ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS MEETING
DECEMBER 1, 2026 – 5:30 p.m.
MEDICAL CENTER HOSPITAL BOARD ROOM (2ND FLOOR)
500 W 4TH STREET, ODESSA, TEXAS

AGENDA (p.1-2)

I. CALL TO ORDER .....David Dunn, President

II. ROLL CALL AND VOTE ON ECHD BOARD MEMBER EXCUSED/UNEXCUSED ABSENCES (if needed).....David Dunn

III. INVOCATION .....Chaplain Doug Herget

IV. PLEDGE OF ALLEGIANCE.....David Dunn

V. MISSION / VISION / VALUES OF MEDICAL CENTER HEALTH SYSTEM .....Will Kappauf (p.3)

VI. AWARDS AND RECOGNITION

A. December 2026 Associates of the Month .....Russell Tippin
- Nurse -
- Clinical –
- Non-Clinical –

B. Net Promoter Score Recognition.....Russell Tippin

- Dr. Daniel Babbel
- Occupational Medicine

VII. CONFLICT OF INTEREST DISCLOSURE BY ANY BOARD MEMBER

VIII. PUBLIC COMMENTS ON AGENDA ITEMS

IX. CONSENT AGENDA .....David Dunn (p.4-95)
(These items are considered to be routine or have been previously discussed, and can be approved in one motion, unless a Director asks for separate consideration of an item.)

A. Consider Approval of Regular Meeting Minutes, November 3, 2026
B. Consider Approval of Joint Conference Committee, November 24, 2026
C. Consider Approval of Federally Qualified Health Center Monthly Report, October 2026
D. Consider Approval of 2027 Compliance Program Manual
E. Consider Approval of 2027 Charter for Compliance Committee
F. Consider Approval of 2027 Compliance Resolution – ECHD Board
G. Consider Approval of MCHS Compliance Standards of Conduct 2026-2027

X. COMMITTEE REPORTS

A. Finance Committee .....Bryn Hill (p.96-114)
1. Financial Report for Month Ended October 31, 2026
2. Consider Approval of Healthfund Solutions Agreement
3. Consider Approval of Optuminsight, Inc. Length of Stay Consulting Services Agreement

B. Executive Policy Committee .....Don Hallmark (p.115)

XI. TTUHSC AT THE PERMIAN BASIN REPORT

XII. PATIENT SAFETY AND WORKFORCE SAFETY UPDATE .....Dr. Benton

XIII. PRESIDENT/CHIEF EXECUTIVE OFFICER'S REPORT AND ACTIONS
.....Russell Tippin (p.116-133)

A. Ad hoc Report(s)

XIV. EXECUTIVE SESSION

Meeting held in closed session involving any of the following: (1) Consultation with attorney regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code;(2) and Deliberation regarding negotiations for health care services, pursuant to Section 551.085 of the Texas Government Code.

XV. ITEMS FOR CONSIDERATION FROM EXECUTIVE SESSION

A. Consider Approval of MCH ProCare Provider Agreements

XVI. ADJOURNMENT .....David Dunn

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 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

Medical Center Health System
Your One Source for Health

ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING
NOVEMBER 3, 2026 – 5:30 p.m.

MINUTES OF THE MEETING

MEMBERS PRESENT:
David Dunn, President
Bryn Hill, Vice President
Will Kappauf
Sylvia Rodriguez-Sanchez
Don Hallmark
Wallace Dunn
Kathy Rhodes (via phone)

MEMBERS ABSENT:
Will Kappauf

OTHERS PRESENT:
Russell Tippin, CEO/President
Kim Leftwich, Chief Nursing Officer
Dr. Timothy Benton, Chief Medical Officer
Matt Collins, Chief Operating Officer
Sharon Clark, Chief Financial Officer
Steve Steen, Chief Legal Counsel
Dr. Nimat Alam, Chief of Staff
Dr. Vijay Borra, Vice Chief of Staff
Kerstin Connolly, Paralegal
Lisa Russell, Executive Assistant to the CEO
Various other interested members of the Medical Staff, employees, and citizens

I. CALL TO ORDER

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

II. ROLL CALL AND ECHD BOARD MEMBER ATTENDANCE/ABSENCES

David Dunn called roll of the ECHD Board Members. Will Kappauf was absent. Kathy Rhodes intended to appear via TEAMS in order to vote, but was having technical issues connecting to TEAMS. She was able to use the call in number and listen to the meeting. Wallace Dunn moved, and Bryn Hill seconded the motion to approve Will Kappauf's absence as excused. The motion carried.

III. INVOCATION

Chaplain Doug Herget offered the invocation.

IV. PLEDGE OF ALLEGIANCE

David Dunn led the Pledge of Allegiance to the United States and Texas flags.

V. MISSION/VISION OF MEDICAL CENTER HEALTH SYSTEM

Bryn Hill presented the Mission, Vision and Values of Medical Center Health System.

VI. AWARDS AND RECOGNITION

A. November 2026 Associates of the Month

Russell Tippin, Chief Executive Officer, introduced the November 2026 Associates of the Month as follows:

- Nurse – Joyce Patterson
- Clinical – Ricardo Santiago
- Non-Clinical – Elena Lopez

B. Net Promoter Score Recognition

Russell Tippin, Chief Executive Officer, introduced the Net Promoter Score High Performer(s).

- Dr. Avelino Garcia

VII. CONFLICT OF INTEREST DISCLOSURE BY ANY BOARD MEMBER

No conflicts were disclosed.

VIII. PUBLIC COMMENTS ON AGENDA ITEMS

No comments were received.

IX. CONSENT AGENDA

A. Consider Approval of Regular Meeting Minutes, October 6, 2026
B. Consider Approval of Joint Conference Committee, October 27, 2026
C. Consider Approval of Federally Qualified Health Center Monthly Report, September 2026

Wallace Dunn moved, and Sylvia Rodriguez-Sanchez seconded the motion to approve the items listed on the Consent Agenda as presented. The motion carried.

X. COMMITTEE REPORTS

A. Finance Committee

1. Quarterly Investment Officer's Certification
2. Financial Report for Month Ended September 30, 2026.
3. Consent Agenda
   a. Consider Approval of Texas Healthcare Linens Agreement Renewal.
   b. Consider Approval of vRad Virtual Radiological Professionals of Texas Agreement Renewal.

Bryn Hill moved, and Don Hallmark seconded the motion to approve the Finance Committee report as presented. The motion carried.

B. Executive Policy Committee

The Executive Policy Committee met on Thursday, October 29th at Noon. They reviewed nineteen (19) polices meeting the committee guidelines. One (1) policy was tabled and the remaining eighteen (18) polices were approved. The committee recommends approval of the eighteen (18) submitted policies as presented.

Don Hallmark moved, and Sylvia Rodriguez-Sanchez seconded the motion to approve the Executive Policy Committee report as presented. The motion carried.

XI. PUBLIC HEARING – CONSIDER ADOPTION OF RULES AND PROCEDURES FOR LPPF MANDATORY PAYMENTS

David Dunn opened the public hearing as required by Chapter 300 of the Texas Health and Safety Code, to accept comments from the public regarding the adoption of rules and procedures for LPPF mandatory payments.

No members of public requested to address the board.

XII. CONSIDER APPROVAL OF RESOLUTION AND RULES/PROCEDURES FOR LPPF MANDATORY PAYMENTS UNDER CHAPTER 300 OF THE TEXAS HEALTH AND SAFETY CODE

Sharon Clark, Chief Financial Officer, presented the Resolution and Rules/Procedures for LPPF Mandatory Payments Under Chapter 300 of the Texas Health and Safety Code for approval.

ECTOR COUNTY HOSPITAL DISTRICT

ORDER AUTHORIZING AND IMPLEMENTING RULES AND PROCEDURES FOR LOCAL PROVIDER PARTICIPATION FUND MANDATORY PAYMENTS UNDER CHAPTER 300 OF THE TEXAS HEALTH AND SAFETY CODE FOR FISCAL YEAR 2027 AND AFTER

WHEREAS, the Ector County Hospital District (the "District") is a political subdivision of the State of Texas responsible for ensuring access to hospital services for the residents of Ector County, Texas;

WHEREAS, Chapter 300 of the Texas Health and Safety Code (the "Code") authorizes certain hospital districts to establish a Local Provider Participation Fund ("LPPF") as a means of generating local funding to support intergovernmental transfers for the non-federal share of Medicaid supplemental and directed payment programs and the District previously established and implemented such LPPF in fiscal years 2025 and 2026 and recently extended the continuation of the LPPF for fiscal year 2027 that began October 1, 2026, with the adoption of a mandatory payment rate of six percent (6%) of inpatient hospital and outpatient hospital net patient revenue for such year;

WHEREAS, the District has implemented the LPPF in accordance with the provisions of Chapter 300 of the Code, including its rules and procedures detailed therein, but the District recognizes that the continuation of the LPPF for fiscal year 2027 that began October 1, 2026, and fiscal years thereafter requires updates to the rules and procedures by which the District implements the LPPF to continue to be able to transfer funds to the Texas Health and Human Services Commission ("HHSC"); and

WHEREAS, the District Board of Directors has determined that continuing the LPPF and separately imposing a mandatory payment rate equal to six percent (6%) of inpatient and hospital net patient revenue consistent with updated rules and procedures is in the best interests of the community and will provide financial support for local hospitals;

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF THE ECTOR COUNTY HOSPITAL DISTRICT THAT:

1. For the fiscal year 2027 that began October 1, 2026, and each fiscal year thereafter, the District shall impose a mandatory payment on each institutional health care provider within its jurisdiction in accordance with the following rules and procedures.

a. The District will impose mandatory assessments exclusively and separately on net patient revenue attributable to inpatient hospital services and on net patient revenue attributable to outpatient hospital services.

b. The District will derive such net patient revenue from the most recent Medicare Cost Report, as defined by HHSC (for fiscal year 2027, primarily Medicare Cost Reports with years ending in calendar year 2025).

c. The District will use the Medicare Upper Payment Limit (UPL) methodology, as applied to such net patient revenue from the Medicare Cost Report, to determine the assessable inpatient and outpatient hospital net patient revenues and exclude non-hospital revenue.

d. The District will deposit all revenue from all mandatory assessments imposed on or after October 1, 2026, in a new LPPF bank account and the District will keep the funds separate for mandatory assessments imposed on and after October 1, 2026, and mandatory assessments imposed on or before September 30, 2026. The District will continue to keep such LPPF accounts separate from any non-LPPF bank account used by the District.

e. The District will track the collection of mandatory assessments imposed on the NPR attributable to inpatient hospital net patient revenue separate from the collection of mandatory assessments imposed on the outpatient hospital net patient revenue.

f. The District's invoices will include separate lines detailing the mandatory assessments for each hospital's inpatient and outpatient net patient revenue and will separately reflect the assessed inpatient and outpatient rates, net patient revenue separately attributable to inpatient and outpatient hospital services, and the calculation used to determine the assessments (the applicable rate multiplied by the applicable net patient revenues).

2. The District shall continue to only use the revenues of the LPPF exclusively for the purposes authorized under Chapter 300 of the Code or a successor provision.

PASSED AND APPROVED this 3rd day of November, 2026, by the Board of Directors of the Ector County Hospital District.

Bryn Dodd
Board Member, District 1

Will Kappauf
Board Member, District 2

Sylvia Rodriguez
Board Member, District 3

David Dunn
Board Member, District 4

Don Hallmark
Board Member, District 5

Wallace Dunn
Board Member, District 6

Kathy Rhodes
Board Member, District 7

Don Hallmark moved, and Wallace Dunn seconded the motion to approve the Resolution and Rules/Procedures for LPPF Mandatory Payments Under Chapter 300 of the Texas Health and Safety Code as presented. The motion carried.

XIII. CONSIDER APPOINTMENT OF THREE ECHD MEMBERS TO THE PERMIAN BASIN BEHAVIORAL HEALTH CENTER BOARD

Russell Tippin, Chief Executive Officer, presented the request to appoint three ECHD members to the Permian Basin Behavioral Health Center Board. The current members are Russell Tippin, Steve Steen, and Matt Collins. It was suggested to reappoint the members to the PBBHC Board.

Wallace Dunn moved, and Bryn Hill seconded the motion to appointment Russell Tippin, Steve Steen, and Matt Collins to serve on the Permian Basin Behavioral Health Center Board for another term. The motion carried.

XIV. CONSIDER APPOINTMENT OF ONE ECHD MEMBER TO THE PERMIAN BASIN MENTAL HEALTH SERVICES DISTRICT BOARD

Russell Tippin, Chief Executive Officer, presented the request to appoint one ECHD member to the Permian Basin Mental Health Services District Board. The current member is Matt Collins, and it was suggested to reappoint Mr. Collins to the board.

Wallace Dunn moved, and Bryn Hill seconded the motion to appoint Matt Collins to serve on the Permian Basin Mental Health Services District Board for another term. The motion carried.

XV. CONSIDER APPROVAL OF THE FIRST AMENDED MENTAL HEALTH SERVICES CONTRACT

Steve Steen, Chief Legal Counsel, presented the First Amended Mental Health Services Contract for approval.

FIRST AMENDED MENTAL HEALTH SERVICES CONTRACT

This First Amended Mental Health Services Contract ("Contract") is made and entered into as November 3, 2026, by and between the Midland County Hospital District of Midland County, Texas ("MCHD") and the Ector County Hospital District ("ECHD"), collectively referred to as the "Creating Hospital Districts," the Permian Basin Mental Health Services District ("District") created under Chapter 579 of the Texas Health and Safety Code, and the Permian Basin Behavioral Health Center ("PBBHC"), a Texas local government corporation established under Chapter 431 of the Texas Transportation Code.

RECITALS

WHEREAS, the Creating Hospital Districts have established the District to provide mental health services to their residents in accordance with Chapter 579 of the Texas Health and Safety Code;

WHEREAS, prior to the creation of the District, the Creating Hospital Districts formed PBBHC to aid and act on behalf of MCHD and ECHD in accomplishing their governmental purposes, including the development, operation and management of a comprehensive behavioral health center (the "Facility") to serve the Permian Basin region of the State of Texas;

WHEREAS, PBBHC is a nonprofit organization recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code;

WHEREAS, prior to the creation of the District, an unaffiliated Texas non-profit corporation made a grant to PBBHC of approximately 54 acres, as more specifically described on Exhibit A hereto (the "Facility Site"), with the intention that the Facility be built on such site;

WHEREAS, the Creating Hospital Districts, PBBHC and the Texas Facilities Commission entered into a Development Agreement dated as of August 1, 2023, (as amended, the "Development Agreement") relating to the design, development, construction, furnishing, equipping, and delivery of the Facility;

WHEREAS, the parties hereto wish to transfer the Facility and Facility Site to the District in accordance with the terms hereof;

WHEREAS, the Creating Hospital Districts desire to contract with the District to ensure the provision of mental health services to their residents, and wish, to the greatest extent possible, to continue to use PBBHC to assist in the provision of such services through PBBHC's development, operation and management of the Facility;

WHEREAS, the parties entered into the original Mental Health Services Contract on July 1, 2025 and now desire to amend that agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

Section 1. Term of the Contract

A. Term. The term of this Contract shall commence as of the date of substantial completion of the Facility and shall continue for a period of twenty (20) years thereafter, unless terminated earlier in accordance with the provisions of this Contract.

Section 2. Purpose, Terms, Rights, and Duties

A. Purpose. The purpose of this Contract is to outline the terms, rights, and duties of the District in providing mental health services to the residents of the Creating Hospital Districts and PBBHC's role in connection therewith.

B. Services Provided. The District shall utilize PBBHC to provide comprehensive mental health services, including but not limited to, outpatient services, inpatient services, crisis intervention, and community-based programs.

C. Rights and Duties. On behalf of the District and the Creating Hospital Districts, PBBHC shall develop, manage and operate the Facility. On behalf of the District, PBBHC shall be responsible for hiring qualified personnel, maintaining facilities, and ensuring compliance with all applicable laws and regulations associated with the Facility; provided, however, the governing board of the District shall appoint a qualified person to act as District administrator who shall interact on a regular basis with PBBHC.

Section 3. Financial Contributions and Budget

A. PBBHC. PBBHC was established in part to receive grants and obtain charitable contributions and other sources of funds to facilitate the development of the Facility, fund its operations and ensure its financial viability. To date, PBBHC has obtained funding commitments in the approximate amount of $242,725,000 and commits to use such funds in connection with the development and operation of the Facility.

B. Budget. Prior to the start of each fiscal year, the District shall prepare an annual budget for approval by its governing board in accordance with Chapter 579 of the Health and Safety Code, detailing the expected revenues and expenditures of the District and the Facility, and determining whether anticipated revenues will be sufficient to pay for expected expenditures. To the extent a shortfall is projected in the budget, such shortfall shall be funded by the Creating Hospital Districts in accordance with Sections 3.C and 3.D hereof. The Creating Hospital Districts shall review and approve the District's budget to the extent any shortfall is projected, and take appropriate action to budget for the payment of their proportional share of any such shortfall from operating funds and/or reserves for operating expenses in accordance with the terms of this Section.

C. MCHD. To the extent funds provided by PBBHC and/or revenues from operation of the Facility are not sufficient to pay for the operational costs of the District, MCHD shall contribute an amount equal to 50% of any annual shortfall to the District for the provision of mental health services, subject to Section 3.F hereof.

D. ECHD. To the extent funds provided by PBBHC and/or revenues from operation of the Facility are not sufficient to pay for the operational costs of the District, ECHD shall contribute an amount equal to 50% of any annual shortfall to the District for the provision of mental health services, subject to Section 3.F hereof.

E. Payment Schedule. Any financial contributions required by this Section shall be paid in advance in equal quarterly installments to the District, due on the first day of each quarter.

F. Subject to Appropriation. The obligations of the Creating Hospital Districts to provide funds under this Contract are subject to the availability of appropriated funds. No legal liability on the part of the Creating Hospital Districts for any payment may arise until funds are made available to the Creating Hospital District for the purposes of this Contract.

G. Reimbursement of Operating Shortfall Contributions. Any contribution made by a Creating Hospital District pursuant to this Section to fund an operational shortfall shall be treated as a reimbursable funding advance. Each annual budget prepared by the District shall identify the cumulative amount of unreimbursed funding advances made by each Creating Hospital District. To the extent unrestricted funds become available in excess of amounts reasonably necessary for current operations, debt service, Board-approved capital expenditures, and reserve requirements, such funds shall first be applied to reimburse the Creating Hospital Districts, on a pro rata basis based upon their respective unreimbursed funding advances, until all such advances have been reimbursed in full.

H. Distribution of Excess Funds. After all funding advances described in Section G have been reimbursed in full, if, at the close of any fiscal year, the District's governing board determines that the District has unrestricted funds in excess of those reasonably necessary for current operations, debt service, Board-approved capital expenditures, and reserve requirements, the governing board may declare a distribution of all or a portion of such excess funds to the Creating Hospital Districts in equal shares.

Section 4. Assets and Property Management

A. Ownership and Management of the Facility. Prior to substantial completion of the Facility, PBBHC shall assign and transfer all right, title and interest to the Facility Site and the Facility to the District, including PBBHC's rights, but not its obligations, under the Development Agreement. The District shall enter into a lease or other contract with PBBHC for the lease, management and operation of the Facility whereby PBBHC shall be responsible for the maintenance and upkeep of the Facility.

B. Leases. On behalf of the District, PBBHC may lease property and equipment and may enter into a lease or sublease of all or part of the Facility or the District's other buildings or facilities, with any person, on terms considered to be in the best interest of the District.

C. Equipment. PBBHC may acquire equipment for the benefit of or use by the District and mortgage or pledge such property as security for the payment of the purchase price.

D. Improvement and Disposition of Property. On behalf of the District, PBBHC may, in the normal course of business, hold, construct, purchase, acquire, lease, improve, maintain,

operate, sell or otherwise convey, demolish or otherwise dispose of any type of property of the District, including surplus land or equipment, or a property right therein, on terms PBBHC finds are in the best interest of the District's residents.

Section 5. Reporting and Accountability

A. Annual Reports. PBBHC shall provide an annual report to the District and the Creating Hospital Districts, detailing the services provided, financial status of Facility operations, and any other relevant information reasonably requested by the District.

B. Audits. The District shall undergo an independent audit of its financial condition for each fiscal year. The audit report shall be made available to the Creating Hospital Districts.

Section 6. Termination and Dissolution

A. Termination. This Contract may be terminated by mutual agreement of the Creating Hospital Districts.

B. Dissolution. In the event of dissolution of the District, the Creating Hospital Districts shall adopt concurrent orders to dissolve the District, and the District shall continue to control and administer any property, debts, and assets until all funds have been disposed of and all debts have been paid or settled.

Section 7. Miscellaneous

A. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Texas.

B. Amendments. Any amendments to this Contract must be in writing and signed by all parties.

C. Severability. If any provision of this Contract is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

D. Counterparts. This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year first above written.

Midland County Hospital District of Midland County, Texas

By: _____
Name: Stephen Bowerman
Title: President & CEO

Ector County Hospital District

By: _____
Name: Russell Tippin
Title: President & CEO

Permian Basin Mental Health Services District

By: _____
Name: Stephen Bowerman
Title: President

Permian Basin Behavioral Health Center

By: _____
Name: Russell Meyers
Title: President

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Exhibit A

Legal Description of the Facility Site

That certain 54.008-acre tract of land in Section 42, Block 40, Township 1-South, T. & P. RR. Co. Survey, Abstract No. 802, Midland County, Texas, being more particularly described in Special Warranty Deed recorded on December 19, 2022 in Document No. 35022 of the Official Public Records of Midland County, Texas.

Don Hallmark moved, and Sylvia Rodriguez-Sanchez seconded the motion to approve the First Amended Mental Services Contract as presented. The motion carried.

XVI. PATIENT SAFETY AND WORKFORCE SAFETY UPDATE

Courtney Look-Davis, Chief Patient Experience & Quality Officer, reported to the Board that MCH is in the window to expect DNV to show up for our survey.

This was informational only. No action was taken.

XVII. PRESIDENT/CHIEF EXECUTIVE OFFICER'S REPORT AND ACTIONS

A. Courtney Look-Davis

Russell Tippin, Chief Executive Officer, acknowledged Courtney Davis during the Awards and Recognition portion of the board meeting. Courtney has been hired as the next CEO at Permian Regional Medical Center in Andrews, Texas.

B. Magnet Update

Kim Leftwich, Chief Nursing Officer, reported to the Board that the mock survey will be next week, and the actual Magnet Survey will be the 1st week of December. MCH will be the only hospital in the region to obtain the Magnet designation.

C. Ad hoc Reports

Kim Leftwich, Chief Nursing Officer, reported that MCH saw the 4th month of over 200 babies being delivered at MCH.

Russell Tippin, Chief Executive Officer, reported to the Board that MCH hosted the Regional Roundtable last week with approximately 40 regional partners attending.

Russell Tippin, CEO, reported that nine Town Halls were held last week for employees.

Russell Tippin, CEO, reported to the Board that a retiree update was held last week in the Boardroom. The gathering was hosted by Human Resources and attended by 30-40 people.

Russell Tippin, CEO, provided the Board a copy of an article from the Midland newspaper about TTUHSC plans for a specialty health care center in the Permian Basin.

Included in the packet was the Communications and Marketing report, Provider Recruiting report, and an email/letter from TTUHSC to the board members.

These reports were informational only. No action was taken.

XVIII. EXECUTIVE SESSION

David Dunn stated that the Board would go into Executive Session for the meeting held in closed session involving any of the following: (1) Consultation with attorney regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code; and (2) Deliberation regarding negotiations for health care services, pursuant to Section 551.085 of the Texas Government Code.

ATTENDEES for the entire Executive Session: ECHD Board members, Bryn Hill, Sylvia Rodriguez-Sanchez, David Dunn, Don Hallmark, Wallace Dunn, Kathy Rhodes (phone) and Russell Tippin,

President/CEO, Steve Steen, Chief Legal Counsel, Sharon Clark, Chief Financial Officer, Matt Collins, Chief Operating Officer, Adiel Alvarado, President MCH ProCare, and Kerstin Connolly, Paralegal.

Mary Gallegos, Risk Manager, provided a quarterly patient safety, CMS, and PSSM report to the ECHD Board of Directors during Executive Session. She was excused from the remainder of Executive Session.

Adiel Alvarado, President of MCH ProCare, presented the ProCare provider agreements to the ECHD Board of Directors during Executive Session.

Adiel Alvarado, President of MCH ProCare, provided an update on Permian Basin Medical Center to the ECHD Board of Directors during Executive Session.

Adiel Alvarado, President of MCH ProCare, provided an update on the NICU provider agreement to the ECHD Board of Directors during Executive Session.

Russell Tippin, President/CEO, led the ECHD Board of Directors in discussions about TTUHSC.

Russell Tippin, President/CEO, led the ECHD Board of Directors in discussions about the Diabetes Clinic.

Matt Collins, Chief Operating Officer, provided an update to the ECHD Board of Directors about the ASC during Executive Session.

Sharon Clark, CFO, provided an update on a managed care contract to the ECHD Board of Directors during Executive Session.

Russell Tippin, President/CEO and Steve Steen, Chief Legal Counsel, provided an update on the PBBHC to the ECHD Board of Directors during Executive Session.

Russell Tippin, President/CEO, provided an update on Ector County's valuation to the ECHD Board of Directors during Executive Session.

Executive Session began at 6:11 p.m.
Executive Session ended at 7:34 p.m.

No action was taken during Executive Session.

XIX. ITEMS FOR CONSIDERATION FROM EXECUTIVE SESSION

A. Consider Approval of MCH ProCare Provider Agreements.

David Dunn presented the following new contracts:

- Quida Chase, F.N.P. – This is a new three (3) year Urgent Care contract
- Nordita Bascon, F.N.P.-C – This is a new three (3) year Cardiology contract.

David Dunn presented the following renewal contract:

- Ramcharitha Kandikatla, M.D. – This is a three (3) year renewal of a Hospitalist Contract.

Wallace Dunn moved, and Sylvia Rodriguez-Sanchez seconded the motion to approve the MCH ProCare Provider Agreements as presented. The motion carried.

XX. ADJOURNMENT

There being no further business to come before the Board, David Dunn adjourned the meeting at 7:34 p.m.

Respectfully submitted,

Steve Steen, Chief Legal Counsel
Ector County Hospital District

December 1, 2026

ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS

Item to be considered:
Medical Staff and Allied Health Professional Staff Applicants

Statement of Pertinent Facts:
Pursuant to Article 7 of the Medical Staff By laws, 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 Allied Health Professionals Staff for the following applicants, effective upon Board Approval.

Medical Staff:

Applicant	Department	Specialty/Privileges	Group	Comments
Alexander Baxter, MD	Radiology	Telemedicine	VRAD	12/1/2026-11/30/2028
Umar Chaudhry, MD	Radiology	Telemedicine	VRAD	12/1/2026-11/30/2028
Gerardo Escobedo, MD	Surgery	Ophthalmology		12/1/2026-11/30/2027
David Manuel, MD	Radiology	Telemedicine	VRAD	12/1/2026-11/30/2028
Patrick Smith, MD	Medicine	Psychiatry	TTUHSC	12/1/2026-11/30/2027
Zarana Trivedi, MD	Radiology	Telemedicine	VRAD	12/1/2026-11/30/2028
Khalil Zahra, MD	Radiology	Telemedicine	VRAD	12/1/2026-11/30/2028

Allied Health:

Applicant	Department	AHP Category	Specialty/ Privileges	Group	Sponsoring Physician(s)	Comments
**Yazmine Delao, NP	Pediatrics	AHP	Neonatal Nurse Practitioner	TTUHSC	DR. VISALAKSHI SETHURAMAN	12/1/2026-11/30/2028
Keelian Foster, FNP	Family Medicine	AHP	Nurse Practitioner	ProCare	DR. JORGE ALAMO	12/1/2026-11/30/2028
Lyndsey Montgomery, FNP	Family Medicine	AHP	Nurse Practitioner	ProCare	DR. JORGE ALAMO	12/1/2026-11/30/2028
Keelee Stanislaus, NP	OB/GYN	AHP	Nurse Practitioner	TTUHSC	Dr. Christopher Maguire	12/1/2026-11/30/2028

*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.

Nimat Alam, Chief of Staff
Executive Committee Chair
/MM

December 1, 2026

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:
Medical Executive Committee and the Joint Conference Committee recommends.
approval of the following reappointments of the Medical Staff and Allied Health Professional Staffa's submitted. These reappointment recommendations are made pursuant to and in accordance with Article 5 of the Medical Staff Bylaws.

Medical Staff:

Applicant	Department	Status Criteria Met	Staff Category	Specialty/ Privileges	Group	Change to Privileges	Dates
None							

December 1, 2026

ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS

Allied Health

Applicant	Department	AHP Category	Specialty / Privileges	Group	Sponsoring Physician (s	Changes to Privileges	Dates
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.

Nimat Alam, MD Chief of Staff
Executive Committee Chair
/MM

December 1, 2026

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 Article 4 of the Medical Staff Bylaws.

Additional Privileges:

Staff Member	Department	Privilege
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 change in clinical privileges of the Allied Health Professional Staff.

Nimat Alam, MD Chief of Staff
Executive Committee Chair
/MM

December 1.2026

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/lapses of privileges are recommendations made pursuant to and in accordance with Article 4 of the Medical Staff Bylaws.

Resignation/Lapse of Privileges:

Staff Member	Staff Category	Department	Effective Date	Resignation/Lapse
Mary Alfidi, MD	Telemedicine	Radiology	10/31/2026	Resigned
Ralph Richardson, MD	Telemedicine	Radiology	11/08/2026	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.

Nimat Alam, MD, Chief of Staff
Executive Committee Chair
/MM

December 1, 2026
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 changes noted below.

Staff Category Change:

Staff Member	Department	Category
None		

Changes to Credentialing Dates:

Staff Member	Staff Category	Department	Dates
Alaa Eldin Eldemerdash, MD	Active	Neonatology	02/01/2027-01/31/2029
Yumna Humid, MD	Associate	Medicine	12/012026-11/30/2027
Gia Marotta, MD	Associate to Active	Surgery	12/01/2026-11/30/2028
Claude Perkins, MD	Full Staff Locums	OB/GYN	02/01/2027-01/31/2029
Chineme Chima-Nlewem, PA	AHP	Medicine	12/01/2026-11/30/2028
Sabino Lopez, CRNA	AHP	Anesthesia	12/01/2026-11/30/2028

Changes of Supervising Physician(s):

Staff Member	Group	Department
None		

Leave of Absence:

Staff Member	Staff Category	Department	Effective Date
None			

December 1, 2026
ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS

Removal of I-FPPE

Staff Member	Department	Removal/Extension
Laviana Aaron, MD	Surgery	**I-FPPE Removal**
Abdulkareem Raed, MD	Surgery	**I-FPPE Removal**
Sagar Patel, MD	Surgery	**I-FPPE Removal**
Shawna Schidt, CRNA	Anesthesia	**I-FPPE Removal**
Stacie Cooper, NP	Cardiology	**I-FPPE Removal**
Kiana Ortiz, NP	Cardiology	**I-FPPE Removal**
Sulay Patel, MD	Cardiology	**I-FPPE Removal**
Karrar Husain, MD	Internal Medicine	**I-FPPE Removal**
Jennifer James, NP	Internal Medicine	**I-FPPE Removal**
Alexandre Sintow, MD	Internal Medicine	**I-FPPE Removal**
Ana Pagan Cabrera, MD	OB/GYN	**I-FPPE Removal**
Irene Moridi, MD	OB/GYN	**I-FPPE Removal**
Cristina Wallace, MD	OB/GYN	**I-FPPE Removal**

Change in Privileges

Staff Member	Department	Privilege
None		

Proctoring Request(s)/Removal(s)

Staff Member	Department	Privilege(s)
None		

December 1, 2026
ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS

Advice, Opinions, Recommendations and Motion:

If the Hospital District Board of Directors concurs, the following motions in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee to approve the staff category changes, changes to the credentialing dates, changes of supervising physicians, leave of absence, removal of-FPPE, proctoring requests/removals, and change in privileges.

Nimat Alam, MD Chief of Staff
Executive Committee Chair
/MM

December 1, 2026
ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS

Item to be considered:

Statement of Pertinent Facts:

The Medical Executive Committee recommends approval of the following:

- Surgery Additional Chairman Criteria

Advice, Opinions, Recommendations and Motion:

- Surgery Additional Chairman Criteria

Advice, Opinions, Recommendations and Motion:

- If the Joint Conference Committee concurs, the following motion is in order: Accept the recommendation of the Medical Executive Committee to approve the Surgery Additional Chairman Criteria. Forward this recommendation to the Ector County Hospital District Board of Directors.

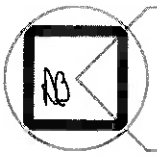
Nimat Alam, MD, Chief of Staff
Executive Committee Chair
/MM

Eligibility Criteria – Department Chair

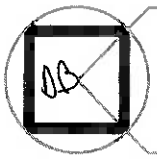
Pursuant to the Medical Staff Bylaws Article 3.B. Eligibility Criteria

Physician Name: Daniel Babbel **Department:** Surgery

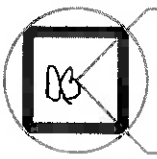
INITIAL each BOX



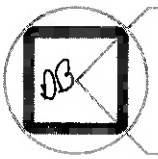
be certififed by an appropriate speciality board and main certification as defined in the Credentials Policy;



have served on the Active Staff for at least three years.



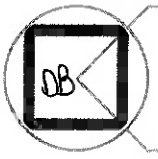
have no pending adverse recommendations concerning appointment or clinical privielges;



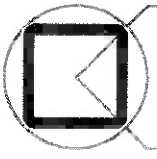
not presently be serving as a Medical Staff officer, board member, or department chairperson at any other hosptial and will not serve during their terms of office



be willing to faithfully discharge the duties and responsbilities of the position;



have some experience in a leadership position or other involvement in performance improvement function for at least two years;



participate in Medical Staff Leadership training as determined by the Medical Executive Committee; and



Disclose any financial conflict of intrest(ie. an ownership or investment intrest in or compensation arragement) with a hosptial or hospital-affilaited entity within Ector County or within 100 miles of the hosptial c;ampus to the nominating committee for evaluation. This does not apply to services provided wthin a practitioner's office and billed under the same provider number used by the practitioner.

Signature X Daniel Babbel **Date:** 11/12/25

12

MCH Family Health Clinic
December 2026
ECHD Board Update

FQHC Financial Overview- October 2026

Summary of Financial Position-Combined

For the month of October, the combined FQHC group generated a net loss from operations of (-$100K), which is +$104K favorable to budget and +$123K favorable to prior year.

***Net Operating Revenue Drivers*:**

• Total Net Operating Revenue was unfavorable to budget by (-$75K) due to lower than budgeted volumes and lower 340B Contract Pharmacy revenue.

***Key Expense Variances*:**

• Total operating expenses were favorable to budget by +17.1%.

Site-Level Financial Performance- October 2026

Clinic Site	Net Gain (Loss)	Variance vs. Budget	Primary Drivers
FHC Clements	($127K)	-35.7% (-$33K)	Strong volumes; net patient revenue. 340B Contract Pharmacy revenue under budget -$44K
FHC West University	($31K)	+47.2% (+$28K)	Lower than budgeted volumes; strong Net Patient Revenue.
Healthy Kids Clinic-JBS	+$92K	+.9% (+$1K)	Lower than budgeted volumes, expenses under budget -$30K. (Provider Vacancy)
Women's Clinic	($32K)	+76.8% (+$108K)	Strong Net Patient Revenue; locum expenses $63K for the month of October.
Total	**($100K)**	+51% (+$104K)	Combined site total



mch
Family Health Clinic
A Member of Medical Center Health System

Financial Presentation

For the Month Ended

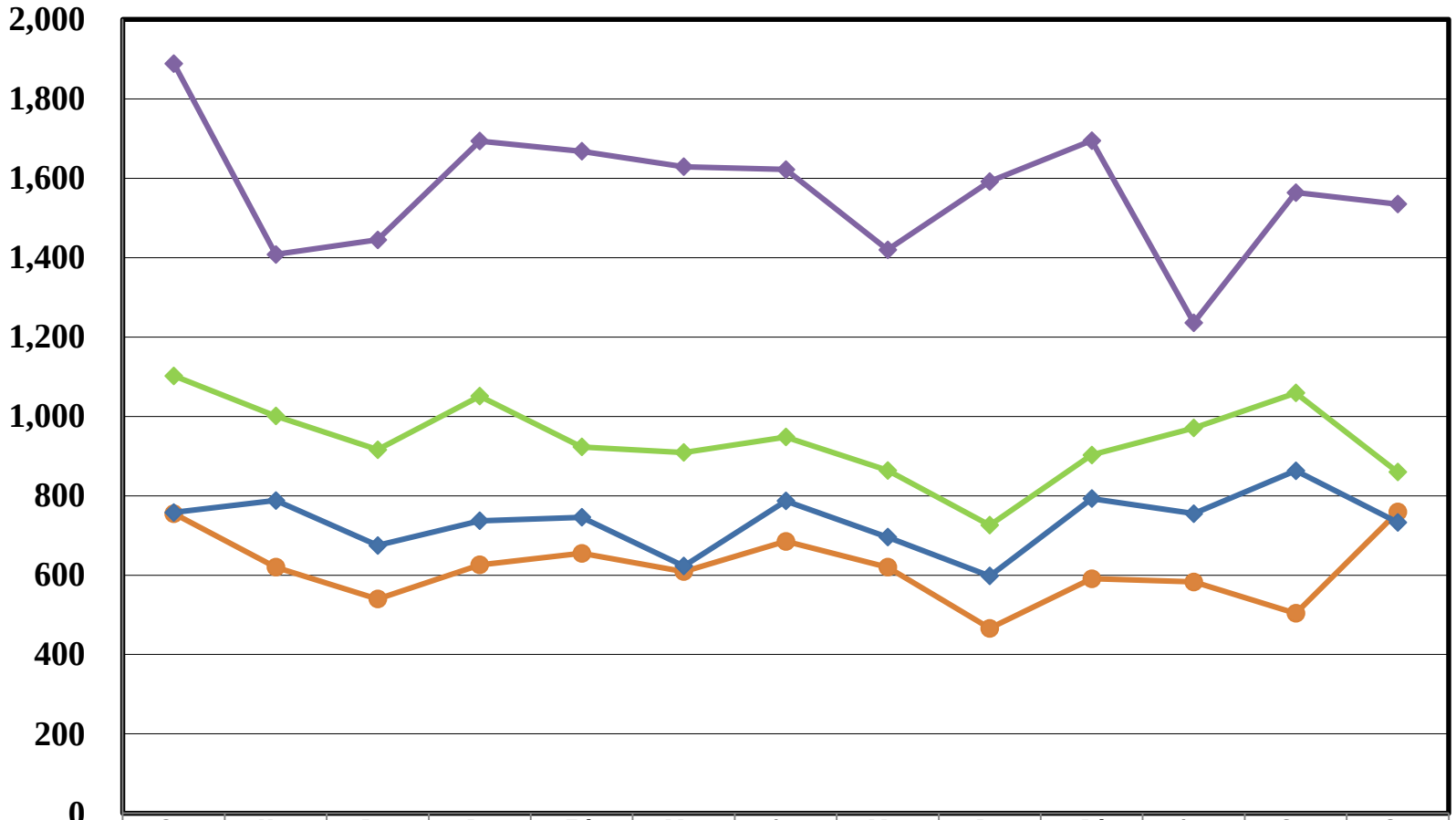
October 31, 2026

Family Health Clinic Visits

	Current Month				Year-to-Date			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %
South Clinic	759	702	57	8.1%	759	702	57	8.1%
West Clinic	733	850	(117)	-13.8%	733	850	(117)	-13.8%
JBS Pediatrics	860	1,195	(335)	-28.0%	860	1,195	(335)	-28.0%
Womens Clinic	1,535	1,575	(40)	-2.5%	1,535	1,575	(40)	-2.5%
Total - All Clinics	3,887	4,322	(435)	-10.1%	3,887	4,322	(435)	-10.1%

Family Health Center Visits

Thirteen Month Trending



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Clements Medical	755	620	540	626	655	609	685	620	466	591	583	504	759
W. University Medical	758	788	675	737	746	623	787	696	598	793	755	863	733
JBS	1,102	1,001	916	1,051	923	909	948	864	726	903	971	1,059	860
Womens Clinic	1,889	1,408	1,445	1,694	1,668	1,629	1,622	1,420	1,592	1,695	1,236	1,564	1,535

FAMILY HEALTH CENTERS COMBINED - OPERATIONS SUMMARY
OCTOBER 2026

	Actual	Budget	Variance	
Total Patient Revenue	$1,837,683	$1,976,859	($139,176)	-7.0%
Less: Deductions	1,056,514	1,163,801	(107,287)	-9.2%
Net Patient Revenue	781,169	813,058	(31,889)	-3.9%
Other Revenue	8,124	52,169	(44,045)	-84.4%
Total Operating Revenue	789,293	865,227	(75,934)	-8.8%
Salaries & Benefits	255,560	288,517	(32,957)	-11.4%
Physician Services	484,767	623,497	(138,730)	-22.3%
Cost of Drugs Sold	96,774	100,149	(3,375)	-3.4%
Supplies	20,198	23,878	(3,680)	-15.4%
Repairs and Maintenance	1,322	2,390	(1,068)	-44.7%
Other Expense	9,011	8,703	308	3.5%
Depreciation	21,617	22,589	(972)	-4.3%
Total Operating Expenses	889,249	1,069,723	(180,474)	-16.9%
Gain (Loss) from Operations	($99,956)	($204,496)	$104,540	-51.1%

FAMILY HEALTH CLINIC - SOUTH - OPERATIONS SUMMARY
OCTOBER 2026

	Actual	Budget	Variance	
Total Patient Revenue	$252,299	$204,388	$47,911	23.4%
Less: Deductions	167,302	121,679	45,623	37.5%
Net Patient Revenue	84,997	82,709	2,288	2.8%
Other Revenue	8,124	52,169	(44,045)	-84.4%
Total Operating Revenue	93,121	134,878	(41,757)	-31.0%
Salaries & Benefits	86,535	93,602	(7,067)	-7.6%
Physician Services	86,751	91,681	(4,930)	-5.4%
Cost of Drugs Sold	34,159	29,998	4,161	13.9%
Supplies	3,851	3,964	(113)	-2.9%
Repairs and Maintenance	531	900	(369)	-41.0%
Other Expense	4,610	5,303	(693)	-13.1%
Depreciation	4,155	3,379	776	23.0%
Total Operating Expenses	220,592	228,827	(8,235)	-3.6%
Gain (Loss) from Operations	($127,471)	($93,949)	($33,522)	35.7%

FAMILY HEALTH CLINIC - WEST UNIVERSITY - OPERATIONS SUMMARY
OCTOBER 2026

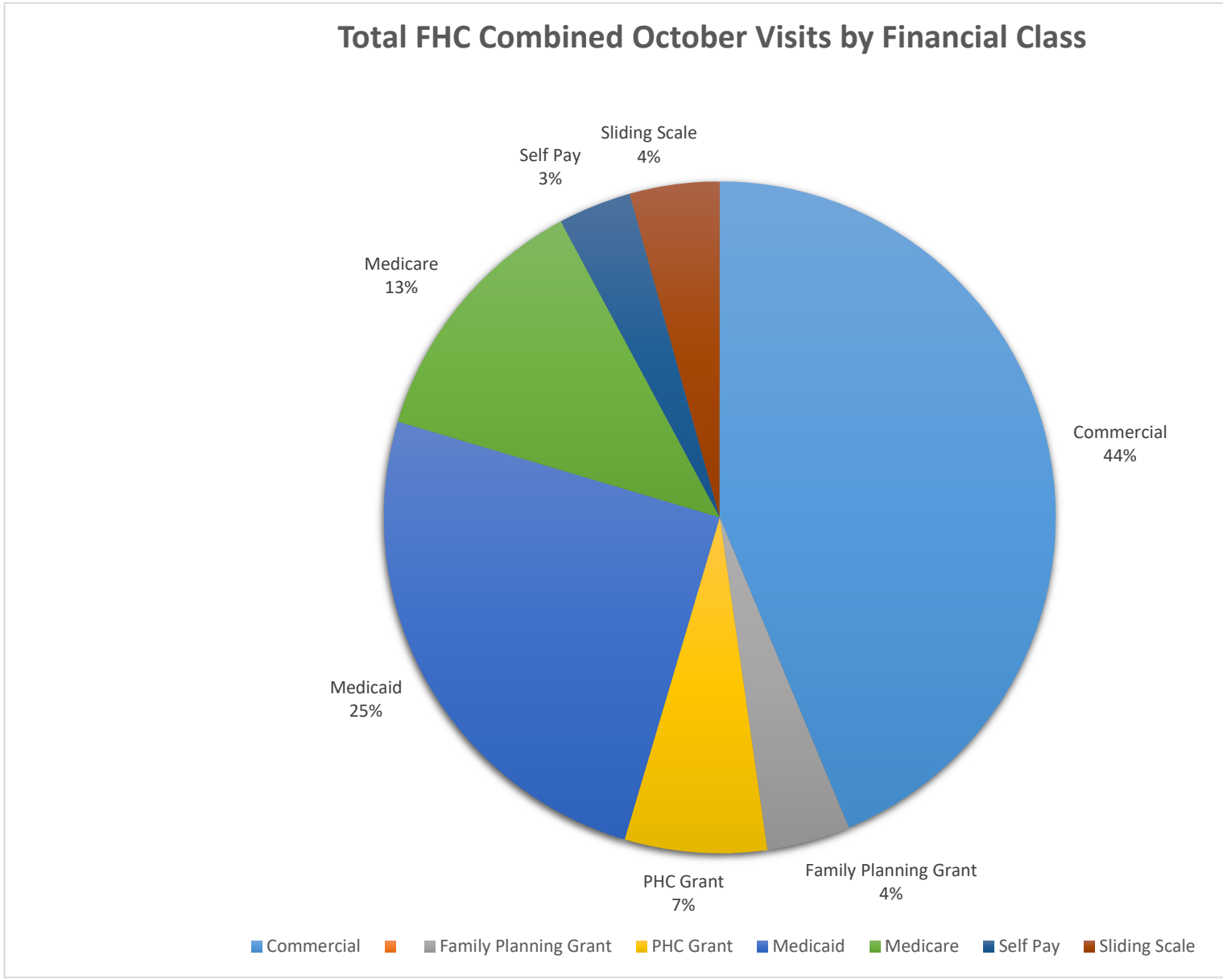
	Actual	Budget	Variance	
Total Patient Revenue	$281,969	$311,987	($30,018)	-9.6%
Less: Deductions	165,697	201,016	(35,319)	-17.6%
Net Patient Revenue	116,272	110,971	5,301	4.8%
Other Revenue	0	0	0	0.0%
Total Operating Revenue	116,272	110,971	5,301	4.8%
Salaries & Benefits	36,534	44,182	(7,648)	-17.3%
Physician Services	79,528	92,971	(13,443)	-14.5%
Cost of Drugs Sold	7,864	8,334	(470)	-5.6%
Supplies	3,531	3,240	291	9.0%
Repairs and Maintenance	0	639	(639)	-100.0%
Other Expense	3,292	2,838	454	16.0%
Depreciation	17,387	19,127	(1,740)	-9.1%
Total Operating Expenses	148,136	171,331	(23,195)	-13.5%
Gain (Loss) from Operations	($31,864)	($60,360)	$28,496	-47.2%

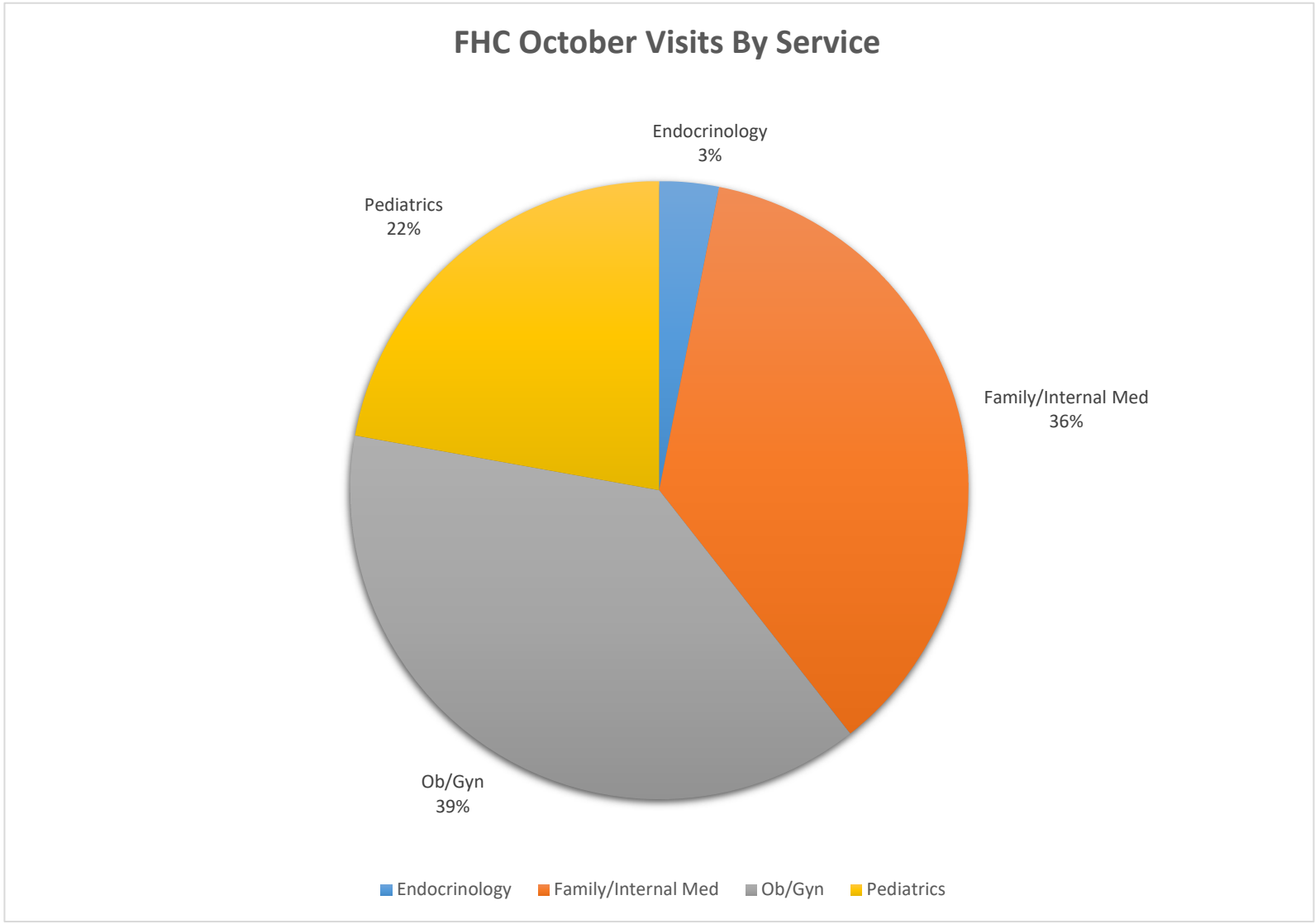
FAMILY HEALTH CLINIC - JBS - OPERATIONS SUMMARY
OCTOBER 2026

	Actual	Budget	Variance	
Total Patient Revenue	$417,880	$474,510	($56,630)	-11.9%
Less: Deductions	195,318	192,678	2,640	1.4%
Net Patient Revenue	222,562	281,832	(59,270)	-21.0%
Other Revenue	0	0	0	0.0%
Total Operating Revenue	222,562	281,832	(59,270)	-21.0%
Salaries & Benefits	36,657	58,032	(21,375)	-36.8%
Physician Services	61,431	98,052	(36,621)	-37.3%
Cost of Drugs Sold	26,179	23,542	2,637	11.2%
Supplies	5,169	10,416	(5,247)	-50.4%
Repairs and Maintenance	0	0	0	0.0%
Other Expense	776	272	504	185.3%
Depreciation	75	83	(8)	-9.6%
Total Operating Expenses	130,287	190,397	(60,110)	-31.6%
Gain (Loss) from Operations	$92,275	$91,435	$840	0.9%

FAMILY HEALTH CLINIC - WOMENS CLINIC - OPERATIONS SUMMARY
OCTOBER 2026

	Actual	Budget	Variance	
Total Patient Revenue	$885,535	$985,974	($100,439)	-10.2%
Less: Deductions	528,196	648,428	(120,232)	-18.5%
Net Patient Revenue	357,339	337,546	19,793	5.9%
Other Revenue	0	0	0	0.0%
Total Operating Revenue	357,339	337,546	19,793	5.9%
Salaries & Benefits	95,833	92,702	3,131	3.4%
Physician Services	257,056	340,793	(83,737)	-24.6%
Cost of Drugs Sold	28,572	38,274	(9,702)	-25.3%
Supplies	7,648	6,259	1,389	22.2%
Repairs and Maintenance	791	851	(60)	-7.1%
Other Expense	334	290	44	15.2%
Depreciation	0	0	0	0.0%
Total Operating Expenses	390,234	479,169	(88,935)	-18.6%
Gain (Loss) from Operations	($32,895)	($141,623)	$108,728	-76.8%


Total FHC Combined October Visits by Financial Class
Sliding Scale 4%
Self Pay 3%
Medicare 13%
Commercial 44%
Medicaid 25%
PHC Grant 7%
Family Planning Grant 4%
Commercial
Family Planning Grant
PHC Grant
Medicaid
Medicare
Self Pay
Sliding Scale


FHC October Visits By Service
Endocrinology
3%
Family/Internal Med
36%
Ob/Gyn
39%
Pediatrics
22%
Endocrinology
Family/Internal Med
Ob/Gyn
Pediatrics

Executive Director's Report-Operational Overview by Clinic-October 2026

MCH Family Health Clinic-Clements

Net Gain/(Loss) From Operations: (-$127K) vs (-$93K) *(-35.7%)*

Productivity: Total Visits: 759 Actual vs 702 Budget (+8.1%)

Provider Updates: No provider updates.

Workforce and Staffing Update: Currently no vacancies.

FTEs: 13.5 Actual vs 16.3 Budget (+16.8%), YTD: 13.5 Actual vs 16.3 Budget (+16.8%)

Key Focus Areas: Marketing, NP volume growth.

Other: MCH Diabetes Clinic every Wednesday from 4pm-8pm.

Operational Overview by Clinic-October 2026

MCH Family Health Clinic-West University

Net Gain/(Loss) From Operations: (-$31K) vs (-$60K) *(+47.2%)*

Productivity: Total Visits: 733 Actual vs 850 Budget (-13.8%); Provider out in October.

Provider Updates: Currently searching for a pediatric nurse practitioner for West University. No site visits scheduled at this time. Dr Raza (Pediatrician) is expecting to start early 2027.

Workforce and Staffing Update: Currently searching for a Full Time Medical Assistant for Dr. Raza.

FTEs: 8.3 Actual vs 11.2 Budget (+25.7%), YTD: 8.3 Actual vs 11.2 Budget (+25.7%)

Key Focus Areas: New patient marketing, provider recruitment.

Operational Overview by Clinic-October 2026

MCH Healthy Kids Clinic-JBS

Net Gain/(Loss) From Operations: $92K vs $91K *(+0.9%)*

Productivity: Total Visits: 860 Actual vs 1,195 Budget (-28.0%). Provider was out during the month of October.

Provider Updates: Search for both Pediatrician and Pediatric Nurse Practitioner currently active. Dr. Debnam currently scheduled for a site visit December 7,2026.

Workforce and Staffing Update: The Healthy Kids Clinic currently has a vacancy for a full-time LVN.

FTEs: 8.1 Actual vs 12.1 Budget (+33.7%), YTD: 8.1 Actual vs 12.1 Budget (+33.7%)

Key Focus Areas: Scheduling optimization; Provider search

Operational Overview by Clinic-October 2026

MCH Women's Clinic

Net Gain/(Loss) From Operations: ($32K) vs ($141K) *(+76.8%)*

Productivity: Total Visits: 1,535 Actual vs 1,575 Budget (-2.5%)

Provider Updates: Currently searching for two Ob/Gyns. Dr. Canzater and Dr. Bennion have both signed LOIs, currently awaiting signed contracts to be returned.

Workforce and Staffing Update: The MCH Women's Clinic is currently searching for a full-time Medical Assistant and full-time Front Desk.

FTEs: 18.2 Actual vs 16.9 Budget (-7.5%), YTD: 18.2 Actual vs 16.9 Budget (-7.5%)

Key Focus Areas: Provider recruitment, Upcoming OB Billing Changes

Community Events

ECISD GT Super Saturday	• November 7, 2026
Boys and Girls Club Clinic Art Event	• November 19, 2026 @ MCH Healthy Kids Clinic

Other Business

1. December FHC Board **Meeting-Tuesday December 29th**
2. Quality and Performance Improvement Committee: **Friday December 18th @ 3pm**

MEDICAL CENTER HEALTH SYSTEM

COMPLIANCE PROGRAM MANUAL 2027

CREATED: AUGUST 1998

REVIEWED AND/OR REVISED:
OCTOBER 2001
DECEMBER 2002
APRIL 2004
OCTOBER 2005
DECEMBER 2007
NOVEMBER 2010
DECEMBER 2011
JANUARY 2013
SEPTEMBER 2014
JANUARY 2016
FEBRUARY 2017
APRIL 2018
SEPTEMBER 2024
FEBRUARY 2026
NOVEMBER 2026

mch
Medical Center Health System
Your One Source for Health

MEDICAL CENTER HEALTH SYSTEM

COMPLIANCE PROGRAM

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MEDICAL CENTER HEALTH SYSTEM

COMPLIANCE PROGRAM

Introduction

Agencies and departments of the U.S. Government have publicized a number of instances of fraud, abuse and waste in federally funded health care programs including Medicare and Medicaid. The Board of Directors of the Ector County Hospital District and the Executive Team of Medical Center Health System recognize the seriousness of the issues raised by the Government and recognize that failure to comply with applicable laws and regulations could threaten MCHS's continuing participation in these health care programs.

The Ector County Hospital District (ECHD) Board, therefore, has directed that Medical Center Health System undertake an integrity program to continue MCHS's commitment to high standards of conduct, honesty and reliability in its business practices. This integrity program is called a Compliance Program. The purpose of the Compliance Program is to promote understanding of and adherence to applicable federal and state laws and regulations and to make a sincere effort to prevent, detect and correct any fraud, abuse, or waste in Medical Center Health System in connection with federally funded health care programs and private health plans. There are several parts to the Compliance Program, each of which is important. The Program applies to all employees, medical staff, contractors, vendors, and volunteers.

I.

CHIEF COMPLIANCE & PRIVACY OFFICER AND COMPLIANCE COMMITTEE

A. **Officer.** The President/Chief Executive Officer (CEO) shall appoint a high-level employee as Chief Compliance & Privacy Officer. Chief Financial Officer (CFO) or Chief Legal Officer (CLO) shall not be appointed.

B. **Duties.** The Chief Compliance & Privacy Officer and the Compliance Committee shall prepare, and revise as necessary, a job description for the Chief Compliance & Privacy Officer. The Chief Compliance & Privacy Officer's primary responsibilities set out in the job description shall include:

1. Overseeing and monitoring the implementation of the Compliance Program for the Health System;

2. Reporting on a regular basis to the Health System's Boards of Directors, the President/CEO, and the Compliance Committee on the progress of implementation, and assisting the Boards, the President/CEO and the committee in establishing methods to improve MCHS's efficiency and quality of services, and to reduce the Health System's vulnerability to fraud, abuse and waste;

3. Periodically revising the Compliance Program as required by changes in the law and policies and procedures of government and private payor health plans;

4. Developing, coordinating, and participating in an educational and training program that focuses on the elements of the Compliance Program for the Health System, and seeks to ensure that all appropriate employees, medical staff, vendors and volunteers are knowledgeable of, and comply with, pertinent federal and state standards;

5. Ensuring that independent contractors and agents who furnish medical services to the Health System are aware of the requirements of the Health System's Compliance Program with respect to coding, billing, and marketing, among other things;

6. Coordinating personnel issues with the Chief Human Resources Officer, through IT Support, Volunteer Services Manager, Assistant Chief Financial Officer or designees and the Medical Staff Office to ensure that the National Practitioner Data Bank and Cumulative Sanction Report have been checked with respect to all employees, volunteers, medical staff and independent contractors;

7. Assisting in coordinating internal compliance review and monitoring activities, including annual or periodic reviews of departments and audits;

8. Independently investigating and acting on matters related to compliance, including the flexibility to design and coordinate internal investigations (e.g., responding to reports of problems or suspected violations) and any resulting corrective action with all MCHS departments, Clinics, providers and sub-providers, agents and, if

appropriate, independent contractors; and

9. Developing policies and programs that encourage managers and employees to report suspected fraud and other improprieties without fear of retaliation.

C. **Authority.** The Chief Compliance & Privacy Officer shall have direct access to the President/CEO and to the Health System's Boards of Directors. The Chief Compliance & Privacy Officer shall have access to all documents and information relevant to compliance activities including but not limited to patient records, billing records, marketing records, contracts and written arrangements or agreements with others. The Chief Compliance & Privacy Officer may seek advice from legal counsel and may retain necessary consultants or experts.

D. **Reports.** The Chief Compliance & Privacy Officer shall report to the Health System's Boards at least annually on the status of compliance in the Health System. Such reports may be written or oral.

E. **Compliance Committee.**

The Compliance Committee **is continuously composed of representatives from multiple disciplines**. At a minimum, the Compliance Committee will include the Chief Compliance and Privacy Officer, President and Chief Executive Officer (Pres./CEO), Chief Legal Counsel, Chief Financial Officer, Chief Operating Officer, Chief Medical Officer, Chief Information Officer and two Ector County Hospital District Board Members. The Pres./CEO shall also appoint such ex officio members of the Compliance Committee as he or she deems necessary or advisable to assist the committee in the performance of its duties. Ex-officio members of the committee may not vote on matters before the committee.

The Compliance Committee will receive reports from ad-hoc guests which will be related to Human Resources, Information Technology/Security, Revenue Cycle/Integrity, or others as deemed necessary.

F. **Duties.** The duties of the Compliance Committee shall include:

1. Advising the Chief Compliance & Privacy Officer and assisting in the implementation and maintenance of the Health System's Compliance Program;

2. Working with appropriate departments of the Health System to develop policies and

procedures to promote adherence to laws and regulations;

3. Recommending and monitoring, in conjunction with the relevant departments & Clinics, the development of internal systems and controls to carry out MCHS's standards, policies and procedures;

4. Determining the appropriate strategy and/or approach to promote adherence to the Health System's Compliance Program and the detection of potential violations;

5. Developing a system to solicit, evaluate and respond to complaints and problems;

6. Overseeing the education and training of employees and systems for communication with and by employees;

7. Analyzing the legal requirements with which MCHS must comply and locating and analyzing specific risk areas within the Health System; and

8. Establishing confidentiality standards and requirements for committee members and those people requested to provide assistance to the committee.

G. **Guidelines.** The Compliance Committee may adopt written guidelines for holding meetings and conducting the activities and operations of the committee.

II.
TRAINING AND EDUCATION

A. **Necessity.** It is imperative that coding and billing of federal health care claims be truthful and accurate and within appropriate guidelines. Not only are there severe penalties payable to the government for improper coding and billing, but honesty and integrity, in MCHS's operations, are the right and proper thing to do. Sometimes conduct undertaken without wrongful intent but with inadequate knowledge may violate applicable laws and regulations. Proper and continuing training and education of employees at all levels is, therefore, a significant element of an effective compliance program.

B. **Initial Education.** Mandatory Compliance, HIPAA Privacy and HIPAA Security education for all new employees, physicians, vendors and volunteers and the employee handbook will provide an overview of fraud and abuse laws, a copy of MCHS Compliance Standards of Conduct, and an explanation of the elements of the Compliance Program, including the reporting process and highlight the Health System's commitment to integrity in its business operations and compliance with applicable laws and regulations. Annual Compliance, HIPAA Privacy and HIPAA Security education is also required for all employees, vendors as applicable, and volunteers. Physicians

receive Compliance, HIPAA Privacy and HIPAA Security education at credentialing and re-credentialing.

C. **General Rules**. Periodically, as necessary, appropriate employees & volunteers will be retrained (i) in the Health System's Compliance Program; (ii) the fraud and abuse laws as they relate to the claim development and submission process and MCHS's business relationships; (iii) relevant Medicare and other federal and state requirements; and (iv) the consequences both to MCHS and individuals of failing to comply with applicable laws and regulations. Such training must emphasize the importance of the Compliance Program and the Health System's commitment to honesty and integrity in its business dealings.

D. **Substantive Rules**. Involved employees will be trained and retrained in the specific federal health care program rules (e.g., Medicare) that relate to their job function. By way of example:

1. Admitting personnel will receive training to ensure they are asking the necessary questions and obtaining the necessary information to comply with Medicare and Medicaid requirements.

2. Coding personnel will be taught current reimbursement principles, proper coding, the impact of coding on the DRG, and how to avoid the areas of concern applicable to the coding process described in Section II.

3. Patient care personnel will be instructed in charge entry and coding, and the importance of documenting services and supplies which will later be billed to Medicare or Medicaid.

4. Billing personnel will be instructed in Medicare requirements applicable to the preparation of claims for services, the distinction between covered and non-covered services and the importance of listing those services in the proper section of the claim forms and how to avoid the areas of concern applicable to the billing process described in Section II.

Such employees may be trained individually or as a group.

E. **Department Training and Education.** Department directors or managers shall periodically identify and advise the Chief Compliance & Privacy Officer of training and education necessary or advisable for all or any employees of his or her department. The Chief Compliance & Privacy Officer and the director or manager shall promptly arrange for such training and education.

F. **Types.** Training and education may occur in sessions with individual employees, in mandatory in-service meetings or incorporated into special or regular departmental meetings or in some other effective manner. Training may consist of live presentations, videos, question and answer sessions

and written material and may occur in-house or through attendance at external workshops and seminars.

G. **Amount of Training.** All employees need not have the identical amount of training and education, nor will the focus of training and educational efforts be the same for all employees. Targeted training and education will be provided to employees whose actions may affect the accuracy of claims submitted to the government. The actual amount of training should reflect necessity, an analysis of risk areas or areas of concern identified by the Health System or the Office of the Inspector General, the Health System's compliance experience and the results of periodic audits or monitoring.

H. **Documentation.** The training provided to each employee shall be documented. The documentation shall include the date and a brief description of the subject matter of the training activity or program. Documentation is important.

I. **Failure to Attend.** Failure to comply with training requirements or to attend scheduled training sessions of the Health System or of each department may result in disciplinary action.

J. **Evaluation.** There should be periodic evaluations of training and education programs to determine, and if necessary, improve, the value, effectiveness, and appropriateness of any such program.

III.
COMMUNICATION

A. **Reason.** Open communications between employees and the Chief Compliance & Privacy Officer or the Compliance Committee are important to the success of this Compliance Program and to the reduction of any potential for fraud, abuse, and waste. Without help from employees it may be difficult to learn of possible compliance problems and make necessary corrections.

B. **Questions.** At any time, any employee or physician may seek clarification or advice from the Chief Compliance & Privacy Officer or members of the Compliance Committee in the event of any confusion or question regarding this Program or any element of this Program or any MCHS policy or procedure related to this Program. Questions and responses should be documented and, if appropriate, shared with other employees for informational and educational purposes. Employees

should be encouraged to contact the Chief Compliance & Privacy Officer and any member of the committee and for this purpose the Chief Compliance & Privacy Officer will develop or cause to be developed publicity and notices regarding his or her name, location and e-mail address and the names of members of the committee and their location.

C. **Reporting.** Employees or physicians who are aware of or suspect acts of fraud, abuse or waste or violations of MCHS Compliance Standards of Conduct should report such acts or violations. Several independent reporting paths are available:

1282734720. Employees may report concerns/violations directly to their supervisor or department director or manager. Supervisors and managers will thereafter promptly pass on the report to the Chief Compliance & Privacy Officer or member of the committee.

1282734721. An employee or physician may report directly to the Chief Compliance & Privacy Officer or to a member of the compliance committee. The Compliance Office Hotline can be reached at 432-640-1900 during normal business hours.

1282734722. MCHS has contracted with Navex/Ethics Point to operate a 24-hour, 365-day hotline known as the "Compliance Line" (1-800-805-1642). Employees and physicians may use this line anonymously at any time, day, or night. The phone number of the Compliance Line has been posted at various places throughout the Health System and employees will be reminded of the number and of their duty to report actual or suspected wrongdoing through the Health System newsletter, MCHS Intranet, unit meetings and other methods. Employees should be encouraged to use this line.

1282734723. On each floor/unit in the Health System, in many cases next to a time clock, is a Hotline Poster with a QR Code that can be scanned into phones or other smart devices to take you directly to an online reporting form. Additionally, there are "Integrity Boxes" with blank forms and a pen located at key locations on the main hospital campus. The forms may be completed anonymously and dropped in the box. The Integrity Boxes are located on the first floor of the main building in the central hallway at the main entrance and the far West hallway near the basement elevator, and in the Annex building main entrance outside of Human Resources. These boxes are checked each week by the Compliance Office.

1282734724. Concerns may also be placed online from the MCHS Intranet under the Employee Links section labeled Compliance Hotline.

D. **Confidentiality.** Reports received will be treated confidentially to the extent possible under applicable law. However, there may be a time when an individual's identity may become known or must be revealed if governmental authorities become involved or in response to subpoena or other legal proceeding.

E. **Non-Retaliation.** There will be no retaliation against any employee who in good faith reports acts or suspected acts of fraud, abuse or waste or violations or suspected violations of MCHS Compliance Standards of Conduct or other wrongdoing or misconduct. However, an employee who makes an intentional false report or a report not in good faith may be subject to disciplinary action.

F. **Documentation.** Reports that suggest substantial violation of this Program, violation of MCHS's Compliance Standards of Conduct or violation of relevant law or regulation should be documented by the Chief Compliance & Privacy Officer. Information about such reports should be furnished periodically to the Board and the President/CEO and to the Compliance Committee at its regular meetings.

IV.
INVESTIGATION

A. **Requirement and Purpose.** Reports or reasonable indications of fraud, abuse or waste, violations of the MCHS Compliance Program and/or violations of MCHS's Compliance Standards of Conduct, violations of MCHS's policy or procedure or violations of applicable law or regulation will be promptly investigated. The purpose of the investigation shall be to identify those situations involving fraud, abuse or waste or relevant violations or unacceptable conduct; to identify individuals who may have knowingly or inadvertently caused or participated in such situations or may need further training and education; to facilitate corrective action; and to implement procedures necessary to ensure future compliance.

B. **Control of Investigation.** The Chief Compliance & Privacy Officer shall be responsible for directing the investigation of the alleged situation or problem. In undertaking investigations, the Chief Compliance & Privacy Officer may utilize other MCHS employees (consistent with appropriate confidentiality), outside attorneys, outside accountants and auditors or other consultants or experts for assistance or advice.

C. **Process.** Because of the many situations or problems which are possible, the process and method of investigation is left to the sound judgment and discretion of the Chief Compliance & Privacy Officer, including when appropriate, pursuant to the advice of legal counsel. The Chief Compliance & Privacy Officer or his or her designee, may conduct interviews with any MCHS

employee and with other persons and may review any MCHS document including but not limited to those related to the claim development and submission process, patient records, e-mail and the contents of computers.

D. **Documentation.** The Chief Compliance & Privacy Officer shall include in his or her investigation event files, as applicable, the following types of information: (i) define the nature of the situation or problem (ii) summarize the investigation process (iii) identifies any person whom the investigator believes may have violated MCHS's Compliance Standards of Conduct, MCHS's policy or procedure or violations of applicable law or regulation and (iv) if possible, as applicable, estimate the nature and extent of any resulting overpayments.

E. **Response.**

The following actions may be taken as a result of an investigation:

1. Billing involved in the situation or problem may be discontinued until such time as appropriate corrections are made.

2. If duplicate or improper payments have been paid by Medicare/Medicaid or other health care program or excessive payments made because of coding or other MCHS errors or mistakes (i) the defective practice or procedure will be corrected; (ii) the duplicate or improper payments will be calculated and repaid to the appropriate payor; and (iii) a program of education will be undertaken with appropriate employees to prevent future similar problems.

3. A summary of the results of the investigation may be sent for appropriate disciplinary action to the department director or manager (or the appropriate executive staff member if the director or manager is implicated). Pending disciplinary action, any such employee may be removed from any position with oversight of or impact upon the claim's development and submission process.

4. State and federal agencies will be notified as deemed appropriate by the Chief Compliance & Privacy Officer in coordination with legal counsel, the President/CEO, and the ECHD Board.

~~**Voluntary Disclosures**. Any voluntary self-disclosures may be guided by the OIG's Health Care Fraud Self-Disclosure Protocol 63 Fed. Reg. 58399 (October 21, 1998); (updated April 17, 2013: FR Doc.2013.11050, and amended November 8, 2021, updates and renames the Provider Self-Disclosure Protocol).~~

Clarified paragraph and added the October 15, 2026 Fed Reg Update and reason.

Voluntary Disclosures. Any voluntary self-disclosures should be submitted in accordance with the HHS Office of Inspector General (OIG)'s **Health Care Fraud Self-Disclosure Protocol (SDP)**, originally issued as the Provider Self-Disclosure Protocol at **63 Fed. Reg. 58399 (October 30, 1998)**, comprehensively updated on **April 17, 2013 (78 Fed. Reg. 23945)**, amended and renamed on **November 8, 2021**, and

further updated on **October 15, 2026** to clarify the handling of potential criminal health care fraud matters and related disclosure requirements.

F. **Reports by Chief Compliance & Privacy Officer.** The Chief Compliance & Privacy Officer periodically shall furnish information (bearing in mind issues of confidentiality) about such investigations to the Board and the President & CEO and to the Compliance Committee at its regular meetings.

V.

AUDITS

A. **Process.** Periodic audits will be undertaken to identify deficiencies in the claim development and submission process. MCHS will devote such resources as are reasonably necessary to ensure that audits are adequately staffed by people with appropriate knowledge and experience.

B. **Time.** The Compliance Committee shall designate the time for audits and the departments and functions to be audited.

C. **New Employees.** It is the responsibility of each department manager to ensure that employees who are new to a position, which have a direct impact on the claim development and submission process, are provided adequate and appropriate training and education. To verify that each new employee understands the essential elements of his or her job function, the work of such new employees should be audited or reviewed until the director or manager is satisfied that the accuracy of the employee's work is adequate to justify cessation of the audit or review. Directors or managers may rely on other competent and experienced employees to assist in such reviews. New employees whose work does not meet the necessary quality or standard within a reasonable time after employment may be transferred to another job in or out of the department and such transfer shall not be considered disciplinary action for any purpose or reason.

D. **Periodic Tests and Audits.** MCHS, under the direction of the Chief Compliance & Privacy Officer, will conduct periodic tests of claims submitted to Medicare, Medicaid and other federal health care plan and audits of the claim's development and submission process. The audits shall include reviewing the work of coders, billers, admitting and registration clerks, patient care providers

(including physicians where reasonably possible) ancillary departments such as laboratory and diagnostic imaging and risk areas identified by the OIG or fiscal intermediaries. Audits shall also cover MCHS's relationship with third party contractors, including physicians on its medical staff, and compliance with laws governing kickback arrangements. The Compliance Office may request that the director or manager of each affected department prepare and submit testing, audit, and monitoring plans for his or her department.

E. **Access.** Auditors and reviewers shall have access to all necessary documents including those related to claim development and submission, patient records, e-mail and the contents of computers. Auditors and reviewers shall always bear in mind confidentiality requirements.

F. **Action.** The Chief Compliance & Privacy Officer will be notified of the results of all audits. Further action, if any, by the Chief Compliance & Privacy Officer with respect to any deviation or discrepancy revealed by an audit will be taken under the provisions of Section VI.

G. **Documents.** All audits shall be thoroughly documented. Such documents shall be maintained in the permanent files of the Chief Compliance & Privacy Officer and adequately secured.

VI.
SCREENING

A. **New Employees.** MCHS will conduct a reasonable background investigation of all new employees, or applicants for employment, who have or will have discretionary authority to make decisions that, or whose job function may, materially impact the Medicare/Medicaid claim development and submission process or MCHS's relationship with physicians on its medical staff. The purpose of the background investigation is to determine whether any such employee or applicant has been (i) convicted of a criminal offense related to health care or (ii) listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation. All employees and volunteers will be screened monthly.

B. **Providers.** A similar reasonable background investigation will be undertaken for providers who do or will possess an individual Medicare or Medicaid provider number. Such providers will be screened monthly.

C. **Vendors and Contractors.** Reasonable background investigations will be conducted for vendors and contractors to determine if any such vendor or contractor has a criminal conviction related to health care or has been disbarred or excluded by a federal agency. For the vendors we contract with Vendor Credentialing Service to perform this function.

D. **Process.** The Chief Compliance & Privacy Officer, in consultation as necessary with the Chief Human Resources Officer, The ECHD Police Dept., the Director of Medical Staff Services, MCH ProCare Administrative Staff and other employees, will implement and maintain policies and procedures for developing relevant applications for employment and for conducting such background investigations. The application for employment should require the applicant to disclose any criminal conviction related to health care programs or exclusion action. The background investigations should utilize the OIG Cumulative Sanction Report, the General Services Administration list of debarred contractors of, the Specially Designated Nationals (SDN) and the National Practitioner Data Bank.

E. **Prohibition.** MCHS will not hire or retain an employee in a position which has or will have discretionary authority to make decisions or whose job functions may materially impact the Medicare/Medicaid claim development and submission process or MCHS's relations with its staff physicians if such prospect or employee has been convicted of a crime related to health care or has been excluded or debarred. MCHS will not contract with any person or entity which has been so convicted, excluded, or debarred and will attempt to terminate its contract arrangements with any such person or entity, subject to legal constraints such as damages for breach of contract. MCHS will make reasonable and prudent effort not to submit any claim for service ordered or furnished by any person or entity, including physicians, excluded from participation.

VII.
EVALUATIONS

Adherence to and promotion of this Program will be a factor in evaluating the performance of employees, including supervisory, managerial, and administrative personnel.

VIII.

REPORTS

The Chief Compliance & Privacy Officer shall make written evaluation reports on compliance activities including reports or complaints received from employees, investigations, auditing, and monitoring, to the system's Boards of Directors, the President/CEO, and members of the Compliance Committee on a regular basis. Reports to the Health System's Boards shall be at least annually or more often as necessary or advisable.

IX.

RESPONSE TO GOVERNMENTAL INQUIRIES

A. **Cooperation.** Federal agencies have available several investigation tools including search warrants, subpoenas and civil investigation demands. Actions also may be brought against MCHS to exclude it from participating in Medicare/Medicaid if MCHS fails to grant immediate access to agencies conducting surveys or reviews. It is, therefore, the policy of Medical Center Health System to cooperate with and properly respond to all governmental inquiries and investigations.

B. **Process.** Employees who receive a search warrant, subpoena or other demand or request for investigation, or if approached by a federal agency, should attempt to identify the investigator, if any, and immediately notify the Chief Compliance & Privacy Officer or, in that Officer's absence, a member of the Compliance Committee or the employee's supervisor. Employees should request the government representative to wait until the Chief Compliance & Privacy Officer or his or her designee arrives before conducting any interview or reviewing documents. The Chief Compliance & Privacy Officer in consultation with outside legal counsel is responsible for coordinating MCHS's response to warrants, subpoenas, inquiries, and investigations by federal agencies. If appropriate, MCHS also may provide legal counsel to employees.

C. **Documents.** MCHS's response to any warrant, subpoena, investigation, or inquiry must be complete and accurate. No employee shall alter or destroy any document or record or alter, delete, or download any material from any computer. Documents and records must be preserved in their original form.

X.

DISCIPLINE AND DISCLAIMER

A. **Other Reasons:** In addition to possible disciplinary action mentioned elsewhere in this Program, employees may be subject to disciplinary action for:

1. Failure to perform any obligation or duty required of employees relating to compliance with this Program or applicable laws or regulations.

2. Failure of supervisory or management personnel to detect non-compliance with applicable policies and legal requirements and this Program where reasonable diligence on the part of the manager or supervisor would have led to the discovery of any violations or problems.

B. **Procedure**. Possible disciplinary action will follow MCHS's existing disciplinary policies and procedures. Progressive discipline is not required.

C. **Disclaimer.** Nothing in this Program shall (i) constitute a contract of or agreement for employment; or (ii) modify or alter in any manner any employee's at-will employment status. Any part of this Program may be changed or amended at any time without notice to any employee.

XI.
Employee Guidelines

All Medical Center Health System's business affairs must be conducted in accordance with federal, state, and local laws, professional standards, applicable federally funded health care program regulations and policies and with honesty, fairness, and integrity. Employees should perform their duties in good faith, in a manner that he or she reasonably believes to be in the best interest of Medical Center Health System and its patients and with the same care that a reasonably prudent person in the same position would use under similar circumstances. To further these overall goals, several policies or Compliance Standards of Conduct have been adopted by MCHS.

A. **EMPLOYEE HANDBOOK.** The handbook given to each employee sets out several types of conduct, which are unacceptable. These include:

1. Intentionally or knowingly making false or erroneous entries on reports, patient charts or other MCHS records.

2. Dishonesty.

3. Unauthorized alteration or destruction of MCHS records including patients' charts.

4. Coding or billing which violates Medicare or Medicaid rules or regulations or other

federal rules or regulations.

5. Behavior detrimental to the operation of MCHS.

Other unacceptable conduct may be found in the handbook.

B. **CONFLICT OF INTEREST.** To perform their duties with honesty and fairness and in the best interest of the Ector County Hospital District and Medical Center Health System, employees must avoid conflicts of interest in their employment. Conflicts of interest may arise from having a position or interest in or furnishing managerial or consultative services to any concern or business from which MCHS obtains goods or services or with which it competes or does business, from soliciting or accepting gifts, excessive entertainment or gratuities from any person or entity that does or is seeking to do business with the Health System and from using MCHS property for personal or private purposes. Conflicts also may arise in other ways. If an employee has any doubt or any question about any of his or her proposed activities, guidance or advice should be obtained from the Chief Compliance & Privacy Officer, Chief Human Resource Officer, or the employee's manager. MCHS's policy on and prohibiting conflicts of interest may be found in Policy Number MCH-3016. A copy may be obtained from MCHS Intranet under the MCH policies.

C. **HIPAA / CONFIDENTIALITY OF INFORMATION.** A patient's health record is the property of Medical Center Health System and shall be maintained to serve the patient, necessary health care providers, the institution and third-party payors such as Medicare in accordance with legal, accrediting, and regulatory agency requirements. The information contained in the health care record belongs to the patient and the patient is entitled to the protection of that information as mandated under the Health Insurance Portability and Accountability Act also known as HIPAA. All patient care information is regarded as confidential and available only to authorized users such as treating or consulting physicians, employees who may be providing patient care and to third party payors to facilitate reimbursement. The operations, activities, business affairs and finances of the Health System should also be kept confidential and discussed or made available only to authorized users.

D. **WORKPLACE ADMINISTRATIVE SEARCHES.** To assist in providing a reliable, efficient and productive work force for the proper care of patients, to assist in providing employees with a safe

working environment, to assist in the effective operation of the Compliance Program and to supplement the Drug and Alcohol Policy, MCH-3033, supervisors may conduct unannounced administrative searches of Health System premises, offices, work areas, property and equipment and the contents of such property and equipment. No employee should have any expectation of privacy on MCHS property or in their offices or work areas including lockers, desks, cabinets, drawers, shelves, or trash cans or in folders, envelopes or packages located on MCHS premises. Any data on any MCHS device or in any of MCHS' systems is property of the hospital and subject to search/review. Personal possessions or materials should not be brought to work if they are of a sensitive or confidential nature. MCHS's policy on Workplace Administrative Searches is Policy Number MCH-3043. MCH-1046 Computer Security Policy also states that the use of computer systems at MCHS signifies consent to monitoring and monitoring does occur. A copy may be obtained from the MCHS Intranet under the MCH policies. Other policies permit monitoring of and access to computers by supervisors. The use of computers, e-mail and access to the Internet must be reasonable and responsible.

E. **FRAUD AND ABUSE.** Employees shall refrain from conduct, which may violate the fraud and abuse laws. These laws prohibit (1) direct, indirect or disguised payments in exchange for the referral of patients; (2) the submission of false, fraudulent or misleading claims to any government entity or third party payor, including claims for services not rendered, claims which characterize the service differently than the service actually rendered or claims which do not otherwise comply with applicable program or contractual requirements; and (3) making false representations to any person or entity in order to gain or retain participation in a program or to obtain payment or excessive payment for any service.

F. **BUSINESS ETHICS.** Employees must accurately and honestly represent MCHS and should not engage in any activity or scheme intended to defraud anyone of money, property, or honest services.

G. **FINANCIAL REPORTING.** All financial reports, accounting records, research reports, expense accounts, time sheets and other documents must accurately and clearly represent the relevant facts or the true nature of a transaction. Improper or fraudulent accounting, documentation or financial

reporting is not only contrary to MCHS policy, but it may also be in violation of applicable laws. Sufficient and competent evidential matter or documentation shall support all cost reports.

H. **PROTECTION OF ASSETS.** MCHS will make available to employee's assets and equipment necessary to conduct MCHS business including such items as computer hardware and software, billing, and medical records, both hardcopy and in electronic format, fax machines, office supplies and various types of medical equipment. Employees should strive to use MCHS assets in a prudent and effective manner. MCHS property should not be used for personal reasons or be removed from Medical Center Health System without approval from a departmental manager. An employee who believes that any medical equipment is not operating properly or has an inaccurate calibration should immediately report the problem to his or her supervisor.

I. **ANTI-COMPETITIVE CONDUCT.** Medical Center Health System will not engage in anti-competitive conduct that could produce an unreasonable restraint of trade or a substantial lessening of competition. Evaluation of anti-competitive conduct requires legal guidance. Communication by employees with competitors about matters that could be perceived to have the effect of lessening competition or could be considered as collusion or an attempt to fix prices should take place only after consultation with legal counsel.

J. **CREDIT BALANCES.** MCHS will comply with Federal and state laws and regulations governing credit balance reporting and refund all overpayments in a timely manner.

K. **FINANCIAL INDUCEMENTS.** No employee shall offer any financial inducement, gift, payoff, kickback, or bribe intended to induce, influence or reward favorable decisions of any government personnel or representative, any customer, contractor or vendor in a commercial transaction or any person in a position to benefit Medical Center Health System or the employee in any way. Employees are strictly prohibited from engaging in any corrupt business practice either directly or indirectly. No employee shall make or offer to make any payment or provide any other thing of value to another person with the understanding or intention that such payment or other thing of value is to be used for an unlawful or improper purpose. Appropriate commissions, rebates, discounts, and allowances are customary and acceptable business inducements provided that they are approved by Administration and that they do not constitute illegal or unethical payments. Any such payments

must be reasonable in value, competitively justified, properly documented, and made to the business entity to whom the original agreement or invoice was made or issued. Such payments should not be made to individual employees or agents of business entities.

L. **ADDITIONAL STANDARDS.** MCHS has adopted several other System-wide policies and procedures. Employees may obtain copies from the MCHS Intranet web page under MCHS policies. Additional standards and policies may be applicable only to particular departments and copies may be obtained from supervisors or directors in those departments. It is particularly important that coding, billing, and submission of claims to Medicare, Medicaid and other third-party payors, be appropriate, accurate and in compliance with applicable laws and regulations. Standards relating to billing will be found in a later section of this document.

M... **ADMINISTRATION AND APPLICATION OF MCHS COMPLIANCE STANDARDS**

MCHS Compliance Standards of Conduct apply to *all* MCHS employees, including supervisors, managers, directors, and the Executive team. They also apply to temporary and contract employees, as well as independent contractors doing business with Medical Center Health System, vendors, contractors, volunteers and to the physicians on the Medical Staff

MCHS Compliance Standards of Conduct are not intended to cover every situation which may be encountered, and employees should comply with all applicable laws and regulations whether or not specifically addressed in the Standards.

Questions about the existence, interpretation or application of any law, regulation, policy, or standard should be directed, without hesitation, to an employee's supervisor, manager/director or to the Chief Compliance & Privacy Officer. Because laws, regulations and policies are constantly evolving, this Compliance Program Manual will be revised and updated as needed. Revisions will be communicated timely to MCHS employees through administrative notification, as applicable, and changes will be posted to the Compliance Web page.

Failure to comply with MCHS Compliance Standards of Conduct or to conduct business in an

honest, ethical, reliable manner can result in civil fines or criminal penalties against MCHS and its employees or disciplinary action by MCHS, including termination. Supervisors are responsible for ensuring that their new employees receive education on the MCHS Compliance Program and then participate in mandatory training related to the Program. Compliance with and promotion of MCHS Compliance Standards of Conduct will be a factor in evaluating the performance of MCHS employees.

XII.
BILLING AND AREAS OF CONCERN

A. **Prohibited Billing Practices.** Generally, federal laws and regulations provide civil and criminal penalties for individuals and hospitals that submit claims for services which were: (i) not provided; (ii) billed in a manner other than as actually provided; (iii) not medically necessary; or (iv) billed in a manner that did not comply with applicable government requirements. Examples of prohibited practices include:

1. Submitting a claim that represents that MCHS performed a service all or part of which was simply not performed;

2. Upcoding, that is, using a billing code that provides a higher payment rate than the billing code that actually reflects the services furnished to a patient;

3. DRG creep. Like upcoding, DRG creep is the practice of billing using a DRG code that provides a higher payment rate than the DRG code that accurately reflects the service furnished to the patient;

4. Duplicate billing, that is, submitting more than one claim for the same service or submitting a bill to more than one primary payor at the same time;

5. Misrepresenting the qualifications of the person rendering the service or representing that supervision requirements were met when they were not;

6. Billing separately for diagnostic services provided to a patient in the three calendar days preceding hospital admission rather than rolling such claims into the diagnosis related group;

7. Billing for discharge in lieu of transfer;

8. Billing for services which are not covered; and

9. Unbundling, that is, submitting bills piecemeal or in fragmented fashion to maximize the reimbursement for various tests or procedures that are required to be billed together and therefore at a reduced cost.

B. **Non-Covered Services.** Some services are not covered under Medicare. Examples include:

1. Services which are medically unnecessary. That is, items or services which are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member or which are not medically necessary for the health of the patient;

2. Routine screening services;

3. Services considered by Medicare to be experimental in nature or not medically effective; and

4. Services that are considered not reasonable and appropriate or necessary for the diagnoses.

When a Medicare patient requests that a known non-covered service be performed and billed, an Advanced Beneficiary Notice should be obtained from the patient explaining that the service is non-covered and will be the patient's responsibility.

C. **Kickbacks.** Federal law prohibits the MCHS from paying a physician or anyone else for the referral of a patient for services which might be covered by Medicare or Medicaid. Illegal payments may be subtle. Examples include (i) payment to a heavy admitter for "Medical Director" fees in excess of the value of the work the physician actually performs as a medical director; (ii) providing reduced rate rent; (iii) paying excessive travel fees. All payments from MCHS to a physician and all leasing arrangements with physicians should be carefully examined to ensure that such payments or arrangements comply with applicable statutes and regulations and are not inducements to refer patients.

D. **Accurate Bills and Records.** Bills to Medicare and other federally funded health care programs, as well as to other payors, must be true, accurate and complete and for services believed to be medically necessary, and that were ordered by a physician or other appropriately licensed person. All physicians and other professional services should be documented timely, correctly, and properly. Patient records and other documentation which support the bills should also be true, accurate and complete in accordance with professional standards and available for audit and review. The diagnoses and procedures reported on the reimbursement claim must be based on the patient record and other relevant documentation.

E. **Training and Incentives.** Training, education, and documents necessary for accurate code

assignment is and will continue to be made available to employees involved in coding. Billing department coders and billing consultants will not be provided with any financial incentive to improperly up-code claims or otherwise improperly increase MCHS revenue.

F. **Cost Reports.** The Chief Financial Officer shall prepare or cause to be prepared policies and procedures ensuring against submission of false or inaccurate cost reports and ensuring that:

1. Costs are not claimed unless based on appropriate and accurate documentation;
2. Allocation of costs to various cost centers are accurately made and supportable by verifiable and auditable data;
3. Unallowable costs are not claimed for reimbursement;
4. Accounts containing both allowable and unallowable costs are analyzed to determine the unallowable amount that should not be claimed for reimbursement;
5. Costs are properly classified;
6. Fiscal intermediary prior year audit adjustments are implemented and are either not claimed for reimbursement or claimed for reimbursement and clearly identified as protested amounts on the cost report;
7. All related parties are identified on Form 339 submitted with the cost report and all related party charges are reduced to cost;
8. Requests for exceptions to TEFRA (Tax Equity and Fiscal Responsibility Act of 1982) limits and the Routine Cost Limits are properly documented and supported by verifiable and auditable data;
9. MCHS's procedures for reporting of bad debts on the cost report are in accordance with federal statutes, regulations, guidelines and policies;
10. Procedures are in place and documented for notifying promptly the Medicare fiscal intermediary (or any other applicable payor, e.g. TRICARE and Medicaid) of errors discovered after the submission of the hospital's cost report.

G. **Bad Debts.** The Chief Financial Officer (CFO) shall develop or cause to be developed a mechanism to review, at least annually: (i) whether MCHS is properly reporting bad debts to Medicare and (ii) all Medicare bad debt expenses claimed, to ensure that MCHS's procedures are in accordance with applicable federal and state statutes, regulations, guidelines and policies. In addition, such a review should ensure that MCHS has appropriate and reasonable mechanisms in place regarding beneficiary deductible or co-payment collection efforts and has not claimed as bad debts any routinely waived Medicare co-payments and deductibles, which waiver also constitutes a

violation of the anti-kickback statute. The CFO or his or her designee may consult with the appropriate fiscal intermediary if there are questions relating to bad debt reporting requirements.

H. **Credit Balances.** The CFO shall develop or cause to be developed policies and procedures providing for the timely reporting of Medicare and other federal health care program credit balances. The CFO shall designate appropriate employees to (i) review reports of credit balances and reimbursements or adjustments monthly and (ii) be responsible for tracking, recording, and reporting credit balances.

I. **Retention of Records.** The Chief Compliance and Privacy Officer shall prepare or cause to be prepared policies and procedures regarding the creation, distribution, retention, storage, retrieval, disclosure and destruction of records and documents. Such records and documents shall include: (i) all records for the local government that have retention schedules (ii) clinical and medical records and claims documentation required by federal or state law for participation in federal health care programs; and (iii) records relating to the Compliance Program such as documentation related to employee training, reports from the hotline, the nature and results of any investigations, and results of MCHS's auditing and monitoring efforts.

December 1, 2026

MEDICAL CENTER HEALTH SYSTEM

COMPLIANCE COMMITTEE CHARTER

I. PURPOSE

As an expression of our commitment to act with integrity and ethics and to institute a program to ensure compliance with all applicable laws, Medical Center Health System ("MCHS") has created a Board approved Compliance Committee to (i) oversee the implementation, operation, and effectiveness of MCHS's Compliance Program and the performance of the Compliance Officer in effectuating the Compliance Program, and (ii) assist the Board in fulfilling its fiduciary responsibility and accountability relating to its compliance oversight responsibilities, the Mission and Values of MCHS and the MCHS Compliance Standards of Conduct.

II. AUTHORITIES AND RESPONSIBILITIES

The Compliance Committee is continuously composed of representatives from multiple disciplines. At a minimum, the Compliance Committee will include the Chief Compliance and Privacy Officer, President and Chief Executive Officer (Pres./CEO), Chief Legal Counsel, Chief Financial Officer, Chief Operating Officer, Chief Medical Officer, Chief Information Officer, Chief Cybersecurity Officer, Chief Human Resource Officer, Chief Nursing Officer, ~~Revenue Cycle Director~~ and two Ector County Hospital District Board Members. The Pres./CEO shall also appoint such ex officio members of the Compliance Committee as he or she deems necessary or advisable to assist the committee in the performance of its duties. Ex officio members of the committee may not vote on matters before the committee.

The Compliance Committee will receive reports from ad-hoc guests which will be related to Human Resources, Information Technology/Security, Revenue Cycle/Integrity, or others as deemed necessary.

III. DUTIES OF THE COMPLANCE COMMITTEE

The duties of the Compliance Committee shall include:

1. Advising the Chief Compliance Officer and assisting in the implementation and maintenance of the Compliance Program;
2. Working with appropriate departments of the Health System to develop standards of conduct and policies and procedures to promote adherence to the Compliance Program;

3. Recommending and monitoring, in conjunction with the relevant departments, the development of internal systems and controls to carry out MCHS's standards, policies and procedures;
4. Determining the appropriate strategy and/or approach to promote adherence to the Compliance Program and the detection of potential violations;
5. Developing a system to solicit, evaluate and respond to complaints and problems;
6. Overseeing the education and training of employees and systems for communication with and by employees;
7. Analyzing the legal requirements with which MCHS must comply and locating and analyzing specific risk areas within the Health System; and
8. Establishing confidentiality standards and requirements for committee members and those persons requested to provide assistance to the committee.

IV. MEETINGS

The Committee shall meet at least quarterly in order to perform its responsibilities. The Committee shall keep agendas, minutes and attendance of its meetings.

THE BOARD OF DIRECTORS OF THE ECTOR COUNTY HOSPITAL DISTRICT MEDICAL CENTER HEALTH SYSTEM

WHEREAS: The Ector County Hospital District/Medical Center Health System (ECHD/MCHS), is committed to ethical and legal business practices as essential to the advancement of its Mission of service to the Ector County community.

WHEREAS: Pursuant to this commitment, as set forth in the minutes of July 14, 1998 and subsequent minutes, the Board of Directors of ECHD/MCHS has previously directed the establishment and maintenance of a Corporate Compliance Program as a continuous process for the improvement of its business policies and practices, and oversight of its responsibilities under local, state and federal rules, laws, and regulations.

WHEREAS: It is the policy of the ECHD/MCHS that the implemented Corporate Compliance Program assure a collaborative participation of all elements of the hospital in the prevention of violations of Medical Center Health System's policies, local, state and federal laws. The expectations of this policy are to:

- Reaffirm this hospital's commitment to its stated principles and beliefs.
- Assure the hospital acts in a manner consistent with its Mission and Values.
- Have the hospital meet its ethical and legal requirements.
- Decrease the risk of inappropriate behavior.

RESOLVED: That the Board of Directors, ECHD/MCHS reaffirms its commitment to the expectations of ethical and legal conduct stated herein, and to the continuous effective monitoring of the hospital's responsibilities and business practices by its leadership, managers, and employees, and through the processes and procedures of the Corporate Compliance Program.

FURTHER RESOLVED: To assure that the Board's expectations are adhered the Board directs that:

- That the Audit Committee monitor the performance of the Corporate Compliance Program and receive regular reports in Executive Session, but no less than quarterly in each calendar year, from the Chief Compliance Officer, on the program's initiatives, training, education, audits and reviews, and such other matters as should be brought to the Board's attention.
- That the Chief Executive Officer and the Chief Compliance Officer jointly report to the full Board on the status and effectiveness of the Corporate Compliance Program on no less than an annual basis.
- That the Chief Executive Officer establishes such policies and procedures as necessary to accomplish the goals and objectives stated herein.

Passed and Approved this day 1 of December 2026

_____	_____
Wallace Dunn, President	Sylvia Rodriguez
_____	_____
Don Hallmark, Vice President	Will Kappauf
_____	_____
Bryn Dodd	Kathy Rhodes
_____	
David Dunn	

Medical Center Health System

Your One Source for Health

COMPLIANCE STANDARDS OF CONDUCT

Originally Created 6-1-98
Last Revised 9-15- 2025, Reviewed 10-23-2026

MEDICAL CENTER HEALTH SYSTEM
INTRODUCTION TO THE STANDARDS OF CONDUCT

The purpose of Medical Center Health System's **Compliance Standards of Conduct** is to define the principles and guidance on ethical business practice by which we perform our daily duties. These Standards apply to Medical Center Health System, Medical Center Hospital, and its affiliated or subsidiary entities, including without limitation MCH Healthy Kids Clinic, MCH Women's Clinic, MCH Family Health Clinics, MCH TraumaCare, and MCH Professional Care ("MCHS ProCare") locations and providers, the Ector County Hospital District Board of Directors, Medical Center Health System employees, medical staff, volunteers, contractors, vendors and agents, and anyone doing business with Medical Center Health System (MCHS). Each associate is expected to demonstrate behaviors that reflect ethical, respectful, honorable, honest and truthful performance on our job as we treat others with fairness, respect, and commit to "doing the right thing."

We each have the responsibility to conduct ourselves in a manner that assures we comply with all policies, procedures, laws and regulations which relate to Medical Center Health System. Also, each of us is expected to report any concerns that we may have in connection with our responsibilities. The failure to report suspected improper activity may constitute a violation which could result in disciplinary action, which may range from a warning up to termination. In addition, referral of the matter may be made to the appropriate government agencies. MCHS has set up a toll-free Compliance Line (1-800-805-1642) for this purpose, and callers may remain anonymous. Confidentiality is guaranteed to the limit of the law. You may also file a complaint via the MCHS Intranet under the "*Employee Links*" click on "*Compliance Hotline*" or by using any PC with internet access at ***www.mch.ethicspoint.com*.** Each floor on the main campus and in exterior buildings and clinics have a poster with a QR code that can be scanned with a Smart Phone or tablet to submit a concern online. If you prefer to leave a note to submit your concern, we have placed Integrity Boxes at select locations, including two on the first floor of the main campus and one at the entrance of the Annex building next to Human Resources. Again, there will be no retaliation or retribution against any employee for reporting a concern to management, Human Resources, the Compliance Line, the website or through the Integrity Boxes.

It is of utmost importance that each of us reads and understands the principles, guidance and ethical guidelines defined in the MCHS Compliance Standards of Conduct. Together we will continue to provide quality services to our patients and our community, through upholding our "**I CARE**" values: **I**ntegrity, **C**ustomer Centered, **A**ccountability, **R**espect, and **E**xcellence.

Should you have questions about these Standards or any MCHS policies or practices, please feel free to raise your concern with any member of management or with Human Resources without any fear of retaliation or reprisal. You may also contact the MCHS Compliance and Privacy Officer.

Sincerely,

Russell Tippin, President/CEO

MISSION STATEMENT

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 STATEMENT

MCHS will be the premier source for health and wellness

VALUES

"I CARE"

Integrity • Customer Centered • Accountability • Respect • Excellence

QUALITY OF CARE AND PATIENT RIGHTS

Medical Center Health System (MCHS) is committed to providing the highest quality of care and delivering services in an ethical, professional and cost-effective manner, and shall not ignore any actual or perceived quality-of-care issues. Each MCHS workforce member has a duty to ensure that all such matters are brought to the attention of management, Human Resources or the Compliance Office. Members of the MCHS workforce will:

- Treat every patient with dignity, respect, and compassion at all times. We will demonstrate sensitivity and responsiveness to patients' needs by listening attentively and patiently to their comments and concerns.

- Recognize the rights of all patients to receive high-quality care without discrimination due to race, creed, gender, religion, national origin, disability, age, payer source or ability to pay.

- Provide patients with a written statement of their rights and responsibilities and ensure that they understand their rights and responsibilities in a manner that will be understood by them and obtain informed consent for treatment.

- Determine, upon admission, whether or not the patient has made or wishes to make advance directives and properly document in the health record any such directives. All directives will be followed as long as they fall within the limits of ethical standards and the law.

- Have a written process to address an employee's request to not participate in an aspect of patient care because of the employee's cultural, ethical, or religious beliefs; ensure that a patient's care will not be affected negatively if such a request is granted; and maintain guidelines and procedures stating those aspects of care which might conflict with an employee's cultural values, ethical or religious beliefs.

- Ensure that patients are fully informed and involved in resolving questions or concerns about their care decisions, the health care facility providing care, and any involved decision-makers and that they are treated in a manner that preserves their privacy, dignity, self-esteem, civil and legal rights and involvement in their own care.

- Ensure that clinical decisions are based on identified patient health needs, regardless of how the facility compensates or shares financial risk with its management or clinical staff, and licensed independent practitioners. Guidelines and procedures, which address the relationship between use of services and financial incentives, are available on request for review by patients, clinical staff, licensed independent practitioners and hospital employees.

- Consider all patient information to be private and strictly confidential.

- Protect the confidentiality of a patient's health care information and discuss only with those directly involved in the patient's care, or with those whose duties and responsibilities require access to such information, or as otherwise required by laws and regulations. We will protect and maintain the confidentiality of all patient records as required by applicable laws regulations, policies and procedures.

- Ensure that patients presenting themselves for emergency medical treatment will be provided treatment or care, without regard to their ability to pay, and within the service capability of the facility, in accordance with the Emergency Medical Treatment and Active Labor Act (EMTALA) and other laws, regulations and policies or procedures.

  Anyone with an emergency medical condition will be evaluated, treated, stabilized and admitted based on medical necessity. Financial information will be obtained only after the patient's immediate needs are met. Patients will only be transferred to another facility if their medical needs cannot be met at the receiving facility (MCHS) and then only to a facility that can provide the necessary treatment. Patients may only be transferred after they have been stabilized and accepted by the receiving facility. Patients or someone authorized to act in their behalf will be involved in any transfer decision and the informed consent for such a transfer.

- Conduct effective collaboration among departments and hospital/physician staff, contributing to patient care and organizational vitality.

- Engage the services of only professionals with proper credentials, experience and expertise in meeting the needs of our patients.

- Screen all our medical professionals against duly authorized licensing and disciplinary authorities for any sanctions for performance or conduct.

- Provide medical services, which comply with all applicable laws, regulations and professional standards.

- Take all reasonable steps to ensure the safety and security of patients, visitors and employees. We will operate as efficiently as possible, but will not compromise quality of care, safety or service to reduce cost.

- Honor the rights of patients, or their legal designees, to participate in decision-making regarding their health care, to include refusing treatment to the extent permitted by law and to inform the patient of the consequences of such action.

- Ensure that patients are provided needed protective services, and we will provide procedures for an independent assessment of the patients' best interests and inform them of their right to file grievances with the proper agencies.

- Recognize that patients have a right to pain management and have established guidelines and protocols to properly assess and to effectively manage pain. We will ensure that appropriate employees are properly trained in the initial and periodic assessment of pain and sensitivity in communicating with the patient about pain management.

- Ensure that patients who are asked to participate in a research project or clinical trial are provided sufficient information to make an informed decision and we will obtain an informed consent.

- Ensure that long-term care patients will be informed of their right to perform or refuse to perform tasks in or on behalf of the facility.

- Ensure All MCHS communications and any promotional or marketing activities will be conducted in accordance with ethical standards and guidelines, and applicable laws, regulations, policies and procedures to protect patient rights.

- Comply with all standards and procedures set forth in the accreditation certification body guidelines to remain accredited by the accrediting certification body.

COMPLIANCE WITH LAWS AND REGULATIONS

MCHS is subject to a number of state and federal laws and regulations pertaining to all aspects of its operation. Compliance with these laws and regulations is the basis for establishing and publishing our MCHS Compliance Standards of Conduct. Compliance with applicable laws and regulations is of the utmost importance to our health system. MCHS workforce members are all required to understand and abide by those laws and regulations, which are applicable to each employee in the performance of their different roles. Employees have the duty to report any actual or perceived violation of applicable laws, regulations and professional standards to management, Human Resources or the Compliance Office. Each workforce member will **NOT**:

- Pursue any business opportunity or personal matter that requires engagement in unethical or illegal activity or that we believe may be in violation of any law, rule, and regulation or MCHS policy.

- Solicit, receive, or offer to give anything of value to employees, physicians, or other health care professionals for referrals of patients. Kickbacks, bribes, rebates or flow of any kind of benefits intended to induce referrals are strictly prohibited.

Furthermore, each workforce member **WILL**:

- Provide payments or other benefits at fair market value to clinicians and potential or actual referral sources only for the services rendered.

- Maintain complete and accurate patient health records to support all medical decisions including the medical necessity of all diagnostic testing.

- Adhere to sound environmental and safety practices, as well as the proper handling of medical or hazardous waste, including radioactive materials.

- Commit to training employees to carry out their work in a manner that is safe for them, their

coworkers and the patients they serve.

- Ensure that our contracts conform to all applicable laws and regulations by having them reviewed and approved in accordance with MCHS's Policy.

- Ensure that all drugs or other controlled substances used in treatment of patients are maintained, dispensed, and transported in conformance with all applicable laws and regulations.

- Take issues regarding false claims, fraud and abuse seriously and encourage all Ector County Hospital District Board of Directors, MCHS employees, medical staff, volunteers, contractors, vendors and agents to be aware of the laws regarding detection and prevention of fraud and abuse and false claims and to identify and resolve any issues immediately.

    - These laws can be searched on the Internet. The Federal False Claims Act, includes information on what defines a false claim, the enforcement for violation, penalties, Qui Tam provisions, and protections for Whistleblowers.

    - The Program Fraud Civil Remedies Act authorizes certain federal agencies, including the Department of Health and Human Services to investigate and assess civil penalties against persons who make or cause to be made false claims or false written statements to Medicare and Medicaid. Enforcement is provided by the Attorney General.

    - Texas has their own False Claims Act of 1995 which adds another support for enforcing fraudulent claims.

Reporting Fraud and Abuse: Issues are resolved faster and most effectively when given prompt attention. Anyone can report suspected fraud concerns through the MCHS Compliance Office, the internal hot line at 640-1900, or by submitting a concern through the MCHS Intranet under the Employee Links and clicking on Compliance Hotline. Also, one can access the Internet search engine and type in the address www.mch.ethicspoint.com to access the MCHS external hotline. A written concern can be placed in one of the Integrity boxes located on the first floor of the main campus near the main entrance and the far west hallway near the basement

elevator, or on the first floor of the annex building near the time clock, or a concern can be called in to the MCHS external Compliance Line at 1-800-805-1642. Callers can and may remain anonymous. Please provide as much information as possible to help with the investigation of the concern.

CONFLICTS OF INTEREST

MCHS will take all necessary steps to avoid conflicts or the appearance of conflicts between private interests and the official responsibilities of our duties. These Standards are not intended to extend to the ordinary courtesies of business life, such as token gifts of minimal value, modest entertainment incidental to a business relationship or the giving or receipt of normal hospitality of a social nature. Employees have a duty to report any actual or perceived conflicts of interest to management, Human Resources or the Compliance Office. MCHS employees will:

- Avoid engaging in any activity, practice or act that is disloyal, competitive or violates the MCH-3016 Conflict of Interest Policy.

- Ensure that all statements, communications and representations are accurate, complete and truthful and that they comply with applicable laws and regulations.

- Not accept gifts provided in connection with employment that exceed $50 in value unless reported and approved in writing by the Compliance Officer. Gifts of nominal value, such as meals and entertainment, are not prohibited, but should comply with the MCH-3016 Conflict of Interest Policy.

- Engage in outside employment only after ensuring that it does not conflict with employment at MCHS.

- Not engage in any outside employment or activity that would require extra hours and effort to such an extent that it would be detrimental to the employee's satisfactory performance or detrimental to the interests of MCHS.

- Not do business with any firm in which we, our families, or our close business and personal associates have a direct or indirect interest without disclosure and

proper written approval.

- Make no investment nor engage in any business transaction with an organization that is a potential competitor, supplier or customer of MCHS without disclosure and proper written approval.

- Not own, directly or indirectly, a financial interest in a business entity that does or seeks to do business with or is in competition with MCHS without disclosure and proper written approval.

- Utilize fair and competitive pricing for our services and products.

HIPAA, PRIVACY RULE & SECURITY RULE

Medical Center Health System (MCHS) recognizes the rights of all patients to have their health information protected from review, viewing and disclosure. To this end MCHS has specific policies addressing all aspects of the HIPAA rules for Protected Health Information (PHI). These policies may be found on the hospital Intranet under the POLICIES tab by searching for HIPAA under the "search by department" search option. They may also be searched by word or topic. (HIPAA-5001 to HIPAA-6022) We are all held accountable for respecting the rights of all patients to privacy of their health information, which is protected by a Federal Law referred to as HIPAA. All new MCHS employees are trained upon hire, annually and periodically throughout the year on the HIPAA policies and their responsibility to protect the patient's health information.

The HIPAA Privacy Rule deals with Protected Health Information (PHI) in general and gives patients an array of rights with respect to that information. The Privacy Rule provides a balance that permits important uses of information, while protecting the privacy of people who seek care and healing.

The HIPAA Security Rule deals with electronic Protected Health Information (ePHI) and requires implementation of three types of safeguards:1) administrative, 2) physical, and 3) technical.

- Medical Center Health System (MCHS) shall implement reasonable and appropriate controls to govern the receipt, use and removal of hardware and software that could possibly contain electronic protected health information (ePHI) in any form. (See MCH-1100)

- A device is any device capable of recording and/or storing ePHI and should be used

as a means to access data on the MCHS network, not to store ePHI. Because technology continues to evolve, MCH-1100 Electronic Computing Devices and Media Control, is considered to cover any future storage technology. All devices containing ePHI must be encrypted and password protected.

- MCHS shall employ technical safeguards to verify that a person or entity seeking access to ePHI is the one claimed.

- Use of a computer at MCHS means the user assumes personal responsibility for appropriate use and agrees to comply with Information Technology (IT) policy, other applicable MCH policies as well as city, state and federal laws and regulations.

- MCHS contracts with FairWarning to monitor all access to PHI on a daily basis for improper access.

- Improper access will be reported to the Privacy Officer and the workforce member's supervisor.

- Any Breach of PHI will be reported to the patient and to the Secretary of Health and Human Services Office for Civil Rights (HHS OCR) at least annually, or as required based on the number of individuals involved.

- We are prohibited from taking pictures of patients, employees or visitors with any device capable of taking pictures.

- Abuse of these Standards through personal use or use in violation of the law or MCH policies will result in disciplinary action, up to and including termination of employment and for non-employees, severance of the business association.

HIPAA PRIVACY BREACH NOTIFICATION

Following a breach of unsecured protected health information, the MCHS must provide notification of the breach to affected individuals, the HHS Secretary, and, in certain circumstances, to the media. In addition, business associates must notify the Medical Center Health System if a breach occurs at or by the business associate in accordance with the American Recovery and Reinvestment

Act of 2009 and the HITECH Act 2013.

PROTECTION OF PROPERTY

We are committed to protecting MCHS's assets and the property of patients, employees, and visitors against loss, theft, and misuse. In the course of their duties, we may have access to the proprietary information of MCHS, its patients or employees. Proprietary information is information that is confidential, privileged, or protected by law.

MCHS also is committed to respecting the intellectual property rights of others. Moreover, all software used in connection with MCHS's business will be properly licensed and used in accordance with that license. Employees are also required to respect the patent trademark rights of others. Employees have a duty to report any actual or perceived misuse, loss or theft of property to management, Human Resources or the Compliance Office. MCHS workforce will:

- Not reproduce, distribute, or alter copyrighted material from books, trade journals, computer software, or magazines or any other items without permission of the copyright holder or his or her agent.

- Be responsible for protecting the confidentiality of patient records and information and shall not use or reveal any such information outside the context of our official duties and MCHS policy.

- Have an affirmative duty to preserve MCHS's assets, property, facilities, equipment and supplies and their loss, theft or unauthorized use.

- Take all reasonable steps to safeguard the property of patients, employees and visitors.

- Be responsible and accountable for the proper expenditure of MCHS funds and for the proper use of its equipment.

- Follow established internal control procedures in handling and recording all funds.

- Not use hospital assets for unlawful purposes or unauthorized personal benefit or fail to keep accurate and complete records of all assets,

liabilities, revenues, and expenses.

- Ensure that drugs are safely stored, secured and inventoried and that missing supplies are promptly reported to supervisors and the Director of Nursing.

- Dispose of surplus or obsolete property in accordance with MCHS procedures.

WORKPLACE ADMINISTRATIVE SEARCHES

To assist in providing a reliable, efficient and productive work force for the proper care of patients, to assist in providing employees with a safe working environment, to assist in the effective operation of the Compliance Program and to supplement the Drug and Alcohol Policy, MCH-3033, supervisors may conduct unannounced administrative searches of Health System premises, offices, work areas, property and equipment and the contents of such property and equipment. **No employee, associate or staff member should have any expectation of privacy on MCHS property** or in their offices or work areas including lockers, desks, cabinets, drawers, shelves, or trash cans or in folders, envelopes or packages located on MCHS premises. Any data on any MCHS device or in any of MCHS' systems is property of the hospital and subject to search/review. Personal possessions or materials should not be brought to work if they are of a sensitive or confidential nature. MCHS's policy on Workplace Administrative Searches is Policy Number MCH-3043. **MCH-1046 Computer Security Policy also states that the use of computer systems at MCHS signifies consent to monitoring and monitoring does occur.** This also pertains to deleted files that may be retained on servers. A copy of the policies referenced may be obtained from the MCHS Intranet under the MCH policies. Other policies permit monitoring of and access to computers by supervisors. The use of computers, e-mail and access to the Internet must be reasonable and responsible.

PROPER CONSIDERATION OF HUMAN RESOURCES

MCHS is committed to protecting and supporting all employees, as well as, helping them to achieve their fullest potential in a fair and equitable manner. Employees have a duty to report any actual or perceived mistreatment, discrimination or hostile activity occurring in the workplace. Employees will:

- Assure that everyone is afforded equal employment and advancement opportunities regardless of gender, age, disability, race, creed, religion or national origin.

- Treat one another with respect, dignity and fairness, appreciating the diversity of our work force and the uniqueness of each employee.

- Show proper consideration and respect to one another. Sexual harassment, such as sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature that would create a hostile work environment is strictly prohibited.

- Encourage and support each other in the development of individual skills, talents, knowledge and understanding of our jobs in order to deliver the highest quality of service and benefit to our patients.

- Encourage and recognize creativity and appropriate risk taking at all levels of MCHS in order to achieve innovation and excellence.

- Use our time productively during work hours spent at MCHS.

- Observe the standards of our professions and exercise judgment and objectivity in our practices.

- Maintain a high standard of confidentiality relating to employees of MCHS concerning salary, benefits, disciplinary and other personal information.

- Limit the number of employees who have access to confidential information to those individuals in MCHS who need the information to perform their job, and each employee shall exercise due care in protecting such information.

- Maintain a drug-free workplace and smoke-free workplace.

- Take all reasonable precautions to ensure our safety as well as the safety of patients, visitors and other personnel.

COMMUNICATION

We will encourage open, timely and candid communication, as well as collaboration among employees, departments, and physicians. **WE ALL have a duty to openly communicate and maintain an environment founded on teamwork**. Therefore, members of the workforce will:

- Be responsible to share ideas, resolve problems or concerns and treat all opinions with respect and consideration.

- Strive to understand the duties, responsibilities and challenges that face our fellow workers.

- Raise legitimate questions or concerns without fear of retribution, report concerns in the workplace, including violations of laws, regulations and MCHS policies, and seek clarification and guidance whenever there is doubt.

- Be honest and forthright in any representations made to patients, vendors, payers, other employees and the community.

- Recognize that patients have the right to receive information regarding MCHS's policies, procedures and charges.

- Recognize that patients have the right to know the identity and qualifications of all MCHS personnel who provide services to them.

- Ensure the right of patients to voice their complaints/concerns about care and services provided without fear of retaliation or retribution.

- Ensure that patients are fully informed of their options with respect to any outside referral, such as a home health agency.

BILLING AND CODING

MCHS is committed to honesty, accuracy and integrity in all of its billing, coding and documentation activities. MCHS workforce has **a duty to report any actual or perceived false, fraudulent, inaccurate or fictitious claims or documentation to management, Human Resources or the Compliance Office**. MCHS workforce members will:

- Submit for payment or reimbursement only claims for services actually rendered that are fully documented in patients' medical records and use billing codes that accurately describe the services provided.

- Ensure that all claims submitted for payment are supported by documentation of medical necessity.

- Commit to engaging in accurate and truthful billing practices. The submission of any claims for payment of any kind that are false, fraudulent, inaccurate, incomplete or fictitious is strictly prohibited.

- Take immediate steps to alert appropriate MCHS staff if inaccuracies are discovered in claims that have been submitted for payment or reimbursement and will promptly submit a corrected claim, refunding any money that is not due us.

- Always document physician information in the health record to ensure that all claims are submitted with the proper provider number.

- Ensure that physicians and MCHS employees are properly licensed and credentialed, and are not sanctioned or excluded from the Medicare, Medicaid or any other federal healthcare programs. (MCH-1057)

- Submit to governmental authorities only accurate reports and we shall not make false or deceptive statements.

ADDRESSING ISSUES AND CONCERNS

Any workforce members who raise concerns or allegations of possible violations of the Compliance Standards of Conduct, policies/procedures, laws, or regulations will be received openly and courteously. MCHS will not tolerate any direct or indirect retaliation or retribution against anyone who, in good faith, raises problems or concerns.

If a member of the workforce has a serious concern regarding conduct that is suspected to be illegal or fraudulent occurring in any of the MCHS facilities, they should report this to their supervisor, director or executive staff member immediately. An individual may call the toll-free Compliance Line at 1-800-805-1642 if you are not comfortable discussing the matter directly with someone in the chain of command. The Compliance Line is available to any anyone to report problems or concerns in good faith; however, it is not intended to replace the normal chain of command.

This Compliance Line is intended to identify and address fraudulent and illegal conduct as quickly and effectively as possible. If an individual calls the Compliance Line to report fraud or illegal conduct by others, they should do so without fear of retaliation or reprisal.

"Integrity Boxes" are located in on the first floor of the main hospital campus near the main entrance and in the far west hallway, and on the first floor of the Annex building. The Integrity Boxes have proven to be an effective means for individuals to report concerns in the past and the Compliance Department continues to maintain them as a reporting mechanism in addition to the Compliance Line, as referred to in policy MCH-1064.

OTHER CONCERNS

For other concerns that do not involve fraud or violations of law, the following procedures should be utilized until resolution of the concern is achieved:

- First, workforce members are encouraged to contact their direct supervisor/manager unless there are circumstances that preclude them from doing so. The workforce member's supervisor/manager is in a good position to listen to and understand the concerns one may have and should be given the opportunity to resolve the issue. The supervisor/manager has access to resources throughout the hospital to assist in upholding the Compliance Standards of Conduct.

- Second, if a workforce member has raised an issue and does not think it is getting proper attention, or if the supervisor/manager cannot find the appropriate answer, the workforce member may relate their concerns to the next level of management.

- Third, the workforce member may seek guidance from the Human Resources Department, and/or the appropriate executive staff member.

If assistance is still needed, call the MCHS Compliance Line at 1-800-805-1642.

Before calling the Compliance Line, the workforce member should ask oneself the following questions:

- Do I have all the facts?

- If I need more information, where do I find it?

- Are there any laws, regulations, policies or procedures that apply to the situation?

- Have I followed normal procedures to try to resolve my concern?

In addition, the Compliance Officer may be reached at (432) 640-1900 or (432) 640-1106, or you may write to the Compliance Officer at:

Chief Compliance and Privacy Officer
Medical Center Health System
P. O. Box 7239
Odessa, Texas 79760

MCHS
COMPLIANCE STANDARDS OF CONDUCT

CERTIFICATION OF RECEIPT AND UNDERSTANDING

I, _____
(Print Name)

_____
(Position)

_____
(Employee/Medical Staff/ MCHS Board of Directors Member/
Volunteer/Contractor/Vendor/Agent)

I hereby certify that I have received the MCHS Compliance Standards of Conduct and participated in Compliance Standards of Conduct Training and understand that compliance with the provisions of the Standards of Conduct is mandatory. If I have any question concerning the principles in the Compliance Standards of Conduct or any other MCHS policy or procedure, I will discuss my questions with my supervisor or other appropriate resource to obtain a clear understanding of my responsibilities.

I also certify that I have been informed that all Protected Health Information (PHI) in the systems at MCHS will be monitored for access and all inappropriate access will be reported to the Chief Compliance and Privacy Officer and my supervisor.

_____
(Signature)

_____
(Date)

ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
OCTOBER 2026

	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	1,248	1,200	4.0%	1,155	8.1%	1,248	1,200	4.0%	1,155	8.1%
Neonatal ICU (NICU)	26	36	-27.8%	30	-13.3%	26	36	-27.8%	30	-13.3%
Total Admissions	1,274	1,236	3.1%	1,185	7.5%	1,274	1,236	3.1%	1,185	7.5%
Patient Days										
Adult & Pediatric	5,037	5,006	0.6%	4,809	4.7%	5,037	5,006	0.6%	4,809	4.7%
ICU	454	457	-0.7%	459	-1.1%	454	457	-0.7%	459	-1.1%
CCU	472	437	8.0%	416	13.5%	472	437	8.0%	416	13.5%
NICU	366	642	-43.0%	556	-34.2%	366	642	-43.0%	556	-34.2%
Total Patient Days	6,329	6,542	-3.3%	6,240	1.4%	6,329	6,542	-3.3%	6,240	1.4%
Observation (Obs) Days	921	747	23.3%	824	11.8%	921	747	23.3%	824	11.8%
Nursery Days	371	228	62.7%	284	30.6%	371	228	62.7%	284	30.6%
Total Occupied Beds / Bassinets	7,621	7,517	1.4%	7,348	3.7%	7,621	7,517	1.4%	7,348	3.7%
Average Length of Stay (ALOS)										
Acute / Adult & Pediatric	4.78	4.92	-2.8%	4.92	-2.9%	4.78	4.92	-2.8%	4.92	-2.9%
NICU	14.08	17.83	-21.1%	18.53	-24.0%	14.08	17.83	-21.1%	18.53	-24.0%
Total ALOS	4.97	5.29	-6.1%	5.27	-5.7%	4.97	5.29	-6.1%	5.27	-5.7%
Acute / Adult & Pediatric w/o OB	5.47			5.85	-6.6%	5.47			5.85	-6.6%
Average Daily Census	195.6	197.7	-1.1%	200.1	-2.2%	195.6	197.7	-1.1%	200.1	-2.2%
Hospital Case Mix Index (CMI)	1.6975	1.7400	-2.4%	1.6928	0.3%	1.6975	1.7400	-2.4%	1.6928	0.3%
CMI Adjusted LOS	2.93	3.04	-3.8%	3.11	-5.9%	2.93	3.04	-3.8%	3.11	-5.9%
Medicare										
Admissions	484	475	1.9%	453	6.8%	484	475	1.9%	453	6.8%
Patient Days	2,947	2,335	26.2%	2,682	9.9%	2,947	2,335	26.2%	2,682	9.9%
Average Length of Stay	6.09	4.92	23.8%	5.92	2.8%	6.09	4.92	23.8%	5.92	2.8%
Case Mix Index	1.8955	1.8818	0.7%	1.8865	0.5%	1.8955	1.8818	0.7%	1.8865	0.5%
Medicaid										
Admissions	143	137	4.5%	142	0.7%	143	137	4.5%	142	0.7%
Patient Days	632	915	-30.9%	795	-20.5%	632	915	-30.9%	795	-20.5%
Average Length of Stay	4.42	6.69	-33.9%	5.60	-21.1%	4.42	6.69	-33.9%	5.60	-21.1%
Case Mix Index	1.1445	1.3723	-16.6%	1.1839	-3.3%	1.1445	1.3723	-16.6%	1.1839	-3.3%
Commercial										
Admissions	410	400	2.5%	398	3.0%	410	400	2.5%	398	3.0%
Patient Days	1,601	2,154	-25.7%	1,998	-19.9%	1,601	2,154	-25.7%	1,998	-19.9%
Average Length of Stay	3.90	5.38	-27.5%	5.02	-22.2%	3.90	5.38	-27.5%	5.02	-22.2%
Case Mix Index	1.5984	1.7207	-7.1%	1.6659	-4.1%	1.5984	1.7207	-7.1%	1.6659	-4.1%
Self Pay										
Admissions	213	193	10.4%	155	37.4%	213	193	10.4%	155	37.4%
Patient Days	983	984	-0.1%	542	81.4%	983	984	-0.1%	542	81.4%
Average Length of Stay	4.62	5.10	-9.5%	3.50	32.0%	4.62	5.10	-9.5%	3.50	32.0%
Case Mix Index	1.7317	1.5822	9.4%	1.6340	6.0%	1.7317	1.5822	9.4%	1.6340	6.0%
All Other										
Admissions	24	32	-23.9%	37	-35.1%	24	32	-23.9%	37	-35.1%
Patient Days	166	155	7.1%	185	-10.3%	166	155	7.1%	185	-10.3%
Average Length of Stay	6.92	4.92	40.7%	5.00	38.3%	6.92	4.92	40.7%	5.00	38.3%
Case Mix Index	2.4499	2.3718	3.3%	1.8474	32.6%	2.4499	2.3718	3.3%	1.8474	32.6%
Radiology										
InPatient	4,921	5,086	-3.2%	4,865	1.2%	4,921	5,086	-3.2%	4,865	1.2%
OutPatient	9,361	9,233	1.4%	8,971	4.3%	9,361	9,233	1.4%	8,971	4.3%
Cath Lab										
InPatient	655	595	10.1%	622	5.3%	655	595	10.1%	622	5.3%
OutPatient	295	400	-26.3%	364	-19.0%	295	400	-26.3%	364	-19.0%
Laboratory										
InPatient	92,484	89,631	3.2%	87,146	6.1%	92,484	89,631	3.2%	87,146	6.1%
OutPatient	81,393	73,113	11.3%	73,776	10.3%	81,393	73,113	11.3%	73,776	10.3%
Other										
Deliveries	227	209	8.5%	177	28.2%	227	209	8.5%	177	28.2%
Surgical Cases										
InPatient	242	275	-12.0%	257	-5.8%	242	275	-12.0%	257	-5.8%
OutPatient	610	606	0.7%	594	2.7%	610	606	0.7%	594	2.7%
Total Surgical Cases	852	881	-3.3%	851	0.1%	852	881	-3.3%	851	0.1%
GI Procedures (Endo)										
InPatient	111	114	-2.6%	116	-4.3%	111	114	-2.6%	116	-4.3%
OutPatient	175	171	2.3%	161	8.7%	175	171	2.3%	161	8.7%
Total GI Procedures	286	285	0.4%	277	3.2%	286	285	0.4%	277	3.2%

ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
OCTOBER 2026

	CURRENT MONTH					YEAR-TO-DATE				
		BUDGET		PRIOR YEAR			BUDGET		PRIOR YEAR	
	ACTUAL	AMOUNT	VAR.%	AMOUNT	VAR.%	ACTUAL	AMOUNT	VAR.%	AMOUNT	VAR.%
Emergency Room										
I/P Emergency Room Visits	797	828	-3.7%	823	-3.2%	797	828	-3.7%	823	-3.2%
O/P Emergency Room Visits	4,236	4,424	-4.2%	4,433	-4.4%	4,236	4,424	-4.2%	4,433	-4.4%
Total Emergency Room Visits	5,033	5,252	-4.2%	5,256	-4.2%	5,033	5,252	-4.2%	5,256	-4.2%
Outpatient										
O/P Occasions of Service	22,731	21,961	3.5%	20,514	10.8%	22,731	21,961	3.5%	20,514	10.8%
Hospital Operations										
Manhours Paid	316,467	317,105	-0.2%	306,155	3.4%	316,467	317,105	-0.2%	306,155	3.4%
FTE's	1,786.5	1,790.1	-0.2%	1,728.3	3.4%	1,786.5	1,790.1	-0.2%	1,728.3	3.4%
Adjusted Patient Days	12,460	12,552	-0.7%	11,838	5.3%	12,460	12,552	-0.7%	11,838	5.3%
Hours / Adjusted Patient Day	25.40	25.26	0.5%	25.86	-1.8%	25.40	25.26	0.5%	26.02	-2.4%
Occupancy - Actual Beds	53.1%	56.6%	-6.2%	54.4%	-2.2%	53.1%	56.6%	-6.2%	54.4%	-2.2%
FTE's / Adjusted Occupied Bed	4.6	4.7	-1.7%	4.6	1.9%	4.6	4.7	-1.7%	4.6	1.9%
Family Health Clinic - Clements										
Total Medical Visits	759	702	8.1%	665	14.1%	759	702	8.1%	665	14.1%
Manhours Paid	2,397	2,883	-16.8%	2,058	16.5%	2,397	2,883	-16.8%	2,058	16.5%
FTE's	13.5	16.3	-16.8%	11.6	16.5%	13.5	16.3	-16.8%	11.6	16.5%
Family Health Clinic - West University										
Total Medical Visits	733	850	-13.8%	893	-17.9%	733	850	-13.8%	893	-17.9%
Manhours Paid	1,472	1,982	-25.7%	1,735	-15.2%	1,472	1,982	-25.7%	1,735	-15.2%
FTE's	8.3	11.2	-25.7%	9.8	-15.2%	8.3	11.2	-25.7%	9.8	-15.2%
Family Health Clinic - JBS										
Total Medical Visits	860	1,195	-28.0%	1,112	-22.7%	860	1,195	-28.0%	1,112	-22.7%
Manhours Paid	1,426	2,151	-33.7%	1,709	-16.6%	1,426	2,151	-33.7%	1,709	-16.6%
FTE's	8.1	12.1	-33.7%	9.7	-16.6%	8.1	12.1	-33.7%	9.7	-16.6%
Family Health Clinic - Womens										
Total Medical Visits	1,535	1,575	-2.5%	1,575	-2.5%	1,535	1,575	-2.5%	1,575	-2.5%
Manhours Paid	3,217	2,992	7.5%	3,277	-1.8%	3,217	2,992	7.5%	3,277	-1.8%
FTE's	18.2	16.9	7.5%	18.5	-1.8%	18.2	16.9	7.5%	18.5	-1.8%
Total ECHD Operations										
Total Admissions	1,274	1,236	3.1%	1,185	7.5%	1,274	1,236	3.1%	1,185	7.5%
Total Patient Days	6,329	6,542	-3.3%	6,240	1.4%	6,329	6,542	-3.3%	6,240	1.4%
Total Patient and Obs Days	6,329	6,542	-3.3%	6,240	1.4%	6,329	6,542	-3.3%	6,240	1.4%
Total FTE's	1,834.6	1,846.6	-0.7%	1,777.9	3.2%	1,834.6	1,846.6	-0.7%	1,777.9	3.2%
FTE's / Adjusted Occupied Bed	4.8	4.9	-2.1%	4.7	1.7%	4.8	4.9	-2.1%	4.7	1.7%
Total Adjusted Patient Days	12,460	12,552	-0.7%	11,838	5.3%	12,460	12,552	-0.7%	11,838	5.3%
Hours / Adjusted Patient Day	26.08	26.06	0.1%	26.60	-2.0%	26.08	26.06	0.1%	26.60	-2.0%
Outpatient Factor	1.9687	1.9187	2.6%	1.8971	3.8%	1.9687	1.9187	2.6%	1.8971	3.8%
Blended O/P Factor	2.1612	2.1018	2.8%	2.0900	3.4%	2.1612	2.1018	2.8%	2.0900	3.4%
Total Adjusted Admissions	2,508	2,371	5.8%	2,248	11.6%	2,508	2,371	5.8%	2,248	11.6%
Hours / Adjusted Admisssion	129.57	137.94	-6.1%	140.09	-7.5%	129.57	137.94	-6.1%	140.09	-7.5%
FTE's - Hospital Contract	62.3	25.6	143.3%	45.7	36.4%	62.3	25.6	143.3%	45.7	36.4%
FTE's - Mgmt Services	4.7	43.3	-89.1%	55.2	-91.4%	4.7	43.3	-89.1%	55.2	-91.4%
Total FTE's (including Contract)	1,901.6	1,915.5	-0.7%	1,878.8	1.2%	1,901.6	1,915.5	-0.7%	1,878.8	1.2%
Total FTE'S per Adjusted Occupied Bed (including Contract)	4.94	5.05	-2.2%	4.95	-0.2%	4.94	5.05	-2.2%	4.95	-0.2%
ProCare FTEs	210.3	229.4	-8.3%	208.1	1.1%	210.3	229.4	-8.3%	208.1	1.1%
TraumaCare FTEs	9.2	9.3	-1.4%	8.3	10.7%	9.2	9.3	-1.4%	8.3	10.7%
Total System FTEs	2,121.1	2,154.3	-1.5%	2,095.2	1.2%	2,121.1	2,154.3	-1.5%	2,095.2	1.2%
Urgent Care Visits										
JBS Clinic	1,477	1,338	10.4%	1,282	15.2%	1,477	1,338	10.4%	1,282	15.2%
West University	893	768	16.3%	745	19.9%	893	768	16.3%	745	19.9%
Total Urgent Care Visits	2,370	2,106	12.5%	2,027	16.9%	2,370	2,106	12.5%	2,027	16.9%
Retail Clinic Visits										
Retail Clinic	187	159	17.6%	159	17.6%	187	159	17.6%	159	17.6%

Monthly Balance Sheet

Ector County Hospital District - Consolidated
FiscalYear: 2027

	October 2027 Actual	September 2026 Actual	Current Year vs Prior Year End Variance ($)	Variance (%)	October 2026 Actual
CURRENT ASSETS					
Cash and Cash Equivalents	$16,591,171	$11,788,878	4,802,294.	40.7%	$17,694,985
Investments	59,464,563	59,329,679	134,884.	0.2%	58,312,737
Patient Accounts Receivable - Gross	234,865,138	233,570,911	1,294,227.	0.6%	237,977,214
Less: 3rd Party Allowances	-150,481,845	-145,941,055	(4,540,790.)	(3.1%)	-152,129,595
	-43,986,216	-47,689,044	3,702,829.	7.8%	-45,337,280
Net Patient Accounts Receivable	40,397,077	39,940,811	456,265	1.1%	40,510,340
Taxes Receivable	11,648,053	12,392,537	(744,484.)	(6.0%)	11,616,563
Accounts Receivable - Other	13,864,707	16,789,462	(2,924,755.)	(17.4%)	12,478,436
Inventories	10,153,413	10,161,208	(7,795.)	(0.1%)	10,560,053
Prepaid Expenses	5,684,905	5,967,619	(282,715.)	(4.7%)	6,021,294
Total Current Assets	157,803,889	156,370,195	1,433,694	0.9%	157,194,408
CAPITAL ASSETS:					
Property and Equipment	575,126,412	560,426,080	14,700,333.	2.6%	536,116,911
Construction in Progress	35,674,802	48,151,260	(12,476,458.)	(25.9%)	20,521,236
Less: Accumulated Depreciation and Amortization	-416,834,408	-414,798,865	(2,035,543.)	(0.5%)	-398,172,174
Total Capital Assets	193,966,806	193,778,475	188,332	0.1%	158,465,973
LEASE ASSETS					
Leased Assets	16,156	16,156	0.	0.0%	2,337,842
Less Accumulated Amortization Lease Assets	-16,018	-15,949	(69.)	(0.4%)	-2,261,080
Total Lease Assets	$138	$207	$(69)	(33.3%)	$76,763
SUBSCRIPTION ASSETS					
Subscription Assets	19,005,492	19,005,492	0.	0.0%	15,105,401
Less Accumulated Amortization Subscription Assets	-7,853,727	-7,478,410	(375,317.)	(5.0%)	-4,847,845
Total Subscription Assets	$11,151,765	$11,527,082	$(375,317)	(3.3%)	$10,257,556
LT Lease Recievable	$3,886,241	$3,967,123	(80,881.)	(2.0%)	$5,450,469
INTANGIBLE ASSETS / GOODWILL - NET	0	0	0.	0.0%	0
RESTRICTED ASSETS:					
Restricted Assets Held by Trustee	4,896	4,896	0.	0.0%	4,896
Restricted Assets Held in Endowment	6,403,108	6,403,108	0.	0.0%	6,527,822
Restricted TPC, LLC	2,067,803	2,067,803	0.	0.0%	1,826,505
Restricted ENFRA EasS and Hospital Projects	69,459,269	76,127,099	(6,667,830.)	(8.8%)	0
Investment in PBBHC	51,788,962	52,991,228	(1,202,266.)	(2.3%)	52,991,228
Restricterd MCH West Texas Services	2,565,790	2,556,889	8,901.	0.4%	2,462,909
Pension, Deferred Outflows of Resources	9,189,587	9,189,587	0.	0.0%	10,254,779
Assets whose use is Limited	8,268	6,950	1,319.	19.0%	364,704
Total assets	**$508,296,524**	**$514,990,641**	**$(6,694,118)**	**(1.3%)**	**$405,878,012**
CURRENT LIABILITIES:					
Current Maturities of Long-Term Debt	$2,070,000	$2,070,000	0.	0.0%	$1,970,000
Self-Insurance Liability - Current Portion	$3,312,883	$3,312,883	0.	0.0%	$3,028,792
Current Portion of Lease Liabilities	$1,406	$1,406	0.	0.0%	$231,748
Current Portion of Subscription Liabilities	3,555,994	3,545,806	10,188.	0.3%	2,568,673
Accounts Payable	26,071,934	26,560,119	(488,184.)	(1.8%)	28,498,953
A/R Credit Balances	$2,780,699	$3,091,592	(310,893.)	(10.1%)	$2,469,142
Accrued Interest	$351,396	$271,367	80,030.	29.5%	$307,074
Accrued Salaries and Wages	15,313,709	14,793,822	519,887.	3.5%	15,127,474
Accrued Compensated Absences	$6,048,656	$6,117,724	(69,068.)	(1.1%)	$5,877,062
Due to Third Party Payors	$6,099,623	$6,213,902	(114,279.)	(1.8%)	$7,275,522
Deferred Revenue	101,921,405	104,834,975	(2,913,569.)	(2.8%)	-2,424,051
Total Current Liabilities	167,527,707	170,813,596	(3,285,889)	(1.9%)	64,930,390
ACCRUED POST RETIREMENT BENEFITS	1,236,077	1,742,513	(506,437.)	(29.1%)	19,428,977
LESSOR DEFFERED INFLOWS OF RESOURCES	5,029,997	5,190,180	(160,183.)	(3.1%)	6,952,195
SELF-INSURANCE LIABILITIES - Less Current Portion	2,120,823	2,120,823	0.	0.0%	1,780,370
LEASE LIABILITIES	0	0	0.	0.0%	39,011
SUBSCRIPTION LIABILITIES	5,445,147	5,658,737	(213,591.)	(3.8%)	6,040,041
LONG-TERM DEBT - Less Current Maturities	23,177,756	23,218,228	(40,472.)	(0.2%)	25,774,017
Total Liabilities	204,537,506	208,744,077	(4,206,571)	(2.0%)	124,945,000
FUND BALANCE	303,759,017	306,246,565	(2,487,547.)	(0.8%)	280,933,012
TOTAL LIABILITIES AND FUND BALANCE	**508,296,524**	**514,990,642**	**(6,694,118)**	**(1.3%)**	**405,878,012**

Monthly Income Statement

Ector County Hospital District - Consolidated
FiscalYear: 2027

	October 2027 Actual	October 2027 Budgeted	Actual vs Budget Variance ($)	Variance (%)	Prior Year October 2026 Actual	Prior Year vs Actual Variance ($)	Variance (%)
PATIENT REVENUE:							
Inpatient Revenue	$65,989,357	$67,476,860	(1,487,503.)	(2.2%)	$62,159,315	3,830,042.	6.2%
Outpatient Revenue	$76,627,613	$74,344,684	2,282,928.	3.1%	$67,753,294	8,874,319.	13.1%
TOTAL PATIENT REVENUE	**$142,616,970**	**$141,821,545**	**$795,425**	**0.6%**	**$129,912,609**	**$12,704,361**	**9.8%**
DEDUCTIONS FROM REVENUE							
Contractual Adjustments	$92,499,815	$91,406,666	1,093,149.	1.2%	$80,992,166	11,507,649.	14.2%
Policy Adjustments	$1,065,797	$1,145,582	(79,784.)	(7.0%)	$834,722	231,075.	27.7%
Uninsured Discount	$17,380,772	$12,279,443	5,101,329.	41.5%	$6,602,558	10,778,213.	163.2%
Indigent	$1,447,825	$1,748,486	(300,661.)	(17.2%)	$1,560,383	(112,558.)	(7.2%)
Provision for bad debts	$2,456,134	$7,187,011	(4,730,877.)	(65.8%)	$10,171,914	(7,715,780.)	(75.9%)
TOTAL REVENUE DEDUCTIONS	**$114,850,342**	**$113,767,188**	**$1,083,155**	**1.0%**	**$100,161,743**	**$14,688,599**	**14.7%**
OTHER PATIENT REVENUE							
Medicaid Supplemental Payments	$1,670,986	$1,670,986	0.	0.0%	$1,446,862	224,124.	15.5%
DSRIP/CHIRP	$479,948	$479,844	104.	0.0%	$1,252,500	(772,552.)	(61.7%)
TOTAL OTHER PATIENT REVENUE	**$2,150,934**	**$2,150,830**	**$104**	**0.0%**	**$2,699,362**	**$(548,428)**	**(20.3%)**
NET PATIENT REVENUE	**$29,917,562**	**$30,205,187**	**$(287,626)**	**(1.0%)**	**$32,450,228**	**$(2,532,666)**	**(7.8%)**
OTHER REVENUE							
Tax Revenue	$7,615,533	$8,037,681	(422,148.)	(5.3%)	$7,396,987	218,547.	3.0%
Other Income	$2,152,860	$1,955,208	197,652.	10.1%	$1,598,201	554,659.	34.7%
TOTAL OTHER REVENUE	**$9,768,393**	**$9,992,889**	**$(224,496)**	**(2.3%)**	**$8,995,187**	**$773,206**	**8.6%**
NET OPERATING REVENUE	**$39,685,955**	**$40,198,077**	**$(512,122)**	**(1.3%)**	**$41,445,415**	**$(1,759,460)**	**(4.3%)**
OPERATING EXPENSES							
Salaries and Wages	$17,271,330	$17,825,565	554,236.	3.1%	$17,382,733	111,403.	0.6%
Benefits	$2,213,281	$2,158,680	(54,600.)	(2.5%)	$2,129,217	(84,063.)	(4.0%)
Temporary Labor	$1,733,389	$1,471,099	(262,290.)	(17.8%)	$1,397,238	(336,151.)	(24.1%)
Physician Fees	$1,002,544	$1,092,705	90,161.	8.3%	$1,361,515	358,972.	26.4%
Texas Tech Support	$1,106,608	$1,046,655	59,953.	5.7%	$1,042,284	64,324.	6.2%
Purchased Services	$5,569,430	$5,649,849	80,419.	1.4%	$4,912,818	(656,613.)	(13.4%)
Supplies	$8,132,384	$7,496,781	(635,603.)	(8.5%)	$7,042,936	(1,089,448.)	(15.5%)
Utilities	$357,325	$304,528	(52,797.)	(17.3%)	$306,281	(51,044.)	(16.7%)
Repairs and Maintenance	$922,398	$1,005,367	82,968.	8.3%	$1,071,716	149,317.	13.9%
Leases and Rent	$163,056	$204,708	41,652.	20.4%	$189,029	25,974.	13.7%
Insurance	$227,383	$200,287	(27,096.)	(13.5%)	$192,116	(35,268.)	(18.4%)
Interest Expense	$83,766	$82,849	917.	1.1%	$87,073	(3,307.)	(3.8%)
ECHDA	$153,075	$152,409	666.	0.4%	$152,958	117.	0.1%
Other Expense	$228,306	$270,054	41,748.	15.5%	$245,781	17,474.	7.1%
TOTAL OPERATING EXPENSES	**$39,164,275**	**$38,961,536**	**$(202,740)**	**(0.5%)**	**$37,513,695**	**$(1,650,581)**	**(4.4%)**
Depreciation/Amortization	$2,475,029	$2,468,136	6,893.	0.3%	$2,234,393	240,636.	10.8%
(Gain) Loss on Sale of Assets	0	0	0.	0.0%	($24,114)	24,114.	100.0%
TOTAL OPERATING COSTS	**$41,639,305**	**$41,429,672**	**$209,632**	**0.5%**	**$39,723,974**	**$1,915,330**	**4.8%**
NET GAIN (LOSS) FROM OPERATIONS	**$(1,953,350)**	**$(1,231,595)**	**$(721,754)**	**(58.6%)**	**$1,721,440**	**$(3,674,790)**	**(213.5%)**
Operating Margin	(4.9%)	(3.1%)	(1.9%)	(60.7%)	4.2%	(9.1%)	(218.5%)
NONOPERATING REVENUE/EXPENSE							
Interest Income	$363,915	$325,316	38,599.	11.9%	$272,715	91,200.	33.4%
Tobacco Settlement	0	0	0.	0.0%	0	0.	0.0%
Opioid Abatement Fund	0	0	0.	0.0%	0	0.	0.0%
Trauma Funds	0	0	0.	0.0%	0	0.	0.0%
Donations	0	0	0.	0.0%	0	0.	0.0%
COVID-19 Stimulus	0	0	0.	0.0%	0	0.	0.0%
CHANGE IN NET POSITION BEFORE INVES	**$(1,589,435)**	**$(906,279)**	**$(683,155)**	**(75.4%)**	**$1,994,155**	**$(3,583,590)**	**(179.7%)**
Unrealized Gain/(Loss) on Investments	$186,919	$21,820	165,099.	756.6%	$106,531	80,388.	75.5%
Investment in Subsidiaries	($1,085,031)	($1,085,452)	421.	0.0%	$18,187	(1,103,218.)	(6066.1%)
CHANGE IN NET POSITION	**$(2,487,547)**	**$(1,969,912)**	**$(517,635)**	**(26.3%)**	**$2,118,873**	**$(4,606,419)**	**(217.4%)**
Excess of revenue over expenses	**$(2,487,547)**	**$(1,969,912)**	**$(517,635)**	**(26.3%)**	**$2,118,873**	**$(4,606,419)**	**(217.4%)**

Monthly Income Statement

Medical Center Hospital
FiscalYear: 2027

	October 2027 Actual	October 2027 Budgeted	Actual vs Budget Variance ($)	Variance (%)	Prior Year October 2026 Actual	Prior Year vs Actual Variance ($)	Variance (%)
PATIENT REVENUE:							
Inpatient Revenue	$65,989,357	$67,476,860	(1,487,503.)	(2.2%)	$62,159,315	3,830,042.	6.2%
Outpatient Revenue	$63,924,702	$61,990,011	1,934,691.	3.1%	$55,764,013	8,160,688.	14.6%
TOTAL PATIENT REVENUE	**$129,914,058**	**$129,466,871**	**$447,187**	**0.4%**	**$117,923,328**	**$11,990,730**	**10.2%**
DEDUCTIONS FROM REVENUE							
Contractual Adjustments	$85,556,966	$85,020,598	536,368.	0.6%	$75,014,305	10,542,661.	14.1%
Policy Adjustments	$85,012	$205,286	(120,274.)	(58.6%)	$89,532	(4,520.)	(5.1%)
Uninsured Discount	$17,042,650	$11,943,892	5,098,758.	42.7%	$6,326,573	10,716,077.	169.4%
Indigent	$1,430,855	$1,730,236	(299,381.)	(17.3%)	$1,551,996	(121,141.)	(7.8%)
Provision for bad debts	$1,445,388	$6,001,589	(4,556,201.)	(75.9%)	$8,632,960	(7,187,572.)	(83.3%)
TOTAL REVENUE DEDUCTIONS	**$105,560,871**	**$104,901,601**	**$659,270**	**0.6%**	**$91,615,366**	**$13,945,505**	**15.2%**
OTHER PATIENT REVENUE							
Medicaid Supplemental Payr	$1,645,500	$1,645,500	0.	0.0%	$1,446,862	198,638.	13.7%
DSRIP/CHIRP	$479,948	$479,844	104.	0.0%	$1,252,500	(772,552.)	(61.7%)
TOTAL OTHER PATIENT REVENU	**$2,125,448**	**$2,125,344**	**$104**	**0.0%**	**$2,699,362**	**$(573,914)**	**(21.3%)**
NET PATIENT REVENUE	**$26,478,636**	**$26,690,614**	**$(211,978)**	**(0.8%)**	**$29,007,325**	**$(2,528,689)**	**(8.7%)**
OTHER REVENUE							
Tax Revenue	$7,615,533	$8,037,681	(422,148.)	(5.3%)	$7,396,987	218,547.	3.0%
Other Income	$2,021,953	$1,832,400	189,553.	10.3%	$1,285,993	735,960.	57.2%
TOTAL OTHER REVENUE	**$9,637,486**	**$9,870,081**	**$(232,595)**	**(2.4%)**	**$8,682,980**	**$954,506**	**11.0%**
NET OPERATING REVENUE	**$36,116,121**	**$36,560,695**	**$(444,574)**	**(1.2%)**	**$37,690,304**	**$(1,574,183)**	**(4.2%)**
OPERATING EXPENSES							
Salaries and Wages	$12,310,645	$12,517,600	206,955.	1.7%	$12,397,256	86,611.	0.7%
Benefits	$1,790,788	$1,728,980	(61,808.)	(3.6%)	$1,791,445	657.	0.0%
Temporary Labor	$900,169	$609,040	(291,129.)	(47.8%)	$665,774	(234,395.)	(35.2%)
Physician Fees	$1,732,120	$1,913,840	181,719.	9.5%	$1,405,746	(326,374.)	(23.2%)
Texas Tech Support	$1,106,608	$1,046,655	59,953.	5.7%	$1,042,284	64,324.	6.2%
Purchased Services	$5,250,386	$5,349,711	99,325.	1.9%	$5,279,190	28,804.	0.6%
Supplies	$8,057,439	$7,412,328	(645,111.)	(8.7%)	$6,996,051	(1,061,388.)	(15.2%)
Utilities	$356,389	$303,756	(52,633.)	(17.3%)	$305,565	(50,824.)	(16.6%)
Repairs and Maintenance	$922,398	$1,000,137	77,739.	7.8%	$1,068,108	145,710.	13.6%
Leases and Rent	$45,230	$84,000	38,770.	46.2%	$24,683	(20,546.)	(83.2%)
Insurance	$158,274	$128,587	(29,687.)	(23.1%)	$125,975	(32,299.)	(25.6%)
Interest Expense	$83,766	$82,849	917.	1.1%	$87,073	(3,307.)	(3.8%)
ECHDA	$153,075	$152,409	666.	0.4%	$152,958	117.	0.1%
Other Expense	$149,199	$187,900	38,700.	20.6%	$161,668	12,468.	7.7%
TOTAL OPERATING EXPENSES	**$33,016,485**	**$32,517,790**	**$(498,695)**	**(1.5%)**	**$31,503,776**	**$(1,512,709)**	**(4.8%)**
Depreciation/Amortization	$2,463,164	$2,455,821	7,343.	0.3%	$2,222,970	240,194.	10.8%
(Gain) Loss on Sale of Assets	0	0	0.	0.0%	($24,114)	24,114.	100.0%
TOTAL OPERATING COSTS	**$35,479,649**	**$34,973,611**	**$506,038**	**1.5%**	**$33,702,632**	**$1,777,017**	**5.3%**
NET GAIN (LOSS) FROM OPERA	**$636,472**	**$1,587,084**	**$(950,612)**	**(59.9%)**	**$3,987,672**	**$(3,351,200)**	**(84.0%)**
Operating Margin	1.8%	4.3%	(2.6%)	(59.4%)	10.6%	(8.8%)	(83.3%)
NONOPERATING REVENUE/EXPENSE							
Interest Income	$363,915	$325,316	38,599.	11.9%	$272,715	91,200.	33.4%
Tobacco Settlement	0	0	0.	0.0%	0	0.	0.0%
Opioid Abatement Fund	0	0	0.	0.0%	0	0.	0.0%
Trauma Funds	0	0	0.	0.0%	0	0.	0.0%
Donations	0	0	0.	0.0%	0	0.	0.0%
COVID-19 Stimulus	0	0	0.	0.0%	0	0.	0.0%
CHANGE IN NET POSITION BEFC	**$1,000,388**	**$1,912,400**	**$(912,012)**	**(47.7%)**	**$4,260,387**	**$(3,259,999)**	**(76.5%)**
Unrealized Gain/(Loss) on Invest	$186,919	$21,820	165,099.	756.6%	$106,531	80,388.	75.5%
Investment in Subsidiaries	($1,085,031)	($1,085,452)	421.	0.0%	$18,187	(1,103,218.)	(6066.1%)
CHANGE IN NET POSITION	**$102,276**	**$848,768**	**$(746,492)**	**(88.0%)**	**$4,385,104**	**$(4,282,828)**	**(97.7%)**
Excess of revenue over expense	**$102,276**	**$848,768**	**$(746,492)**	**(88.0%)**	**$4,385,104**	**$(4,282,828)**	**(97.7%)**

Monthly Income Statement

MCH ProCare
FiscalYear: 2027

	October 2027 Actual	October 2027 Budgeted	Actual vs Budget Variance ($)	Variance (%)	Prior Year October 2026 Actual	Prior Year vs Actual Variance ($)	Variance (%)
PATIENT REVENUE:							
Inpatient Revenue	0	0	0.	0.0%	0	0.	0.0%
Outpatient Revenue	$12,438,710	$12,109,041	329,669.	2.7%	$11,784,509	654,201.	5.6%
TOTAL PATIENT REVENUE	**$12,438,710**	**$12,109,041**	**$329,669**	**2.7%**	**$11,784,509**	**$654,201**	**5.6%**
DEDUCTIONS FROM REVENUE							
Contractual Adjustments	$6,802,829	$6,263,524	539,305.	8.6%	$5,856,968	945,860.	16.2%
Policy Adjustments	$936,263	$896,800	39,464.	4.4%	$720,778	215,485.	29.9%
Uninsured Discount	$338,122	$335,551	2,570.	0.8%	$275,985	62,136.	22.5%
Indigent	$16,970	$18,250	(1,280.)	(7.0%)	$8,387	8,583.	102.3%
Provision for bad debts	$971,366	$1,150,793	(179,428.)	(15.6%)	$1,516,320	(544,954.)	(35.9%)
TOTAL REVENUE DEDUCTIONS	**$9,065,549**	**$8,664,918**	**$400,631**	**4.6%**	**$8,378,439**	**$687,110**	**8.2%**
OTHER PATIENT REVENUE							
Medicaid Supplemental Payments	$25,486	$25,486	0.	0.0%	0	25,486.	100.0%
DSRIP/CHIRP	0	0	0.	0.0%	0	0.	0.0%
TOTAL OTHER PATIENT REVENUE	**$25,486**	**$25,486**	**$0**	**0.0%**	**$0**	**$25,486**	**100.0%**
NET PATIENT REVENUE	**$3,398,647**	**$3,469,610**	**$(70,962)**	**(2.1%)**	**$3,406,070**	**$(7,423)**	**(0.2%)**
OTHER REVENUE							
Tax Revenue	0	0	0.	0.0%	0	0.	0.0%
Other Income	$904,828	$989,413	(84,585.)	(8.6%)	$310,249	594,579.	191.7%
TOTAL OTHER REVENUE	**$904,828**	**$989,413**	**$(84,585)**	**(8.6%)**	**$310,249**	**$594,579**	**191.7%**
NET OPERATING REVENUE	**$4,303,475**	**$4,459,023**	**$(155,548)**	**(3.5%)**	**$3,716,319**	**$587,156**	**15.8%**
OPERATING EXPENSES							
Salaries and Wages	$4,695,155	$5,042,456	347,301.	6.9%	$4,736,686	41,531.	0.9%
Benefits	$405,367	$411,450	6,082.	1.5%	$325,169	(80,198.)	(24.7%)
Temporary Labor	$833,221	$862,059	28,839.	3.4%	$731,465	(101,756.)	(13.9%)
Physician Fees	0	$1,000	1,000.	100.0%	$215,017	215,017.	100.0%
Texas Tech Support	0	0	0.	0.0%	0	0.	0.0%
Purchased Services	$318,482	$297,452	(21,030.)	(7.1%)	($366,910)	(685,392.)	(186.8%)
Supplies	$74,946	$84,196	9,251.	11.0%	$46,208	(28,737.)	(62.2%)
Utilities	$936	$772	(164.)	(21.3%)	$716	(220.)	(30.7%)
Repairs and Maintenance	0	$5,229	5,229.	100.0%	$3,607	3,607.	100.0%
Leases and Rent	$162,519	$165,599	3,080.	1.9%	$163,692	1,173.	0.7%
Insurance	$58,577	$61,505	2,928.	4.8%	$57,677	(900.)	(1.6%)
Interest Expense	0	0	0.	0.0%	0	0.	0.0%
ECHDA	0	0	0.	0.0%	0	0.	0.0%
Other Expense	$78,550	$81,476	2,926.	3.6%	$83,758	5,208.	6.2%
TOTAL OPERATING EXPENSES	**$6,627,753**	**$7,013,194**	**$385,441**	**5.5%**	**$5,997,086**	**$(630,668)**	**(10.5%)**
Depreciation/Amortization	$11,865	$12,315	(450.)	(3.7%)	$11,423	442.	3.9%
(Gain) Loss on Sale of Assets	0	0	0.	0.0%	0	0.	0.0%
TOTAL OPERATING COSTS	**$6,639,619**	**$7,025,509**	**$(385,891)**	**(5.5%)**	**$6,008,509**	**$631,110**	**10.5%**
NET GAIN (LOSS) FROM OPERATIONS	**$(2,336,144)**	**$(2,566,487)**	**$230,343**	**9.0%**	**$(2,292,190)**	**$(43,954)**	**(1.9%)**
Operating Margin	(54.3%)	(57.6%)	3.3%	5.7%	(61.7%)	7.4%	12.0%
NONOPERATING REVENUE/EXPENSE							
Interest Income	0	0	0.	0.0%	0	0.	0.0%
Tobacco Settlement	0	0	0.	0.0%	0	0.	0.0%
Opioid Abatement Fund	0	0	0.	0.0%	0	0.	0.0%
Trauma Funds	0	0	0.	0.0%	0	0.	0.0%
Donations	0	0	0.	0.0%	0	0.	0.0%
COVID-19 Stimulus	0	0	0.	0.0%	0	0.	0.0%
CHANGE IN NET POSITION BEFORE INVESTMENT AC	**$(2,336,144)**	**$(2,566,487)**	**$230,343**	**9.0%**	**$(2,292,190)**	**$(43,954)**	**(1.9%)**
Unrealized Gain/(Loss) on Investments	0	0	0.	0.0%	0	0.	0.0%
Investment in Subsidiaries	0	0	0.	0.0%	0	0.	0.0%
CHANGE IN NET POSITION	**$(2,336,144)**	**$(2,566,487)**	**$230,343**	**9.0%**	**$(2,292,190)**	**$(43,954)**	**(1.9%)**
Excess of revenue over expenses	**$(2,336,144)**	**$(2,566,487)**	**$230,343**	**9.0%**	**$(2,292,190)**	**$(43,954)**	**(1.9%)**

Monthly Income Statement

MCH TraumaCare
FiscalYear: 2027

	October 2027 Actual	October 2027 Budgeted	Actual vs Budget Variance ($)	Variance (%)	Prior Year October 2026 Actual	Prior Year vs Actual Variance ($)	Variance (%)	Prior YTD October 2026 Actual
PATIENT REVENUE:								
Inpatient Revenue	0	0	0.	0.0%	0	0.	0.0%	0
Outpatient Revenue	$264,201	$245,632	18,569.	7.6%	$204,771	59,430.	29.0%	$204,771
TOTAL PATIENT REVENUE	**$264,201**	**$245,632**	**$18,569**	**7.6%**	**$204,771**	**$59,430**	**29.0%**	**$204,771**
DEDUCTIONS FROM REVENUE								
Contractual Adjustments	$140,020	$122,544	17,476.	14.3%	$120,892	19,127.	15.8%	$120,892
Policy Adjustments	$44,522	$43,496	1,026.	2.4%	$24,412	20,110.	82.4%	$24,412
Uninsured Discount	0	0	0.	0.0%	0	0.	0.0%	0
Indigent	0	0	0.	0.0%	0	0.	0.0%	0
Provision for bad debts	$39,380	$34,628	4,752.	13.7%	$22,634	16,746.	74.0%	$22,634
TOTAL REVENUE DEDUCTIONS	**$223,922**	**$200,669**	**$23,254**	**11.6%**	**$167,938**	**$55,984**	**33.3%**	**$167,938**
OTHER PATIENT REVENUE								
Medicaid Supplemental Payments	0	0	0.	0.0%	0	0.	0.0%	0
DSRIP/CHIRP	0	0	0.	0.0%	0	0.	0.0%	0
TOTAL OTHER PATIENT REVENUE	**$0**	**$0**	**$0**	**0.0%**	**$0**	**$0**	**0.0%**	**$0**
NET PATIENT REVENUE	**$40,279**	**$44,964**	**$(4,685)**	**(10.4%)**	**$36,833**	**$3,446**	**9.4%**	**$36,833**
OTHER REVENUE								
Tax Revenue	0	0	0.	0.0%	0	0.	0.0%	0
Other Income	$1,003	$1,087	(84.)	(7.8%)	$1,959	(956.)	(48.8%)	$1,959
TOTAL OTHER REVENUE	**$1,003**	**$1,087**	**$(84)**	**(7.8%)**	**$1,959**	**$(956)**	**(48.8%)**	**$1,959**
NET OPERATING REVENUE	**$41,282**	**$46,051**	**$(4,769)**	**(10.4%)**	**$38,791**	**$2,490**	**6.4%**	**$38,791**
OPERATING EXPENSES								
Salaries and Wages	$265,530	$265,510	(20.)	(0.0%)	$248,791	(16,739.)	(6.7%)	$248,791
Benefits	$17,125	$18,250	1,125.	6.2%	$12,603	(4,522.)	(35.9%)	$12,603
Temporary Labor	0	0	0.	0.0%	0	0.	0.0%	0
Physician Fees	0	0	0.	0.0%	($259,248)	(259,248.)	(100.0%)	($259,248)
Texas Tech Support	0	0	0.	0.0%	0	0.	0.0%	0
Purchased Services	$562	$2,687	2,125.	79.1%	$538	(24.)	(4.5%)	$538
Supplies	0	$257	257.	100.0%	$677	677.	100.0%	$677
Utilities	0	0	0.	0.0%	0	0.	0.0%	0
Repairs and Maintenance	0	0	0.	0.0%	0	0.	0.0%	0
Leases and Rent	$653	$666	13.	1.9%	$653	0.	0.0%	$653
Insurance	$10,533	$10,196	(337.)	(3.3%)	$8,464	(2,069.)	(24.4%)	$8,464
Interest Expense	0	0	0.	0.0%	0	0.	0.0%	0
ECHDA	0	0	0.	0.0%	0	0.	0.0%	0
Other Expense	$557	$678	121.	17.9%	$355	(202.)	(57.0%)	$355
TOTAL OPERATING EXPENSES	**$294,960**	**$298,244**	**$3,283**	**1.1%**	**$12,833**	**$(282,127)**	**(2198.4%)**	**$12,833**
Depreciation/Amortization	0	0	0.	0.0%	0	0.	0.0%	0
(Gain) Loss on Sale of Assets	0	0	0.	0.0%	0	0.	0.0%	0
TOTAL OPERATING COSTS	**$294,960**	**$298,244**	**$(3,283)**	**(1.1%)**	**$12,833**	**$282,127**	**2198.4%**	**$12,833**
NET GAIN (LOSS) FROM OPERATIONS	**$(253,679)**	**$(252,193)**	**$(1,486)**	**(0.6%)**	**$25,958**	**$(279,637)**	**(1077.3%)**	**$25,958**
Operating Margin	(614.5%)	(547.6%)	(66.9%)	(12.2%)	66.9%	(681.4%)	(1018.3%)	66.9%
NONOPERATING REVENUE/EXPENSE								
Interest Income	0	0	0.	0.0%	0	0.	0.0%	0
Tobacco Settlement	0	0	0.	0.0%	0	0.	0.0%	0
Opioid Abatement Fund	0	0	0.	0.0%	0	0.	0.0%	0
Trauma Funds	0	0	0.	0.0%	0	0.	0.0%	0
Donations	0	0	0.	0.0%	0	0.	0.0%	0
COVID-19 Stimulus	0	0	0.	0.0%	0	0.	0.0%	0
CHANGE IN NET POSITION BEFORE INVESTMEN	**$(253,679)**	**$(252,193)**	**$(1,486)**	**(0.6%)**	**$25,958**	**$(279,637)**	**(1077.3%)**	**$25,958**
Unrealized Gain/(Loss) on Investments	0	0	0.	0.0%	0	0.	0.0%	0
Investment in Subsidiaries	0	0	0.	0.0%	0	0.	0.0%	0
CHANGE IN NET POSITION	**$(253,679)**	**$(252,193)**	**$(1,486)**	**(0.6%)**	**$25,958**	**$(279,637)**	**(1077.3%)**	**$25,958**
Excess of revenue over expenses	**$(253,679)**	**$(252,193)**	**$(1,486)**	**(0.6%)**	**$25,958**	**$(279,637)**	**(1077.3%)**	**$25,958**

ECTOR COUNTY HOSPITAL DISTRICT
OCTOBER 2026

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	$ 52,272,578	40.2%	$ 44,386,753	37.6%	$ 52,272,578	40.2%	44,386,753	37.6%
Medicaid	11,171,637	8.6%	11,658,801	9.9%	11,171,637	8.6%	11,658,801	9.9%
Commercial	43,902,729	33.8%	44,255,497	37.5%	43,902,729	33.8%	44,255,496	37.5%
Self Pay	18,371,913	14.1%	12,538,423	10.6%	18,371,913	14.1%	12,538,423	10.6%
Other	4,195,201	3.2%	5,083,855	4.3%	4,195,201	3.2%	5,083,855	4.3%
TOTAL	**$ 129,914,058**	**100.0%**	**$ 117,923,328**	**99.9%**	**$ 129,914,058**	**100.0%**	**117,923,328**	**100.0%**

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	$ 10,201,832	41.9%	$ 9,430,727	36.1%	$ 10,201,832	41.9%	9,430,727	36.1%
Medicaid	2,844,224	11.7%	2,812,382	10.8%	2,844,224	11.7%	2,812,382	10.8%
Commercial	9,136,687	37.6%	11,213,983	43.0%	9,136,687	37.6%	11,213,983	43.0%
Self Pay	1,239,871	5.1%	1,274,392	4.9%	1,239,871	5.1%	1,274,392	4.9%
Other	911,546	3.8%	1,369,178	5.2%	911,546	3.8%	1,369,178	5.3%
TOTAL	**$ 24,334,160**	**100.0%**	**$ 26,100,663**	**100.0%**	**$ 24,334,160**	**100.0%**	**26,100,663**	**100.0%**

CONSOLIDATED CASH FLOW STATEMENT

For the month ended October 31, 2026

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net position	($2,487,547)
Adjustments to reconcile change in net position to net cash from operations	
Depreciation and amortization	$2,475,029
Unrealized gain on investments	($186,919)
Decrease (increase) in net patient accounts receivable	($456,266)
Decrease (increase) in taxes receivable	$744,484
Decrease (increase) in other accounts receivable	$2,924,755
Decrease (increase) in inventories	$7,795
Decrease (increase) in prepaid expenses	$282,714
Increase (decrease) in accounts payable	($488,185)
Increase (decrease) in A/R credit balances	($310,893)
Increase (decrease) in accrued interest	$80,029
Increase (decrease) in accrued salaries and wages	$519,887
Increase (decrease) in accrued compensated absences	($69,068)
Increase (decrease) in amounts due to third-party payors	($114,279)
Increase (decrease) in deferred revenue	($2,913,570)
Increase (decrease) in post-retirement and deferred inflow liabilities	($666,619)
Net cash provided by operating activities	**($658,653)**

CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property, equipment and construction in progress	($2,287,974)
Net purchases of investments	($53,792)
Change in restricted and other investing assets	$8,046,586
Net cash used in investing activities	**$5,704,820**

CASH FLOWS FROM FINANCING ACTIVITIES	
Change in subscription liabilities	($203,402)
Change in long-term debt and current maturities	($40,472)
Net cash provided by (used in) financing activities	**($243,874)**

NET INCREASE IN CASH AND CASH EQUIVALENTS	**$4,802,293**
Cash and cash equivalents, beginning of month	$11,788,878
Cash and cash equivalents, end of month	**$16,591,171**
Reconciliation check	**-**



Financial Presentation

For the Month Ended

October 31, 2026

Results From Operations
October 31, 2026

	Actual	Budget	Variance	
Inpatient Revenue	$65,989,357	$67,476,860	($1,487,503)	-2.2%
Outpatient Revenue	76,627,613	74,344,684	2,282,929	3.1%
Total Patient Revenue	142,616,970	141,821,545	795,425	0.6%
Less: Deductions	114,850,342	113,767,188	1,083,154	1.0%
Net Patient Revenue	27,766,628	28,054,357	(287,729)	-1.0%
Supplemental Funding	2,150,934	2,150,830	104	0.0%
Tax Revenue	7,615,533	8,037,681	(422,148)	-5.3%
Other Revenue	2,152,860	1,955,208	197,652	10.1%
Total Operating Revenue	39,685,955	40,198,077	(512,121)	-1.3%
Salaries, Benefits & Contract Labor	21,218,000	21,455,344	(237,344)	-1.1%
Physician Fees	2,109,152	2,139,360	(30,208)	-1.4%
Purchased Services	5,569,430	5,649,849	(80,419)	-1.4%
Supplies	8,132,384	7,496,781	635,603	8.5%
Repairs and Maintenance	922,398	1,005,367	(82,969)	-8.3%
Other Expense	976,070	979,577	(3,507)	-0.4%
ECHD Assistance	153,075	152,409	666	0.4%
Interest Expense	83,766	82,849	917	1.1%
Depreciation	2,475,029	2,468,136	6,893	0.3%
Total Operating Expenses	41,639,305	41,429,672	209,632	0.5%
Gain (Loss) from Operations	(1,953,350)	(1,231,595)	(721,755)	58.6%
Non-operating Income	(534,197)	(738,316)	204,119	-27.6%
Excess Income over Expenses	($2,487,547)	($1,969,912)	($517,636)	26.3%

Results From Operations
October 31, 2026

Loss From Operations	Actual	Budget	Variance
Current Month	**($1,953,350)**	**($1,231,595)**	**($721,755)**

Major Variances

- Net Patient Revenue was $288K less than budget due to a shift in payor mix to self-pay ($388K) and an unfavorable case mix ($648K) that was offset by favorable volume and collection on older accounts
- Tax Revenue unfavorable variance of $422K was due to a shortfall in sales tax receipts from August received in October
- Other Revenue was $198K higher than budget due to favorable revenue in the retail pharmacy and LPPF management fees
- Purchased Services were $80K under budget due to favorable revenue cycle expenses and decreased volume for contracted dialysis fees

Results From Operations
October 31, 2026

Loss From Operations	Actual	Budget	Variance
Current Month	**($1,953,350)**	**($1,231,595)**	**($721,755)**

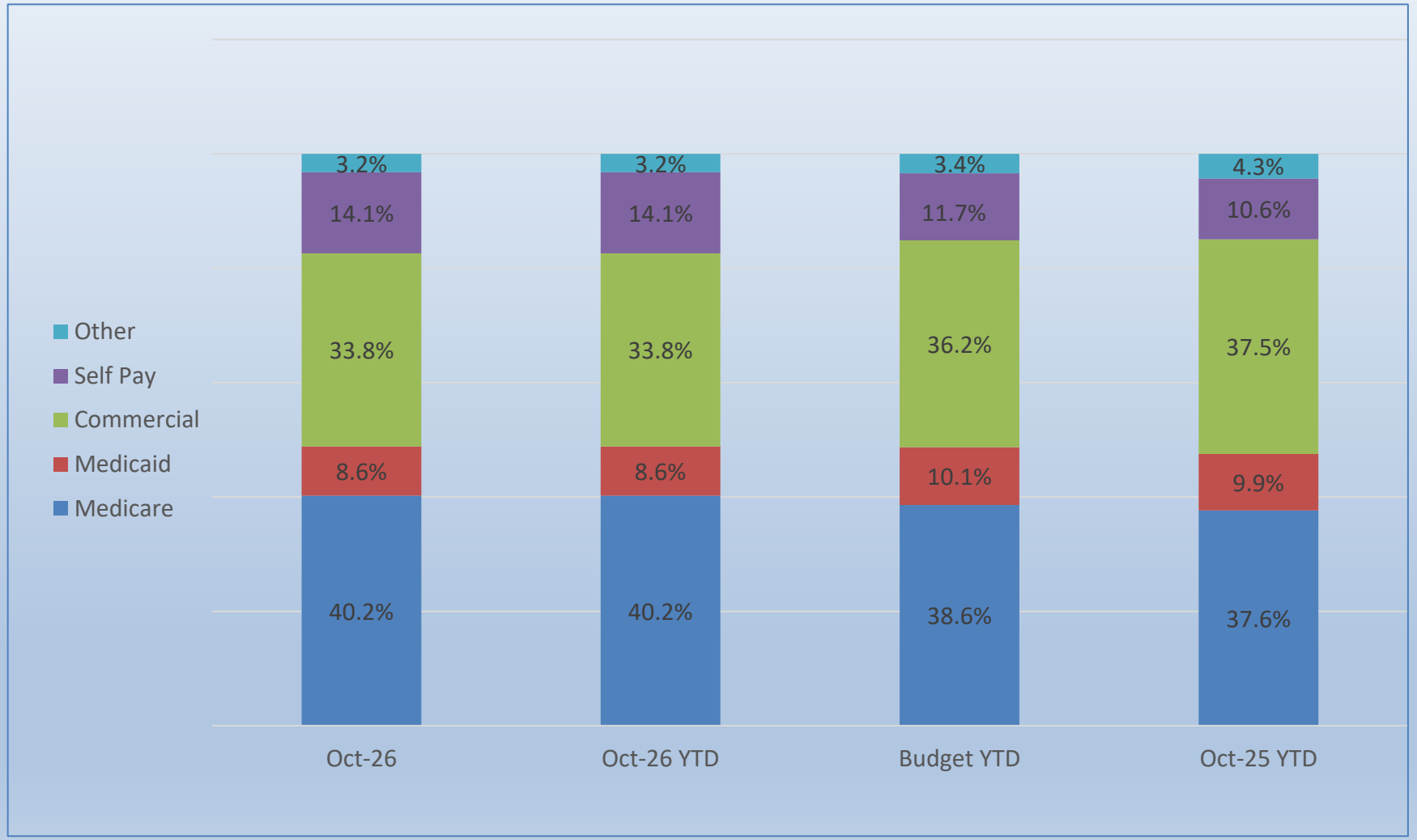
Major Variances (continued)

- Supplies expense was $635K higher than budget. Major variances include increased volumes in Microbiology and retail pharmacy. There were also increased respiratory testing and cardiovascular supplies, stocking of the new Progressive Care Unit, and increased blood use in trauma
- Unrealized Gain/(Loss) on Investments is favorable by $165K due to favorable fair market value adjustments to both ENFRA and Hilltop investments

Key Statistics
October 31, 2026

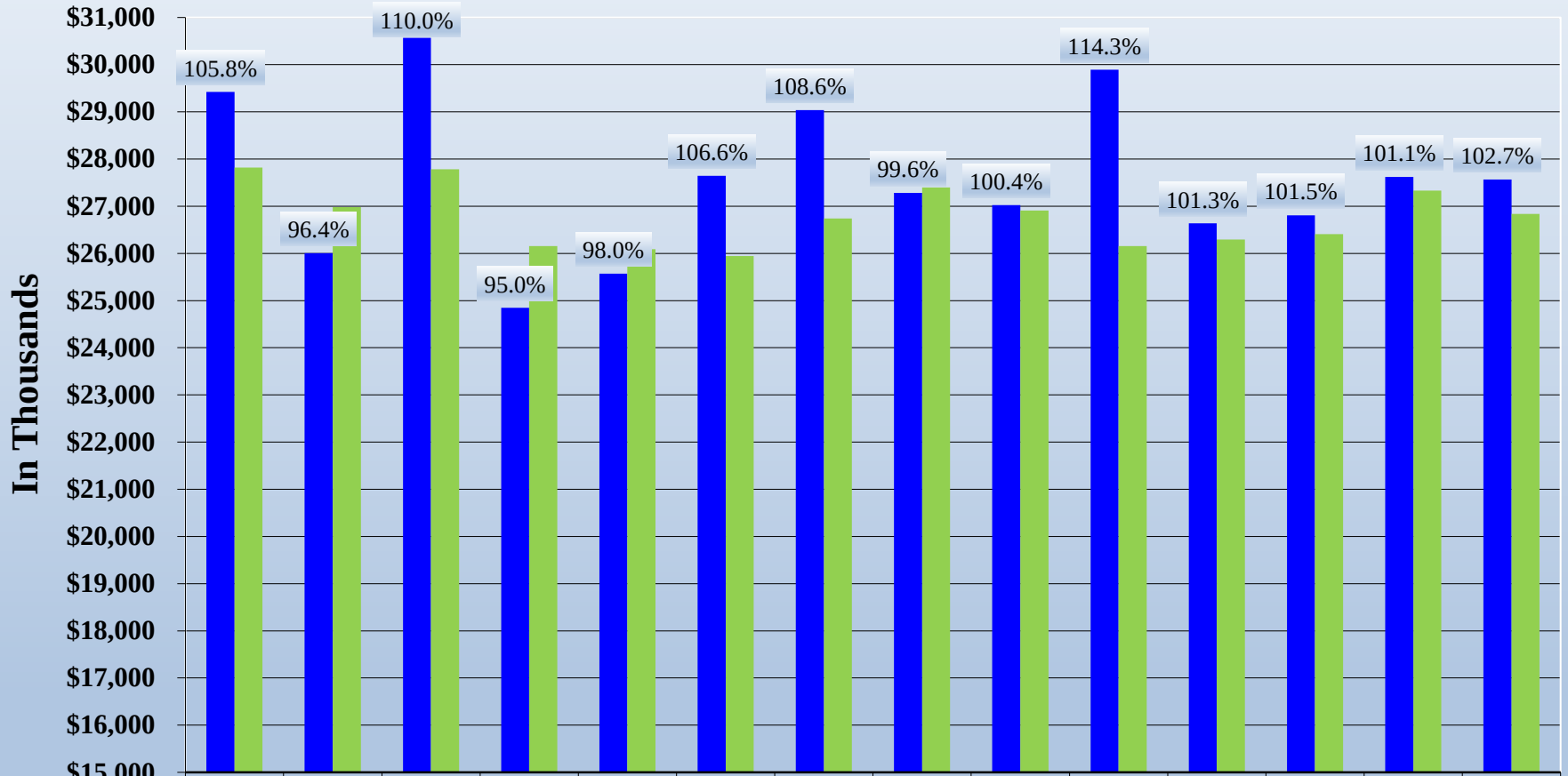
	CURRENT MONTH				YEAR-TO-DATE			
	Actual	Budget	Variance	Var %	Actual	Budget	Variance	Var %
Inpatient Days	6,329	6,542	(213)	-3.3%	6,329	6,542	-213	-3.3%
Admits	1,274	1,236	38	3.1%	1,274	1,236	38	3.1%
CMI	1.6975	1.7400	(0.0425)	-2.4%	1.6975	1.7400	(0.0425)	-2.4%
Length of Stay	4.97	5.29	(0.32)	-6.1%	4.97	5.29	(0.32)	-6.1%
GMLOS	4.97	3.77	1.20	31.8%	4.97	3.77	1.20	31.8%
Surgeries	852	881	(29)	-3.3%	852	881	(29)	-3.3%
Emergency Visits	5,033	5,252	(219)	-4.2%	5,033	5,252	(219)	-4.2%
Urgent Care Visits	2,370	2,106	264	12.5%	2,370	2,106	264	12.5%
FHC Visits	3,887	4,322	(435)	-10.1%	3,887	4,322	(435)	-10.1%
Primary & Specialty Clinic	8,291	8,382	(91)	-1.1%	8,291	8,382	(91)	-1.1%

Hospital Payor Mix



Total AR Cash Receipts

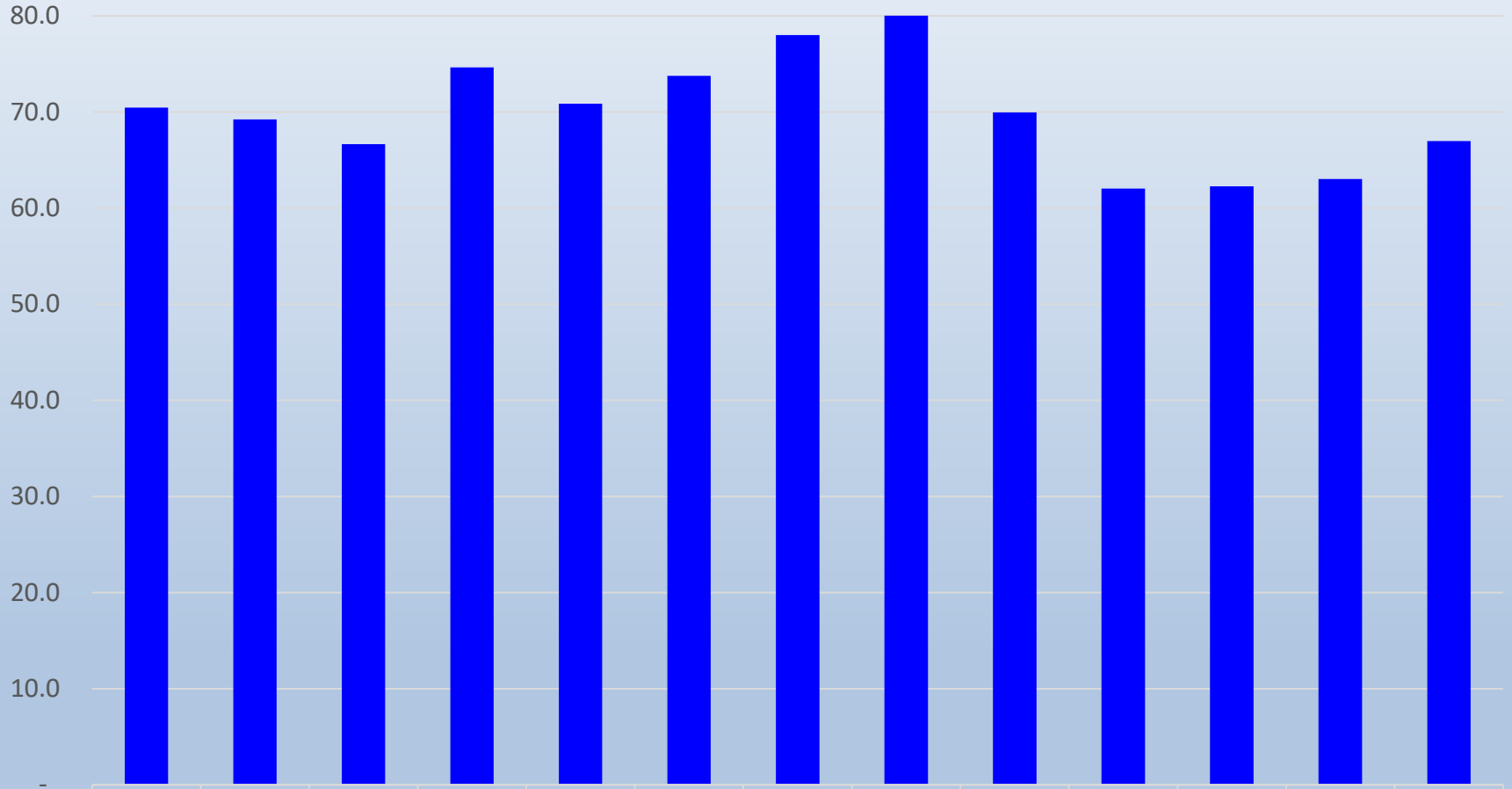
13 Month Trending



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	13 Mos AVG
Collections	29,423	26,006	30,569	24,844	25,568	27,645	29,036	27,280	27,021	29,890	26,636	26,809	27,618	27,565
Avg Net Rev	27,819	26,978	27,782	26,154	26,090	25,944	26,742	27,394	26,907	26,152	26,293	26,406	27,330	26,837

Days Cash on Hand

Thirteen Month Trending



	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26
Days	70.5	69.2	66.6	74.6	70.9	73.8	78.0	81.5	70.0	62.0	62.3	63.0	67.0

MEMORANDUM

TO: ECHD Board of Directors

FROM: Sharon R. Clark, Chief Financial Officer

SUBJECT: Healthfund Solutions

DATE: December 1, 2026

Purpose: This memo presents Healthfund Solutions, a partner that will assist MCH self-pay patients who are eligible for Health Insurance Exchange coverage, with no downside financial risk to MCHS.

Cost:

Fiscal Year 2027 Operating Cost (Estimated Contingency based on conversion)	$250,000

Background/Objective:

During Fiscal Year 2026, Medical Center Hospital (MCH) began to see an upward trend of approximately 4% in uninsured payer mix. Because this trend significantly affects the cash flow of the health system, MCH has sought meaningful ways to offset its impact. Healthfund Solutions will partner with MCH to find and screen patients who are eligible for coverage through the Health Insurance Exchange.

Healthfund Solutions helps patients afford the premiums for enrollment in the Health Insurance Exchange by directly working with the patient to find an affordable plan. As these enrolled patients are treated at MCH, Healthfund Solutions receives a contingency payment based on the paid account. There is no downside financial risk for MCHS.

There is a limited timeframe, without a qualifying event, for individuals to enter the exchange for health products during current open enrollment that began November 1, 2026, and ends January 15, 2027. Therefore, I am asking for ratification from the Board to formally approve the contract.

Funding:

The project will begin January 1, 2027. It will be funded through additional net revenue generated by previously uninsured patients who were able to obtain health insurance coverage. As the Health Insurance Exchange pays MCHS through patient revenue, there is a contingency fee back to Healthfund Solutions. Neither the patient revenue nor the continency fee has been budgeted in FY2027. This could represent a significant opportunity for MCHS with no risk.

Medical Center Health System
Your One Source for Health

MEMORANDUM

TO: ECHD Board of Directors

FROM: Matt Collins, Chief Operating Officer

SUBJECT: Optum Consulting for Length of Stay (LOS)

DATE: December 1, 2026

Cost:

Monthly Consulting/Services Fee	**$110,555.56**
Contract Total	**$1,990,000.00**

Background:

Optum will provide consulting services for Medical Center Hospital's Length of Stay (LOS) improvement initiative in an 18-month engagement. Optum will develop and lead project workstreams (leadership development, progression of care, patient throughput, performance monitoring, clinical informatics, and education), implementation, and performance management. In addition to project development and leadership, Optum will execute specific deliverables (gap analysis, project implementation plan, policy and procedure documentation, performance management, steering committee charter, steering committee materials, workstream team charter, workstream status reports) throughout the engagement.

Implementation Time Frame:

Optum will conduct a gap analysis in the first 90 days. Implementation and sustainable improvement will occur over the remainder of the 18-month engagement.

Funding

The monthly expense is budgeted for $1 million in the 2027 operating budget and forecasted in the 2028 operating budget. Value to the organization in excess days via cost reduction is expected to be in the range of $11.6 Million to $21.4 Million over three years.

Medical Center Health System
Your One Source for Health

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.

ICARE Values:
Integrity | Customer Centered | Accountability | Respect | Excellence

Executive Policy Committee

Team Leader:	Crystal Sanchez	**Date:**	11/23/2026	**Start Time:**	
Location:	Virtual Vote			**End Time:**	

Agenda Item (Topic)	Time Allotted	Presenter	Notes
Meeting Called to Order			
Old Business			
• N/A			
New Business			
• New Policy: o MCH-1027 Employee Dress Code			• ***Policy was updated to include:*** o ***Updated hair, jewelry, tattoo, and uniform sections to match current dress code requirements.*** ■ ***Added scrub colors assigned to each department.*** ■ ***Replaced "associate" and "personnel" with "employee" and "MCH" with "MCHS" throughout.*** • ***EPC Committee members submitted approval votes via email.*** • ***Changes align with the updated Employee Handbook effective January 2027.***
Documents to be Retired			
• N/A			
Open Forum			
• N/A			
Meeting Adjourned			

CEO REPORT
PROVIDER RECRUITMENT
November 2026

Mid- Level Opportunities

Specialty	Engagements	Site Visits	Accepted / Declined
Pediatrics (1) NEW	**2**	**2**	Diana Chavarin, PNP -Site Visit Lenora Munoz, PNP – Site Visit

Physician Opportunities:

Specialty	Engagement	Site Visit	Accepted / Declined
Anesthesia (4)	**2**	**1**	**Fongnaly, Van MD – Visit**
Cardiology (2)	**2**	**2**	**Kaur- Pending / Offer** **Guragai, N- Pending / Visit**
Critical Care (1)	**2**	**2**	**Cannabal –Pending / Visit** **Mahmood – Offer / Declined – another offer**
Family Med. (1)	**1**	**0**	**Dr. Singal – Virtual** **Dr. Gudibanda – Offer /Pending**
Gastro (2)	**1**	**1**	**Dr. Justin McCarthy – Site Visit / Pending** **Dr. Are – Pending**
Ortho (1)	**1**	**0**	**Dr. Varun Borra – Pending**
Neurology (1)	**1**	**0**	**Dr. Rahman- only wants to have 1099 but consistent ; referred to Cortney**
OBGYN (2)	**0**	**0**	**Canzater - Pending /Offer** **Branham- Offer / Decline – Location** **Bennion – Offer / Pending**
Pediatrics (1)	**1**	**1**	**Raza – Accepted** **Debnam – Pending / Visit**
Urology (1)	**0**	**0**	**Mehta- Pending /Offer**
Urgent Care (1)	**1**	**0**	**Karthik, MD – Pending / Visit** **Parkh, Himanshu MD – Virtual**
Vascular (2)	**0**	**0**	**No Activity**
Radiology (1)	**0**	**0**	**Chika- Anyanwu- Offer / Declined - Fellowship**
Neurosurgery	**1**	**1**	**Cortez- Offer / Pending**

November Community Outreach Report

November 7th: ECISD GT Super Saturday

- MCH Pharmacy, Volunteer Services and the Healthy Kids Clinic attended providing service information and giveaways to GT students, faculty and parents. This event reached over 100 individuals.

November 7th & 8th: Joint Chiropractic Odessa Patient Appreciation Party

- Unable to have representatives attend. Donated MCH branded door prizes to support the organization.

November 17th: Clergy Breakfast

- Pastoral Care and Volunteer services led a clergy breakfast at MCH for community leaders. Over a dozen people attended with representation from 7 different church organizations. This will continue as a recurring event every 6 months.

November 19th: SI-Bone Webinar

- Dr. Othee led a webinar about the SI-Bone procedure in partnership with SI-Bone corporation. This increased public knowledge about the procedure and the services provided.

November 21st: OC 5K Turkey Trot

- OC hosted their last 5k of 2026. MCH Representatives were unable to attend this event, but we offered support and will continue partnering for future events.

ProCare/FHC Interviews – November 2026

Interviewer		Interviewee	Subject	Date of Int.	Date Aired
Chloe Ryan (First Alert 7)		Renato Galindo, Director of Cardiopulmonary Services	COPD Awareness Month	11/4/2026	11/4/2026

ProCare/FHC Social Media – November 2026

Story/Post Publication	Social Media/Platforms	Date Posted/Aired
Halloween/Fall NICU Babies	Facebook, Instagram, Stories	10/31/2026
October Mortar and Pestle Award - Brenda Pangan (Pharmacy Technician) & Kristina Chang (Clinical Pharmacy Specialist)	Facebook, Instagram, Stories	11/3/2026
Managing SI Joint Pain Webinar w/Dr. Mandeep Othee Event (MCH ProCare Pain Management)	Facebook, Instagram, Stories	11/4/2026
October ICARE Champions and Team Champions - Care Management	Facebook, Instagram, Stories	11/5/2026
Nurse of the Month - Joyce Patterson, RN - Day Surgery	Facebook, Instagram, Stories	11/6/2026
Clinical Associate of the Month - Ricardo Santiago, Cath Lab Aide - Cath Lab	Facebook, Instagram, Stories	11/6/2026
Non-Clinical Associate of the Month - Elena Lopez, Coordinator - Nursing Education	Facebook, Instagram, Stories	11/6/2026
Patient Experience Top Performers - Dr. Avelino Garcia	Facebook, Instagram, Stories	11/9/2026
Cynthia Hernandez, BSHA, ASBA - Graduated w/BSHA (Bachelor of Science in Healthcare Administration) from Capella University	Facebook, Instagram, Stories	11/10/2026
Veterans Day 2026	Facebook, Instagram, Stories	11/11/2026
Preceptor of the Year Award - Nayeli Cortez, BSN, RN - 6 Central	Facebook, Instagram, Stories	11/12/2026
BOOST Award - Pamela Lopez, PCA - 9 Central	Facebook, Instagram, Stories	11/13/2026
Rebecca Hendricks, FHC Billing/Finance Manager - Completed MBA w/concentration in Healthcare Management from Capella University	Facebook, Instagram, Stories	11/17/2026
Healthcare Stategy & Market Development Week	Facebook, Instagram, Stories	11/18/2026
Sharing of Managing SI Joint Pain Webinar w/Dr. Othee	Facebook Event, Stories	11/19/2026
Thank You, Ted Crowe - Retiring After 16 Years	Facebook, Instagram, Stories	11/20/2026
Thank You, Courtney Davis - Leaving After 9 Years, Hired by PRMC as CEO	Facebook, Instagram, Stories	11/20/2026
October/November Trauma Stars - Jessica Franco, RN - Emergency Dept./Danielle De La Rosa, Respiratory Therapist	Facebook, Instagram, Stories	11/23/2026
Urgent Cares/Walk-in Clinic Thanksgiving Week Hours	Facebook, Instagram, Stories	11/25/2026
Happy Thanksgiving from MCH	Facebook, Instagram, Stories	11/26/2026

Urgent Cares/Walk-in Clinic Black Friday and Weekend Hours	Facebook, Instagram, Stories	11/27/2026
MCH Family Health Clinic (English)	Facebook Ad	November
MCH Family Health Clinic (Spanish)	Facebook Ad	November
MCH Urgent Cares	Facebook Ad	November
MCH Community Diabetes Clinic	Facebook Ad	November

Medical Center Health System

Your One Source for Health

NOVEMBER

MCHS FY27 CAMPAIGN BUILD OUT

2026

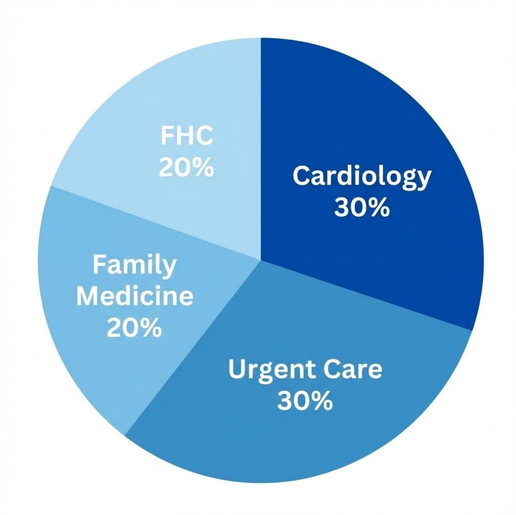
FOCUS AREAS

Q1 OCTOBER, NOVEMBER, DECEMBER

Cardiology
Ortho
Urgent Care
Family Medicine
PCPs
FHC

DIGITAL TACTICS

DIGITAL ADS ROTATING - 100% TOTAL	URGENT CARE	CARDIOLOGY	FAMILY MED	FHC	ORTHO

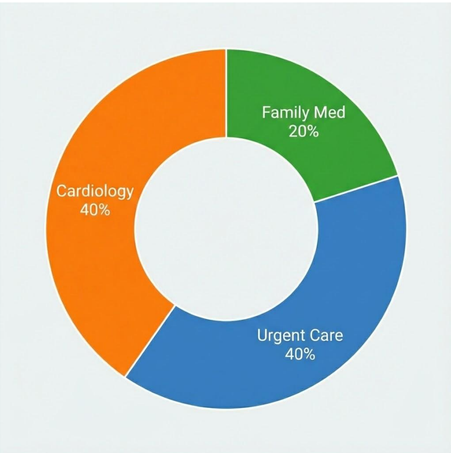


1) Campaign 1: Cardiology 20%/10% Spanish
Click through to this site: https://www.mchodessa.com/services/cardiovascular-care/
2) Campaign 2: Family Medicine 10%/10% Spanish
Click through to this site: https://www.mchodessa.com/services/Primary-care/
3) Campaign 3: Urgent Care - English 20%/10% Spanish
Click through to this site: https://www.mchodessa.com/mchurgentcare
4) Campaign 4: FHC 20% - Affordable Care for the Whole Family
Click through to this site: https://www.mchodessa.com/services/mch-family-health-clinics/

NOTE: Urgent Care and Ortho are running separate digital campaigns

DIGITAL TACTICS

DIGITAL VIDEO ADS (ROTATING)	Urgent Care - 40%	Family Medicine - 20%	Cardiology - 40%



1) Campaign 1: Cardiology
Click through to this site: https://www.mchodessa.com/services/cardiovascular-care/
2) Campaign 2: Family Medicine – MCHS Family Medicine
Click through to this site: https://www.mchodessa.com/services/primary-care/
3) Campaign 3: Urgent Care
Click through to this site: https://www.mchodessa.com/services/mch-urgent-care/

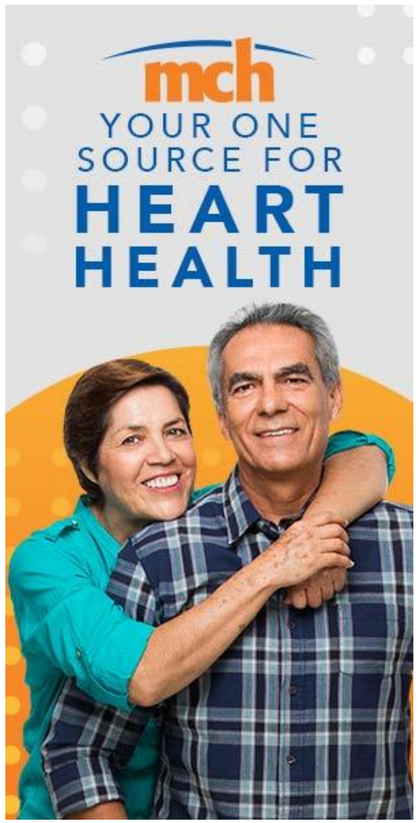
ODESSA AMERICAN DIGITAL ADS (ROTATING)	Urgent Care	Family Medicine	FHC	Cardiology

DIGITAL CREATIVE











TRADITIONAL MEDIA TACTICS

TELEVISION (:30 SCHEDULE)

- CARDIO (Evelyn/Isabella)
- ORTHO

TELEVISION (:04 ID SCHEDULE)

- ACC Heart Designation

RADIO

- High School Football

DIGITAL OUTDOOR - 8TH & DIXIE

- Walk-In Clinic
- Urgent Care
- ACC Heart Award
- Ortho

DIGITAL OUTDOOR - ANDREWS

- Urgent Care
- Your One Source - Quality Care Close to Home
- Heart Care

DIGITAL OUTDOOR - HWY 191

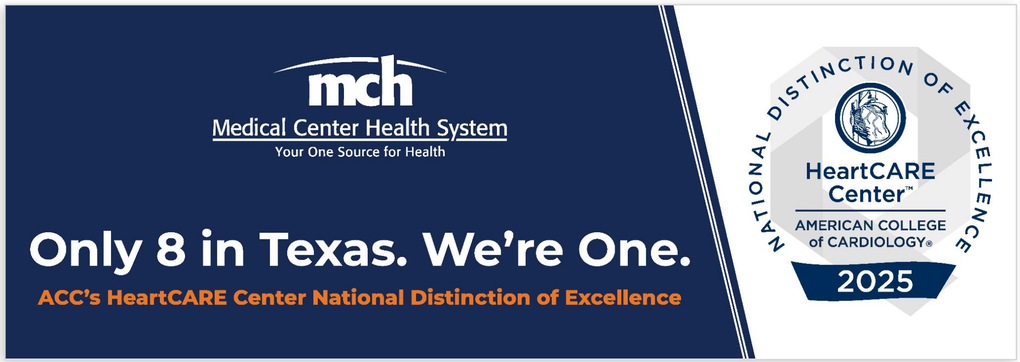
- Trauma

STATIC OUTDOOR - ANDREWS HWY

- Urgent Care

BILLBOARD CREATIVE - NOVEMBER







MAGAZINE PLACEMENT

PUBLICATION	NOVEMBER AD	NOVEMBER ARTICLE
MIDLAND LIFESTYLES	Best Of	Best Of
OCC PIPELINE	Best Of	Best Of
ODESSAN	Best Of	Best Of
MIDLAND LIVING/ODESSA LIVING	N/A	N/A

MAGAZINE CREATIVE - NOVEMBER

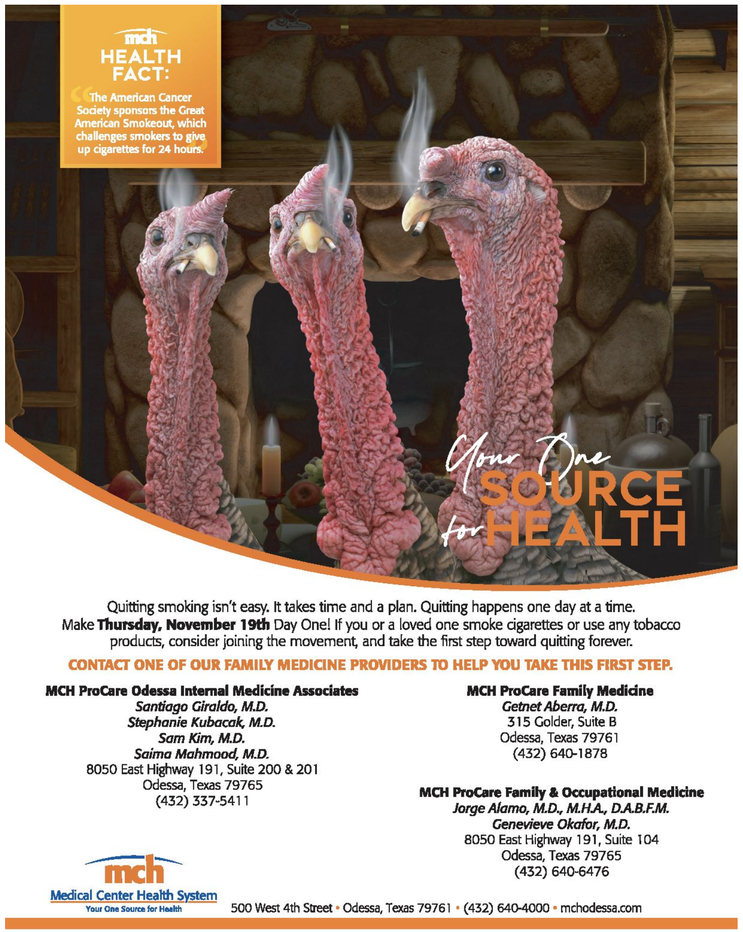


CHAMBER PLACEMENT

E-BLAST DISTRIBUTION DATE	NOVEMBER	LINKS TO:
NOVEMBER 4th	BEST OF	https://www.mchodessa.com/
NOVEMBER 11TH	SMOKIN' TURKEYS	https://www.mchodessa.com/
NOVEMBER 18TH	URGENT CARE	https://www.mchodessa.com/services/mch-urgent-care/
CHAMBER CONNECTIONS NEWSLETTER	URGENT CARE	https://www.mchodessa.com/services/mch-urgent-care/

CHAMBER CREATIVE - NOVEMBER







PROVIDER CAMPAIGNS









PROVIDER CAMPAIGNS









