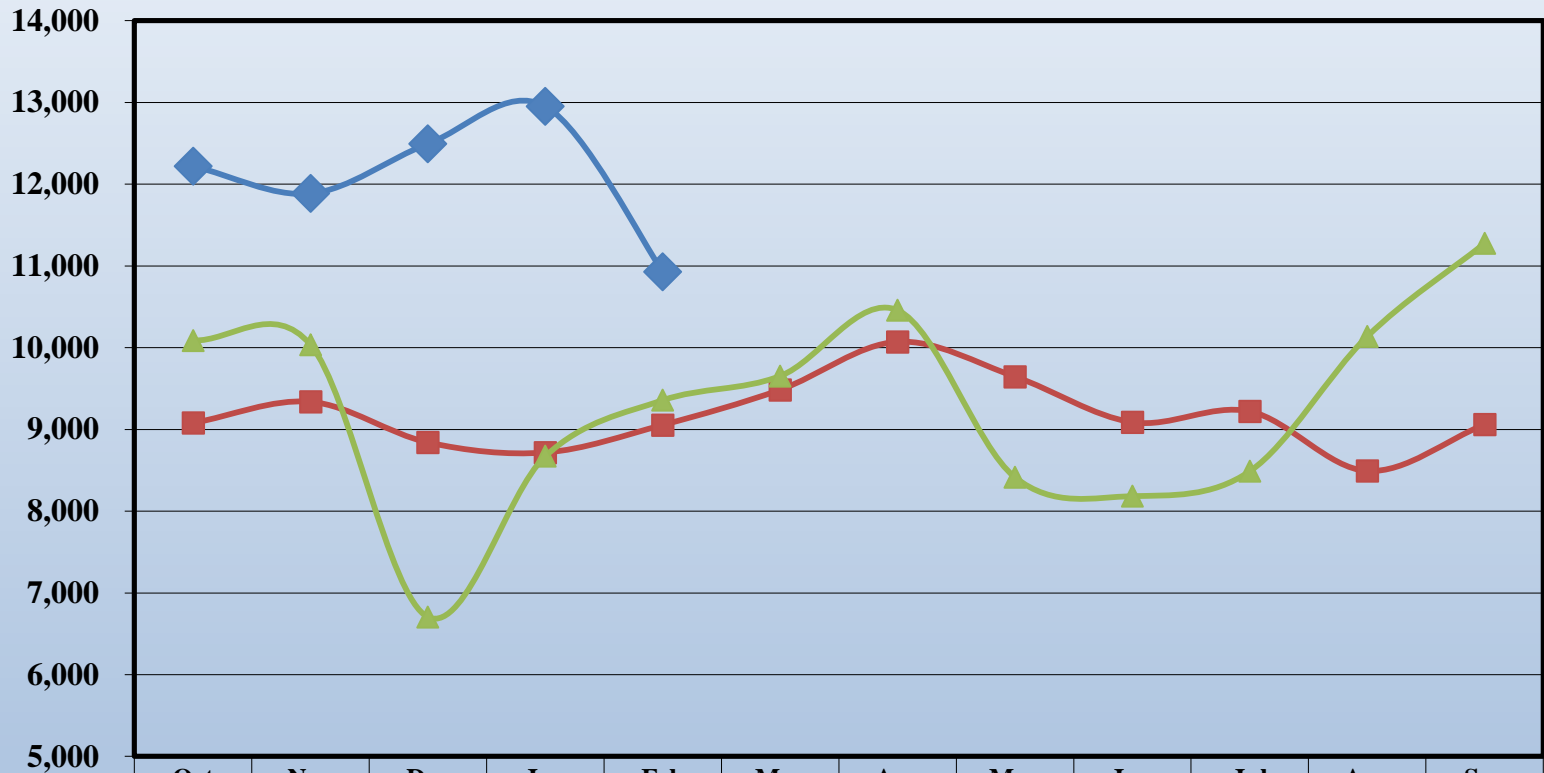
Total ProCare Office Visits



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	10,657	9,997	8,955	11,577	9,694							
■ FY 2018 Budget	9,488	9,247	9,313	9,435	9,283	10,771	9,330	9,610	9,398	9,400	10,417	9,328
▲ FY 2017	8,965	8,936	9,026	9,398	9,529	11,389	9,039	9,622	9,158	8,740	10,926	9,834

Total ProCare Procedures

Excluding Pathology and Radiology Procedures



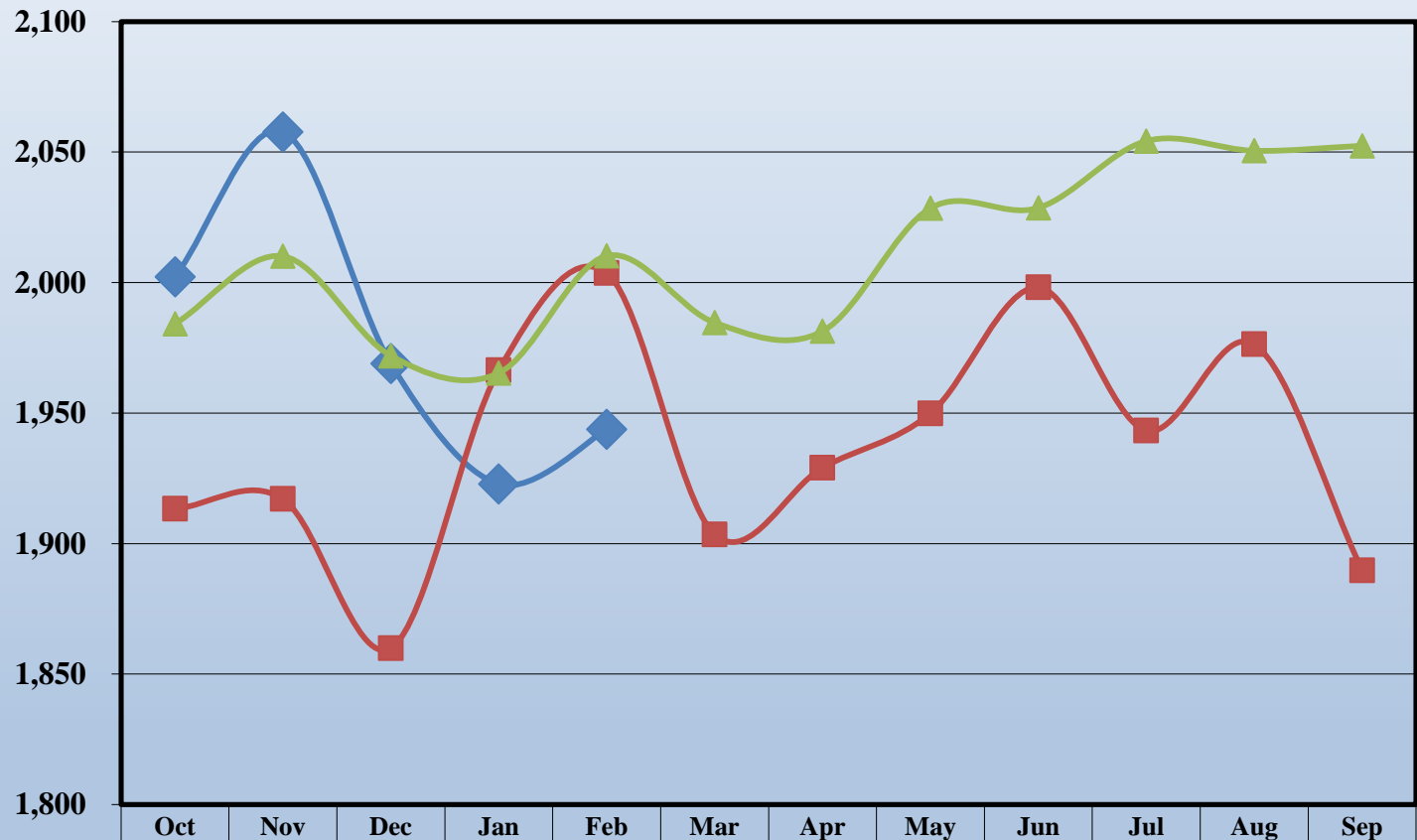
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	12,220	11,886	12,494	12,953	10,929							
■ FY 2018 Budget	9,079	9,338	8,841	8,718	9,055	9,485	10,072	9,646	9,088	9,221	8,492	9,061
▲ FY 2017	10,088	10,036	6,705	8,672	9,357	9,653	10,458	8,414	8,184	8,488	10,137	11,276

Staffing



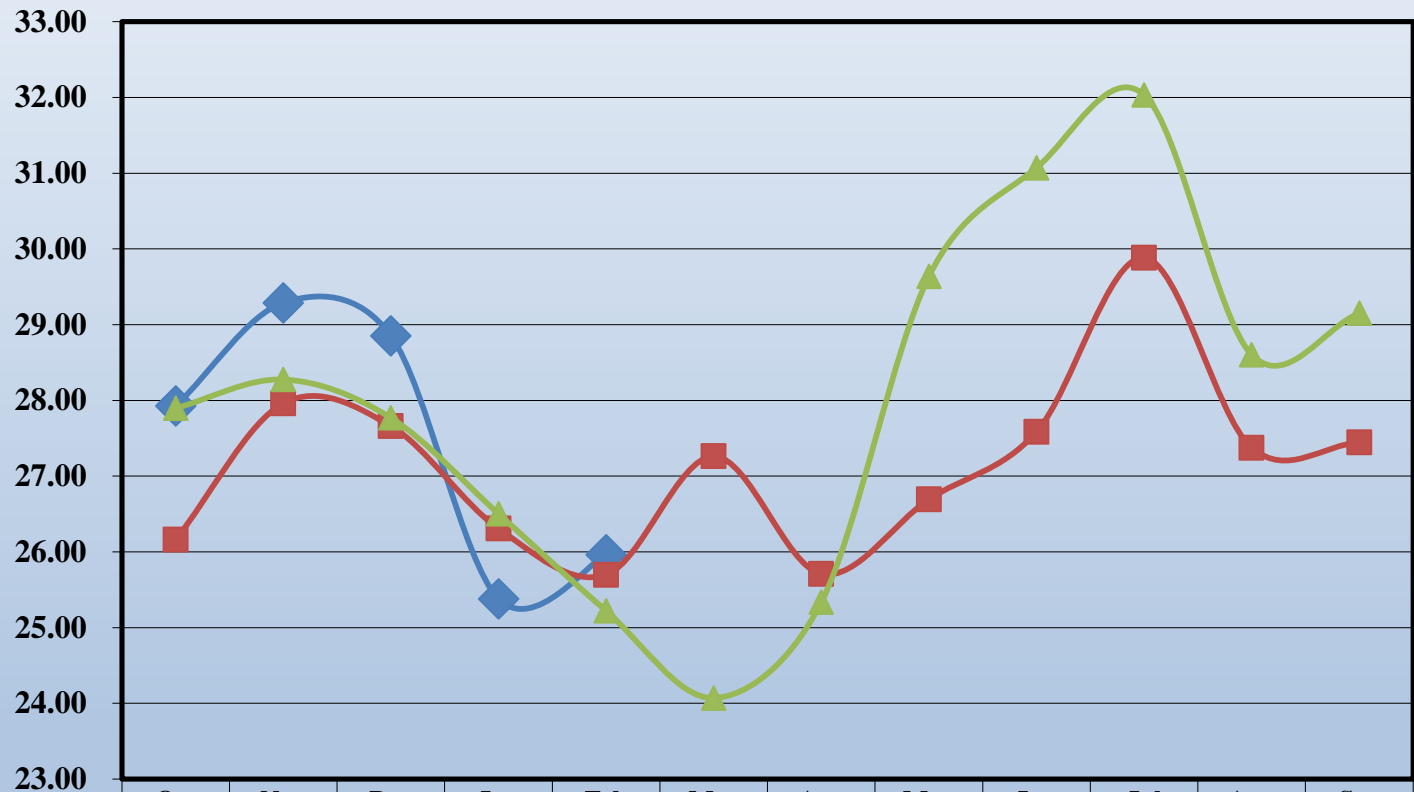
Blended FTE's

Including Contract Labor and Management Services



◆ FY 2018	2,002	2,058	1,969	1,923	1,944							
■ FY 2018 Budget	1,913	1,917	1,860	1,966	2,004	1,904	1,929	1,950	1,998	1,943	1,976	1,890
▲ FY 2017	1,984	2,010	1,972	1,965	2,010	1,985	1,981	2,029	2,029	2,054	2,051	2,052

Paid Hours per Adjusted Patient Day (Blended)



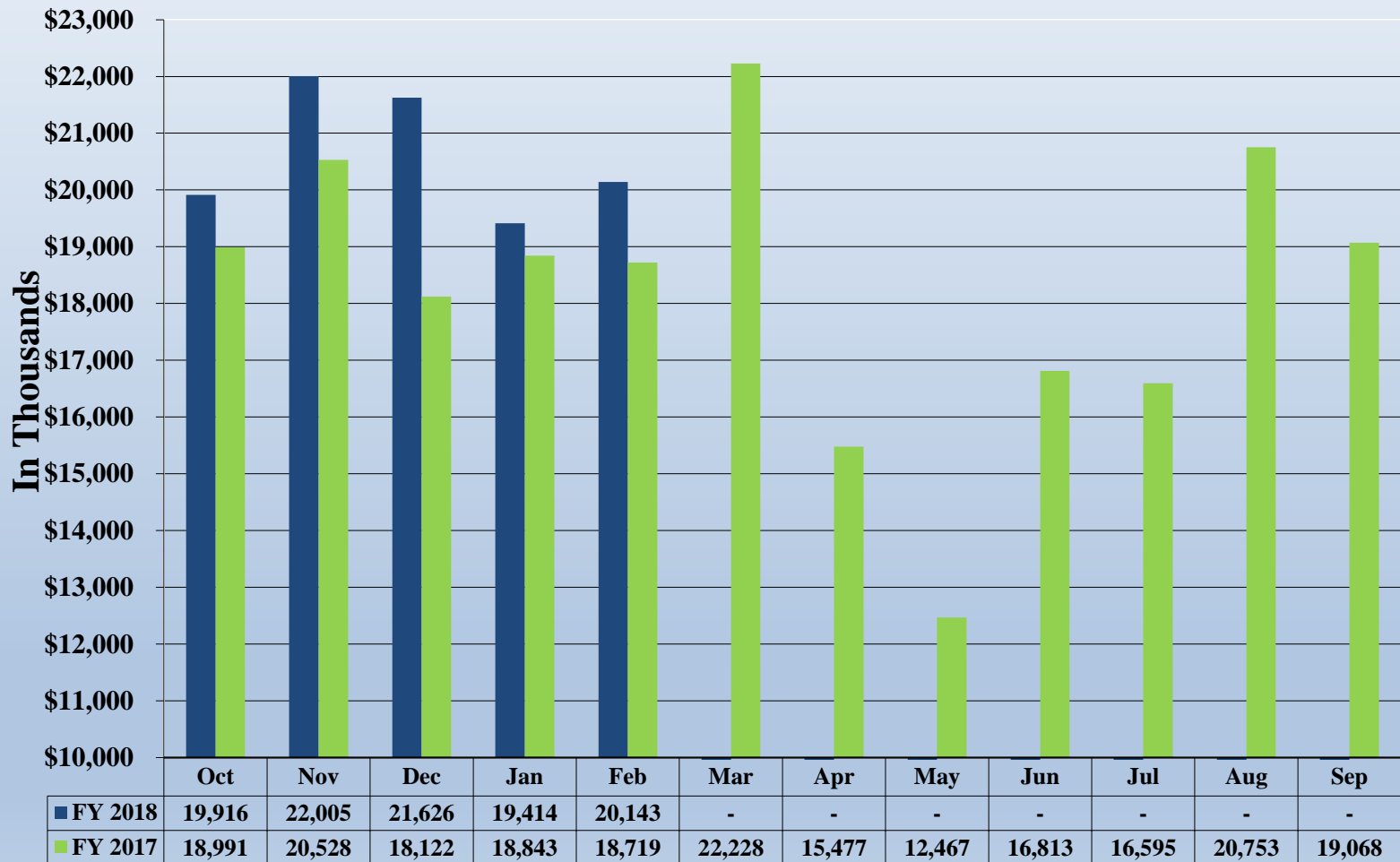
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	27.93	29.29	28.85	25.38	25.96							
■ FY 2018 Budget	26.16	27.96	27.66	26.31	25.70	27.26	25.71	26.69	27.58	29.88	27.37	27.44
▲ FY 2017	27.90	28.28	27.77	26.50	25.22	24.07	25.34	29.64	31.07	32.03	28.60	29.15

Accounts Receivable

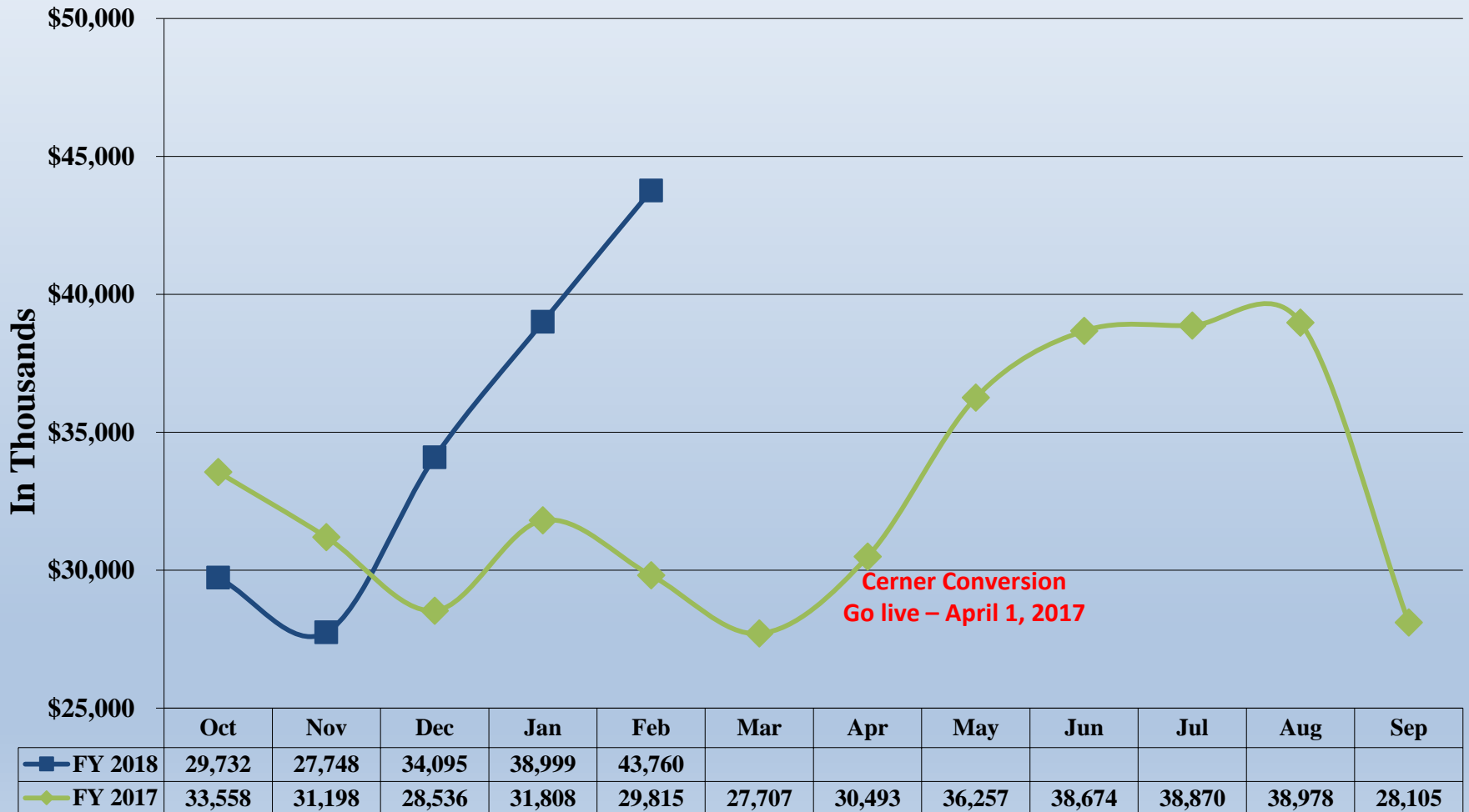


AR Cash Receipts

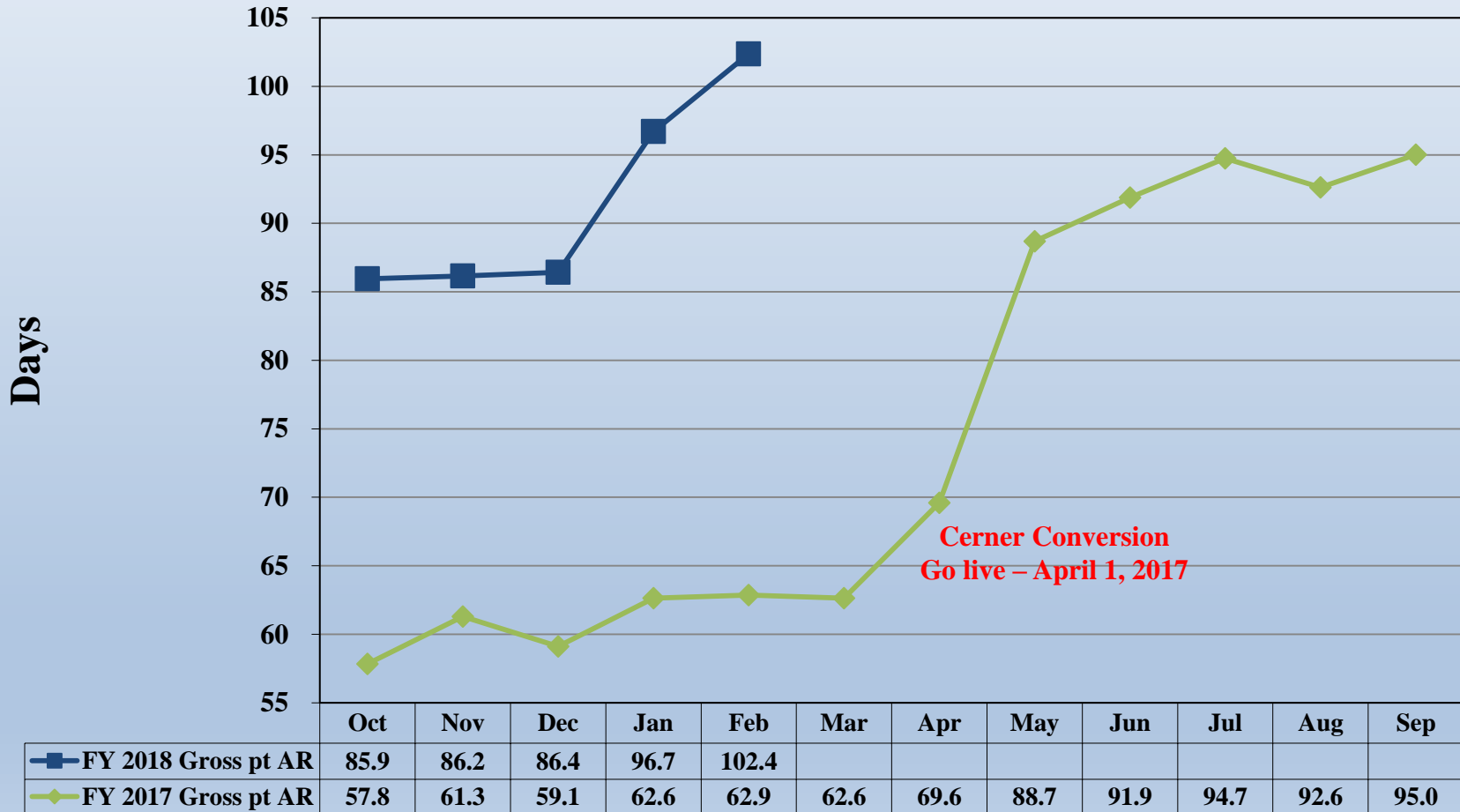
Compared to Prior Year (Blended)



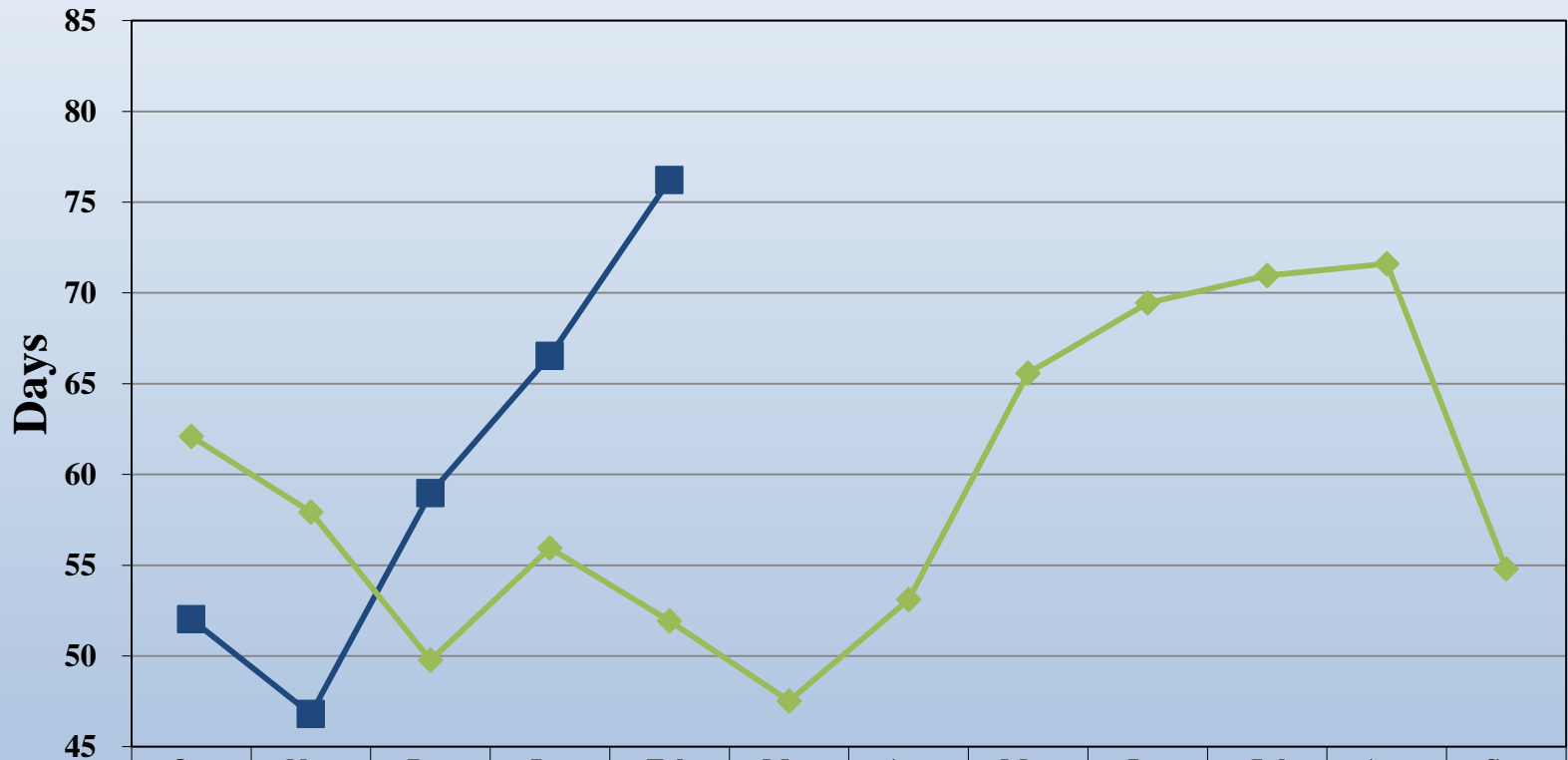
Accounts Receivable - Net



Gross Days in Accounts Receivable – Rolling 3 Month



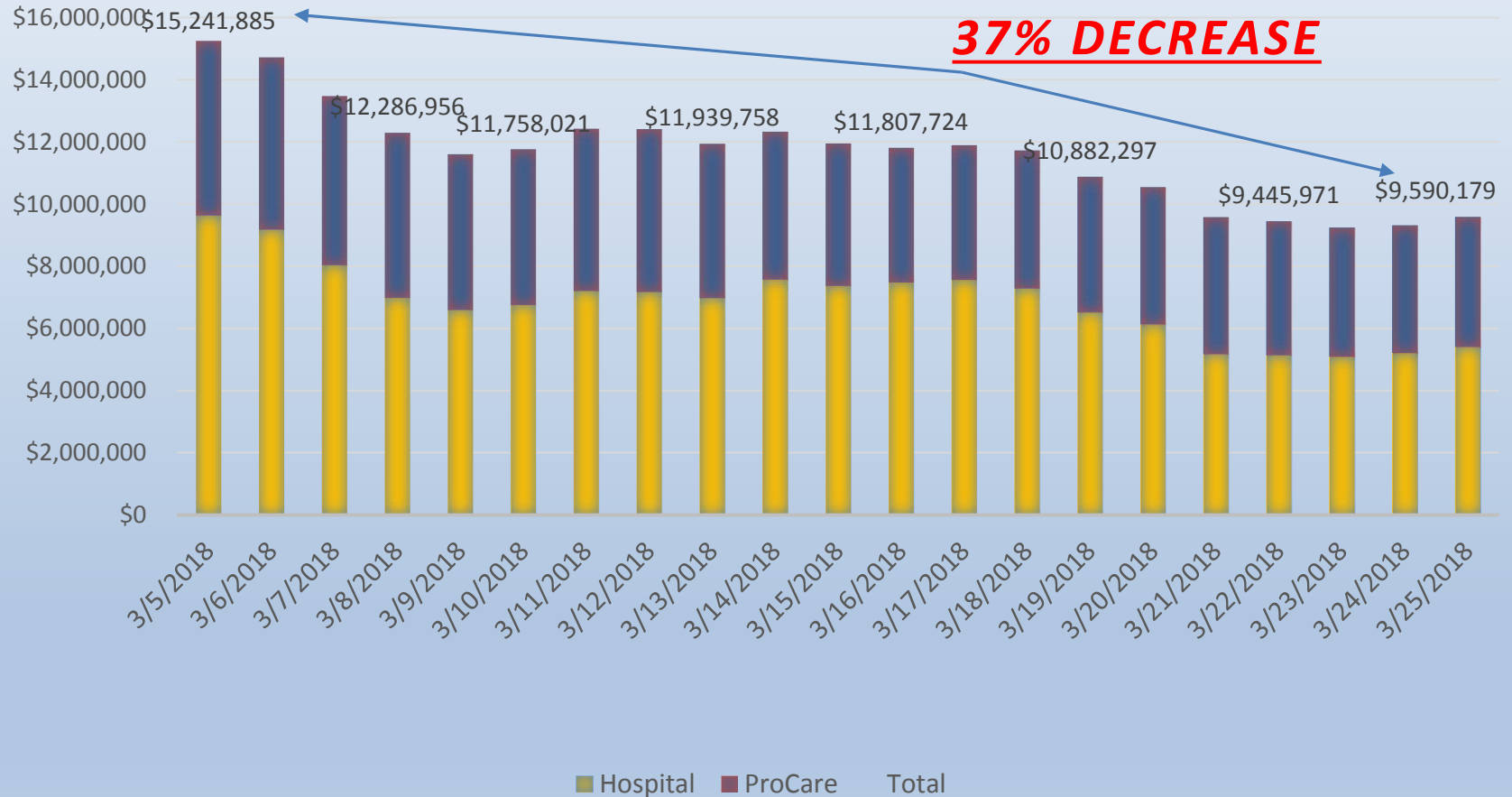
Net Days in Accounts Receivable – Rolling 3 Month



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
■ FY 2018	52.0	46.8	59.0	66.5	76.2							
◆ FY 2017	62.1	57.9	49.8	55.9	51.9	47.5	53.1	65.6	69.4	71.0	71.6	54.8

DNFC – A Success Story

March 2018

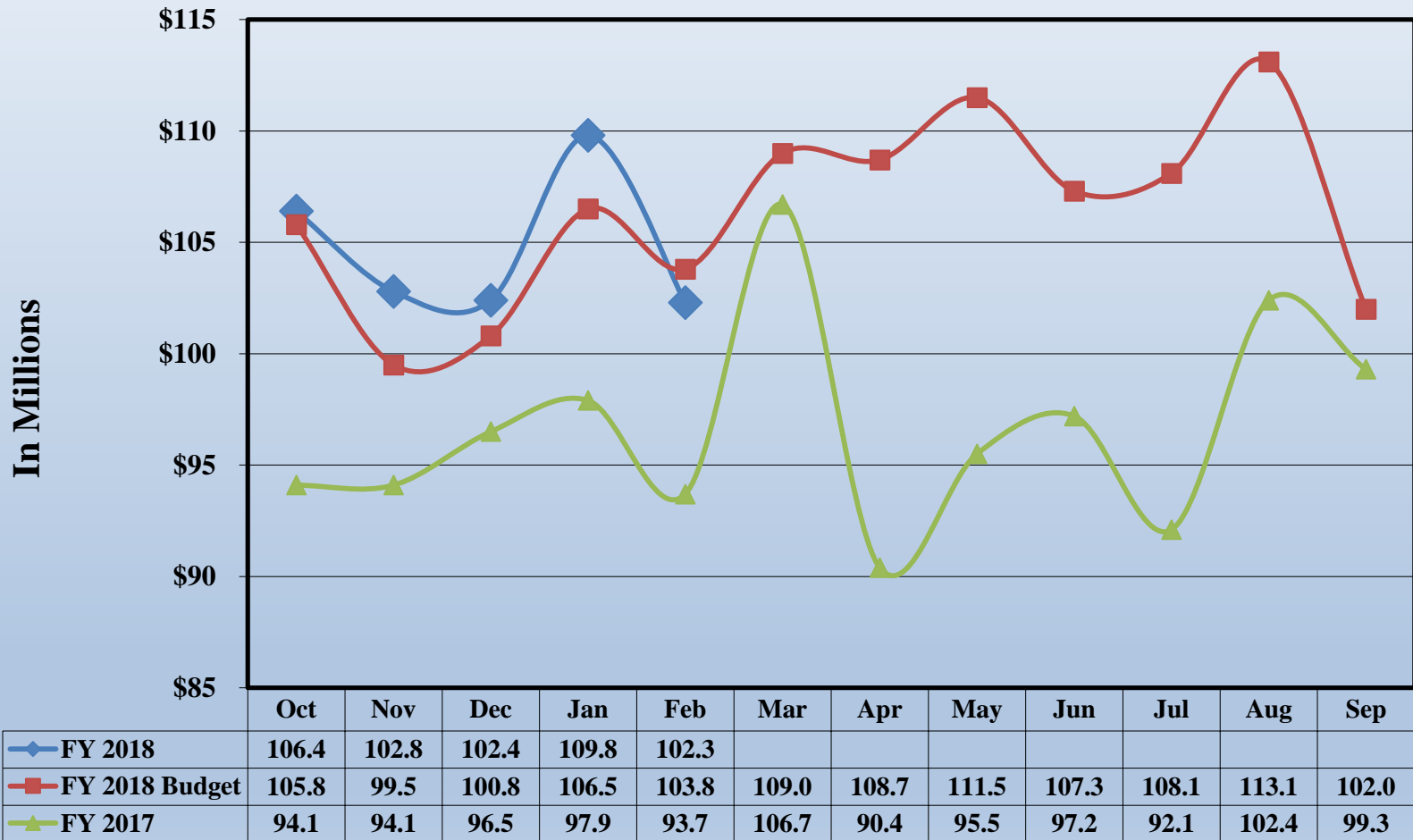


Revenues & Revenue Deductions



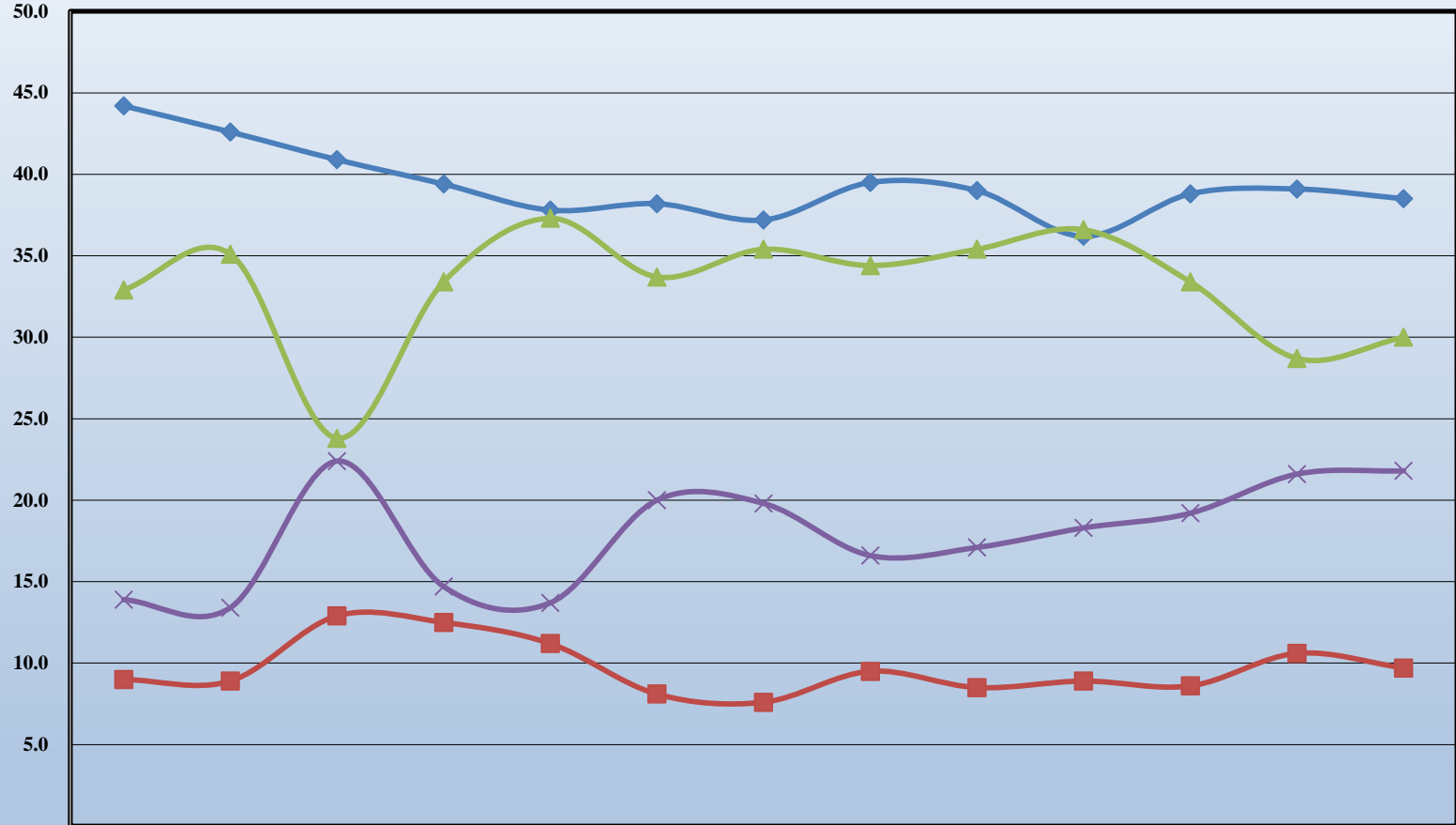
Total Patient Revenues

(Blended)



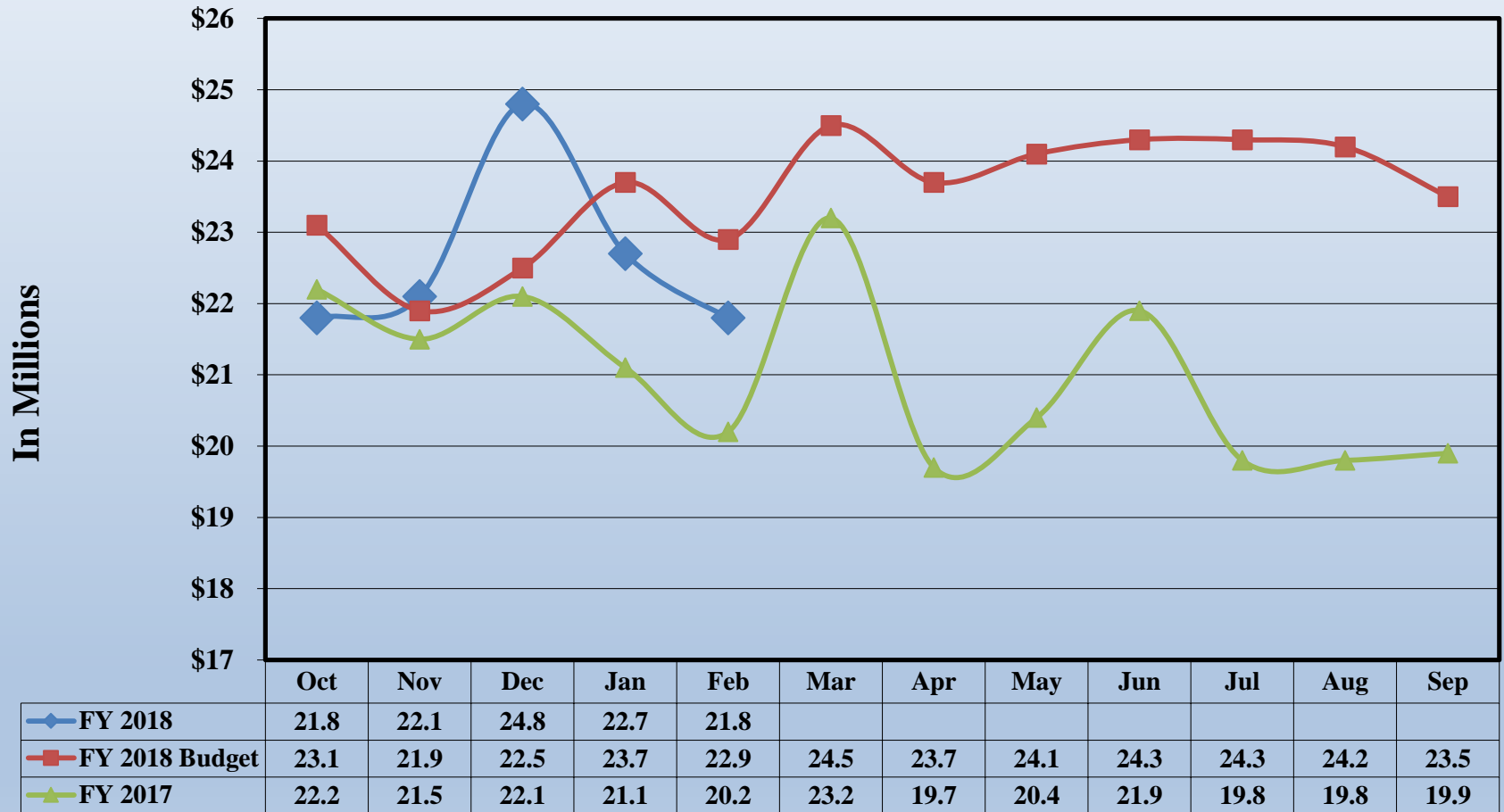
Hospital Revenue Payor Mix

13 Month Trend



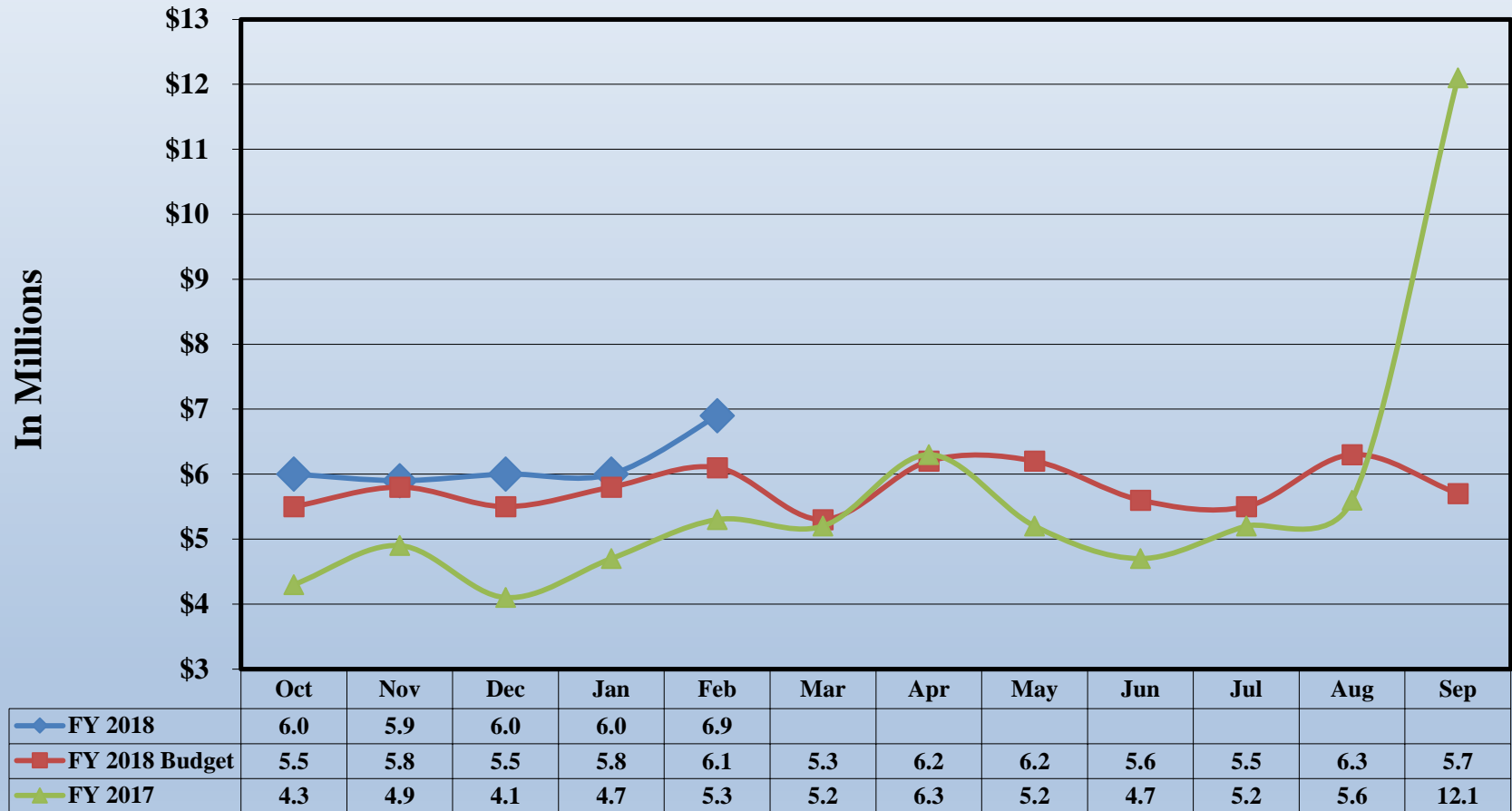
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Series1	44.2	42.6	40.9	39.4	37.8	38.2	37.2	39.5	39.0	36.2	38.8	39.1	38.5
Series2	9.0	8.9	12.9	12.5	11.2	8.1	7.6	9.5	8.5	8.9	8.6	10.6	9.7
Series3	32.9	35.1	23.8	33.4	37.3	33.7	35.4	34.4	35.4	36.6	33.4	28.7	30.0
Series4	13.9	13.4	22.4	14.7	13.7	20.0	19.8	16.6	17.1	18.3	19.2	21.6	21.8

Net Patient Revenues (Blended)

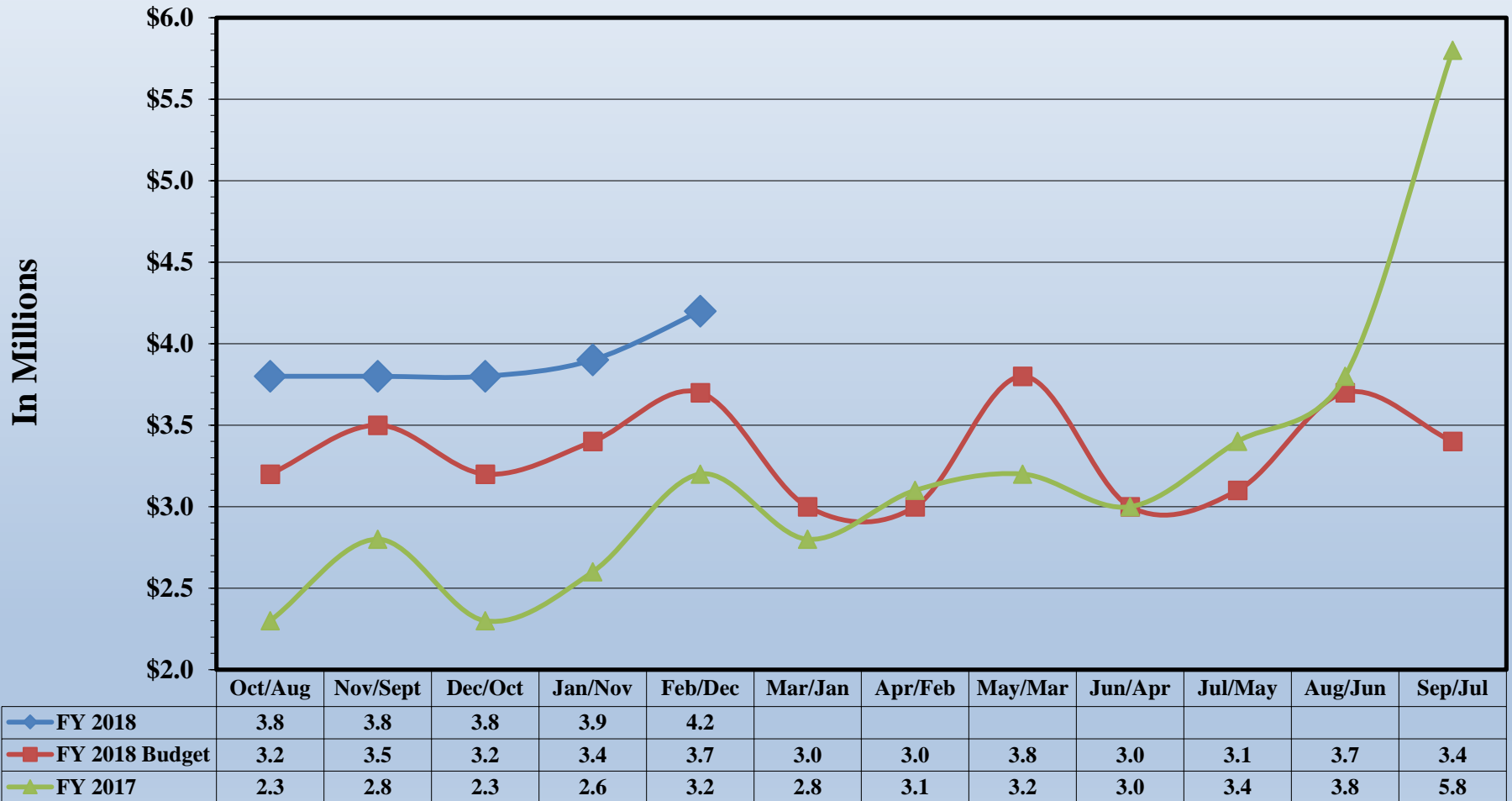


Other Revenue - Blended

Including Tax Receipts, Interest & Other Operating Income



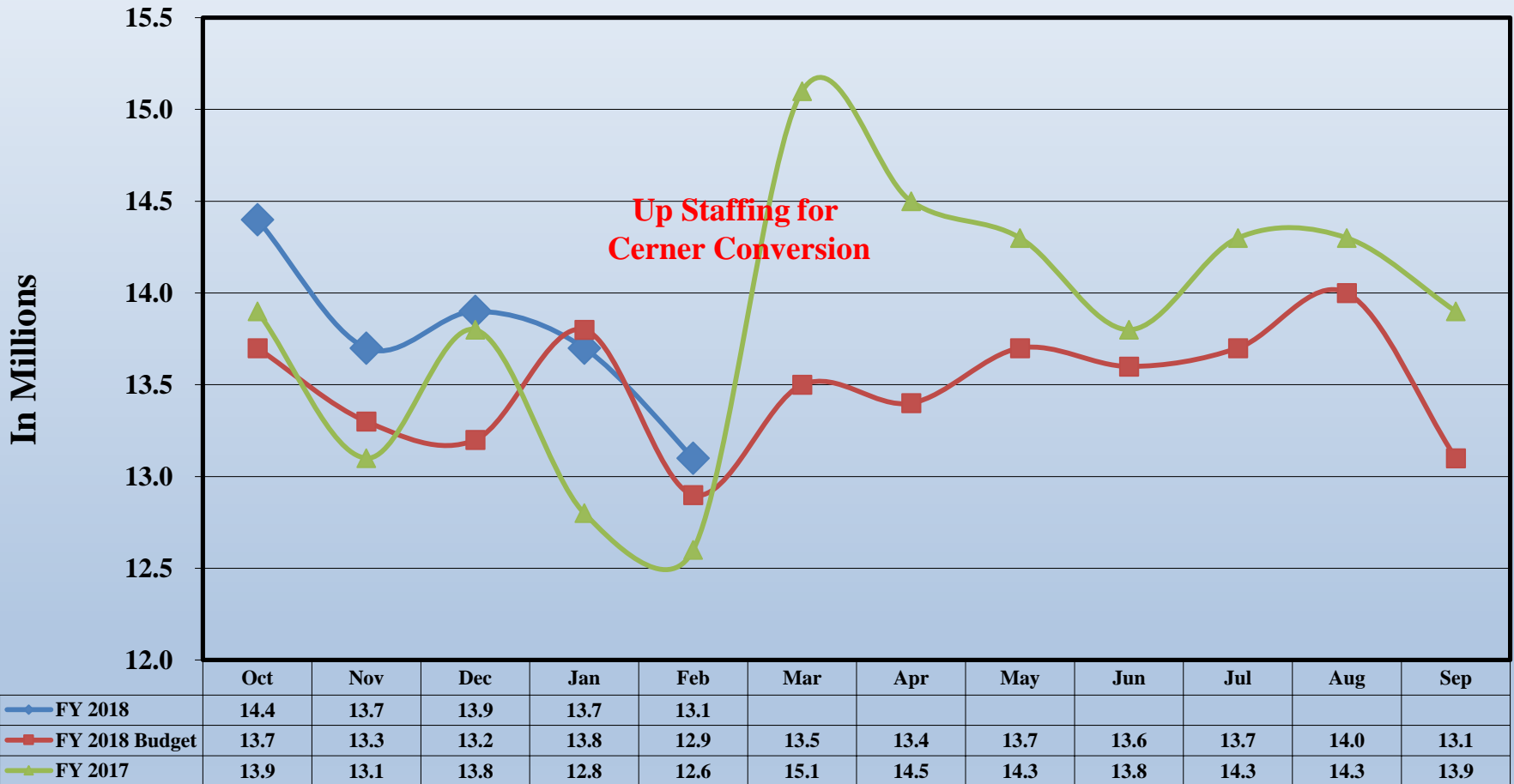
Sales Tax Receipts



Operating Expenses

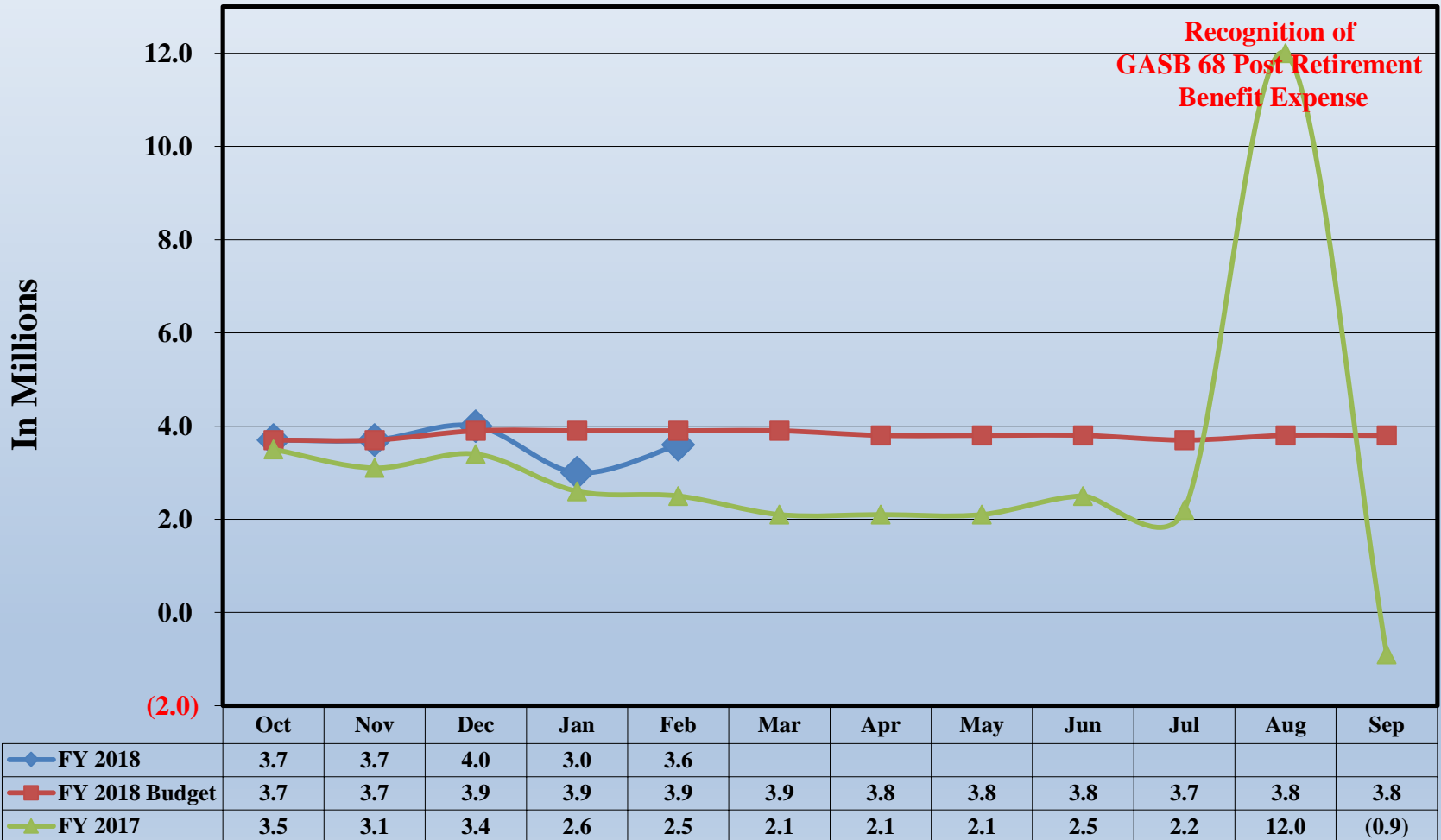


Salaries, Wages & Contract Labor (Blended)

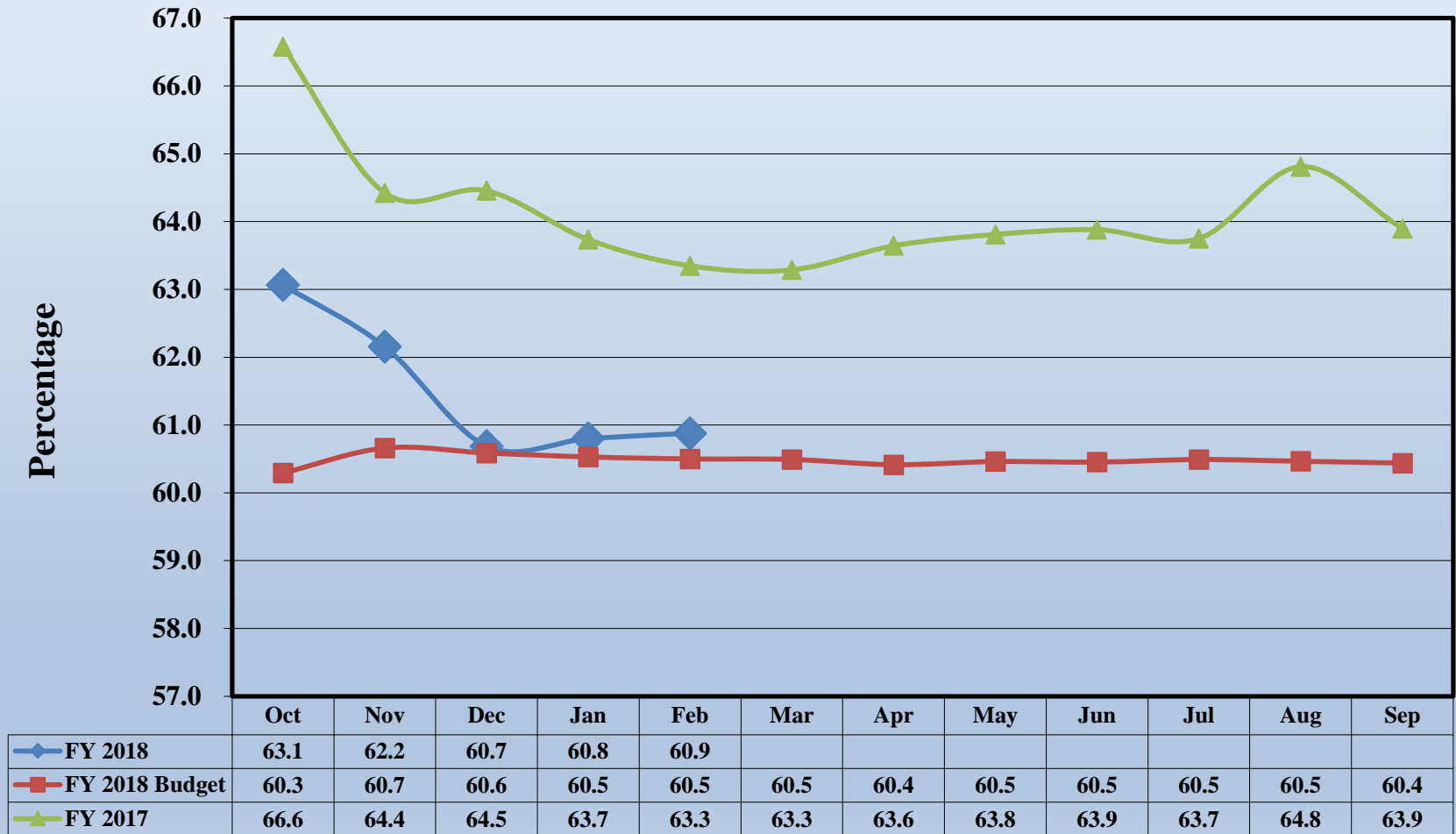


Employee Benefit Expense

(Blended)

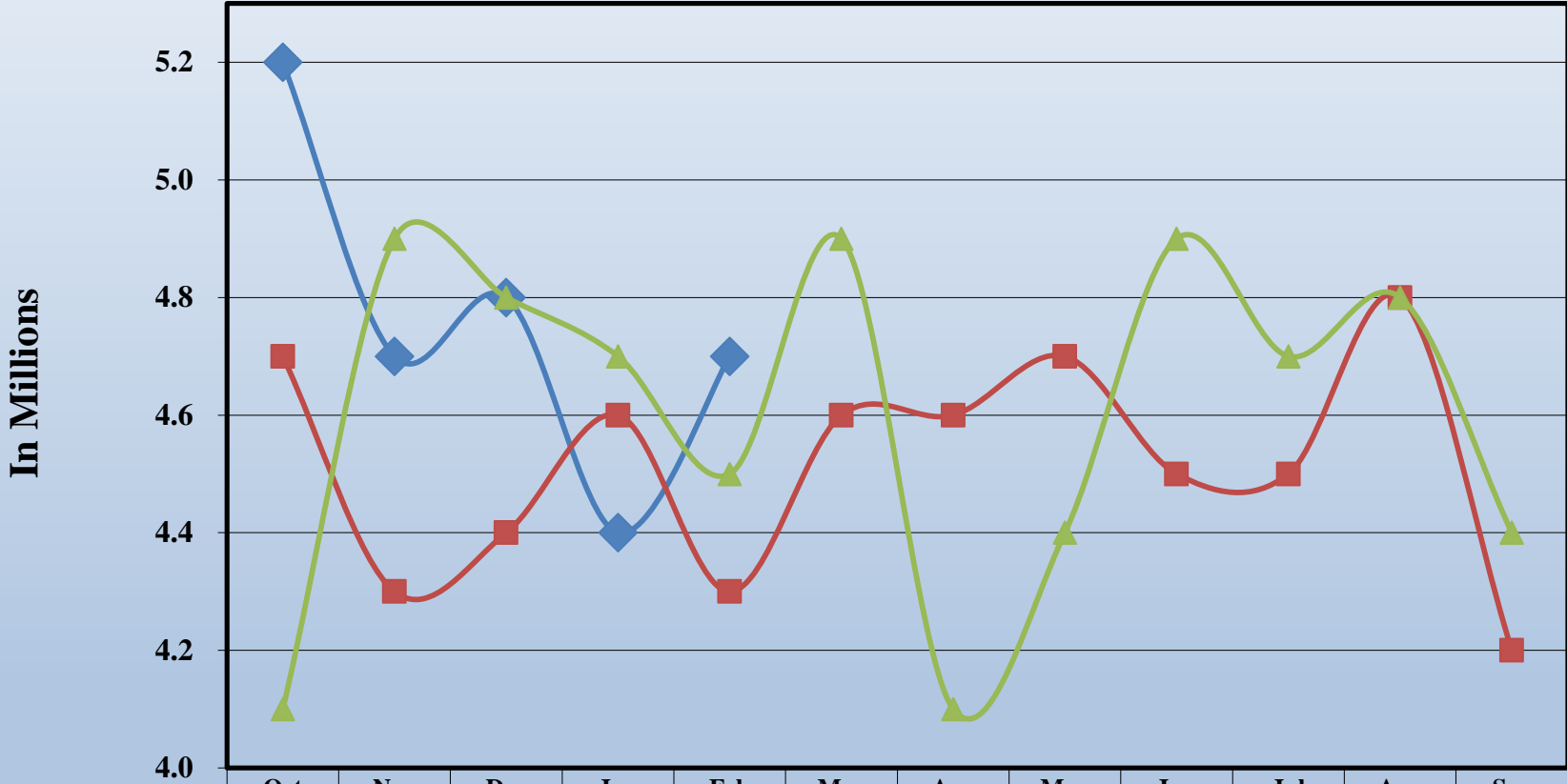


Salaries, Wages, Benefits, and Temp Labor as a % of Total Operating Expense Year-to-Date (Blended)



Supply Expense

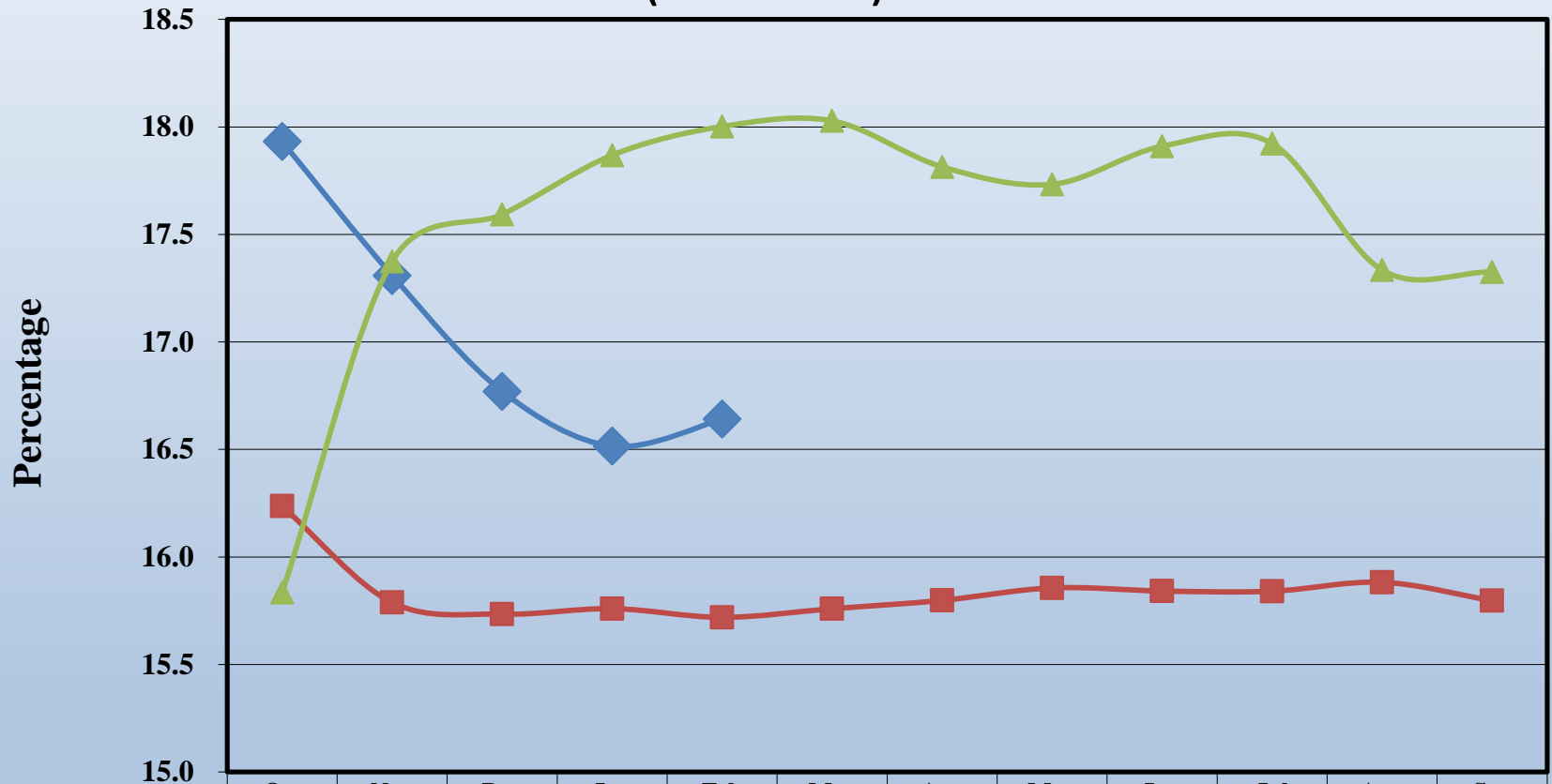
(Blended)



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	5.2	4.7	4.8	4.4	4.7							
■ FY 2018 Budget	4.7	4.3	4.4	4.6	4.3	4.6	4.6	4.7	4.5	4.5	4.8	4.2
▲ FY 2017	4.1	4.9	4.8	4.7	4.5	4.9	4.1	4.4	4.9	4.7	4.8	4.4

Supply Expense as a % of Total Operating Expense Year-to-Date

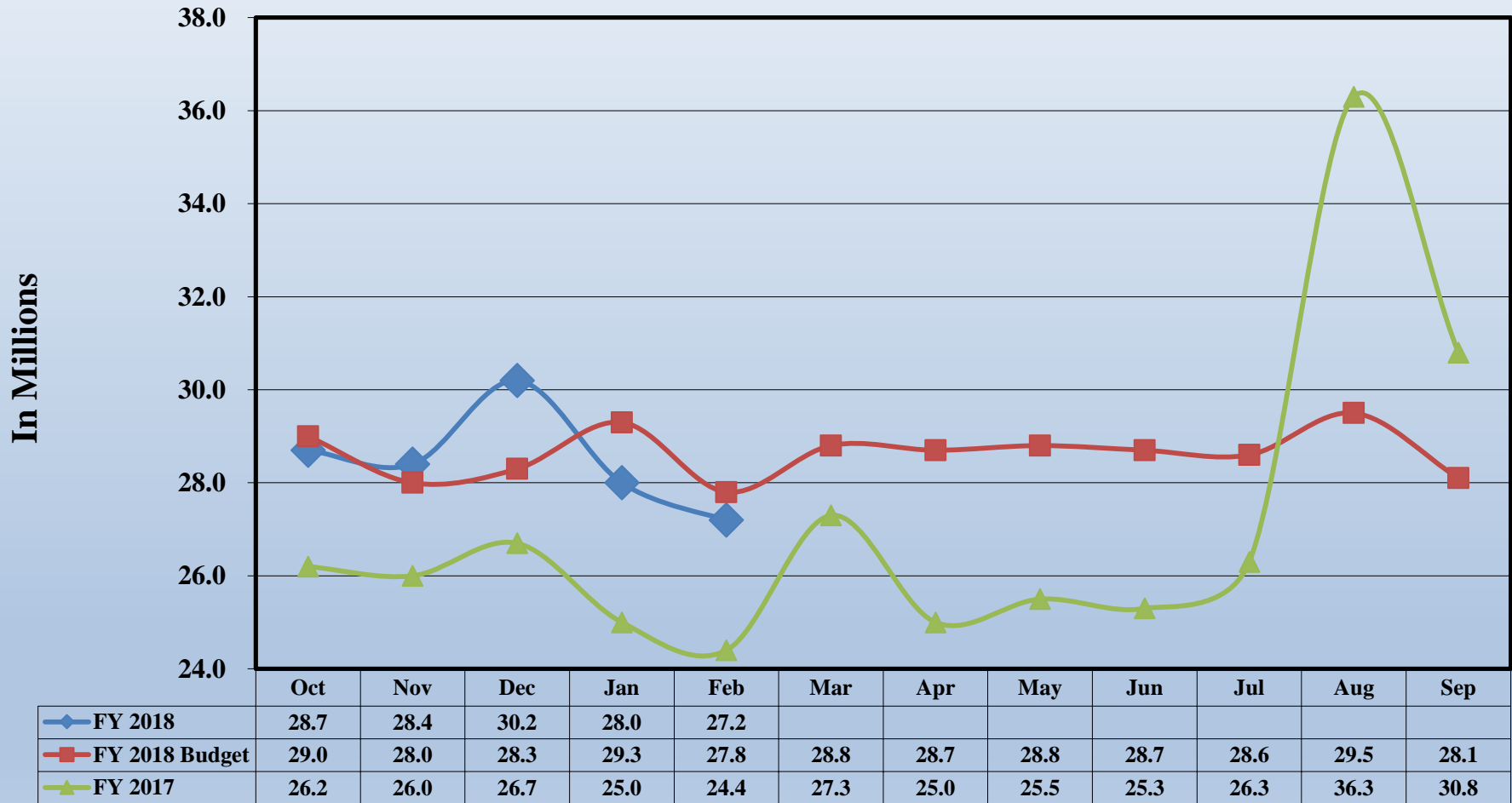
(Blended)



◆ FY 2018	17.9	17.3	16.8	16.5	16.6							
■ FY 2018 Budget	16.2	15.8	15.7	15.8	15.7	15.8	15.8	15.9	15.8	15.8	15.9	15.8
▲ FY 2017	15.8	17.4	17.6	17.9	18.0	18.0	17.8	17.7	17.9	17.9	17.3	17.3

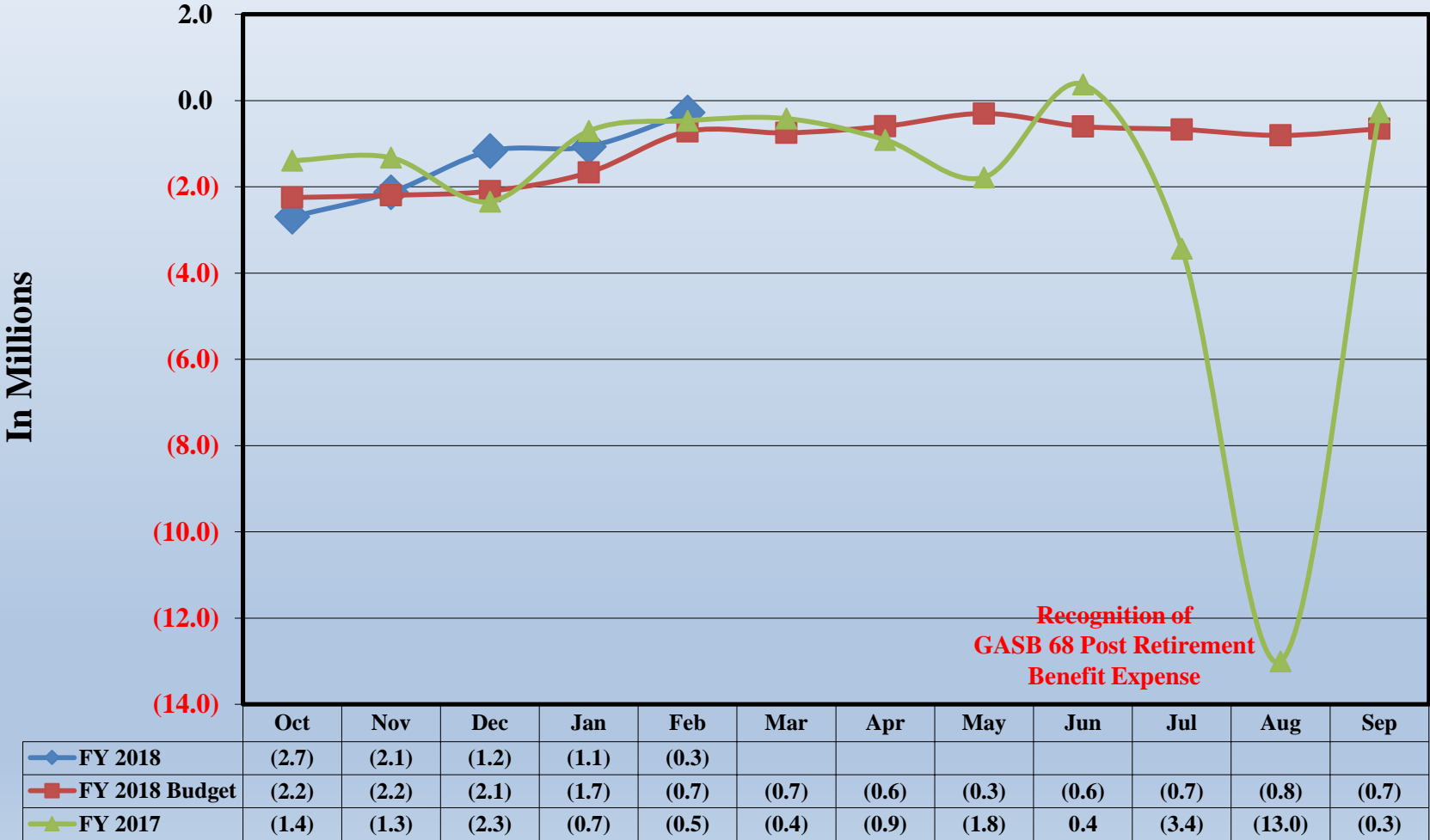
Total Operating Expense

(Blended)



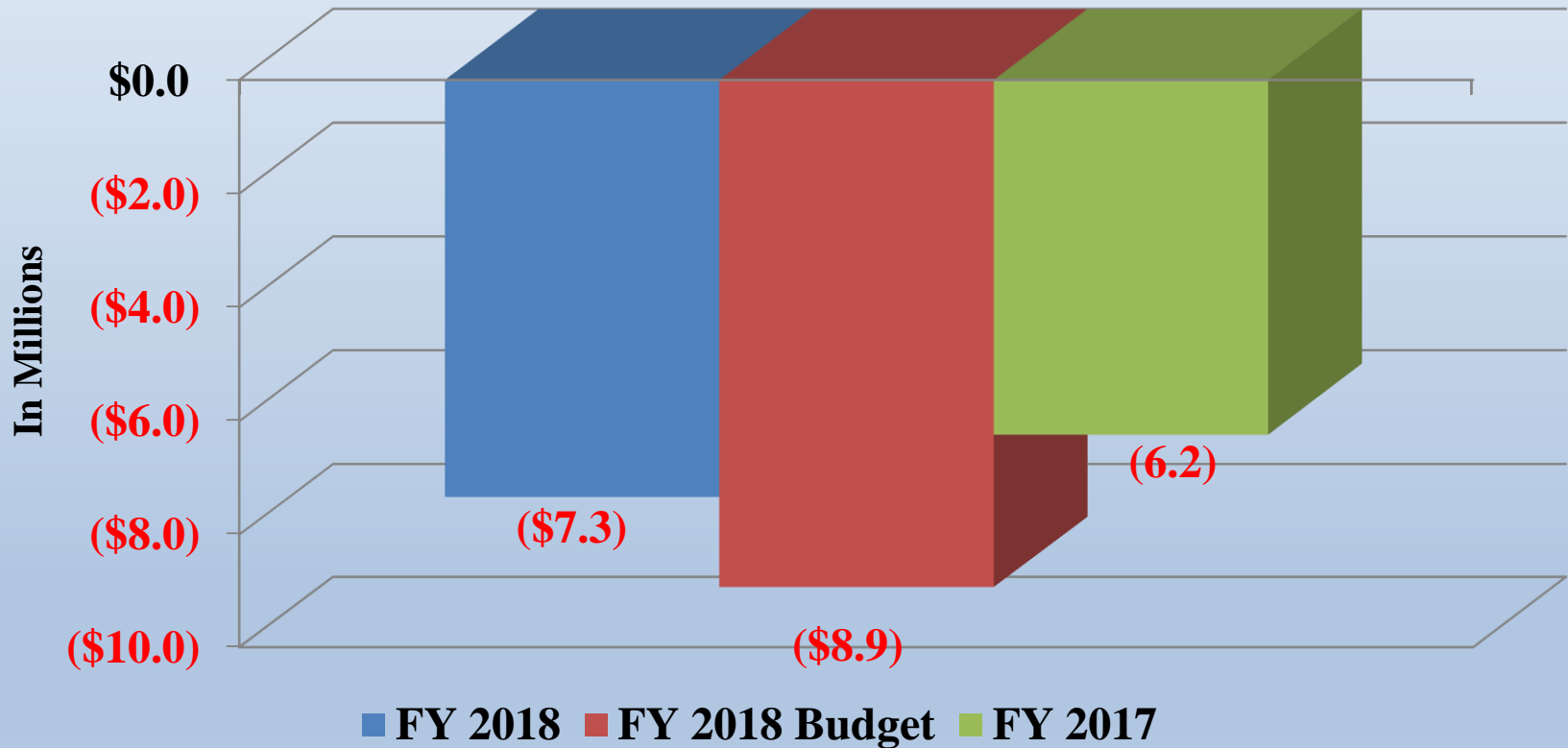
Change in Net Position

Blended Operations



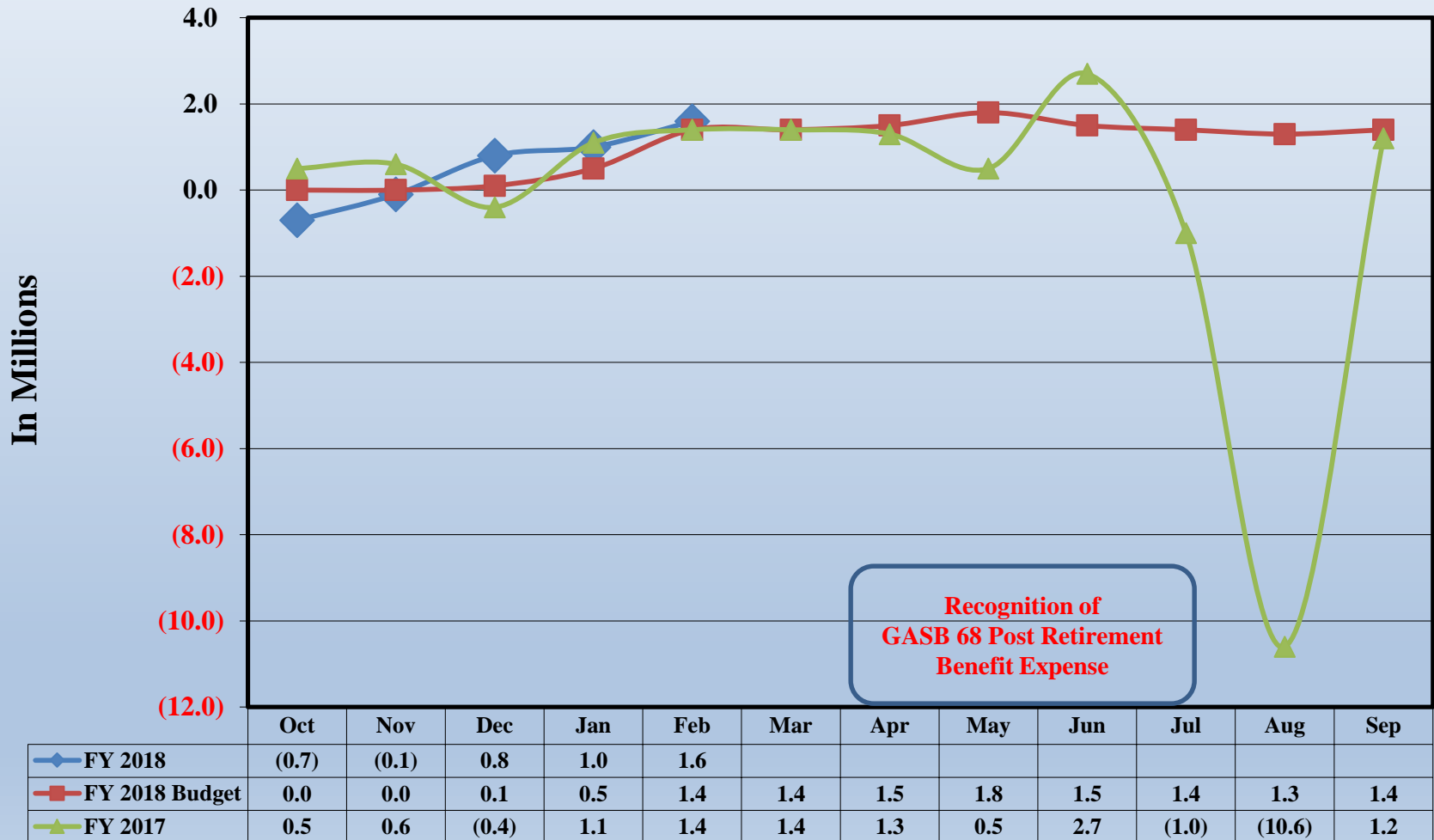
Change in Net Position

Blended Operations – Year to Date



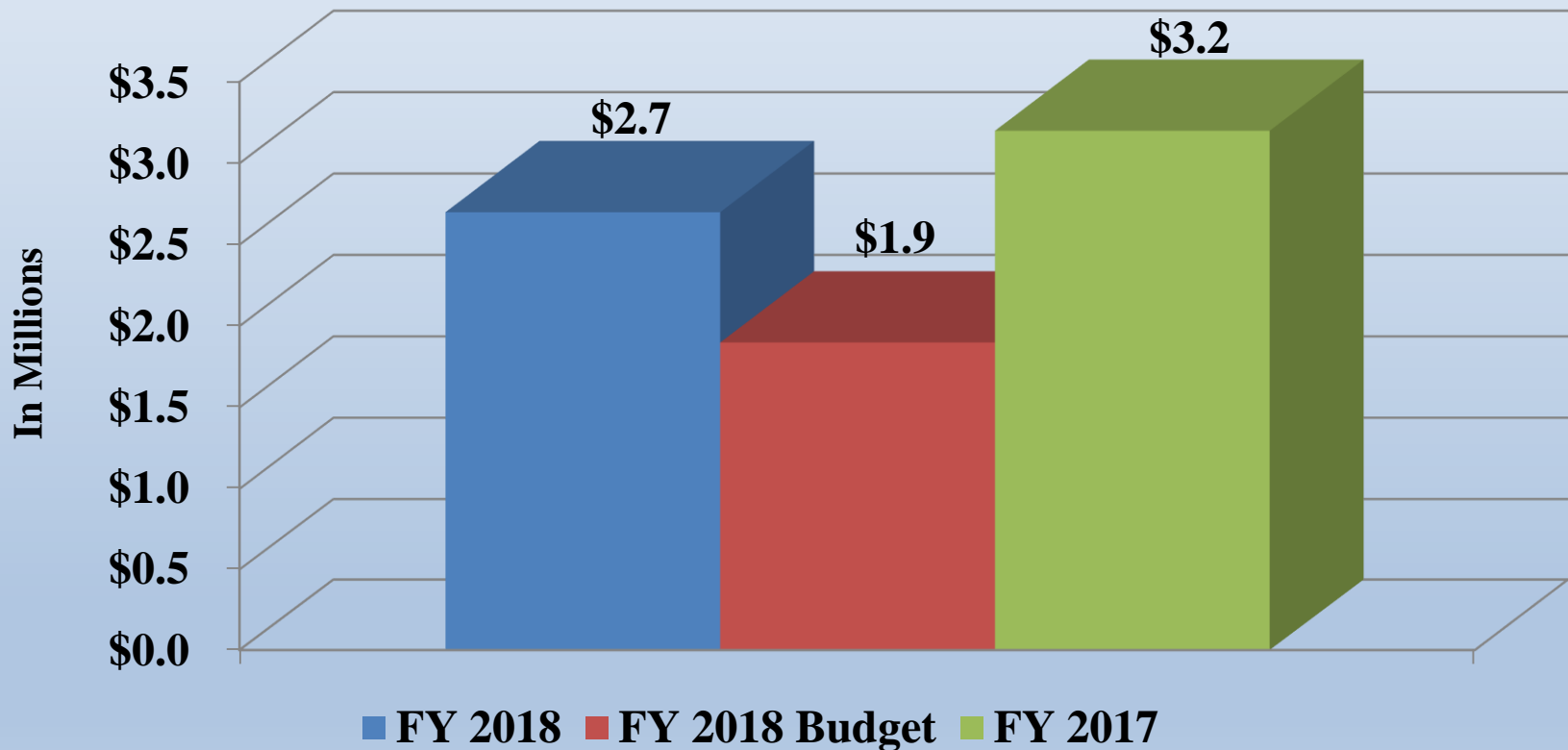
Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations



Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations – Year to Date







To: ECHD Board of Directors
 Through: Rick Napper, CEO
 Through: Matt Collins, VP Support Services & Clinical Operations
 From: Rene Rodriguez, Divisional Director – The Center for Heart Disease
 Date: March 28, 2018
 RE: Acquisition of Echo Ultrasound Systems

100662 CX50 CompactXtreme	\$ 70,922.40
101909 EPIQ 7C Ultrasound System	\$206,534.50
Removal & Disposition:	<u>0</u>
Total Cost:	\$277,456.90

REQUEST

The Department of Echocardiogram is requesting approval to purchase a CX50 Compact Xtreme and an EPIQ 7C Ultrasound Systems for a total cost of \$277,456.90.

OBJECTIVE

This requested acquisition will replace a 10 year-old Philips IE33 ultrasound system with an acquisition date of 10/01/2019 with a Net Book value of \$0.00. The 10 year old unit has been repaired multiple times since November 2017 and has a current quote for repair in the amount of \$24, 454.00. Parts for these 10 year-old IE33 are becoming increasingly difficult to locate as units are end-of-life and parts are no longer produced. The CX50 is to be an addition to in-patient and out-patient clinic, as well as satellite clinics within the 17 surrounding counties served. These are high use units dedicated to cardiac/vascular diseased type patients throughout the hospital and outpatient Cardiovascular Imaging Clinic at OHI.

IT REQUIREMENTS

Digital images will be sent to Philips Xcelera and then to MCH Portal.

VENDOR CONSIDERATION

Vendor	Cost
Philips	\$277,456.90
Hitachi	\$261,468.00
Siemens	\$484,217.00

Philips is the vendor of choice for the following reasons:

- Provided a \$2000.00 trade in value
- No additional software needed for interface with Cerner
- Software is familiar to technologists and physicians as we currently utilize portables from this vendor
- Software has the ability to merge patient information after study images are captured.
- Philips has proven to be a solid platform in the past as evidenced by the high usage and length of life of the current units
- Ease of maneuverability

FTE IMPACT

No additional FTEs are needed.

WARRANTY & SERVICE COVERAGE

Philips warrants the system will be free from defects in material and manufacturing workmanship for a period of twelve months upon availability for first patient use.

MD BUYLINE

MD Buyline recommended a discount of 60.10%. We received a discount of 60.10%.

DISPOSITION OF EXISTING EQUIPMENT

The 10 year old unit needing extensive repairs will be traded in to Philips with a credit of \$2000.00.

COMMITTEE APPROVALS

Capital Planning Committee	Approved	03/21/2018
MEC	Approved	11/16/2017
ECHD Board	Pending	



April 3, 2018

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

Medical Staff and Allied Health Professionals Staff Applicants

Statement of Pertinent Facts:

Pursuant to Sections 4.1-4 and 6.2-6 of the Medical Staff Bylaws, the application process for the following Medical Staff and Allied Health Professional applicants is complete. The Joint Conference Committee and the Medical Executive Committee recommend approval of privileges or scope of practice and membership to the Medical Staff or Allied Health Professionals Staff for the following applicants, effective upon Board Approval:

Medical Staff:

Applicant	Department	Specialty/Privileges	Group	Dates
*Kandikatla, Ramcharitha MD	Medicine	Internal Medicine	MCH Procure	04/03/2018 – 04/02/2019
*Mishra, Pragnyadipta MD	Anesthesia	Anesthesiology	MCH Procure	04/03/2018 – 04/02/2019

Allied Health:

Applicant	Department	Specialty/Privileges	Group	Sponsoring Physician(s)	Dates
Chavez, Cynthia NNP	Pediatrics	Nurse Practitioner	TTUHSC	Dr. Robert Bennett	04/03/2018 – 04/02/2020

*Please grant temporary Privileges

Advice, Opinions, Recommendations and Motions:

If the Hospital District Board of Directors concurs, the following motion is in order: Accept the recommendation of the Medical Executive Committee and the Joint Conference Committee and approve privileges and membership to the Medical Staff as well as scope of practice and Allied Health Professional Staff membership for the above listed applicants.

Fernando Boccalandro, MD, Chief of Staff
Executive Committee Chair
/TL



April 3, 2018

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

Reappointment of the Medical Staff and/or Allied Health Professional Staff

Statement of Pertinent Facts:

The Medical Executive Committee and the Joint Conference Committee recommends approval of the following reappointments of the Medical Staff and Allied Health Professional Staff as submitted. These reappointment recommendations are made pursuant to and in accordance with Medical Staff Bylaws sections 4.4-4 and 6.6-3.

Medical Staff:

Applicant	Department	Staff Category	Specialty/Privileges	Dates
Benton, Timothy MD	Family Medicine	Active	Family Medicine	07/01/2018 – 06/30/2020
Cunningham, Pamela MD	Anesthesiology	Courtesy to Affiliate	Pain Management	05/01/2018 – 04/30/2020
D’Agostino, Carl MD	Anesthesiology	Courtesy to Associate	Pain Management	05/01/2018 – 04/30/2019
Dyrstad, Bradley MD	Surgery	Associate	Orthopaedic Surgery	05/01/2018 – 04/30/2019
Farber, Gerald MD	Surgery	Active	Orthopaedic Surgery	05/01/2018 – 04/30/2020
Ortega, Scotty MD	Family Medicine	Affiliate	Family Medicine	05/01/2018 – 04/30/2020

Allied Health Professionals:

NONE

Advice, Opinions, Recommendations and Motions:

If the Hospital District Board of Directors concurs, the following motion is in order Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee relating to the reappointment of the Medical Staff and/or Allied Health Professional Staff.

Fernando Boccalandro, MD, Chief of Staff
Executive Committee Chair
/TL



April 3, 2018

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:
Change in Clinical Privileges

Statement of Pertinent Facts:
The Medical Executive Committee and the Joint Conference Committee recommends the request below on change in clinical privileges. These clinical changes in privileges are recommendations made pursuant to and in accordance with Medical Staff Bylaws sections 4.2-11.

Change in Clinical Privileges:

Staff Member	Department	Privilege
*Hester, Michael NP	Surgery	ADD: Prescribe Medications (must provide a supervisor signed "Notice of Prescriptive Authority which requires current DPS/DEA/TMB registration); ACLS (advanced cardiac life support) Required for all PA's / APN's in Emergency Medicine Department and CRNA's PALS/NPR certification as appropriate

Advice, Opinions, Recommendations and Motions:

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee relating to the change in clinical privileges of the Allied Health Professional Staff.

Fernando Boccalandro, MD, Chief of Staff
Executive Committee Chair
/TL



April 3, 2018

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

Change in Medical Staff or AHP Staff Status– Resignations/ Lapse of Privileges

Statement of Pertinent Facts:

The Medical Executive Committee and the Joint Conference Committee recommends approval of the following changes in staff status. These resignations/lapse of privileges are recommendations made pursuant to and in accordance with the Medical Staff Bylaws section 4.4-4.

Resignation/ Lapse of Privileges:

Staff Member	Staff Category	Department	Effective Date	Action
Cole, Maria FNP	Allied Health Professional	OB/GYN	03/05/2018	Resigned

Advice, Opinions, Recommendations and Motion:

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee to approve the Resignation / Lapse of Privileges.

Fernando Boccalandro, MD, Chief of Staff
Executive Committee Chair
/TL



April 3, 2018

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

Change in Medical Staff or AHP Staff Category

Statement of Pertinent Facts:

The Medical Executive Committee and the Joint Conference Committee recommend approval of the following changes in staff status category. The respective departments determined that the practitioners have complied with all Bylaws requirements and are eligible for the change as noted below.

Staff Category Change:

Staff Member	Department	Category
Cunningham, Pamela MD	Anesthesia	Courtesy to Affiliate
D'Agostino, Carl MD	Anesthesia	Courtesy to Associate
Gilmore, Julia PA	Medicine	Removal of Provisional Status
Saldahana, Vilas MD	Surgery	Removal of Provisional Status
Gerhardt, Erich DO	Surgery	1 year of Extension of Provisional Status
Gifford, Beverly FNP	Family Medicine	Removal of Provisional Status
Prudencio, Steven FNP	Family Medicine	6 months of Extension of Provisional Status

Advice, Opinions, Recommendations and Motion:

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee to approve the staff category changes.

Fernando Boccalandro, MD, Chief of Staff
Executive Committee Chair
/TL



April 3, 2018

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

Medical Staff Bylaws / Policies/ Privilege Criteria

Statement of Pertinent Facts:

The Medical Executive Committee and the Joint Conference Committee recommends approval of the following:

- Continuing Medical Education (CME) Annual Mission Statement
- Institutional Review Board (IRB) 2017 Annual Report
- Bariatric Surgery Criteria
- Advance Reg. Nurse Privilege form and Criteria
- Pediatric Privilege Form
- Neonatal-Perinatal Medicine Privilege Form

Advice, Opinions, Recommendations and Motion:

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee to approve the above items.

Fernando Boccalandro, MD, Chief of Staff
Executive Committee Chair
/TL



April 3, 2018

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

CER: 572 and 571 Echocardiogram Ultrasound and CX50 Compact Xtreme

Statement of Pertinent Facts:

The Medical Executive Committee and the Joint Conference Committee recommends approval of the following:

- CER 572 and 571 / Echocardiogram Ultrasound and CX50 Compact Xtreme

Advice, Opinions, Recommendations and Motion:

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee to approve the CER 572 and 571/ Echocardiogram Ultrasound and CX50 Compact Xtreme.

Fernando Boccalandro, MD, Chief of Staff
Executive Committee Chair
/TL

Criteria for Privileges in BARIATRIC SURGERY

MCH 7/2003 REVISED 03/20/2018

I. Definition: Procedures involving the reduction of the size of the gastric reservoir. These surgical procedures should only be performed within the confines of an obesity treatment bariatric program intent on maintaining long-term follow-up as well as long-term outcomes evaluation.

II. Eligibility: Core privileges in gastrointestinal surgery or general surgery
Applicant must meet the following:

1. GLOBAL CREDENTIALING REQUIREMENTS:

- a. Have credentials at an accredited facility to perform gastrointestinal and biliary surgery
- b. Document that he or she is working within an integrated Bariatric program for the care of the morbidly obese patient that provides ancillary services such as specialized nursing care, dietary instruction, counseling, support groups, exercise training and psychological assistance as needed.
- c. Document that there is a program in place to prevent, monitor and manage short-term and long-term complications.
- d. Document that there is a system in place to provide follow-up for all patients with the expectation that at least 50% of the patients who receive restrictive procedures and 75% of those with malabsorption operations will be seen, on a regular basis, for at least 5 years.
- e. Participate in the MCHS Bariatric Assurance Committee and requirements.

2. BARIATRIC SURGERY PRIVILEGES / Open and Laparoscopic Bariatric Surgery

With this classification, it is appropriate for the surgeon to schedule bariatric cases if the Global Credentialing Requirements and these additional conditions are met:

<u>Never Received Training but will need proctoring:</u>	<u>Previous Experience/Fellowship</u>	<u>Previous Experience/Other Hospital/Prev. Proctoring</u>
<p>a. The successful completion of a bariatric training course which includes both didactic and hands-on laboratory work, and</p> <p>b. Documentation 3 proctored cases in which the assistant is a fully trained bariatric surgeon</p> <p>c. Documentation of CMEs related to knowledge and technical skill in bariatric surgery.</p>	<p>a. The successful completion of a bariatric training course which includes both didactic and hands-on laboratory work, and</p> <p>b. Documentation of cases in which the assistant is a fully trained bariatric surgeon</p> <p>c. Completion of an approved preceptorship program or Bariatric fellowship program.</p> <p>d. An evaluation from the director of the applicant's residency or fellowship training program that included bariatric surgery</p> <p>e. Documentation of CMEs related to knowledge and technical skill in bariatric surgery.</p> <p>f. Document the outcomes of 25 bariatric surgical cases performed as primary surgeon, demonstrating an acceptable perioperative complication rate.</p>	<p>a. The successful completion of a bariatric training course which includes both didactic and hands-on laboratory work, and</p> <p>b. Documentation 3 proctored cases in which the assistant is a fully trained bariatric surgeon</p> <p>c. Have privileges at the given facility to perform advanced laparoscopic surgery</p> <p>d. An evaluation from the department chief at another hospital where the applicant is/was granted privileges to perform bariatric surgery or from another professional colleague who has direct knowledge of the applicant's competence to perform bariatric surgery;</p> <p>e. Documentation of CMEs related to knowledge and technical skill in bariatric surgery.</p> <p>f. Document the outcomes of 25 bariatric surgical cases performed as primary surgeon, demonstrating an acceptable perioperative complication rate.</p>

Note: If privileges in bariatric surgery are granted, the initial exercise of the privileges shall be evaluated as outlined in the medical staff bylaws or other hospital policies.

III. Reappointment: Demonstration of continuing competence by performance of laparoscopic bariatric surgery as reflected in the applicant's quality profile during the past 24 months; and under the guidance of the bariatric program.

Physician and patients must participate in hospital bariatric surgical program, following rules, regulations to maintain facility accreditation.

Applicant

Date

Department Chair

Date

¹These are the minimum volume requirements for a physician to establish proficiency in performing this procedure that were recommended by the American Society for Bariatric Surgery (ASBS) “Guidelines for Granting Privileges in Bariatric Surgery” (<https://asmbs.org/resources/granting-privileges-in-bariatric-surgery>)

The Society of American Gastrointestinal and Endoscopic Surgeons (SAGES), does not recommend a minimum volume requirement in the “Guidelines for Institutions Granting Bariatric Privileges Utilizing Laparoscopic Techniques” (<https://www.sages.org/publications/guidelines/guidelines-for-institutions-granting-bariatric-privileges-utilizing-laparoscopic-techniques/>)

² American College of Surgeons, “Recommendations for Facilities Performing Bariatric Surgery” (<https://www.facs.org/about-ac/s/statements/34-bariatric-recs>)

Credentialing Office

_____ Forward Communications to Coordinator, Bariatric Surgery

_____ Forward Communications to Coordinator, Peer Review

Ector County Hospital District - Medical Center
Delineation of Clinical Privileges and Procedures

Specialty: Advanced Registered Nurse Practitioner
Basic Education: RN or NP

Minimal Formal Training & Experience/Specialty Description

BOD: 9/08
 Rev: 3/10, 6/12

RN with post-baccalaureate academic preparation, evidenced by successful completion of a Nurse Practitioner (NP) master's degree (accredited by the American Academy of Nurse Practitioners), in a nursing program in the applicant's specialty area; 12 months of clinical practice within the NP's area of specialization; within the past five years;
 AND
 Current certification by the Board of Nurse Examiners for the State of Texas to practice as an Advanced Practice Nurse;
 AND
 Evidence of adequate professional liability insurance consistent with Medical Center Hospital policy;
 AND
 Evidence of physical and mental health status allowing applicant to participate in privileges delineated;

PHYSICIAN SUPERVISION

Must be a physician(s) who is currently appointed to the Medical Center Hospital Medical Staff and has appropriate privileges, and according to a written agreement, this physician will:

1. Supervise the NP's practice in accordance with MCH Medical Staff Bylaws.
2. Be available continuously or provide an alternate, providing consultation when requested and/or intervening when necessary.
3. When requested by NP, required by policy, or in interest of patient care, assume total responsibility for patient care.

Note: An NP granted privileges at Medical Center Hospital may provide patient care under the supervision and sponsorship of a physician(s) with appropriate privileges at Medical Center Hospital. [Medical Center Hospital Medical Staff Bylaws, Article 6]

Core Privileges - Advanced Registered Nurse Practitioner

Management Privileges

Requested	Granted Y/N	<u>Privilege Description</u>
		Obtain medical histories and perform physical examinations (Entries in the health record made by an Allied Health Professional must be co-signed by supervising physician in accordance with MCH Bylaws; section B, Article 3, paragraph 2)
		ACLS (advanced cardiac life support) Required for all PA's/APN's in Emergency Medicine Department and CRNA's. PALS/NPR certification as appropriate
		Develop a patient education plan
		Develop a treatment plan
		Diagnose and treat acute health problems
		Diagnose and treat chronic diseases
		Make appropriate referrals to other health professionals and/or community agencies
		Order, perform, and interpret diagnostic studies
		Prescribe treatments
		Prescribe medications (must provide a supervisor-signed "Notice of Prescriptive Authority" which requires current DPS/ DEA/TMB registration)

Core Privileges - Advanced Registered Nurse Practitioner

Procedure Privileges

Requested	Granted Y/N	<u>Privilege Description</u>
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		Acute traumatic wound management and closure.
		Assist in surgery

Special Privileges - Must provide evidence of competency and number of procedures performed or documentation of special training

Requested	Granted Y/N	Privilege Description
		Exercise Stress ECG Testing (PA and APN)
		wound care (NP only)
		[NICU Only] -Umbilical arterial catherization
		[NICU Only] - Umbilical venous catherization
		[NICU Only] - Intubation
		{NICU Only} – Peripheral insertion of central catheter

Applicant Signature _____ Date _____

Division Assessment:

Approved as Requested: _____
 Approved as Amended: _____
 Comments: _____

Division Signature _____ Date _____

Department Assessment:

Approved as Requested: _____
 Approved as Amended: _____
 Comments: _____

Department Signature _____ Date _____

The credentials file of this staff member contains data and information demonstrating current competence in the clinical privileges requested. After review of this information, I recommend that the clinical privileges be granted as indicated with any exceptions or conditions documented below.

Privileges Reviewed and Recommended By:

Signature _____ Date _____

Exceptions/Conditions:

**Ector County Hospital District - Medical Center
Delineation of Clinical Privileges and Procedures.**

Specialty: Pediatrics
Basic Education: MD or DO

Minimal Formal Training & Experience/Specialty Description

[ECHD approval: 3/07]
Revised: 10/12, 05/15, 09/2017

Training: Successful completion of a residency training program in pediatrics accredited by the ACGME or AOA, plus certification in Pediatric Advanced Life Support (PALS) or the Neonatal Resuscitation Program.

Experience: Can be demonstrated in one of the following ways:

An applicant who has just completed a residency shall provide his/her residency log.

OR

An applicant who is not applying directly out of a residency shall provide a quality profile from hospital(s) where he/she currently has privileges showing his or her clinical activity for the past 12 months, including numbers of procedures performed, morbidity, mortality, infection rates and other complications.

OR

If a quality profile is not available from the hospital(s) where the applicant currently has privileges, documentation of the applicant's hospital-based clinical activity for the past 12 months.

Certification: Within five years of completion of an approved residency, certification in pediatrics by the American Board of Pediatrics or the American Osteopathic Board of Pediatrics.

4.1-2 QUALIFICATIONS FOR MEMBERSHIP The applicant is board certified as that term is defined in the Article 4.1-2(e) of the Medical Staff Bylaws, and pursuant to any other applicable Medical Staff Bylaws provision, by a Board recognized by the American Board of Medical Specialties or the American Bureau of Osteopathic Specialties. 6/11/13

By making a request for privileges, the applicant stipulates that:

He/she is requesting only those privileges for which by education, training, current experience and demonstrated performance is qualified to perform.

He/she is bound by the applicable Bylaws and policies of Medical Center Hospital

He/she meets the minimum threshold criteria for the privileges requested and has no mental or physical condition which would limit his/her clinical abilities

Specialty Description: Examination, consultation, diagnosis and medical management of pediatric patients, including, physical examinations, acute major and minor medical problems, acute and minor surgical problems, poisonings and ingestion, physical and sexual abuse, minor and major trauma, and acute psychiatric, behavioral, and psychosocial problems.

Core Privileges - Pediatrics

Management Privileges

Requested	Granted Y/N	<u>Privilege Description</u>
		Acute behavioral problems, diagnose and manage
		Acute psychiatric problems, diagnose and triage
		Acute psychosocial problems, diagnose and manage
		Admit/discharge patients
		Adolescent male and female reproductive health, management of
		Adolescent patients, recognize normal and abnormal growth and development of
		Adolescent psychosocial issues, management of
		Audiometry interpretation
		Auditory screening

		Behavioral counseling and referral
		Cardiopulmonary arrest, management of
		Childhood exanthems, diagnose and manage
		Children with developmental disabilities, management of
		Children with special needs, management strategies for
		Chronic renal disease, diagnose and triage
		Coma, diagnose and triage
		Common adolescent health problems, management of
		Common physiologic deviations in the newborn, recognition and treatment of
		Congenital heart disease, diagnose and triage
		Cystic fibrosis, evaluate and triage
		Dehydration, diagnose and manage
		Developmental screening tests
		Diabetic ketoacidosis, diagnosis of
		Diabetic ketoacidosis, management of
		Diarrhea, diagnose and manage
		Fever, management of
		Gynecological evaluation: prepubertal/postpubertal females
		Hepatic failure, diagnose and refer
		Hypertension, diagnose and manage
		Hypotension, diagnose and manage
		Immunizations
		Infants of mothers with sexually transmitted diseases or other infections, identification and management of
		Infants of mothers with substance abuse, identification and management of
		Inhalation medications
		Isolated and multiorgan system failure, recognition and refer
		Metabolic disorders, diagnosis of
		Neurologic disorders, diagnosis of
		Newborn care, routine/screening
		Normal and abnormal child behavior and development, management of
		Oncologic, diagnose and refer
		Orthopedic diseases (common), management of
		Pain management, pediatric
		Patient counseling/education
		Physical and sexual abuse, evaluation of
		Pneumonia, diagnose and manage
		Poisonings and ingestion, diagnosis of
		Pyelonephritis, evaluation of
		Renal failure, diagnosis of
		Respiratory illnesses, diagnose and manage

		Rheumatologic disorders, evaluation of
		Seizures, evaluation and management of
		Sepsis, diagnose and manage
		Shock syndromes, evaluation and management of
		Skin disorders, diagnose and manage
		Status asthmaticus, diagnose and manage
		Vision screening
		Wound care, management of

Core Privileges - Pediatrics

Procedure Privileges

Requested	Granted Y/N	Privilege Description
		Abdominal Ultrasound
		Abscess Incision and Drainage
		Arterial puncture
		Bladder catheterization
		Circumcision [required documentation: residency training program that includes circumcision or the Director of another appropriate training program in circumcision <u>and</u> the evaluation /competency from the department chair at another hospital where the applicant is / was granted privileges to perform.]
		Circumcision with Proctoring If Proctoring Required: Proctored by physician that has the privilege at the hospital. And provide an evaluation of the 10 supervised proctoring once completed. ___ 5 Observed ___ 10 Supervised by an attending
		Endotracheal Intubation
		Foreign bodies (e.g. from ears/nose), simple removal of
		General Lumbar Puncture
		Hip Ultrasound, Detection of Developmental Dysplasia
		Injections: - subcutaneous; - intradermal; - intramuscular
		Intraosseous lines, placement of
		Intravenous lines, insertion of
		Laceration repair, simple suture/suture removal
		Removal of neonatal teeth
		Resuscitation, newborn
		Sedation - analgesia for procedures
		Simple dislocations/fractures, diagnosis of
		Spinal tap
		Splinting
		Transurethral Catheterization

		Tympanometry
		Umbilical Arterial and Venous Catheterization
		Venipuncture

Special Privileges

Requested	Granted Y/N	Privilege Description
		Arthrocentesis
		Autotransfusion
		Bone Marrow Aspiration
		Chest Tube Placement
		Echocardiography
		Laryngoscopy, Direct
		Moderate sedation, administer
		Paracentesis
		Subdural taps
		Suprapubic Bladder Aspiration
		Thoracentesis
		Venous aspiration, internal jugular
		Pediatric intensive care of patients following traumatic injury, evaluation and management of
		Polysomnography (Sleep Studies)
		Teleradiology
		Telemedicine

Applicant Signature _____

Date _____

Division Assessment:

Approved as Requested: _____

Approved as Amended: _____

Comments:

Division Signature _____

Date _____

Department Assessment:

Approved as Requested: _____

Approved as Amended: _____

Comments:

Department Signature _____

Date _____

The credentials file of this staff member contains data and information demonstrating current competence in the clinical privileges requested. After review of this information, I recommend that the clinical privileges be granted as indicated with any exceptions or conditions documented below.

Privileges Reviewed and Recommended By:

Signature _____

Date _____

Exceptions/Conditions:

**Ector County Hospital District - Medical Center
Delineation of Clinical Privileges and Procedures.**

Specialty: Neonatal-Perinatal Medicine
Basic Education: MD or DO

Minimal Formal Training & Experience/Specialty Description

(ECHD approval: 3/07)
Revised : 05/15

Training: Successful completion of an ACGME or AOA-accredited pediatric residency, followed by successful completion of a 3-year, ACGME or AOA-accredited subspecialty program in neonatal-perinatal medicine. Plus certification in Pediatric Advance Life Support (PALS) and the Neonatal Resuscitation Program.

Experience: Should demonstrate performance of at least 50 neonatal inpatient or consultative services in the past 12 months. This can be demonstrated in one of the following ways:

An applicant who has just completed a residency or fellowship shall provide his/her residency or fellowship log.

OR

An applicant who is not applying directly out of a residency or fellowship shall provide a quality profile from hospital(s) where he/she currently has privileges showing his or her pediatric clinical activity for the past 12 months, including numbers of procedures performed, morbidity, mortality, infection rates and other complications.

OR

If a quality profile is not available from the hospital(s) where the applicant currently has privileges, documentation of the applicant's hospital-based pediatric clinical activity for the past 12 months.

Certification: Within five years of completion of an approved residency or fellowship, certification in neonatal-perinatal medicine by the American Board of Pediatrics or certification in neonatology by the American Osteopathic Board of Pediatrics.

4.1-2 QUALIFICATIONS FOR MEMBERSHIP The applicant is board certified as that term is defined in the Article 4.1-2(e) of the Medical Staff Bylaws, and pursuant to any other applicable Medical Staff Bylaws provision, by a Board recognized by the American Board of Medical Specialties or the American Bureau of Osteopathic Specialties. 6.11.13

By making a request for privileges, the applicant stipulates that:

He/she is requesting only those privileges for which by education, training, current experience and demonstrated performance is qualified to perform.

He/she is bound by the applicable Bylaws and policies of Medical Center Hospital

He/she meets the minimum threshold criteria for the privileges requested and has no mental or physical condition which would limit his/her clinical abilities

Specialty Description: Diagnosis and management of problems seen in the continuum of development from the prenatal through intrapartum and neonatal periods, including longitudinal follow-up.

Core Privileges - Neonatal-Perinatal Medicine

Management Privileges

Requested	Granted Y/N	Privilege Description
		Admit/discharge patients
		Apt test for fetal hemoglobin
		Arterial blood gases, draw and interpretation of
		Blood collection via heel stick
		Cardiac evaluation including but not limited to EKG/echocardiogram
		Double volume exchange transfusion
		Fetal maturation, evaluation of
		Fetal well-being, evaluation of

		High-frequency ventilation, management of
		High-risk pregnancy, diagnose and evaluate as related to impact of neonate
		Intraosseous infusion
		Major surgery in neonates, diagnosis and pre/post surgical management of
		Nitric oxide therapy, management of
		Nutritional support of ill neonate, management of
		Ventilatory support, management of

Core Privileges - Neonatal-Perinatal Medicine

Procedure Privileges

Requested	Granted Y/N	Privilege Description
		Arterial lines placement
		Chest Tube Placement
		Circumcision
		Endotracheal Intubation
		General Lumbar Puncture
		Neonatal resuscitation
		Pericardial tube insertion
		Suprapubic bladder tap
		Umbilical Arterial and Venous Catheterization
		Venous access

Special Privileges

Requested	Granted Y/N	Privilege Description
		Moderate sedation, administer
		Neurosonography
		Removal of neonatal teeth
		Umbilical/subumbilical cutdown
		Pneumogram Interpretation
		Peripheral insertion of central catheter
		Teleradiology
		Telemedicine

Applicant Signature _____

Date _____

Division Assessment:

Approved as Requested: _____

Approved as Amended: _____

Comments:

Division Signature_____

Date_____

Department Assessment:

Approved as Requested: _____

Approved as Amended: _____

Comments:

Department Signature_____

Date_____

The credentials file of this staff member contains data and information demonstrating current competence in the clinical privileges requested. After review of this information, I recommend that the clinical privileges be granted as indicated with any exceptions or conditions documented below.

Privileges Reviewed and Recommended By:

Signature_____

Date_____

Exceptions/Conditions:

CONTINUING MEDICAL EDUCATION PURPOSE AND MISSION STATEMENT

Purpose: The CME program at Medical Center Hospital is committed to providing accessible, user friendly high quality continuing medical education opportunities for the general and subspecialty education of physicians in enhancing existing and acquiring current and key knowledge and skills, supported by evidence-based medicine, to identify and meet the needs of the medical community to improve quality and patient safety.

Content/Type of Activities:The CME program will utilize individual, group, Performance Improvement and lecture modalities, continually enhancing technology, including Internet and Web-based content availability, including Self-Serve registration / transcript receipts. A Physician Portal may be employed to provide timely outcome measurements as well as plans for comparative improvement and performance. Medical Center Hospital will focus on live CME programs with topics relevant to the medical staff, including Tumor Boards, Trauma Meetings and various specialties, as identified via needs assessment.

Target audience: The CME program will target MD's, DO's, or other licensed Healthcare Providers and individuals with an equivalent medical degree from another country. If a topic is pertinent, a program may be utilized by any licensed independent professional or by licensed dependent professionals.

Expected Results: The CME program will be reviewed annually to determine how it meets this mission statement. In addition, assessment of changes in competence, performance, patient outcomes, utilization, patient safety, and peer review will determine past-program success, i.e., blood utilization. Measurement tools include electronic surveys, evaluation forms, Performance Improvement reports and accreditation results. These measurements guide future programs based on lingering identified needs.

BOD approval: 9/13/05
 Reviewed: Revised:
 2/06 6/06
 3/07 3/07
 0108
 08/09
 01/11 4/11
 1/12
 1/13
 1/14 1/14
 1/15
 1/16
 2/17



Institutional Review Board
 500 W. 4th Street
 Odessa, TX 79761
 Office: (432) 640-1116
 Fax: (432) 640-1057

"Investigators should not have the sole responsibility for determining whether research involving human subjects fulfills ethical standards. Others who are independent of the research must share in the responsibility"

National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research
 - 1974

**2017 Institutional Review Board
 ANNUAL REPORT
 To the
 Ector County Hospital District Board**

2017 IRB ANNUAL REPORT

I. Policy Statement

The Institutional Review Board (IRB) shall (1) approve or disapprove biomedical research, investigational studies and clinical trials involving human subjects; (2) conduct periodic reviews of such research, studies and trials; and (3) provide this policy for the protection of the rights and welfare of such human subjects. Concern for the interests of the subjects must prevail over the interests of science and society.

II. 2017 Study Activity

a. New Approved studies.....	2
b. Closed	1
c. Other IRB oversight.....	2
d. *Suspended.....	7
e. Active studies	2
f. TTUHSC IRB active studies involving MCHS patients / data	10

*Note: Multiple suspensions are a first-time occurrence and are seen by the committee as one of the Cerner challenges of the hospital-wide MCH1 implementation, which restricted retrospective review of data prior to April 1, 2017

III. 2017 Changes

Membership changes:
 Resignations – Rev. Gian Villatoro; Toni Morin, Barbra Dingman
 New Appointments – Gingie Sredanovich, Dr. Natalia Schlabritz-Lutsevich, Dr. Arpita Vyas

IV. 2018 Goals

Define the scope of IRB to provide oversight of outlying clinics

V. IRB Members

The IRB membership is limited to not less than (5) members and not more than (13) voting members. Members are appointed by the Administrator/CEO of the Ector County Hospital District and shall serve a term of four (4) years. The members shall have varying backgrounds to promote complete and adequate review of research activities. Members shall be sufficiently qualified through experience, expertise and

diversity, including considerations of race, gender, cultural backgrounds, and sensitivity to such issues as community attitudes, so as to promote respect for the Board's advice and counsel in safeguarding the rights and welfare of human subjects. In addition to possessing the professional competence necessary to review specific research activities, the IRB shall be able to ascertain the acceptability of proposed research in terms of Hospital commitments and policies, applicable law, and standards of professional conduct and practice. At least two (2) members shall be unaffiliated with the Ector County Hospital District and Medical Center Hospital and shall not be part of the immediate family of a person who is affiliated with the District or the Hospital.

Membership shall include the following:

- a. Community Representative(s)
- b. Pharmacist
- c. Hospital Administrator
- d. Physician(s)
- e. Member of Clergy
- f. Associate/Assistant Hospital Administrator
- g. Registered Nurse
- h. A person who is not a physician but whose primary concerns are in the scientific area.
- i. Attorney (advisory & non-voting member)

IRB 2017 Committee Members:

Boccalandro, Fernando	MD
Burks, Kelli	Community Member
Dawson, Charlene	Pharmacy Dir./ RPh
Griffin, Ron	JD
Leftwich, Kim	Nursing / DNP, RN
Mathews, Arun	MD,CMO / CMO Administrator
Mocherla, Satish	MD, IRB Chair
Morin, Toni	Lab / MLT (ASCP) MBA
Open	Clergy
Oud, Lavi	MD
Palmer, James	Pharmacy / Pharm D
Sanchez, Crystal	MLS (ASCP)
Schlabritz-Lutsevich, Natalia	MD, PhD
Selvan, Vanti	MD
Spellman, Craig	DO, PhD
Sredanovich, Gingie	Compliance Officer / Ex Officio
Vyas, Arpita	MD

March 21, 2018

Rick Napper
Chief Executive Officer
Medical Center Health System
500 West 4th Street
Odessa, TX 79761
(432) 640-6000 / rnapper@echd.org

Re: Engagement Letter for Studer Group® Coaching Services and Resources

Dear Rick:

Thank you for engaging Studer Group to continue to provide you with coaching services and proprietary resources focused on evaluating and improving your current leadership practices and related outcomes. We will sequence the introduction of these services and resources in order to maximize the impact on our target outcomes and specific objectives, as well as to build upon what is working well within your organization.

In exchange for our services and resources during the Term (as defined herein), we will invoice you quarterly in eight equal installments of \$132,527.50, beginning on April 1, 2018.

In order to achieve your objectives, you must be committed to hardwiring our *Evidence-Based Leadership* framework. By signing below, you agree to use your best efforts to implement an objective evaluation system and accountability process for all leaders; provide quarterly leadership training to key leaders (a minimum of four days per year); ensure leadership commitment and direct involvement by your chief executive officer or highest-ranking officer (including monthly meetings or calls with us); allow and encourage our participation in regular Steering Team meetings, as well as annual presentations to your board (as further described below); establish a baseline metrics and ongoing quarterly reporting process to ensure return and success (including assignment of a measurement and financial contact for reporting); require participation by key leaders in an annual *Evidence-Based Leadership* assessment for the purpose of establishing a revised coaching plan and mutual accountability; and ensure we have an opportunity to meet with your board members and key officers at least annually to discuss the progress of our engagement, including your organization’s results and successes and any revisions desired to the process. Further, we ask that you provide us with key performance results as requested.

General Business Terms and Other Attachments: Included with this engagement letter are General Business Terms and other related attachments, which set forth the terms and conditions upon which we offer this engagement and which are considered part of this engagement letter.

We look forward to continuing our engagement with you. If you accept the proposed terms of our engagement, please sign this letter in the space provided below and return a signed copy to us for our records. This Agreement will become effective on April 1, 2018 (“Effective Date”) and continue for a period of two (2) years (the "Term").

The undersigned parties agree to the terms and conditions of this engagement letter.

THE STUDER GROUP, L.L.C.

MEDICAL CENTER HEALTH SYSTEM

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

- Attachments: A (Description of Engagement)
 A-1 (ACH Authorization Form)
 B (General Business Terms)
 C (Software License Terms)

Studer Group Approved:



Attachment A to Engagement Letter dated March 21, 2018 between The Studer Group, L.L.C. ("Studer Group," "we," or "our,") and Medical Center Health System ("you" or "your")

DESCRIPTION OF ENGAGEMENT

Scope of Engagement

Except as otherwise noted below, the scope of our engagement will be limited to providing services and resources to or for the benefit of the following facilities unless otherwise noted in this Agreement:

- ▼ Medical Center Hospital

Description of Services and Resources

- ▼ Evidence-Based LeadershipSM Coaching Services – We will continue to coach you on the implementation and hardwiring of our proprietary *Evidence-Based LeadershipSM* framework. We will provide you with access to a coaching team comprised of specialists who are expert in the sequencing and hardwiring of the steps and tactics that comprise our *Evidence-Based Leadership* framework. Key phases of the coaching plan will guide your organization through continued focus on the Leader Evaluation Process, Leadership Development, the *MustHaves*® tools/techniques/tactics, and managing-through-performance gaps. Focused coaching ensures the rigor and momentum is sustained, and evidence based behaviors are hardwired. Just as important, our coaching team will monitor and evaluate accountability systems to ensure these tactics become truly hardwired. The frequency and duration of onsite or virtual coaching will be determined by the Account Leader assigned to this engagement based on your goals.
- ▼ Emergency Department Intensive Coaching Services – We will provide Emergency Department focused coaching targeted on improving your ED’s performance, in alignment with your ED leaders goals. This Emergency Department leadership focused coaching will build upon our Evidence-Based LeadershipSM framework and coaching. Specific steps, tactics and coaching schedule will be determined by our coaching team based on achieving your prioritized improvement areas. The specific tactics, their timing and sequencing may consist of both existing and new tactics selected to achieve the largest possible results that are sustainable over time. The Studer Group coaching team will also monitor and evaluate accountability systems to ensure these tactics become hardwired. The frequency and duration of onsite or virtual coaching will be determined by our Account Leader assigned to this engagement in consultation with Customer’s leadership.
- ▼ Physician Intensive Coaching – We will provide focused coaching to your physicians, in alignment with your leaders goals, targeted with improving Physician Communication, Patient Experience and/or physician alignment. This physician intensive coaching is designed to be built upon the *Evidence-Based LeadershipSM* framework we have coached you to develop. The specific tactics, their timing and sequencing will be driven by the Studer Group coaching team in consultation with customer’s leaders to ensure the biggest goal impact that will be sustainable over time. The Studer Group coaching team will also monitor and evaluate accountability systems to ensure these tactics become hardwired. The frequency and duration of onsite or virtual coaching will be determined by our Account Leader assigned to this engagement in consultation with Customer’s physician leadership.
- ▼ Software Access and Support Services – During the Term, we will grant the following facilities a non-exclusive, limited license to access the below-listed hosted software applications and will provide support services for such applications (collectively, the "Software Services"), subject to the software terms and conditions set forth in Attachment C ("Software License Terms"):
 - ▼ *Leader Evaluation Manager*® software
 - License to continue access granted to the following Customer facilities: Medical Center Hospital.

Following the expiration or termination of the Term, your access to our Software Services will terminate, unless we mutually agree in writing to extend such access based on our then-established rates.
- ▼ Access to Studer Group Resources – During the course of this engagement, your personnel will also have access to the following additional resources, the timing and sequence of which will be recommended by your Studer Group coach:

- ▼ *National Learning Lab* – You will receive unlimited digital access to our *National Learning Lab* online database, which offers easy access to foundational videos, industry news, articles, webinars and the latest resources, including a number of tools, techniques, information and practices to drive outcomes, such as focused ten-minute trainings on key topics and proven tactics. Through our *National Learning Lab*, you will have digital access to a wealth of data and leading practices, the opportunity to view each of our proprietary videos, the right to participate in the Studer Group National Lab for research studies, and the opportunity to use our *National Learning Lab* as a communication link to our team for any personnel you designate.
- ▼ *Educational Conferences* – Our Conferences are designed to provide healthcare leaders with an authentic, practical learning experience. Each conference is a multi-day interactive learning event with one or more tracks focused on specific areas of the healthcare organization. When practical, Studer Group will also support conference attendees to obtain continuing education credit for their conference attendance.
 - As a partner, you can send an unlimited number of attendees to Studer Conferences at our partner-discounted registration fee, which is reduced 35% from the current registration fee.
 - In addition, this engagement includes **10** prepaid registrations that can be used to attend any Studer Conference as well as Studer Group's annual *What's Right in Health Care*® conference that focuses on the sharing of leading practices. To use these prepaid registrations, please contact your Studer Group coach and indicate the number of registrants you would like to use for a specific event. Please do not attempt to register prepaid registrations via the Studer Group website.
 - From time-to-time, Studer Group may make some conferences/tracks available for “virtual attendance” over the internet. The cost to attend a conference virtually is the same as in-person. Partner conference discounts and prepaid registration seats may be leveraged for virtual conference attendance the same as in-person.
- ▼ *National Speakers* – With more than 500 speaking engagements per year, our national speakers broaden the reach of our hands-on coaching through large audience teaching and skills building sessions. Our speakers can cover all topics related to our *Evidence-Based Leadership* framework, as well as a variety of specialized leadership and healthcare topics to supplement our coaching expertise. Please contact your Studer Group coach to secure national speaker resources. Through this engagement, you will have the opportunity to host **5** pre-paid speaking engagements (up to six (6) hours each) with our qualified national speakers, and will be offered a discount of 20% off the fee charged for any additional speaking engagements you wish to obtain during the Term and any renewal of this engagement.
- ▼ *Fire Starter Publishing* – Through our books, videos, magazine, and other products, our *Fire Starter Publishing* division strives to inform healthcare workers of prescriptive to-dos and to inspire passion that will encourage action to create change. Our mission is to provide the tools and inspiration to make healthcare better for employees, patients, and physicians. In connection with this engagement, you will also have access to purchase an unlimited number of publications from the list of below-described *Fire Starter Publishing* resources at discounted rates, which are determined based upon the products and quantities ordered. To purchase these publications, please work with your Studer Group coach to determine the titles and number of publications you would like to support the coaching work. Please do not attempt to order publications via the Studer Group or Fire Starter Publishing website.
 - ▼ *Advance Your Emergency Department* by Stephanie Baker, Regina Shupe, and Dan Smith
 - ▼ *Eat That Cookie* by Liz Jazwiec, RN
 - ▼ *Hey Cupcake! We Are ALL Leaders* by Liz Jazwiec, RN
 - ▼ *Service Excellence is as Easy as PIE* by Liz Jazwiec, RN
 - ▼ *Engaging Physicians: A Manual to Physician Partnerships* by Stephen Beeson, MD
 - ▼ *Excellence in the Emergency Department* by Stephanie Baker
 - ▼ *Excellence with an Edge* by Michael T. Harris, MD
 - ▼ *Hardwiring Excellence* by Quint Studer
 - ▼ *Hardwiring Flow: Systems and Processes for Seamless Patient Care* by Thom Mayer, MD and Kirk Jensen, MD
 - ▼ *The HCAHPS Handbook 2nd Edition: Tactics to Improve Quality and the Patient Experience*
 - ▼ *The CG CAHPS Handbook: A Guide to Improve Patient Experience and Clinical Outcomes*
 - ▼ *The OAS CAHPS Compendium: A Guidebook for Improving Patient Experience and Outcomes Across the Ambulatory Surgery Continuum*
 - ▼ *I'm Sorry to Hear That* by Susan Keane Baker and Leslie Bank

- ▼ *Inspired Nurse* by Rich Bluni, RN
- ▼ *Inspired Nurse Too* by Rich Bluni, RN
- ▼ *Leading Medical Group Transformation* by Matthew Bates and Victor Arnold
- ▼ *Maximize Performance: Creating a Culture for Educational Excellence* by Quint Studer and Janet Pilcher, Ph.D
- ▼ *Oh No...Not More of That Fluffy Stuff!* by Rich Bluni, RN
- ▼ *The Great Employee Handbook* by author Quint Studer
- ▼ *A Culture of High Performance* by Quint Studer
- ▼ *The Nurse Leader Handbook by over 30 Studer Group Nurse and Physician Leaders*
- ▼ *Practicing Excellence* by Stephen Beeson, MD
- ▼ *Straight A Leadership* by Quint Studer
- ▼ *The Patient Flow Advantage* by Kirk Jensen, MD and Thom Mayer, MD
- ▼ *Healing Physician Burnout* by Quint Studer in collaboration with George Ford, MD
- ▼ *Taking Conversations from Difficult to Doable* by Lynne Cunningham
- ▼ *The E-Factor* by Craig Deao
- ▼ *Wait A Hot Minute! How to Manage Your Life with the Minutes You Have* by Jacqueline Gaines

Payment Terms

Professional Fees and Expenses

The total Professional Fee has been divided into eight (8) equal installments of \$132,527.50, to be paid each quarter by Automated Clearing House ("ACH"), beginning on April 1, 2018 (collectively, the "Professional Fee"). The Professional Fee represents the full amount due in exchange for the services and resources provided under this Agreement, including the subscription and server fees for the Software Services provided during the Term. We will also bill for reasonable out-of-pocket expenses ("Expenses"), incurred for the engagement, such as airfare, ground transportation, lodging, and usual and customary per diems. The Expenses will be invoiced monthly for actual Expenses incurred.

Taxes

(a) You will be responsible for and pay all applicable sales, use, excise, value added, services, consumption, and other taxes and duties associated with the performance of Services or your receipt of the Services or products, excluding taxes on Studer Group's income generally.

(b) If you are required by the laws of any foreign tax jurisdiction to withhold income or profits taxes from your payment to Studer Group, then the amount payable by you upon which the withholding is based shall be paid to Studer Group net of such withholding. You shall pay any such withholding to the applicable tax authority. However, if after 120 days of the withholding, you do not provide Studer Group with official tax certificates documenting remittance of the taxes, you shall pay to Studer Group an amount equal to such withholding. The tax certificates shall be in a form sufficient to document qualification of the taxes for the foreign tax credit allowable against Studer Group's corporation income tax.

Invoice Contact

Invoices will be delivered to you via e-mail to the contact named below. Payments shall be made through ACH by using the ACH Authorization Form attached as Attachment A-1. Please note that Studer Group no longer accepts payment by credit card.

Rick Napper
 Chief Executive Officer
 Medical Center Health System
 500 West 4th Street
 Odessa, TX 79761
 (432) 640-6000 / rnapper@echd.org
 _____ (P.O. number if needed)

Attachment A-1 to Engagement Letter dated March 21, 2018 between The Studer Group, L.L.C. ("Studer Group," "we," "our," or "us") and Medical Center Health System ("you" or "your")

ACH Authorization Form

PAYOR INFORMATION:

Name: The Studer Group, LLC	
Street Address: 350 West Cedar Street, Suite 300	
City, State, Zip: Pensacola, FL 32502	
Contact Name: Sarah Costa	
Email Address: (email where ACH deposit notification will be sent-REQUIRED): sarah.costa@studergroup.com	
Telephone: (850) 439-5866	Fax: (850) 439-5799
Taxpayer ID (required): 59-3691553	

FINANCIAL INSTITUTION / BANK INFORMATION

Bank Name: BMO Harris Bank, N.A.	
Bank Street Address: 111 West Monroe St., 9E	
Bank City, State, Zip: Chicago, IL 60603	
Nine-Digit Routing Number: 071000288	
Account Number: 4230850	
Type of Account: <input checked="" type="checkbox"/> Checking <input type="checkbox"/> Savings	

Attachment B to Engagement Letter dated March 21, 2018 between The Studer Group, L.L.C. (“Studer Group,” “we,” or “our”) and Medical Center Health System (“Customer”, “you,” or “your”) (together, Studer Group and Customer may be referred to as “us”)

GENERAL BUSINESS TERMS

These General Business Terms, together with the Engagement Letter (including any and all attachments, exhibits, and schedules) and the Business Associate Agreement between us, constitute the entire understanding and agreement (the “Agreement”) between the parties with respect to the services and resources described in the Engagement Letter. If there is a conflict between these General Business Terms and the remainder of the Agreement, these General Business Terms will govern, unless otherwise clearly stated.

1. **Description of Services.** We will provide the services and furnish the resources (the “Services”) as described in the Engagement Letter and any of its attachments (including Attachment A), which may be modified from time to time by our mutual consent. Although we may assign physician coaches to work with you from time to time, our Services will not include, and you will not request, any service which may be considered the practice of medicine under any applicable laws or regulations, or the provision of direct or indirect patient care by any of our personnel.
2. **Independent Contractor Relationship.** We will at all times be performing the Services as an independent contractor of your organization with the discretion to determine the method, details and means of performing the Services, and as such, will assume full and sole responsibility for the payment of all compensation and expenses of our employees and for all of their state and federal income tax, unemployment insurance, Social Security, payroll and other applicable employee withholdings. Unless otherwise provided in the Engagement Letter, we will not have the authority to bind or obligate you in any manner.
3. **Confidentiality and Privacy.**
 - a. **Confidential Information.** By reason of our relationship, each of us may have access to certain information and materials considered by the other to be confidential and proprietary, or which should reasonably be considered confidential based on its subject matter or the circumstances of its disclosure, including financial, corporate, personnel, operational and technological information, software and trade secrets (“Confidential Information”). Confidential Information also includes information of or about a third party that such third party considers to be confidential and proprietary. Each of us agree that all Confidential Information of the other will be used only for the purposes of facilitating the Agreement, will be protected from unnecessary disclosure within our respective organizations, and will not be disclosed to third parties (other than permitted subcontractors, attorneys, accountants, and other advisors who have agreed to maintain the confidentiality of such Confidential Information and to use such Confidential Information only for the limited purpose of facilitating the Agreement). Further, Confidential Information provided pursuant to a license agreement will be subject to return in the event of termination of the license. Each of us will notify the other if either of us learns of unauthorized use or disclosure of the other party's Confidential Information. Each of us agree that the foregoing restrictions will not apply to information that is: (i) publicly known, (ii) already known to the recipient, (iii) lawfully disclosed by a third party, (iv) independently developed, (v) disclosed pursuant to legal requirement or order, or (vi) disclosed to taxing authorities or to representatives and advisors in connection with tax filings, reports, claims, audits and litigation.
 - b. **Personally Identifiable Information.** We agree to use any personally identifiable information and data you provide only for the purposes of this engagement and as you direct, and we will not be liable to you for any third-party claims related to such use; provided, further, that you agree to take necessary actions to ensure that you comply with applicable laws relating to privacy and/or data protection. In performing the Services, we will not be providing legal advice on compliance with the privacy and/or data protection laws of any country or jurisdiction.
 - c. **Protected Health Information.** To the extent that we will have access to individually identifiable health information from your patients, we covenant that we will treat, hold, protect, and return such information in accordance with the Business Associate Agreement entered into between us effective as of December 11, 2014, which is deemed incorporated into this Agreement. We each agree that any reference to the “Consulting Services Agreement” in the Business Associate Agreement will be deemed to include this Agreement as a renewal or extension of the Consulting Services Agreement, and any reference in the BAA to subcontractors complying with “at least as stringent” terms shall be deemed to require that subcontractors agree to the “same or more stringent” restrictions and conditions that apply to Business Associate with respect to such PHI.

d. **Access to Billing Books and Records.** If applicable, each party will comply with the requirement of Section 1861(v)(1)(I) of the Social Security Act, as amended, and any written regulations pursuant thereto, governing the maintenance of documentation to verify the cost of Services rendered as follows: Until the expiration of four (4) years after the furnishing of the Services, we agree to make available, upon written request of the Secretary of the U.S. Department of Health and Human Services, the U.S. Comptroller General, or to any of their duly authorized representatives, this Agreement, and our books, documents and records that are necessary to support the nature and extent of the costs incurred by you in purchasing Services under this Agreement. Further, if we subcontract any duties arising from this Agreement with a value or cost of \$10,000 or more over a twelve-month period, with a related party, such subcontract will contain a clause to the effect of the foregoing sentence. As used herein, "related party" includes any party employed or controlled by Studer Group, any party by whom Studer Group is employed or controlled, and any party with whom Studer Group develops a close association or affiliation. We will notify you promptly of any requests received for access to information described in this Paragraph 3(d) and will consult with you regarding the response to be made thereto.

4. **Ownership of Studer Group Materials.** Unless a particular deliverable is licensed under a separate license agreement attached to this Agreement, our proprietary resources and products to which you receive access through this engagement are intended for your internal, non-commercial use within those facilities specified in this Agreement and for the purposes intended by this engagement. Unless the description of the Services in this Agreement specifically describes a particular deliverable as a "work-made-for-hire" to be owned solely by you following your payment for the deliverable, we will retain ownership of all intellectual property rights (including but not limited to rights to trademarks, service marks, copyright works, work papers, processes, methodologies, know-how, proprietary information, and trade secrets) to all materials (including manuals, tools, forms, workbooks, software, leading and best practices, and audiovisual materials) we provide to you, including anything which we may discover, create or develop during the performance of the Services to the extent such materials are of general application (the "Studer Group Materials"). In the event any of your pre-existing intellectual property or Confidential Information is incorporated into the Studer Group Materials, you hereby grant Studer Group a worldwide, non-exclusive, perpetual and irrevocable license to use and create derivatives of such intellectual property and Confidential Information solely in the preparation of any materials on your behalf in accordance with this Agreement.
5. **Authorized Use of Services and Intellectual Property.** You are authorized to use the Services, as well as the Studer Group Materials provided in support of the Services, for your own internal purposes, and may copy, distribute and display any written Studer Group Materials internally for your non-commercial uses during this engagement and following this engagement provided that our copyright, service mark, and trademark notices must be maintained on all Studer Group Materials at all times, and you must provide, and we must receive, proper attribution for all of our intellectual property. If we provide a style guide in connection with our intellectual property or other directives for proper use, you agree to abide by those terms. Notwithstanding the above, our software shall not be used following the engagement.

You will not disclose, disseminate, or distribute the Services to any other party, or attempt to commercialize the Services or Studer Group Materials in any way. Further, you will not modify substantive textual or illustrative content of any of the Studer Group Materials without our express written consent, except for the sole purpose of inserting your information into the form or template for distribution to your personnel in furtherance of this engagement. If you breach this Section, it will constitute a material breach of the Agreement and you agree we can terminate the Agreement immediately without penalty and without first providing you with an opportunity to cure.

6. **License to use Data/Metadata for Pre-Authorized Purposes.** In order to receive the full benefits of our Services, we are hereby granted a non-exclusive right and license to use, copy, distribute, publish and display any metadata and other data incorporated into our software applications or that we otherwise collect in performing the Services to the extent relating to our relationship with you for the following limited purposes: (i) to provide the Services as defined under this Agreement; (ii) to perform our obligations or to exercise our rights under this Agreement; (iii) as part of products or services we provide to you, including quality improvement initiatives and data analytic services; (iv) to collect statistical data about customer usage for capacity planning purposes; and (v) to de-identify the data as further provided below (collectively, the "De-Identified Information") and to use such De-Identified Information (in an individual or aggregate form) for analysis or reporting purposes in order to share benchmarking comparisons for your benefit and the benefit of other third party recipients of our services. To the extent, data to be de-identified includes Protected Health Information; such de-identification will be in accordance with a methodology set forth under HIPAA to create de-identified information and in accordance with the Business Associate Agreement. Further, you represent and warrant that, with respect to any data contributed by you in accordance with this paragraph, you have the right to contribute such data and are legally authorized to submit such data, and that the data you provide will be accurate and complete. You agree that the right and license granted by you in this paragraph

will survive termination or expiration of this Agreement and that we will have no obligation to return any such data to you at any time.

7. **Insurance.** We will carry and at all times during this engagement maintain in full force and effect, at our sole expense, policies of (a) professional liability insurance with a minimum limit of \$3 million for each policy year and (b) general liability insurance in the minimum amount of \$1 million for each claim and \$2 million aggregate limit for each policy year, to insure against any claim or claims for damages directly arising by reason of personal injuries or death occasioned by the negligence of Studer Group in connection with the performance of our obligations under this Agreement.
8. **Indemnification.**
 - a. Studer Group will, to the extent permitted by law, indemnify you, your owners, employees, contractors and agents against all costs, fees, expenses, damages and liabilities (including actual attorneys' fees reasonably incurred and costs) relating to intellectual property infringement, bodily injury or death of any person, or damage to real or tangible personal property incurred during the performance of the Services, to the extent caused by the willful misconduct or grossly negligent acts or omissions of our employees, contractors or agents in performing the Services as finally adjudicated by a finder of fact.
 - b. You will, to the extent permitted by law, indemnify Studer Group and our owners, employees, contractors and agents against all costs, fees, expenses, damages and liabilities (including actual attorneys' fees reasonably incurred and costs) associated with any third party claim relating to or arising as a result of the Services or your use of the deliverables except to the extent Studer Group is obligated to indemnify you pursuant to Paragraph 8(a) as finally adjudicated by a finder of fact.
 - c. Studer Group will not be liable for any special, consequential, incidental, indirect or exemplary damages or loss (nor any lost profits, savings or business opportunity). Further, Studer Group's liability relating to this engagement will in no event exceed an amount equal to the fixed fees (excluding taxes and expenses) received from you for the twelve-month period of the engagement giving rise to such liability.
9. **Termination; Effect of Termination.** Except as otherwise provided in the Software Terms, either party may elect to terminate this Agreement early, with or without cause, upon at least ninety (90) days advance written notice to the other party. Upon the expiration or termination of the Agreement, (a) we will have no further duties or obligations to provide the Services to you, and (b) within 30 days following the effective date of termination (the "Termination Date"), you agree that we are owed and that you will pay for all Professional Fees, Expenses, and Subscription and Server Fees, as applicable, accrued but unpaid through the Termination Date, and will have no other duties to pay for our Services. Upon the termination of this Agreement for any reason, any licenses or other rights granted to you in this Agreement to access our software applications and other online resources will terminate.
10. **Survival.** The following provisions will survive the expiration or termination of the Agreement: Paragraph 3 ("Confidentiality and Privacy"), Paragraph 5 ("Authorized Use of Services and Intellectual Property"), Paragraph 6 ("License to use Data/Metadata for Pre-Authorized Purposes"), and Paragraph 8 ("Indemnification"). Additionally, all other provisions intended to survive termination of this Agreement will survive termination.
11. **Email Communications.** Each of us acknowledge that the other may correspond or convey documentation via Internet e-mail and that neither of us has control over the performance, reliability, availability, or security of Internet e-mail. Therefore, neither of us will be liable for any loss, damage, expense, harm or inconvenience resulting from the loss, delay, interception, corruption, or alteration of any Internet e-mail due to any reason beyond our reasonable control. Notwithstanding the foregoing, your obligation to pay any fees described in this Agreement which are payable in accordance with a fixed payment schedule will not be waived or excused due to any failure or delay to receive a reminder invoice from Studer Group, regardless whether such invoices are routinely sent by Internet e-mail. Email communications to Studer Group will be sent to Agreements@StuderGroup.com.
12. **Waiver of Breach.** No term of this Agreement will be deemed waived, and no breach of this Agreement excused, unless the waiver or consent is in writing signed by the party granting such waiver or consent.
13. **Entire Agreement; Binding Effect.** The Agreement, including this [Attachment B](#), the Engagement Letter, and all other appendices and attachments to this Agreement, constitutes the entire understanding between the parties and is intended as the complete and exclusive statement of the agreement between the parties with respect to the Services, and supersedes all prior

agreements and negotiations relating to the Services. If any portion of the Agreement is held invalid, such invalidity will not affect the validity of the remaining portions of the Agreement, and the parties will substitute for any such invalid portion hereof a provision that best approximates the effect and intent of the invalid provision. The provisions of this Agreement will be binding upon and inure to the benefit of the respective successors and permitted assigns of the parties hereto.

14. **Modification.** This Agreement supersedes all prior oral and written communications between the parties with respect to the subject matter of this Agreement, and may be amended, modified or changed only in a writing signed by both parties.
15. **Equitable Relief.** We will be entitled to equitable relief, including, without limitation, injunctive relief and specific performance, in the event of any breach or threatened breach of the limited licenses granted to you under this Agreement, in addition to all remedies available at law or in equity without the requirement to prove actual damages, which may in any event be difficult to specify or establish. You agree that damages are difficult to prove and waive any defense against our obtaining such equitable relief.
16. **Studer Group Personnel.** While Studer Group will attempt to comply with your requests for specific individuals, we retain the right to assign and reassign our personnel, as appropriate, to perform the Services. If our personnel are required to comply with your compliance policies, and our compliance policies conflict with your compliance policies, each of us agree to work together in good faith to determine an appropriate solution to ensure that our personnel will not be subject to conflicting compliance requirements.
17. **Use of Name; Sharing of Leading Practices.** By signing this Agreement, you hereby consent to our identifying or otherwise publicly acknowledging you as a recipient of our services and sharing your leading practices and outcomes with other healthcare organizations in order to support our mission of helping to make healthcare a better place for employees to work, physicians to practice, and patients to receive care; provided, that before making any other public announcements, media releases, press conferences, advertising or similar publicity in any form relating to your name, image, or logo (or any variation or combination of such name, image, or logo), we will obtain your prior written consent.
18. **Compliance with Laws.** We agree to perform this Agreement in compliance with all applicable federal, state and local laws, rules, regulations, and ordinances, and represent that we and any of our personnel providing Services hereunder have obtained all licenses and permits required by law to engage in the activities necessary to perform its obligations under this Agreement.
19. **Dispute Resolution.** This Agreement will be governed by and construed in accordance with the laws of the State of Illinois without giving effect to conflict of law rules. Each party agrees that any disputes or claims arising hereunder will be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Any arbitration will be conducted in Chicago, Illinois. Any arbitration award may be entered in and enforced by any court having jurisdiction thereof, and each of us consent and commit ourselves to the jurisdiction of the courts of the State of Illinois for purposes of any enforcement of any arbitration award. Except as may be required by law, neither of us nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties to this Agreement. Notwithstanding the foregoing, the parties will in good faith and for thirty (30) days attempt to resolve any dispute or disagreement arising out of or relating to this Agreement by face-to-face negotiations between a senior leader of Studer Group or any other designated Managing Director and your CEO or other appropriate senior executive for the affected facility. Neither of us, however, will be required to pursue this informal dispute resolution process in the event of a dispute regarding an alleged payment owing to either of us, a breach of contract provision protecting Confidential Information or Intellectual Property belonging to either of us, or if the party has reason to believe that the delay involved in this informal dispute resolution would materially harm it.
20. **Counterparts.** Provided that all parties hereto execute a copy of the Agreement, the Agreement may be executed in counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument. Facsimile and PDF execution and delivery of the Agreement will be deemed the legal, valid and binding execution and delivery of the Agreement for any purpose.
21. **Assignment.** Each party may, without the prior written consent of the other party, assign this Agreement to a successor-in-interest or to an entity that acquires all or substantially all of such party's assets in connection with a merger or acquisition, *provided, however*, that the scope of this Agreement will be based on the named facilities in this Agreement and will not expand due to any such assignment. Except to the extent expressly permitted by the immediately preceding sentence, you may not assign or transfer this Agreement or any of your rights obligations under this Agreement in whole or in part without the prior written consent of Studer Group.

22. **Force Majeure.** Neither party will be liable hereunder by reason of any failure or delay in the performance of its obligations under this Agreement (except for the payment of money) on account of strikes, shortages, riots, insurrection, fires, flood, storm, explosions, acts of God, war, governmental action, labor conditions, earthquakes, material shortages or any other cause that is beyond the reasonable control of such party.
23. **Warranty; Disclaimer.** Studer Group warrants that the Services will be performed with reasonable care in a diligent and competent manner, provided that we do not warrant and are not responsible for any third party products or services offered in conjunction with this engagement. Our sole obligation will be to correct any non-conformance with this warranty, provided that we receive written notice from you within ten (10) days after the Services are performed or delivered. The notice will specify and detail the non-conformance and we will have a reasonable amount of time, based on its severity and complexity, to correct the non-conformance. For any claim that any Studer Group Materials infringe a United States intellectual property right, we may, at our option, (i) modify such Studer Group Materials to cure the intellectual property rights violation; (ii) procure for you the right to continue using the Studer Group Materials pursuant to this Agreement; (iii) provide an alternative means of providing the affected Studer Group Materials; or (iv) terminate access to the Studer Group Materials until such claim is resolved. You agree to promptly notify Studer Group of any intellectual property rights violation claim, and, as we request, you will cooperate in the defense of the claim. THIS WARRANTY IS OUR ONLY WARRANTY CONCERNING THE SERVICES AND RESOURCES (EXCEPT THOSE DELIVERABLES PROVIDED UNDER A SEPARATE LICENSE AGREEMENT), AND IS MADE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE, ALL OF WHICH ARE HEREBY DISCLAIMED.
24. **Excluded Provider.** Studer Group warrants that neither Studer Group nor any of those personnel that we will provide to you under this Agreement has been sanctioned or excluded from any federally funded healthcare programs as provided in Sections 1128 and 1128A of the Social Security Act (42 U.S.C. 1320a-7a). Studer Group further agrees that we will notify you immediately in the event Studer Group, or any of the personnel it has provided to you, becomes sanctioned or excluded from any federally funded healthcare programs. Such notification will include the grounds for sanction or exclusion and the duration thereof.
25. **Non-Solicitation.** Without your express written consent, Studer Group will not directly or indirectly solicit for employment, hire or engage as an independent contractor any person currently or previously employed by any of your facilities included within the scope of our engagement until the earlier of one year after (i) such employee's departure from your organization, or (ii) termination of our Agreement. Conversely, without our express written consent, you will not directly or indirectly solicit for employment, hire or engage as an independent contractor any person currently or previously employed by Studer Group until the earlier of one year after (i) such employee's departure from our organization, or (ii) termination of our Agreement.

Attachment C to Engagement Letter dated March 21, 2018 between The Studer Group, L.L.C. ("Studer Group," "we," or "our") and Medical Center Health System ("Customer", "you" or "your")

SOFTWARE LICENSE TERMS

1. **Hosted Software Service(s).** During the Term of this engagement, we will make available to you (as limited by [Attachment A](#)) the following hosted software offerings (individually a "Hosted Software Service", collectively the "Hosted Software Services"), according to the restrictions on use described in this Agreement, including in particular this [Attachment C](#):

- ▼ *Leader Evaluation Manager*® software

Subject to your timely payment of all applicable fees under this Agreement, we, on our own behalf and on behalf of our suppliers and service providers, hereby grant to you, during the Term of this engagement, a non-exclusive, non-transferable, right and license to access and use the Hosted Software Service(s). In support of this license, we will also provide to you those user guides, documentation, and training materials (including updates, as applicable) regarding the Hosted Software Service(s) that we generally make available to our customers.

2. **Provision of Minimum Hardware and Software Requirements.** In order to be able to access our web-based Hosted Software Services, you will need to provide your workforce with electronic devices and computers with internet access and the following minimum hardware and software requirements:

Hardware:

- ▼ Any workstation with an SSL connection to the Internet and with Internet Explorer version 8.0 or higher.

Software:

- ▼ Work station must be able to run Internet Explorer version 8.0 or higher.
- ▼ An Active X control must be downloaded one time to each workstation to provide printing functionality.

3. **Return or Destruction of Data Upon Termination.** Studer Group will delete all of your data in our possession ninety (90) days after the effective date of termination of the Agreement; *provided, however*, that within thirty (30) days following termination, we will make available to you in XML or another mutually agreed-upon accessible format all of your data, and will provide up to sixty (60) days for you to download such data for safekeeping in your records prior to deleting your data from our system. If you have saved any PHI in the Hosted Software Service, you acknowledge that you may be required by HIPAA to retain a copy of such PHI and agree that you will accept the return of your data within the 60-day period provided under this Paragraph 3. Notwithstanding the foregoing, upon termination of the Agreement, it may not be feasible for us to delete all copies of your data, such as data stored in archived backup copies of our Hosted Software Service for a certain period of time, in accordance with our standard policies and procedures. In such event, we will continue to safeguard such data as confidential in accordance with the privacy and security standards set forth in our Business Associate Agreement.
4. **Restrictions on Use of Software.** You may not directly or indirectly modify, reproduce, transfer, reverse engineer, de-compile, disassemble or distribute any of the Hosted Software Service(s) or their source code without our prior written consent. Further, you will not: (a) access and/or use any Hosted Software Service(s) in order to design, create or build a service or product that is competitive with the Hosted Software Service, or which uses ideas, features or functions that are similar to the Hosted Software Service(s); or (b) license, sublicense, sell, resell, resyndicate, transfer, assign, distribute, or otherwise commercially exploit or make available to any third party the Hosted Software Service(s). You agree that the Hosted Software Service(s) will only be made available to your authorized users (including members of your workforce) for your non-commercial, internal use in your normal course of business. You represent and warrant that the Hosted Software Service(s) will only be used for lawful purposes in compliance with all applicable laws, rules, and regulations, including those promulgated pursuant to HIPAA and any Internet regulations or policies. If you breach this Paragraph, it will constitute a material breach of the Agreement and you agree we can terminate the Agreement immediately without penalty and without first providing you with an opportunity to cure.
5. **Authorized Use.** During this engagement, we will provide you with a non-exclusive, non-transferable license to access our Hosted Software Service(s), which access will be hosted remotely via cloud computing technology.
6. **Technical Support.** Upon execution of the Agreement, we will provide you with on-going technical support, which will be available by phone or e-mail (SolutionsSupport@StuderGroup.com) during the hours of 8:00 a.m. to 5:00 p.m. (Central Time) Monday through Friday, as well as a User Manual/Toolkit. We also provide ongoing education to administrators and callers in our database through recurring trainings offered to all those in our user network. As new reports or functionality become available, those offered sessions are open to your organization at your election and subject to any additional fees which may be charged for those special upgrades. We will also provide you with general upgrades, as available. The services associated with the provided software, including installation, support, and general upgrades, will begin upon the effective date of the Agreement

and will continue in effect until the termination of the Agreement. You agree that we may install such software updates and error corrections in the Hosted Software Service(s) as we deem necessary from time to time.

This Work Order is entered into effective this ____ day of _____, 2018, pursuant to that certain Master Service Agreement between Santa Rosa Consulting, Inc. (Santa Rosa) and Ector County Hospital District d/b/a Medical Center Health System ("Client" or "MCH") dated as of _____, 2018 (the "Agreement"). This Work Order is subject to the terms and conditions stated in the Agreement.

Scope of Work

The services to be provided by Santa Rosa under this Work Order (hereinafter sometimes referred to as the "Project"), are as follows:

1. Project Scope and Approach

MCH is experiencing continuing and persistent challenges centered on the EHR conversion from McKesson Horizon to Cerner in April 2017. While certain issues are being resolved with and by Cerner, MCH requires additional assistance to more completely address many challenges as well as to define the improvement path forward. Santa Rosa's active support and assistance as a trusted advisor under this Work Order will address key IT challenges, including:

- I. Providing Interim CIO leadership
- II. Addressing IT department performance by:
 - Rectifying the existing problems with issue/problem ticketing
 - Identifying, in collaboration with business owners, Cerner EHR design and configuration changes essential to improved data quality and downstream revenue cycle performance, and
 - Evaluating IT resource skills while promoting increased knowledge transfer from Cerner to advance internal capabilities and self-sufficiency
- III. Performing IT outsourcing assessment including the opportunities, challenges, benefits, risks, issues and costs of potential outsourcing.

Additional IT support and assistance, including full execution of priority recommendations in IT and providing expertise in IT outsourcing models, can be provided as needed under separate Work Order.

2. Project Schedule

The interim CIO leadership assistance under this WO is expected to start at a mutually agreed to date but no later than April 16, 2018, and continue for a period of six (6) months.

3. Staffing

Santa Rosa has assembled an experienced team, including senior management oversight, to perform this Project. Bill Leander, Chief Strategy Officer, will serve as Santa Rosa senior management oversight. Mike Reel will also be involved in Project launch and periodic Project reviews. Interim CIO resource is expected to be Charles Schwenz.

Again, additional Santa Rosa resources are available and may be provided to MCH for any part of the anticipated approach by mutual agreement under separate Work Order.

4. Professional Fees

The services described in the foregoing Scope of Work shall be provided on a time and materials basis at the hourly rates set forth in the table below. The estimated total fees are just an estimate: they are not a maximum or minimum or fixed fee. They represent a good faith estimate of fees based upon Santa Rosa's experience with similar projects. Actual fees may be more than or less than the estimated amount. Santa Rosa will bill for time actually spent on the Project.

Professional Fees – Hourly Rates

Consultant Classification	Hourly Rate	Estimated Hours	Estimated Fees
Interim CIO	\$175	1,200	\$210,000

5. Expenses

In addition to the professional fees described above, Santa Rosa shall be entitled to reimbursement of its project related expenses, including costs of travel, meals, lodging, and other direct project related expenses. Santa Rosa will act in a reasonable manner to minimize expenses.

Meals and incidental expenses will be reimbursed at the per diem rate of \$52.

Signature Page Follows

Acceptance

To accept the Agreement, please sign in the space provided.

ACKNOWLEDGED AND ACCEPTED BY CLIENT:

MEDICAL CENTER HOSPITAL DISTRICT D/B/A MEDICAL CENTER HEALTH SYSTEM

By _____ President/CEO _____
SIGNATURE TITLE DATE

Please select the option below for your expense reporting requirements:

- No Receipts** required
- Receipts required for **transportation and lodging only**
- Receipts required for **all items**
- Other: _____

Please provide your payment processing information:

A/P Contact Person:	
A/P Email or Mailing Address:	
A/P Phone Number:	

ACKNOWLEDGED AND ACCEPTED FOR SANTA ROSA CONSULTING:

By _____
SIGNATURE TITLE DATE

Master Services Agreement

This Master Services Agreement (the "Agreement") between **Santa Rosa Consulting, Inc.**, a Delaware Corporation, with offices located at 41000 Woodward Avenue, Stoneridge West, Bloomfield Hills, Michigan 48304 ("**Santa Rosa**"), and Ector County Hospital District d/b/a Medical Center Health System, a political subdivision of the State of Texas with offices located at 500 West 4th Street, Odessa, Texas 79760 ("**Client**") is effective as of the ____ day of _____, 20__ ("Effective Date").

1. Engagement of Services. This Agreement provides the terms and conditions on which Santa Rosa will provide services to the Client. Santa Rosa will perform services through individual separate projects which shall be described in Work Orders to be executed by the parties. Each Work Order shall describe the scope of work to be performed, the time period for performance, the compensation to be paid, and any other terms and conditions applicable to the Work Order. The services as described in Work Order(s) executed hereunder shall be referred to as "the Services." In the event of any conflict between the terms of a Work Order and the terms of this Master Services Agreement, the terms of the Work Order shall prevail.

2. Compensation. Santa Rosa shall be compensated for Services performed as set forth in each Work Order.

3. Invoicing and payment. Unless otherwise provided in a Work Order, Santa Rosa shall invoice bi-weekly for Services. Payment is due upon receipt of invoice. In the event that payment is not received within thirty (30) days of the date of an invoice, Santa Rosa shall be entitled to charge interest on the outstanding balance at the rate of one and one half percent (1.5%) per month, or the maximum rate permitted by law, whichever is less. In the event that Santa Rosa institutes legal action to collect unpaid amounts, Santa Rosa shall be entitled to recover its costs of collection, including attorney fees.

4. Quality of Work. Santa Rosa shall perform the Services in a professional and workmanlike manner, exercising the level of care and skill customarily exercised by information technology and management consulting professionals performing similar services under similar conditions.

5. Trade Secrets and Confidential Information.

a. During the term of this Agreement, each party (a "Receiving Party") may have access to and may become familiar with various trade secrets and confidential information of the other party (the "Disclosing Party"), including without limitation financial, operational and development information, software and computer programs and related source codes, object codes and documentation, patient and employee data, processes, customer lists, prospective customer information, employee lists and prospective employee data that are owned by the Disclosing Party or in which the Disclosing Party has property or license rights (all of such items contained in any tangible or electronic form herein referred to as the "**Confidential Information**").

b. Notwithstanding the foregoing, Confidential Information shall not include (i) information which is or becomes generally available to the public other than as a result of disclosure by the Receiving Party, (ii) becomes available to the Receiving Party on a non-confidential basis from a source not bound by an obligation of confidentiality to the Disclosing Party, (iii) was known to the Receiving Party prior to its disclosure by the Disclosing Party, or (iv) is developed independently by the Receiving Party without reference to the Disclosing Party's Confidential Information.

c. The Receiving Party shall not, either during the term of this Agreement or at any time thereafter, use the Confidential Information in any way other than in connection with the performance or receipt of services or as required by law nor disclose any of the Confidential Information, directly or indirectly, other than to its employees, subcontractors or affiliates who have a need to access to such information in connection with the performance or receipt of services or as required by law. The Receiving Party shall take commercially reasonable measures to protect the security and prevent the improper disclosure of Confidential Information, which shall in no event be less rigorous than those utilized by the Receiving Party to protect its own Confidential Information. The Receiving Party shall disclose the Confidential Information only to those employees, agents or representatives having a need for access to the Confidential Information for purposes of performing or receiving the Services, and who are bound by obligations of confidentiality and non-disclosure that are no less stringent than those contained herein.

d. It is specifically acknowledged and understood by Client that Santa Rosa's web portal concept, design, and functionality is a trade secret of Santa Rosa, and, as such, constitutes Confidential Information under this Agreement, and will be treated by Client accordingly.

e. Confidential Information may be disclosed by the Receiving Party as required by law, provided that the Receiving Party shall provide the Disclosing Party prompt advance notice of the legal requirement for disclosure, so that the Disclosing Party may seek a protective order, or other legal relief.

f. Upon termination of this Agreement all Confidential Information in the Receiving Party's custody or control shall be immediately returned to the Disclosing Party, and the Receiving Party shall destroy all records, notes, compilations and other documentation (on all forms of media) containing Confidential Information of the Disclosing Party.

g. The parties each acknowledge that there may be no adequate remedy at law for its failure to comply with the terms of this Section. Accordingly, in the event a Receiving Party fails to comply with these terms, the Disclosing Party shall have the right, without prejudice to any other rights or remedies available to it, to seek equitable relief to enforce and protect its rights hereunder, by way of temporary restraining order or injunction, and such other alternative relief as may be appropriate, without the necessity of posting any bond or surety.

6. Ownership of Work Product.

a. All reports, documentation, software, designs, specifications and other tangible materials developed, created or provided by Santa Rosa as identified deliverables in the course of the performance of Services under this Agreement ("Work Product") shall be sole and exclusive property of Client. Santa Rosa further agrees to and hereby assigns

and transfers to Client Santa Rosa's entire right, title and interest in and to all Work Product. Santa Rosa shall, at Client's request and expense, promptly execute a written assignment and such other documents and take such other acts as are reasonably necessary for Client to obtain, sustain and enforce Client's title to any such Work Product. Santa Rosa shall preserve any such Work Product as part of the Confidential Information of Client. The parties confirm that, except as otherwise expressly provided herein, Client grants no right, title, interest, or license implied or otherwise to Santa Rosa with respect to any Work Product and all such Work Product shall be the sole property of Client.

b. Work Product shall not include any commercial off the shelf software ("COTS Software") that is incorporated in any deliverable, and the ownership and rights surrounding the use of any such COTS Software shall be as set forth in the applicable COTS Software end user license or sublicense agreement. Work Product shall not include any Santa Rosa templates or tools that are incorporated in any deliverable, nor any materials of common or general utility not unique to Client (collectively, "Common Materials and Tools") provided, however, that to the extent that any Common Materials and Tools are incorporated in any deliverable, Santa Rosa hereby grants to Client a non-exclusive, perpetual, limited, non-transferable, royalty-free license to use such Common Materials and Tools in Client's business as a provider of healthcare services.

c. All ideas, techniques, processes, methodologies, innovations, skills and know-how ("Innovations") created, developed or learned by Santa Rosa in the course of providing Services hereunder shall be the sole and exclusive property of Santa Rosa. Santa Rosa hereby grants to Client a non-exclusive, perpetual, limited, non-transferable, royalty-free license to use such Innovations in Client's business as a provider of healthcare services.

d. Anything herein to the contrary notwithstanding, each party shall be free to use, for any purpose, its skills, know-how and expertise, and all general ideas, techniques, and knowledge that such party learned in the course of providing or receiving Services hereunder, provided that neither party may use or disclose Work Product or Confidential Information of the other party.

7. No Unauthorized Use of Third Party Technology or Information. Santa Rosa has not brought and will not bring to Client or use in the performance of the Services any confidential information, device, material, document, trade secret or the like of any third party that is not generally available to the public. Client agrees that it shall not disclose to Santa Rosa any confidential information of any third party, nor grant access to Santa Rosa to any third party licensed software, except as shall be consistent with Client's license agreement.

8. Mutual Non-Solicitation Obligations. Each party agrees that it shall not, without the prior written consent of the other party, solicit to hire nor hire any employee or contract consultant of the other party who has been involved, during the prior twelve month period, in the performance or the receipt of Services hereunder.

9. Santa Rosa Representations and Warranties

a. Santa Rosa represents and warrants (a) that there are no other agreements of any nature with any person or entity which would prevent Santa Rosa from entering into this Agreement, and (b) that Santa Rosa has made no outstanding assignments, grants,

licenses, encumbrances, obligations or agreements, either written, oral or implied, inconsistent with this Agreement.

b. Santa Rosa represents and warrants that it has the right and will have the right to grant all right, title, and interest in the Work Product.

c. EXCEPT AS EXPRESSLY PROVIDED HEREIN, THE SERVICES ARE PERFORMED WITHOUT WARRANTY, EXPRESSED OR IMPLIED, AND THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

10. Independent Contractor. Santa Rosa is an independent contractor to Client:

a. Santa Rosa shall be responsible for paying any federal, state, or local payroll, social security, disability, workers' compensation, self-employment insurance, income and other taxes or assessments imposed in connection with Santa Rosa employees.

b. Santa Rosa shall not be treated, nor seek to be treated, as an employee of Client for any purpose. Santa Rosa and its employees and agents shall not be eligible to participate in Client's workers' compensation, unemployment, disability, medical, dental, life or any other insurance programs, or any other benefit or program that is sponsored, financed or provided by Client for its employees.

11. Indemnification.

a. Santa Rosa shall indemnify, hold harmless and defend Client from, any and all costs, liabilities, damages, attorneys' fees, or expenses of any kind that are caused by the breach by Santa Rosa of the obligations contained in the foregoing sections 10(a) and 10(b).

b. Santa Rosa shall indemnify, hold harmless and defend Client from, any and all costs, liabilities, damages, attorneys' fees, or expenses of any kind that arise out of a claim alleging that the Work Product (as defined in Section 6, above), excluding all Client products and services and third party products or services or works of authorship or inventions, infringe a validly existing U.S. patent or copyright, or other intellectual property right of a third party. Should the Work Product become, or be likely to become, in Santa Rosa's opinion, the subject of infringement of such patent, copyright or other intellectual property right, Santa Rosa shall procure for Client (i) the right to continue using the same, or (ii) replace or modify it to make it non-infringing, provided that the replacement or modification performs the same functions and matches or exceeds the performance and functionality of the original Work Product at no additional cost to Client. In the event that Santa Rosa shall reasonably determine that neither (i) nor (ii) above is commercially practicable, Client shall return the infringing Work Product and Santa Rosa shall refund the fees and expenses paid by Client to Santa Rosa for such Work Product. Santa Rosa shall have no obligation or liability for any claim based upon or resulting from (A) the use, operation or combination of the Work Product with non-Santa Rosa programs, data, equipment or documentation if such infringement would have been avoided but for such use, operation or combination; (B) modification of the Work Product, unless such modification has been performed by Santa Rosa or at its direction; (C) the non-compliance with Santa Rosa's designs, specifications or user documentation; or (D) information, direction, specifications or materials provided by Client or by a third party not under Santa Rosa's control. The foregoing states the entire liability of Santa Rosa and the exclusive remedy of Client with respect to infringement of any third party

intellectual property rights, whether under theory of indemnity, breach of contract, warranty or otherwise.

c. Santa Rosa shall indemnify, hold harmless and defend Client from, any and all costs, liabilities, damages, attorneys' fees, or expenses of any kind arising out of a claim based upon the wrongful death or personal injury of any person (except as otherwise provided in Section 19, below), or the physical damage to property caused by the negligent acts or omissions or willful misconduct of Santa Rosa in the course of performance of this Agreement; provided that, Santa Rosa shall not be obligated to indemnify, hold harmless or defend Client under this Section 11 to the extent a claim arises from the negligent acts or omissions, or willful misconduct of Client, its employees, agents or contractors.

12. Business Licenses. Santa Rosa shall obtain and maintain all business licenses necessary for Santa Rosa to perform the Services hereunder.

13. Duties of Client. Client shall provide reasonable support to allow Santa Rosa to perform the Services in a timely manner, including the following: access to facilities and systems; information and access to client personnel; a reasonable work environment; timely responses to requests for information. It shall be Client's responsibility to maintain system security and protect Client data, including virus protection, data backup and reasonable security procedures.

14. Removal of Personnel. In the event that Client requests the removal of any consultant supplied by Santa Rosa, Santa Rosa shall promptly remove such person. Santa Rosa shall within a reasonable period of time replace the resource with a resource having equal or better qualifications.

15. HIPAA. Santa Rosa understands that in the course of performing Services hereunder, Santa Rosa may have access to Protected Health Information as defined under the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, 45 C.F.R. Parts 160 – 164) ("HIPAA"). Santa Rosa agrees that in such event it shall be deemed a Business Associate of Client as provided under HIPAA and Santa Rosa agrees to the terms of the Business Associate Agreement attached hereto as Attachment A.

16. Term and Termination.

a. This Master Service Agreement shall commence on the Effective Date and shall remain in effect until terminated by a party as provided herein. This Agreement may be terminated (i) by either party for convenience upon thirty (30) days' written notice or (ii) by the non-breaching party in the event of a material breach which is not cured by the breaching party within ten (10) days following written notice of breach provided by the non-breaching party (specifying in reasonable detail the act(s) or omission(s) claimed to constitute the breach). Upon any termination of this Agreement each party shall be released from all obligations and liabilities to the other occurring or arising after the date of such termination, except that any termination of this Agreement shall not affect the parties' rights and obligations under all sections of this Agreement that by their nature are intended to survive termination or expiration of the Agreement, nor shall any such termination relieve either party from any liability arising from any breach of this Agreement, as the case may be. Client shall be responsible for payment for Services provided prior to the effective date of termination.

b. In the event of expiration or termination for any reason of this Agreement, and upon completion or termination for any reason of any Work Order hereunder, Santa Rosa shall immediately make available, for legal and physical transfer to Client, all copies or embodiments of the Work Product, regardless of the state of completion. Client shall remain responsible for all payments due. Furthermore, upon termination, or at any time upon Client's request, all Client Confidential Information, and all reproductions, copies and embodiments thereof, shall also be immediately returned by Santa Rosa to Client. Moreover, Santa Rosa shall cease all work hereunder (or, in the event of termination of a Work Order, cease all work under such Work Order), and Client will be obligated to pay only for Services performed and costs actually incurred prior to the termination date.

17. Force Majeure. Neither party shall be liable to the other for a failure to perform hereunder to the extent that such failure is caused by fire, earthquake, flood, riot, insurrection, war, act of terror, epidemic, or other cause beyond the reasonable control of the party whose performance has been affected.

18. Taxes.

a. Client shall be responsible for payment of all sales, use, excise and other taxes levied in connection with the Services, except that Santa Rosa shall be responsible for taxes based upon Santa Rosa's income, and for payroll taxes levied in connection with Santa Rosa employees.

b. The parties agree that it is the intent of both parties that no Santa Rosa employee shall provide continuous onsite Services to Client at a location other than the employee's home location under this Agreement for more than 12 months. In the event that any individual Santa Rosa employee is required to provide onsite Services at a location other than the employee's home location under this Agreement for 12 or more consecutive months, or at any time prior to the end of the 12th month the parties intend that such individual provide Services for more than 12 months, Client understands that reimbursable expenses incurred by that individual will be taxable to that individual as income. Client further understands that Santa Rosa's policy is to compensate its employees for the tax impact related to any such taxable income. As a result, the parties agree that Client shall pay an additional amount to Santa Rosa of up to 0.60 times the reimbursable expenses that qualify as taxable income. This amount shall be in addition to the actual, underlying reimbursable expenses that are payable under this Agreement. Santa Rosa shall invoice such additional amounts at the same time that the reimbursable expenses are invoiced and payment shall be due in accordance with the invoicing terms of this Agreement.

19. Limitation of Liability. SANTA ROSA'S TOTAL LIABILITY TO CLIENT, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER CAUSE OF ACTION (INCLUDING, WITHOUT LIMITATION, BREACH OF WARRANTY, NEGLIGENCE AND STRICT LIABILITY IN TORT) SHALL BE LIMITED TO AN AMOUNT NOT TO EXCEED, IN THE AGGREGATE FOR ALL CLAIMS, THE TOTAL DOLLAR AMOUNTS PAID TO SANTA ROSA UNDER THE WORK ORDER IN CONNECTION WITH WHICH SUCH CLAIM(S) AROSE. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS OR GOODWILL, IN ANY FORUM FOR ANY CLAIM OR LOSS ARISING OUT OF OR RELATED TO THIS AGREEMENT, EVEN IF SUCH PARTY IS ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES.

20. Medical Liability Disclaimer. The parties recognize that the services performed hereunder may result in information being provided to physicians and other clinical personnel at Client. As between Client and Santa Rosa, Client shall have sole responsibility for the use of information and for medical treatment of patients and clinical outcomes. Reliance by Client upon information provided by Santa Rosa, or by systems that Santa Rosa has provided or worked on shall not diminish the responsibility of Client for medical treatment, patient care and clinical outcomes. Client shall indemnify, hold harmless and defend Santa Rosa from and against any third party claim, loss, liability or damages arising out of any medical treatment, patient care or related activities of Client.

21. General Terms.

a. This Agreement constitutes the complete agreement between Client and Santa Rosa with respect to the Services, superseding any previous oral or written agreement, arrangement or understanding between the parties.

b. This Agreement may only be amended by a written amendment signed by both parties.

c. As Client has specifically contracted for Santa Rosa's services, Santa Rosa shall not assign any of its rights or any of its obligations under this Agreement without the prior written consent of Client; provided however that Santa Rosa may, without Client's consent, assign this Agreement to any entity that acquires Santa Rosa by merger, acquisition or purchase of substantially all of the assets of Santa Rosa. Subject to the foregoing, this Agreement shall inure to the benefit of the successors and assigns of Client, and shall be binding upon Santa Rosa's successors and permitted assigns.

d. Client understands and agrees that the resources provided by Santa Rosa for the performance of Services hereunder may be employees or subcontractors of Santa Rosa.

e. Any notices required or permitted hereunder may be given to the appropriate party by email and by certified mail, postage prepaid, return receipt requested or by nationally recognized overnight courier service, at the address specified below or at such other address as the party shall specify in writing. Notices shall be deemed effective upon receipt regardless of the method of transmittal.

If to Santa Rosa:

Santa Rosa Consulting, Inc.
41000 Woodward Avenue, Stoneridge West
Bloomfield Hills, MI 48304
Attn: CEO

With a copy to:

Santa Rosa Consulting, Inc.
41000 Woodward Avenue, Stoneridge West
Bloomfield Hills, MI 48304
Attn: General Counsel

With an additional copy (email) to: legalnotice@santarosaconsulting.com

If to Client: The address of Client's principal place of business or administrative offices.

Either party may change the designated address for receipt of notices by notifying the other party in writing of such change.

In Witness Whereof, the parties hereto have executed this Agreement as of the date first written above.

SANTA ROSA CONSULTING, INC.

CLIENT:

Signed: _____
Print Name: _____
Title: _____
Address: 41000 Woodward Avenue
Stoneridge West
Bloomfield Hills, MI 48304
Office: (248) 415-8000
Fax: (615) 866-0640

Signed: _____
Print Name: Ricky D. Napper
Title: President/CEO
500 West 4th Street
Address: Odessa, TX 79760
Phone: (432) 640-2404

Attachment A: Business Associate Addendum

This Business Associate Agreement (“Agreement”) is entered into this _____, 20____ by and between **Santa Rosa Consulting** (“Business Associate”) and Ector County Hospital District d/b/a Medical Center Health System (“Client”). Business Associate and Client are parties to certain underlying agreements whereby Business Associate performs services on behalf of Client that may involve the use and disclosure of Protected Health Information. This Agreement defines the parties’ obligations with respect to Business Associate’s use and disclosure of Protected Health Information.

1. Definitions. As used herein, the following terms shall have these designated meanings:

- 1.1 “Breach” has the same meaning as set forth in Section 13400 of HITECH and shall include the unauthorized acquisition, access, use or disclosure of PHI that compromises the security and/or privacy of such PHI. Any impermissible use or disclosure of Unsecured PHI is presumed to be a Breach requiring notification, except where an exception exists or where a Business Associate or Covered Entity, as applicable, demonstrates that there is a low probability that Unsecured PHI has been compromised based on a risk assessment, involving the analysis of required factors, that there is a low probability that the Unsecured PHI has been compromised: (i) the nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification; (ii) the unauthorized person who used the protected health information or to whom the disclosure was made; (iii) whether the protected health information was actually acquired or viewed; and (iv) the extent to which the risk to the PHI has been mitigated.
- 1.2 “Electronic Protected Health Information” or “Electronic PHI” means Protected Health Information that is transmitted by electronic media and/or maintained in electronic media.
- 1.3 “HIPAA” means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder, including the “Final Rule: Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules Under the HITECH Act and the Genetic Information Nondiscrimination Act; and Other Modifications of the HIPAA Rules.”
- 1.4 “HITECH” means the Health Information Technology for Economic and Clinical Health Act, a portion of the American Recovery and Reinvestment Act of 2009, and the regulations promulgated thereunder.
- 1.5 “Privacy Standards” means the Standards for Privacy of Individually Identifiable Health Information promulgated by the US Department of Health and Human Services, 45 CFR Parts 160 and 164 as may be amended from time to time.
- 1.6 “Protected Health Information” or “PHI” means information that is created or received by a healthcare provider, health plan, employer or healthcare clearinghouse that relates to the past, present or future physical or mental health or condition of an individual, the provision of healthcare to an individual or the past, present or future payment for the provision of healthcare to an individual and that identifies the individual or with respect to which there is a

- reasonable basis to believe the information can be used to identify the individual.
- 1.7 "Security Standards" means the Security Standards promulgated by the US Department of Health and Human Services, 45 CFR Parts 160 and 164 as may be amended from time to time.
 - 1.8 "Underlying Agreement(s)" means any contract or agreement between Client and Business Associate whereby Business Associate supplies goods and/or services to or on behalf of Client.
 - 1.9 "Unsecured Protected Health Information" or "Unsecured PHI" means PHI that is not secured through the use of a technology or methodology specified by the Secretary of the US Department of Health and Human Services pursuant to HITECH.
2. Use and Disclosure of Protected Health Information. Except as otherwise stated herein, Business Associate shall use and disclose Protected Health Information only as required to perform its obligations under the Underlying Agreement(s). Business Associate shall not, and shall ensure that its employees, contractors, subcontractors and agents do not, use or disclose PHI received from Client in any manner that would violate the Privacy Standards or Security Standards if so used by Client. Business Associate is responsible for full compliance with the Privacy Standards and Security Standards, as required by HITECH, to the same extent as Client.
3. Business Associate's Responsibilities Regarding Protected Health Information. With regard to its use and/or disclosure of Protected Health Information, Business Associate agrees to:
- a. use and/or disclose PHI only as permitted by this Agreement or as required by law;
 - b. use appropriate safeguards to prevent unauthorized use or disclosure of PHI, including, without limitation, implementing administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the Electronic PHI that Business Associate creates, receives, maintains or transmits on behalf of Client;
 - c. comply, where applicable, with HIPAA Standards with respect to Electronic Protected Health Information to prevent use or disclosure of Protected Health Information other than as provided for by this Agreement
 - d. promptly report to Client (i) any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Agreement; (ii) any security incident or incident that compromises or could compromise the confidentiality, integrity and availability of Electronic PHI created, received, maintained or transmitted on behalf of Client; and/or (iii) any Breach of Unsecured PHI, including identifying each individual whose information has been or is reasonably believed to have been subject to the Breach, and sufficient details concerning the nature of the breach, the date it occurred and the date of discovery, the type of information involved and the steps Business Associate is taking to investigate, remediate and mitigate against further damage or losses. Business Associate will notify Client of any of the above events no later than five (5) business days after Business Associate becomes aware of such event;

Attachment A: Business Associate Addendum

- e. in the event of a security incident involving Electronic PHI or a Breach of Unsecured PHI, mitigate to the extent practicable any harmful effects of such incident or breach;
 - f. require all its employees and agents that receive, use or have access to PHI to agree in writing to appropriately safeguard PHI in accordance with the requirements of the applicable requirements of § 164.504(e)
 - g. ensure, in accordance with 45 CFR § 164.502(e)(1)(ii) and 164.308(b)(2), that any subcontractors that create, receive, maintain or transmit Protected Health Information on behalf of Business Associate agree to the same restrictions, conditions, and requirements that apply to Business Associate with respect to the Protected Health Information, including complying with the applicable Security Regulation requirements.
 - h. make available its internal practices, books and records relating to the use and disclosure of PHI to the Secretary of HHS for purposes of determining the parties' compliance with HIPAA and /or HITECH;
 - i. within ten (10) business days after receiving a written request from Client, provide to Client such information as is requested and necessary to enable Client to respond to a request by an individual for an accounting of the disclosures of the individual's PHI in accordance with HIPAA. Such information shall include, at a minimum, the date of any disclosure by the Business Associate, the name and address of the entity or person to whom disclosure was made, a description of the PHI so disclosed and a description of the purpose for which such disclosure was made. Business Associate agrees to implement appropriate record keeping processes to enable it to comply with the requirements of this section;
 - j. make available PHI in its possession for amendment and/or incorporate any such amendments or corrections into the PHI in accordance with the HIPAA regulations;
 - k. promptly report to Client any subpoena, court or other administrative order or discovery request calling for release or disclosure of PHI so that Client will have an opportunity to seek protective relief or otherwise direct Business Associate's response to such request;
 - l. upon termination of this agreement, return to Client or destroy all PHI in its possession maintained or stored in any form or media, and retain no copies, if it is feasible to do so. If return or destruction is not feasible, Business Associate agrees to extend all protections contained in this Agreement to its use and or disclosure of any retained PHI following termination of this Agreement, and to limit all further uses and/or disclosures to those purposes that make the return or destruction of the PHI not feasible.
4. Permitted Uses and Disclosures of PHI. Notwithstanding the restrictions and conditions upon the use and/or disclosure of PHI set forth herein, Business Associate may use PHI for its proper management and administration and to fulfill Business Associate's legal responsibilities.
5. Minimum Necessary Representation. Business Associate represents and warrants that it shall request, use and/or disclose only the amount of PHI that is minimally necessary to perform its obligations under the Underlying Agreement(s). In addition, Business Associate represents and warrants that it will institute and implement policies and

practices to limit its uses and disclosures of PHI to that which is minimally necessary to perform its obligations under the Underlying Agreement(s).

6. Client's Responsibilities. Client agrees to notify Business Associate promptly in writing of any arrangements between Client and any individual who is the subject of PHI that may impact Business Associate's use and disclosure of PHI under this Agreement.
7. Termination. In addition to any other rights or remedies Client may have under this Agreement or at law or in equity, Client may terminate this Agreement if Business Associate has breached a material term of this Agreement, which has not been cured within ten (10) days of the date of notice of breach. In such event, Client, in its sole discretion, may also terminate any and all Underlying Agreements that require use and/or disclosure of PHI by Business Associate. This Agreement shall terminate automatically if there is no Underlying Agreement in effect that requires use and/or disclosure of PHI by Business Associate.
8. Injunctive Relief. The parties stipulate that any unauthorized use and/or disclosure of PHI could cause Client irreparable harm. Therefore, in such event, Client shall be entitled to such injunctive relief as shall be deemed appropriate by a court of competent jurisdiction without a requirement for posting of bond. Such injunctive relief shall be available in addition to any other rights or remedies available at law or in equity.
9. Indemnification. Business Associate shall indemnify, defend and hold harmless Client for any and all claims, inquiries, costs or damages incurred by Client arising from a violation by Business Associate of its obligations under this Agreement. Client shall give Business Associate prompt written notice of any claim or other action for which it intends to seek indemnification.
10. Miscellaneous.
 - 10.1 Amendments. Any amendment, addendum or modification to this Agreement must be in writing signed by the parties.
 - 10.2 Interpretation and Governing Law. This Agreement shall operate as an addendum to the Underlying Agreement(s). This Agreement is entered into based upon the parties' intent to comply with HIPAA and HITECH. This Agreement should be construed in accordance with HIPAA, HITECH and the regulations promulgated thereunder, to the extent applicable. In addition, this Agreement should be construed light of any interpretations and guidance regarding HIPAA/HITECH issued by the US Department of Health and Human Services from time to time. To the extent that any portion of HIPAA and/or HITECH is materially amended in a manner than changes the obligations of the parties under this Agreement, the parties agree to execute whatever amendments or additional documents may be necessary to effectuate such revised obligations.
 - 10.3 Severability and Waiver. If any provision of this Agreement cannot be enforced, the remaining portion of the Agreement will remain in effect and will be deemed to be modified to be valid and enforceable to the fullest extent permitted by law. If either party waives any provision of this Agreement, that

Attachment A: Business Associate Addendum

- does not mean any other provision(s) are also waived or that the same provision is waived at any other time or for any other purpose.
- 10.4 Beneficiaries. Business Associate and Client are the only beneficiaries to the consideration or other requirements and provisions of this Agreement.
- 10.5 Notice. Whenever notice is required to be given under this Agreement such notice shall be given in the manner specified in the Underlying Agreement(s).

JOINDER OF MEMBER

The undersigned hereby joins in the execution and delivery of the Amended and Restated Limited Liability Company Agreement of Southwest Care Alliance, LLC (the “Company”) effective as of April 12, 2018 (“the “Agreement”) for the express purpose of:

- i. Evidencing its knowledge of the existence and content of the Agreement;
- ii. Binding its interest in the Company that has been or will at any time hereafter be issued, acquired, or otherwise transferred to the undersigned; and
- iii. Agreeing to the provisions of the Agreement and acknowledging that the provisions of the Agreement are binding on it.

The undersigned fully acknowledges, understands and consents to and is hereby bound by the Agreement as a new Member of the Company as if it were an original signatory thereto.

The undersigned acknowledges that it is entering into this Agreement voluntarily and with the full understanding that the Company and the other Members (as defined in the Agreement) are all executing the Agreement in reliance on the representations the undersigned is making in this Joinder of Member. The undersigned represents and warrants that it has fully reviewed and understands the Agreement. The undersigned further acknowledges that it has been advised to seek independent legal counsel before executing this Joinder of Member, and represents that it has sought and obtained such independent legal counsel as it deems necessary for the purpose of executing this Joinder of Member.

Executed effective as of the 12th day of April, 2018.

**ECTOR COUNTY HOSPITAL DISTRICT
D/B/A MEDICAL CENTER**

By: _____

Rick Napper
President / CEO

**JOINT WRITTEN CONSENT IN LIEU OF MEETING
OF THE BOARD OF MANAGERS AND SOLE MEMBER
OF
SOUTHWEST CARE ALLIANCE, LLC**

**Adopting the Amended and Restated Limited Liability Company Agreement and
Authorizing Change of Name Amendment**

Executed March 23, 2018

Effective April 1, 2018

The undersigned, being all of members of the Board of Managers (the "Board") of Southwest Care Alliance, LLC, a Texas limited liability company (the "Company") and the Sole Member (defined below) of the Company, and being entitled to vote upon the following recitals and resolutions as if the same had been submitted at a formal meeting of each of the Board and of the Sole Member, duly called and held for the purpose of acting upon the following recitals and resolutions, do hereby consent, in counterparts if necessary, that the following recitals and resolutions are deemed to be adopted to the same extent and to have the same force and effect as if adopted by unanimous approval at a formal meeting of the Board and the Sole Member duly called and held for the purpose of acting upon proposals to adopt such recitals and resolutions:

WHEREAS, the Company was formed as a limited liability company on April 27, 2017 by the filing of a Certificate of Formation with the Secretary of State of Texas pursuant to and in accordance with the Texas Business Organizations Code (the "TBOC"); and

WHEREAS, on May 1, 2017, Texas Care Alliance, a Texas non-profit corporation and the sole Member of the Company ("TCA" or the "Sole Member"), executed a Limited Liability Company Agreement of the Company; and

WHEREAS, the Board and the Sole Member have determined that the Members of the Company should be comprised of the same entities that are the members of TCA; and

WHEREAS, the Board and the Sole Member believe that the execution and adoption of the Amended and Restated Limited Liability Company Agreement of the Company in the form previously reviewed by the Board and the Sole Member (the "New LLC Agreement"), to be effective on April 1, 2018 immediately prior to the effectiveness of the Certificate of Termination of the Sole Member (the "Certificate of Termination") as of April 1, 2018 at 12:01 AM, is desirable and in the best interest of the Company; and

WHEREAS, the Board and the Sole Member have determined that the Certificate of Formation of the Company should be amended to change the name of the Company to "Texas Care Alliance, LLC," by filing a Certificate of Amendment with the Secretary of State of Texas pursuant to and in accordance with the TBOC to be effective on April 1, 2018 at 12:02 AM, after the effectiveness of the Certificate of Termination as of April 1, 2018 at 12:01 AM, is desirable and in the best interest of the Company.

NOW, THEREFORE, BE IT RESOLVED:

ADOPTING THE NEW LLC AGREEMENT

RESOLVED, that the New LLC Agreement, in the form previously reviewed by the Board and the Sole Member, is hereby approved, adopted, ratified, and confirmed to be effective immediately prior to the effectiveness of the Certificate of Termination; and

RESOLVED, that the Company and the Sole Member are each hereby authorized to enter into and perform obligations under the New LLC Agreement; and

RESOLVED, that Tim Lancaster, Chair of the Company, and George Terrazas, President of the Company, or either of them, are hereby authorized, empowered and directed, for and in the name and on behalf of the Sole Member, the Company and the Board, to take such actions and to make such non-material changes to the LLC Agreement as they, or either of them, deem necessary or appropriate to execute and deliver the New LLC Agreement, as reflected by his or their signatures therein; and

RESOLVED, that any and all actions taken the officers of the Company, or any of them, prior to the date the foregoing resolutions are adopted in effecting the purpose of the foregoing resolutions is hereby ratified, approved, confirmed, and adopted in all respects.

AUTHORIZING CHANGE OF NAME AMENDMENT

RESOLVED, that the Certificate of Amendment, in the form attached hereto, is hereby approved, adopted, ratified, and confirmed;

RESOLVED, that Tim Lancaster, Chair of the Company, and George Terrazas, President of the Company, or either of them, are hereby authorized, empowered and directed, for and in the name and on behalf of the Sole Member and the Company and the Board, to take such actions as necessary to execute and file the Certificate of Amendment with the Secretary of State of Texas; and

RESOLVED, that any and all actions taken by Tim Lancaster, George Terrazas, or any other officer of the Company, prior to the date the foregoing resolutions are adopted, in effecting the purpose of the foregoing resolutions, are hereby ratified, approved, confirmed, and adopted in all respects.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have executed these resolutions to be effective as of the date first above written.

TEXAS CARE ALLIANCE
Sole Member

By: _____
George Terrazas
President

BOARD OF MANAGERS OF SOUTHWEST CARE ALLIANCE, LLC:

Jim Hinton

Rick Napper

Jim (James T.) McDeavitt, M.D.

Russell Meyers

Wilson Weber

Shane Plymell

Richard Parks

Chris Glenney

Tim Lancaster

[Signature Page to Joint Written Consent in Lieu of Meeting of
the Board of Managers and the Sole Member Adopting the Amended and Restated Limited Liability
Company Agreement and Authorizing Change of Name Amendment]

**WRITTEN CONSENT IN LIEU OF MEETING
OF THE BOARD OF DIRECTORS
OF
TEXAS CARE ALLIANCE**

Electing the Board of SCA

March 23, 2018

The undersigned, being all of the Directors of Texas Care Alliance, a Texas nonprofit corporation (the "Company") and being entitled to vote upon the following recitals and resolutions as if the same had been submitted at a formal meeting of the Board of Directors of the Company (the "Board") duly called and held for the purpose of acting upon the following recitals and resolutions, do hereby consent, in counterparts if necessary, that the following recitals and resolutions are deemed to be adopted to the same extent and to have the same force and effect as if adopted by unanimous vote at a formal meeting of the Board duly called and held for the purpose of acting upon proposals to adopt such recitals and resolutions:

WHEREAS, on May 1, 2017, the Company as the sole member (the "Sole Member") of Southwest Care Alliance, LLC, a Texas limited liability company ("SCA"), executed a Limited Liability Company Agreement of SCA (the "LLC Agreement"); and

WHEREAS, The Sole Member has the sole and exclusive right to elect Managers of the Board of Managers of SCA pursuant to Section 9 of the LLC Agreement; and

NOW, THEREFORE, BE IT RESOLVED, that the following persons are hereby elected to serve as Managers of SCA, effective immediately, and until his or her respective successors shall have been elected and shall have qualified:

Jim Hinton
Jim (James T.) McDeavitt, MD
Wilson Weber
Richard Parks
Tim Lancaster
Rick Napper
Russell Meyers
Shane Plymell
Chris Glenney

[Signature Page to Follow]

Executed to be effective as of the 23rd day of March, 2018.

THE BOARD OF DIRECTORS OF TEXAS CARE ALLIANCE:

Jim Hinton

Steve Sibbitt, MD

Robert Probe, MD

Gary Brock

Jim (James T.) McDeavitt, M.D.

Rick Napper

Wilson Weber

Russell Meyers

Richard Parks

Shane Plymell

Tim Lancaster

Chris Glenney

[Signature Page to Written Consent in Lieu of Meeting of the Board of Directors
electing Board of Managers of SCA]

DISTRIBUTION AND AGENCY CONTRIBUTION AGREEMENT

This DISTRIBUTION AND AGENCY CONTRIBUTION AGREEMENT (“Agreement”) is entered into, effective as of April 1, 2018 (the “Effective Date”), by and between Ector County Hospital District d/b/a Medical Center, a Texas non-profit corporation (“Member”) and Texas Care Alliance, a Texas non-profit corporation (“TCA,” and together with Member, the “Parties”).

WHEREAS, TCA was formed to develop, own and operate a multi-system value alliance to facilitate the coordination and delivery of health care services through organizations that provide over a broad geographic region people-centered, physician-driven services committed to improving the overall health of a defined population; and

WHEREAS, TCA is an organization described in Section 501(c)(3) of the Internal Revenue Code (the “Code”); and

WHEREAS, the Board of Directors of TCA has voted to dissolve TCA, and such action has been approved by the members of TCA; and

WHEREAS, the Restated Certificate of Formation of TCA (the “Certificate”) provides for distribution of TCA’s assets upon dissolution exclusively to TCA’s members that are exempt from federal income taxation under Section 501(a) of the Code as organizations described in Section 501(c)(3) of the Code (“Qualified Recipients”); and

WHEREAS, the Certificate provides that if a Qualified Recipient is an entity described in Section 509(a)(3) of the Code (a “Supporting Organization”), the use of any funds distributed to such Supporting Organization on dissolution of TCA will be restricted exclusively for the benefit of, to perform the functions of, or to carry out the purposes of such Supporting Organization’s supported organizations; and

WHEREAS, pursuant to the Certificate, TCA is distributing all of its assets on dissolution to the Qualified Recipients, including a distribution to Member in an amount to be determined promptly after a Certificate of Termination of TCA is filed with the Texas Secretary of State (the “Member Distribution”); and

WHEREAS, in furtherance of Member’s exempt purposes and in support of Member’s supported organizations, if any, Member wishes to contribute certain assets it receives upon dissolution of TCA to a new company, Southwest Care Alliance, LLC (“SCA”).

NOW, THEREFORE, the parties hereby agree as follows:

1. Distribution. Pursuant to TCA’s dissolution as of the Effective Date and in accordance with the Certificate, TCA hereby distributes the Member Distribution to Member for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code.
2. Receipt. Member hereby acknowledges the receipt of the Member Distribution pursuant to this Agreement.
3. Direction to Contribute. Member hereby directs TCA, on the Effective Date and on behalf of Member as its agent for such purposes, to transfer \$44,862 (the “SCA Contribution Amount”) from the amount of the Member Distribution to SCA as Member’s initial contribution to SCA.

4. Contribution. TCA hereby agrees, on the Effective Date and on behalf of and at the direction of Member, to transfer the SCA Contribution Amount to SCA from the amount of the Member Distribution Member hereby contributes, on the Effective Date and through such transfer by TCA on behalf of Member and in support of Member's supported organizations, if any, the SCA Contribution Amount to SCA as Member's initial contribution to SCA.

5. Delivery of Balance. TCA shall deliver to Member in cash the amount, if any, by which the amount of the Member Distribution exceeds the SCA Contribution Amount.

6. Books and Records. The Parties will treat the transactions described in this Agreement on their books and records as the distribution of the Member Distribution from TCA to Member and the subsequent contribution of the SCA Contribution Amount by Member to SCA, consistent with and in accordance with this Agreement.

7. Assignment of Contracts. Member hereby directs TCA to assign to SCA on Member's behalf those certain assets, including without limitation: contractual rights, data and other intellectual property rights and assets as described in the Plan of Distribution.

[The rest of this Page intentionally left blank]

IN WITNESS WHEREOF, the parties hereby agree to take all other actions reasonably necessary to effectuate the provisions of this Agreement and to be bound thereby.

TEXAS CARE ALLIANCE,

a Texas non-profit corporation

By: _____

George Terrazas
President

**ECTOR COUNTY HOSPITAL DISTRICT
D/B/A MEDICAL CENTER**

By: _____

Rick Napper
President / CEO

**JOINT WRITTEN CONSENT IN LIEU OF MEETING
OF THE BOARD OF DIRECTORS AND THE MEMBERS
OF
TEXAS CARE ALLIANCE**

Authorizing Termination of the Company

March 23, 2018

The undersigned, being all of the members of the Board of Directors (the "Board") and members (the "Members") of Texas Care Alliance, a Texas nonprofit corporation (the "Company") and being entitled to vote upon the following recitals and resolutions as if the same had been submitted at a formal meeting and of the Members, duly called and held for the purpose of acting upon the following recitals and resolutions, do hereby consent, in counterparts if necessary, that the following recitals and resolutions are deemed to be adopted to the same extent and to have the same force and effect as if adopted by unanimous approval at a formal meeting of each of the Board and of the Members duly called and held for the purpose of acting upon proposals to adopt such recitals and resolutions:

WHEREAS, the Company was formed as a nonprofit corporation on March 26, 2013 by the filing of a Restated Certificate of Formation with New Amendments with the Secretary of State of Texas pursuant to and in accordance with the Texas Business Organizations Code (the "TBOC"); and

WHEREAS, the Board and the Members, after due deliberation, have determined that dissolution and termination of the Company would be in the best interest of the Company and its Members.

NOW, THEREFORE, BE IT RESOLVED, AS FOLLOWS:

RESOLVED, that the Board and the Members recommend and approve the dissolution and termination of the Company effective April 1, 2018 at 12:01 AM by filing a Certificate of Termination with the Texas Secretary of State in accordance with and pursuant to the TBOC and the First Amended and Restated Bylaws of the Company (the "Bylaws"); and

RESOLVED, that Tim Lancaster, Chair of the Company, and George Terrazas, President of the Company, or either of them, are hereby authorized, empowered and directed, in the name and on behalf of the Company, to take such actions as necessary to execute and file the Certificate of Termination, in the form previously reviewed by the Board and the Members, with the Texas Secretary of State in accordance with and pursuant to the TBOC and the Bylaws; and

RESOLVED, that the Board and the Members hereby approve all other documents necessary or appropriate to effect the purpose of the foregoing resolutions, including without limitation: any Assignment and Assumption Agreements between the Company and Southwest Care Alliance, LLC, the Distribution and Agency and Contribution Agreements between the Company and the each of the Members, and the Plan of Distribution of the Company, all in the forms previously reviewed by the Board and the Members (collectively, along with the Certificate of Termination, the "Dissolution Documents"); and

RESOLVED, that Tim Lancaster and George Terrazas, or either of them, shall be authorized to make such changes to the Dissolution Documents as they, or either of them, deem necessary or appropriate to effect the purpose of the foregoing resolutions as reflected by his or their signature on any such document; and

RESOLVED, that any and all actions taken by Tim Lancaster, George Terrazas, or any other officer of the Company, prior to the date the foregoing resolutions are adopted in effecting the purpose of the foregoing resolutions is hereby ratified, approved, confirmed, and adopted in all respects.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the following have executed these resolutions to be effective as of the date first above written.

THE BOARD OF DIRECTORS OF TEXAS CARE ALLIANCE:

Jim Hinton

Date: _____

Steve Sibbitt, MD

Date: _____

Robert Probe, MD

Date: _____

Gary Brock

Date: _____

Jim (James T.) McDeavitt, M.D.

Date: _____

Rick Napper

Date: _____

Wilson Weber

Date: _____

Russell Meyers

Date: _____

Richard Parks

Date: _____

Shane Plymell

Date: _____

Tim Lancaster

Date: _____

Chris Glenney

Date: _____

[Signature Page to Joint Written Consent in Lieu of Meeting of the Board of Directors and the Members
Authorizing Termination of TCA]
[Additional Signature Page to Follow]

IN WITNESS WHEREOF, the following have executed these resolutions to be effective as of the date first above written.

THE MEMBERS OF TEXAS CARE ALLIANCE:

Baylor Scott & White
Jim Hinton
CEO

Date: _____

Baylor Scott & White
Steve Sibbitt, MD
FACHE / Chief Medical Office

Date: _____

Baylor Scott & White
Robert Probe, MD
Executive Chief Medical Officer

Date: _____

Baylor Scott & White
Gary Brock
Executive Vice President

Date: _____

CHI, St. Luke's Health System
Jim (James T.) McDeavitt, M.D.
Dean of Clinical Affairs

Date: _____

Medical Center Health System
Rick Napper
President; CEO

Date: _____

Community Hospital Corporation
Wilson Weber
EVP; COO

Date: _____

Midland Memorial Hospital
Russell Meyers
CEO

Date: _____

Covenant Health
Richard Parks
President; CEO

Date: _____

Shannon Medical Center
Shane Plymell
CEO

Date: _____

Hencrick Health System
Tim Lancaster
CEO

Date: _____

CHRISTUS Health
Chris Glenney
President

Date: _____

[Signature Page to Joint Written Consent in Lieu of Meeting of the Board of Directors and the Members Authorizing Termination of TCA]