



**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS MEETING
APRIL 4, 2023 – 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** Bryn Dodd, President
- II. INVOCATION** Chaplain Doug Herget
- III. MOMENT OF SILENCE FOR CHAPLAIN FARRELL ARD** Chaplain Doug Herget
- IV. PLEDGE OF ALLEGIANCE** Bryn Dodd
- V. MISSION / VISION / VALUES OF MEDICAL CENTER HEALTH SYSTEM** ... Don Hallmark (p.3)
- VI. AWARDS AND RECOGNITION**
 - A. April 2023 Associates of the Month** Russell Tippin
 - Clinical – Kelsey Maxwell
 - Non-Clinical – Francisco Rodriguez
 - Nurse – Alice Najera
 - B. Net Promoter Score Recognition** Russell Tippin
 - Chineme Chima-Nlewern, PA
 - Day Surgery
- VII. CONFLICT OF INTEREST DISCLOSURE BY ANY BOARD MEMBER**
- VIII. PUBLIC COMMENTS ON AGENDA ITEMS**
- IX. CONSENT AGENDA** Bryn Dodd (p.4-40)
(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, March 7, 2023**
 - B. Consider Approval of Special Board Meeting Minutes, March 24, 2023**
 - C. Consider Approval of Joint Conference Committee, March 28, 2023**
 - D. Consider Approval of Federally Qualified Health Center Monthly Report, February 2023**
- X. COMMITTEE REPORTS**
 - A. Finance Committee** Wallace Dunn (p.41-102)
 - 1. Financial Report for Month Ended February 28, 2023

- 2. Consent Agenda
 - a. Consider Approval of StarCare Renewal
 - b. Consider Approval of Culligan Contract Renewal
 - c. Consider Approval of Beacon Medaes Contract Renewal
- 3. Consider Approval of Vizient Clinical Data Base
- 4. Consider Approval of Gallup Agreement
- 5. Consider Approval of Sonifi Health Software/Hardware Upgrade
- 6. Healthfuse Update

B. Audit Committee Wallace Dunn (p.103-185)

- 1. Presentation of FY22 Audited Financial Statements
- 2. Report to Management

C. Executive Policy Committee..... Kathy Rhodes

XI. TTUHSC AT THE PERMIAN BASIN REPORT..... Dr. Timothy Benton

XII. SOUTHWEST TRANSPLANT ALLIANCE RECOGNITION
.....Kim Leftwich/Jenna Johnson

XIII. CONSIDER APPROVAL OF ENDOWMENT FUNDS DISTRIBUTION..... Steve Ewing (p.186)

XIV. PRESIDENT/CHIEF EXECUTIVE OFFICER’S REPORT AND ACTIONS
..... Russell Tippin (p.187-188)

- A. Board Retreat Update**
- B. CMO Update – Dr. Hulsey**
- C. COVID-19 Update**
- D. Ad hoc Report(s)**

XV. 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; and (2) Deliberation regarding negotiations for health care services, pursuant to Section 551.085 of the Texas Government Code.

XVI. ITEMS FOR CONSIDERATION FROM EXECUTIVE SESSION

A. CONSIDER APPROVAL OF MCH PROCARE PROVIDER AGREEMENTS

XVII. ADJOURNMENT Bryn Dodd

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

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING
MARCH 7, 2023 – 5:30 p.m.**

MINUTES OF THE MEETING

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

OTHERS PRESENT: Russell Tippin, President/Chief Executive Officer
Matt Collins, Chief Operating Officer
Steve Steen, Chief Legal Counsel
Dr. Meredith Hulseley, Chief Medical Officer
Kim Leftwich, Chief Nursing Officer
Dr. Gregory Shipkey, Chief of Staff
Dr. Jeff Pinnow, Vice Chief of Staff
Kerstin Connolly, Paralegal
Lisa Russell, Executive Assistant to the CEO
Russell Meyers, President/CEO of Midland Health
Kory Smith, Controller - TTUHSC
Various other interested members of the
Medical Staff, employees, and citizens

I. CALL TO ORDER

Bryn Dodd, 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. INVOCATION

Chaplain Doug Herget offered the invocation.

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III. PLEDGE OF ALLEGIANCE

Bryn Dodd led the Pledge of Allegiance to the United States and Texas flags.

IV. MISSION/VISION OF MEDICAL CENTER HEALTH SYSTEM

David Dunn presented the Mission, Vision and Values of Medical Center Health System.

V. AWARDS AND RECOGNITION

A. March 2023 Associates of the Month

Matt Collins, Chief Operating Officer, introduced the March 2023 Associates of the Month as follows:

- Clinical –Mireya Prieto
- Non-Clinical – Isabel Barrios
- Nurse – Marily Modesto

B. Net Promoter Score Recognition

Matt Collins, Chief Operating Officer, introduced the Net Promoter Score High Performer(s).

- Dr. Jorge Alamo
- Special Procedures

VI. TRAUMA EDUCATION AND UPDATE

Sirena Watts, Trauma Coordinator, provide an educational update on the trauma departments outreach programs to the ECHD Board of Directors.

This report was informational only. No action was taken.

VII. CONFLICT OF INTEREST DISCLOSURE BY ANY BOARD MEMBER

No conflicts were disclosed.

VIII. PUBLIC COMMENTS ON AGENDA ITEMS

No comments from the public were received.

IX. CONSENT AGENDA

- A. Consider Approval of Regular Meeting Minutes, February 9, 2023**
- B. Consider Approval of Joint Conference Committee, February 28, 2023**
- C. Consider Approval of Federally Qualified Health Center Monthly Report, January 2023**

Kathy Rhodes moved, and Wallace Dunn seconded the motion to approve the items listed on the Consent Agenda as presented. The motion carried unanimously.

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X. COMMITTEE REPORTS

A. Finance Committee

1. Financial Report for Month Ended January 31, 2023
2. Consent Agenda
 - a. Consider Approval of Citrix Platform Hardware License Support Renewal.
 - b. Consider Approval of Crothall Helathcare Inc. Contract Amendment Renewal
 - c. Consider Approval of Firetrol Protection Services Contract Renewal.

- d. Approved CapEx Purchase – Update on purchase of CT Scanner.
- e. Consider Approval of Abbott Diabetes Care Pricing Agreement and Upgrade Renewal.
3. Consider Approval of SOFIE PET Radiopharmaceuticals Agreement.
4. Healthfuse Update – was tabled.

Dr. George Rodenko asked to address the board regarding the recent purchase of the CT Scanner. He asked the board if they had any questions on how this equipment was selected. He explained that the unit that was replaced was purchased 18 years ago. He congratulated the Board on having a pre-approved capital budget.

Wallace Dunn moved, and Kathy Rhodes seconded the motion to approve the Finance Committee report as presented. The motion carried.

XI. TTUHSC AT THE PERMIAN BASIN REPORT

Kory Smith, TTUHSC Controller, provided the TTUHSC at the Permian Basin report. This report was for information only and no action was taken.

XII. NURSING UPDATE – NURSING WORKFORCE, STAFFING ADVISORY, AND MAGNET

Kim Leftwich, Chief Nursing Officer, provide an update on the Nursing Workforce, Natalie Sandell, Divisional Director, provide an update on the Staffing Advisory, and Dani Butterfield, Magnet Director, provide an update on the Magnet journey to the ECHD Board of Directors.

These reports were informational only. No action was taken.

XIII. CONSIDER CERTIFICATION OF UNOPPOSED CANDIDATES

Steve Steen, Chief Legal Counsel, presented the Certification of Unopposed Candidates (District 4 and 6). This certification confirms that the Ector County Hospital Board Members for Districts 4 and 6 are running unopposed in the May 6, 2023 election. The Certification is as follows:

AW12-1
Prescribed by Secretary of State
Section 2.051 – 2.053, Texas Election Code
2/14

**CERTIFICATION OF UNOPPOSED CANDIDATES FOR
OTHER POLITICAL SUBDIVISIONS (NOT COUNTY)
CERTIFICACIÓN DE CANDIDATOS ÚNICOS
PARA OTRAS SUBDIVISIONES POLITICAS (NO EL CONDADO)**

To: Presiding Officer of Governing Body
Al: Presidente de la entidad gobernante

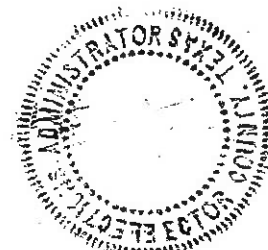
As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the election scheduled to be held on May 6, 2023.

Como autoridad a cargo de la preparación de la boleta de votación oficial, por la presente certifico que los siguientes candidatos son candidatos únicos para elección para un cargo en la elección que se llevará a cabo el 6 de mayo de 2023.

List offices and names of candidates:
Lista de cargos y nombres de los candidatos:

Office(s) Cargo(s)	Candidate(s) Candidato(s)
<i>Ector County Hospital District, District 4 Distrito del Hospital del Condado de Ector, Distrito 4</i>	<i>David Dunn</i>
<i>Ector County Hospital District, District 6 Distrito del Hospital del Condado de Ector, Distrito 6</i>	<i>Wallace Dunn</i>

Lisa Sertuche
Signature (Firma)
LISA SERTUCHE
Printed name (Nombre en letra de molde)
Elections Administrator
Title (Puesto)
03-02-23
Date of signing (Fecha de firma)



(Seal) (sello)

Richard Herrera moved, and Kathy Rhodes seconded the motion to approve the Certification of Unopposed Candidates. The motion carried.

XIV. CONSIDER ORDER OF CANCELLATION OF ELECTION OF DIRECTORS DISTRICT 4 AND 6

Steve Steen presented the Order of Cancellation of Election of Directors District 4 and 6. This order cancels the election for those districts whose candidates are unopposed and thereby elected. The Order is as follows:

**ORDER OF CANCELLATION OF ELECTION
(DIRECTOR DISTRICT 4 AND 6)
ORDEN DE CANCELACIÓN DE LA ELECCIÓN
(DIRECTOR DE DISTRITO 4 y 6)**

The Ector County Hospital District hereby cancels the election for Director District 4 and District 6 scheduled to be held on May 6, 2023 in accordance with Section 2.053(a) of the Texas Election Code. The following candidates have been certified as unopposed and are hereby elected as follows:

El distrito del Hospital del Condado Ector por este medio cancela la elección de Director del Distrito 4 y del Distrito 6 que estaba programada para el 6 de mayo de 2023, de acuerdo con la Sección 2.053(a) del Código de Elecciones de Texas. Los candidatos siguientes han sido certificados como candidatos sin oposición y son por este medio elegidos como sigue:

<u>Candidate (Candidato)</u>	<u>Office Sought (Cargo al que presenta candidatura)</u>
David Dunn	Board of Directors - District 4 (Junta de Directores – Distrito 4)
Wallace Dunn	Board of Directors – District 6 (Junta de Directores – Distrito 6)

A copy of this order will be posted on Election Day at each polling place that would have been used in the election.


El día de las elecciones se exhibirá una copia de esta orden en todos los centros electorales que se hubieran utilizado en la elección.



President (Presidente)



Secretary (Secretario)



Date of adoption (Fecha de adopción)

Richard Herrera moved, and Kathy Rhodes seconded the motion to approve the Order of Cancellation of Election of Directors District 4 and 6. The motion carried.

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

A. Update of Planned Power Shutdown

Matt Collins, Chief Operating Officer, reported to the Board that the 60-year-old switchgear was replaced during the planned power shutdown on March 3-4, 2023.

This report was informational only and no action was taken.

B. COVID-19 Update

Russell Tippin, President/CEO, reported that there was if the numbers hold we will be coming out of masks.

This report was informational only and no action was taken.

C. Dr. Hulseley – CMO Update

Dr. Hulseley, Chief Medical Officer, reported to the Board that she is receiving ideas from providers and provider engagement leads to retention. She reminded the Board that Doctors Day Lunch will be March 30, 2023 from 11:00am – 2:00pm. There are plans to have an Advanced Practitioner Day in the Fall.

This report was informational only and no action was taken.

D. Ad hoc Report(s)

Russell Tippin reported that a pop-up hiring event was held recently, it was a great event – worth the time.

The Regional Services report was provided in the packet.

These reports were informational only. No action was taken.

XVI. EXECUTIVE SESSION

Bryn Dodd 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; (2) Deliberation regarding negotiations for health care services, pursuant to Section 551.085 of the Texas Government Code; and (3) Deliberation Regarding Economic Development Negotiations. Page 9 of 188

ATTENDEES for the entire Executive Session: ECHD Board members, Bryn Dodd, Mary Lou Anderson, David Dunn, Don Hallmark, Wallace Dunn, Kathy Rhodes, Russell Tippin, President and CEO, Steve Steen, Chief Legal Counsel, Matt Collins, Chief Operating Officer, Dr. Meredith Hulseley, Chief Medical Officer, and Kerstin Connolly, Paralegal.

Russell Meyers, President/Chief Executive Officer of Midland Health, led the ECHD Board of Directors in discussions during Executive Session about the Permian Basin Behavioral Health Center, Permian Basin Medical Center and HB492 legislation filed by Tom Craddick. Board Member Richard Herrera left the remainder of the meeting. Russell Meyers and Kim Leftwich, Chief Nursing Officer, were excused from the remainder of Executive Session.

Russell Tippin, President/CEO, led the board discussions about the ARPA funds, University of Texas, and HB492 language. Kory Smith, TTUHSC was excused from the remainder of Executive Session.

Steve Steen, Chief Legal Counsel, led the board in discussion about HB492 language during Executive Session.

Adiel Alvarado, President MCH ProCare, presented the ProCare provider agreements, MCH TraumaCare agreement and provided an anesthesia update to the ECHD Board of Directors during Executive Session and then was excused from the remainder of Executive Session.

Russell Tippin, President/CEO, and Steve Steen, Chief Legal Counsel, led the board in discussion about regional economic developments.

Executive Session began at 6:26 p.m.
Executive Session ended at 8:47 p.m.

XVII. ITEMS FOR CONSIDERATION FROM EXECUTIVE SESSION

A. Consider Approval of MCH ProCare Provider Agreement(s).

Bryn Dodd presented the following new agreements:

- Mayra Villa, CNP – This a three (3) year Urgent Care Contract.
- Yarines Gonzalez, N.P.– This is a three (3) year Pain Management Contract.
- Varunsiri Atti, M.D. – This is a three (3) year Cardiology Contract.

Bryn Dodd presented the following renewal agreements:

- Sam Kim, M.D. – This is three (3) year renewal of an Internal Medicine Contract.
- Marivic Salarda, CRNA – This is a three (3) year renewal of a Anesthesia Contract.
- Beverly Gifford, N.P. – This a three (3) year renewal of a Family Health Clinic Contract.
- Ellen Novicio, N.P. – This a three (3) year renewal of a Cardiology Contract.

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Bryn Dodd presented the following amendments:

- Tammy Trollope N.P. – This is an amendment to a FHC Family Medicine Contract.
- Chineme Chima-Nlewem, MPAS, PA-C – This is an amendment to a Pain Management Contract.

Kathy Rhodes moved, and David Dunn seconded the motion to approve the MCH ProCare Provider Agreements as presented. The motion carried.

B. Consider Approval of MCH TraumaCare Provider Agreement

Bryn Dodd presented the following new MCH TraumaCare Provider agreement:

- Dennis Choi, M.D. – This is a three (3) year TraumaCare Contract.

Wallace Dunn moved, and Mary Lou Anderson seconded the motion to approve the MCH TraumaCare Provider Agreement as presented. The motion carried.

XVIII.ADJOURNMENT

There being no further business to come before the Board, Bryn Dodd adjourned the meeting at 8:48 p.m.

Respectfully submitted,



David Dunn, Secretary
Ector County Hospital District Board of Directors

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS
SPECIAL BOARD MEETING
MARCH 24, 2023 – 11:30 a.m.**

MINUTES OF THE MEETING

MEMBERS PRESENT: Bryn Dodd, President
Wallace Dunn, Vice President
Mary Lou Anderson
Richard Herrera – joined during Executive Session
David Dunn
Kathy Rhodes – joined during Executive Session

MEMBERS ABSENT: Don Hallmark

OTHERS PRESENT: Russell Tippin, President/Chief Executive Officer
Matt Collins, Chief Operating Officer
Steve Steen, Chief Legal Counsel
Kim Leftwich, Chief Nursing Officer
Kerstin Connolly, Paralegal
Various other interested members of the
Medical Staff, employees, and citizens

I. CALL TO ORDER

Bryn Dodd, President, called the meeting to order at 11:31 a.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. PUBLIC COMMENTS ON AGENDA ITEMS

No comments from the public were received.

III. LEGISLATIVE UPDATE

Russell Tippin, President/CEO reserved his comments for executive session.

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IV. CONSIDER APPROVAL OF CONTRACT FOR ELECTION SERVICES

Steve Steen, Chief Legal Counsel, presented the Contract for Election Services for approval. The cost of the election for District 2 will be shared with the Ector County Independent School District.

David Dunn moved, and Wallace Dunn seconded the motion to approve the Contract for Election Services as presented. The motion carried.

V. EXECUTIVE SESSION

Bryn Dodd stated that the Board would go into Executive Session for the meeting held in closed session as to consultation with attorney regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code.

ATTENDEES for the entire Executive Session: ECHD Board members, Bryn Dodd, Mary Lou Anderson, Richard Herrera, David Dunn, Wallace Dunn, Kathy Rhodes, Russell Tippin, President and CEO, Steve Steen, Chief Legal Counsel, Matt Collins, Chief Operating Officer, and Kerstin Connolly, Paralegal.

Staci Ashley, Vice President of Human Resources, Janice Dane, Director of Human Resources, and Kim Leftwich, Chief Nursing Officer led the ECHD Board of Directors in discussions about nursing pay. Staci Ashley, Janice Dane and Kim Leftwich were excused from the remainder of Executive Session.

Russell Tippin, President/CEO and Steve Steen, Chief Legal Counsel, led the ECHD Board of Directors in discussions about a provider related issue.

Russell Tippin, President/CEO and Wallace Dunn, Vice=President of ECHD Board of Directors led the board in discussions about the Permian Basin Behavioral Health Center and HB 492.

Executive Session began at 11:34 a.m.

Executive Session ended at 1:54 p.m.

VI. ITEMS FOR CONSIDERATION FROM EXECUTIVE SESSION

A. Resolution Regarding Legislation Regarding Permian Basin Behavioral Health Center



RESOLUTION

THE STATE OF TEXAS §
COUNTY OF ECTOR §

On the 24th day of March 2023, at a meeting of the Board of Directors of the Ector County Hospital District (ECHD), a government entity, held in the City of Odessa, Ector County, with a quorum of the Directors present, the following Resolution was adopted:

WHEREAS, the ECHD Board of Directors resolves to support the passage of HB 492 as it is currently proposed.

BE IT RESOLVED that the Board of Directors of ECHD hereby supports the passage of HB 492 as it is currently proposed.

Bryn Dodd, President
Ector County Hospital District
Board of Directors

Wallace Dunn, Vice President
Ector County Hospital District
Board of Directors

Wallace Dunn moved, and David Dunn seconded the motion to approve a resolution supporting HB 492. Kathy Rhodes stated that she strongly feels she was elected to address Ector County issues and too much time has been used to address Midland County issues. Richard Herrera stated that he is here for Ector County, but mental health is needed. The following vote took place:

Bryn Dodd:	Yes
Mary Lou Anderson:	No
Richard Herrera:	Yes
David Dunn:	Yes
Don Hallmark:	Absent
Wallace Dunn:	Yes
Kathy Rhodes:	No

There being 4 votes for and 2 votes against, NOW, THEREFORE BE IT RESOLVED by the Board of Directors of ECHD to support the passage of HB 492 as it is currently proposed.

VII. ADJOURNMENT

There being no further business to come before the Board, Bryn Dodd adjourned the meeting at 1:58 p.m.

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Respectfully submitted,



David Dunn, Secretary
Ector County Hospital District Board of Directors



April 4, 2023

**ECTOR COUNTY HOSPITAL DISTRICT
 BOARD OF DIRECTORS**

Item to be considered:

Medical Staff and Allied Health Professionals Staff Applicants

Statement of Pertinent Facts:

Pursuant to Article 7 of the Medical Staff Bylaws, the application process for the following Medical Staff and Allied Health Professional applicants is complete. The Joint Conference Committee and the Medical Executive Committee recommend approval of privileges or scope of practice and membership to the Medical Staff or Allied Health Professionals Staff for the following applicants, effective upon Board Approval.

Medical Staff:

Applicant	Department	Specialty/Privileges	Group	Dates
Dennis Choi, MD	Surgery	Trauma	MCH Trauma Care	04/04/2023-04/03/2024

Allied Health:

Applicant	Department	AHP Category	Specialty/Privileges	Group	Sponsoring Physician(s)	Dates
*Melissa Cisneros, NP	Emergency Medicine	AHP	Nurse Practitioner	BEPO	Dr. Rolando Diaz	04/04/2023-04/03/2025
*Emily Combs, NP	Emergency Medicine	AHP	Nurse Practitioner	BEPO	Dr. Rolando Diaz	04/04/2023-04/03/2025
Mayra Villa, NP	Family Medicine	AHP	Nurse Practitioner	ProCare	Dr. Getnet Abera	04/04/2023-04/03/2025

*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.

Gregory Shipkey, MD Chief of Staff
 Executive Committee Chair
 /MM



April 4, 2023

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

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

Statement of Pertinent Facts:

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

Medical Staff:

Applicant	Department	Status Criteria Met	Staff Category	Specialty/ Privileges	Group	Changes to Privileges	Dates
Robert Montana, MD	Emergency Medicine	Yes	Associate	Emergency Medicine	BEPO	None	04/01/2023-03/30/2024
Kenneth Batch, MD	Anesthesia	Yes	Active	Anesthesiology	ProCare	None	05/01/2023-04/30/2025
Joseph Bryan II, MD	Anesthesia	Yes	Active	Anesthesiology	ProCare	None	05/01/2023-04/30/2025
Bradley Dyrstad, MD	Surgery	Yes	Active	Orthopedic Surgery		None	05/01/2023-04/30/2025
Amir Fassihi, MD	Radiology	Yes	Telemedicine	Telemedicine	VRAD	None	05/01/2023-04/30/2025
Kingsley Okonkwo, MD	Pediatrics	Yes	Active	Pediatrics		None	05/01/2023-04/30/2025
Frank Rembert, MD	Radiology	Yes	Telemedicine	Telemedicine	VRAD	None	05/01/2023-04/30/2025
Jannie Tang, MD	Anesthesia	Yes	Active	Anesthesiology	ProCare	None	05/01/2023-04/30/2025
Luke Young, MD	Anesthesia	Yes	Courtesy to Affiliate	Anesthesiology	ProCare	None	05/01/2023-04/30/2025
Sridhar Allam, MD	Medicine	Yes	Associate	Nephrology		None	06/01/2023-05/31/2024
Srikala Meda, MD	Medicine	Yes	Associate	Medical Oncology	Texas Oncology	None	06/01/2023-05/31/2024
Devi Suravajjala, MD	Medicine	Yes	Associate	Endocrinology	TTUHSC	None	06/01/2023-05/31/2024
Christopher Enakpene, MD	OB/GYN	Yes	Active	OB/GYN	TTUHSC	None	07/01/2023-06/30/2025
Avelino Garcia, MD	OB/GYN	Yes	Active	OB/GYN	ProCare	None	07/01/2023-06/30/2025
Ameen Jamali, MD	Emergency Medicine	Yes	Active	Emergency Medicine	BEPO	None	07/01/2023-06/30/2025
Hyon Kang, MD	Medicine	Yes	Associate	Gastroenterology		None	07/01/2023-06/30/2025
Christopher Maguire, DO	OB/GYN	Yes	Active	OB/GYN	TTUHSC	None	07/01/2023-06/30/2025
Raghavendra Sanivarapu, MD	Medicine	Yes	Associate	Pulmonary	TTUHSC	None	07/01/2023-06/30/2024
Eileen Sheridan-Shayeb, MD	Pediatrics	Yes	Active	Pediatrics	TTUHSC	None	07/01/2023-06/30/2025
Joel Wussow, MD	Emergency Medicine	Yes	Associate	Emergency Medicine	BEPO	None	07/01/2023-06/30/2024

Allied Health Professionals:

Applicant	Department	AHP Category	Specialty / Privileges	Group	Sponsoring Physician(s)	Changes to Privileges	Dates
Brent Barrett, CRNA	Anesthesia	AHP	CRNA	Midwest Anesthesia	Dr. Gillala, Dr. Bhari, Dr. Bryan, Dr. Reddy, Dr. Hwang, Dr. Batch Dr. Bangalore	None	05/01/2023-04/30/2025
Michael Browning, CRNA	Anesthesia	AHP	CRNA	Midwest Anesthesia	Dr. Gillala, Dr. Bhari, Dr. Bryan, Dr. Reddy, Dr. Hwang, Dr. Batch Dr. Bangalore	None	05/01/2023-06/30/2025
Joshua Jordan, CRNA	Anesthesia	AHP	CRNA	Midwest Anesthesia	Dr. Gillala, Dr. Bhari, Dr. Bryan, Dr. Reddy, Dr. Hwang, Dr. Batch Dr. Bangalore	None	05/01/2023-06/30/2025
Tiffany Vaught, NP	Cardiology	AHP	Nurse Practitioner		Dr. Anand Reddy, Dr. Asif Ansari, Dr. Raja Naidu	None	05/01/2023-04/30/2025
Mary Jane Dunaway, CRNA	Anesthesia	AHP	CRNA	Midwest Anesthesia	Dr. Gillala, Dr. Bhari, Dr. Bryan, Dr. Reddy, Dr. Hwang, Dr. Batch Dr. Bangalore	None	07/01/2023-06/30/2025

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.

Gregory Shipkey, MD Chief of Staff
Executive Committee Chair
/MM



April 4, 2023

**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
Hyon Kang, DO	Medicine	ADD: Nonvariceal/ variceal hemostasis (upper and lower); Esophageal Stent Placement
Kirit Patel, MD	Surgery	Remove: Esophageal Surgery; Esophagoscopy Rigid Flexible

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.

Gregory Shipkey, MD Chief of Staff
Executive Committee Chair
/MM



April 4, 2023

**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	Action
Stewart Bober, MD	Telemedicine	Radiology	03/08/2023	Resignation
Angelica DeLaCruz, NP	AHP	OB/GYN	12/30/22	Resignation
James Faliszek, MD	Telemedicine	Radiology	02/28/2023	Resignation
Blane Womack, MD	Associate	Emergency Medicine	09/06/2023	Resignation

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.

Gregory Shipkey, MD Chief of Staff
Executive Committee Chair
/MM



April 4, 2023

**ECTOR COUNTY HOSPITAL DISTRICT
 BOARD OF DIRECTORS**

Item to be considered:

Change in Medical Staff or AHP Staff Category

Statement of Pertinent Facts:

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

Staff Category Change:

Staff Member	Department	Category
Luke Young, MD	Anesthesia	Courtesy to Affiliate

Changes to Credentialing Dates:

Staff Member	Staff Category	Department	Dates
None			

Changes of Supervising Physician(s):

Staff Member	Group	Department
None		

Leave of Absence:

Staff Member	Staff Category	Department	Effective Date	Action
None				



April 4, 2023

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Removal of I-FPPE

Staff Member	Department	Removal/Extension
Lakshmi Alahari, MD	Hospitalist	Removal I-FPPE
Ashlynn Duncan, NP	Medicine	Removal I-FPPE
Kevin Harboure, MD	Anesthesia	Removal I-FPPE
Yi-Zarn Wang, MD	Surgery	Removal I-FPPE

Change in Privileges

Staff Member	Department	Privilege
None		

Proctoring Request(s)/Removal(s)

Staff Member	Department	Privilege(s)
None		

Advice, Opinions, Recommendations and Motion:

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

Gregory Shipkey, MD Chief of Staff
Executive Committee Chair
/MM



April 4, 2023

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

- Medicine Department Additional Chairperson
- Surgery Department Additional Chairperson

Statement of Pertinent Facts:

The Medical Executive Committee and the Joint Conference Committee recommend approval of the following additional chairperson.

- Medicine Department Additional Chairperson
- Surgery Department Additional Chairperson

Advice, Opinions, Recommendations and Motion:

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 to approve the above additional chairperson.

Gregory Shipkey, MD Chief of Staff
Executive Committee Chair
/MM



April 4, 2023

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Item to be considered:

The following items are for reappointment criteria per privileges listed below:

Non-Invasive Ischemia Evaluations (physicians and advanced practice providers):

- **SUPERVISE non-invasive ischemia evaluations Physicians not requiring specific amount at reappointment**
- **INTERPRET non-invasive ischemia evaluations 25 cases per year**

Diagnostic coronary angiogram/ Left and Right Caths 50 cases per year

- Listed in MCH documents for Cardiovascular Disease and Cardiovascular/Thoracic Surgery (listed as “Cardiac Catheterization”)
- Listed in MCH documents for Cardiovascular Disease and Cardiovascular/Thoracic Surgery (listed as “Transvenous Pacemaker Insertion”)

Device Implants

- **Permanent Pacemaker 10 cases per year**
 - Listed in MCH documents for Interventional Cardiology and Cardiovascular/Thoracic Surgery
- **Implantable Cardiac Defibrillator 10 cases per year**
 - MCH document for Clinical Cardiac Electrophysiology specifies 25 cases for initial credentialing
 - Listed in MCH documents for Interventional Cardiology and Cardiovascular/Thoracic Surgery (under Special Privileges)
- **Cardiac Rhythm Management (CRT) 10 cases per year**
 - MCH documents for Interventional Cardiology and Clinical Cardiac Electrophysiology have “Resynchronization device implantation”

Percutaneous Coronary Interventions (PCI) 50 cases per year

- Listed in MCH document for Interventional Cardiology

Statement of Pertinent Facts:

The Medical Executive Committee and the Joint Conference Committee recommend approval of the following Reappointment Criteria.



April 4, 2023

**ECTOR COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Advice, Opinions, Recommendations and Motion:

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 to approve the Reappointment Criteria.

Gregory Shipkey, MD Chief of Staff
Executive Committee Chair
/MM

Family Health Clinic
April 2023
ECHD Board Packet

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CENTERS COMBINED - OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<u>PATIENT REVENUE</u>										
Outpatient Revenue	\$ 658,529	\$ 580,871	13.4%	\$ 509,900	29.1%	\$ 2,993,974	\$ 2,904,266	3.1%	\$ 2,888,877	3.6%
TOTAL PATIENT REVENUE	\$ 658,529	\$ 580,871	13.4%	\$ 509,900	29.1%	\$ 2,993,974	\$ 2,904,266	3.1%	\$ 2,888,877	3.6%
<u>DEDUCTIONS FROM REVENUE</u>										
Contractual Adjustments	\$ 366,107	\$ 326,741	12.0%	\$ 294,360	24.4%	\$ 1,642,237	\$ 1,633,331	0.5%	\$ 1,810,273	-9.3%
Self Pay Adjustments	66,544	58,545	13.7%	66,190	0.5%	348,362	290,515	19.9%	172,876	101.5%
Bad Debts	(24,236)	10,974	-320.8%	55,244	-143.9%	(78,620)	55,948	-240.5%	83,910	-193.7%
TOTAL REVENUE DEDUCTIONS	\$ 408,416	\$ 396,260	3.1%	\$ 415,794	-1.8%	\$ 1,911,979	\$ 1,979,794	-3.4%	\$ 2,067,059	-7.5%
	62.02%	68.22%		81.54%		63.86%	68.17%		71.55%	
NET PATIENT REVENUE	\$ 250,113	\$ 184,611	35.5%	\$ 94,106	165.8%	\$ 1,081,995	\$ 924,472	17.0%	\$ 821,819	31.7%
<u>OTHER REVENUE</u>										
FHC Other Revenue	\$ 81,763	\$ 23,543	247.3%	\$ 4,442	1740.9%	\$ 492,075	\$ 117,715	318.0%	\$ 139,035	253.9%
TOTAL OTHER REVENUE	\$ 81,763	\$ 23,543	247.3%	\$ 4,442	1740.9%	\$ 492,075	\$ 117,715	318.0%	\$ 139,035	253.9%
NET OPERATING REVENUE	\$ 331,877	\$ 208,154	59.4%	\$ 98,547	236.8%	\$ 1,574,069	\$ 1,042,187	51.0%	\$ 960,854	63.8%
<u>OPERATING EXPENSE</u>										
Salaries and Wages	\$ 94,609	\$ 101,105	-6.4%	\$ 80,617	17.4%	\$ 520,057	\$ 503,895	3.2%	\$ 476,313	9.2%
Benefits	21,133	26,080	-19.0%	20,487	3.2%	150,434	132,860	13.2%	125,602	19.8%
Physician Services	227,644	198,986	14.4%	145,104	56.9%	812,983	1,061,741	-23.4%	817,109	-0.5%
Cost of Drugs Sold	12,979	18,390	-29.4%	19,451	-33.3%	92,346	92,876	-0.6%	96,065	-3.9%
Supplies	8,645	9,342	-7.5%	13,314	-35.1%	70,742	46,559	51.9%	42,898	64.9%
Utilities	5,712	7,780	-26.6%	5,740	-0.5%	30,301	30,406	-0.3%	27,277	11.1%
Repairs and Maintenance	554	2,824	-80.4%	10,676	-94.8%	5,033	14,120	-64.4%	23,439	-78.5%
Leases and Rentals	474	482	-1.7%	533	-11.0%	2,370	2,410	-1.7%	2,490	-4.8%
Other Expense	1,000	1,591	-37.1%	1,000	0.0%	5,000	7,955	-37.1%	8,335	-40.0%
TOTAL OPERATING EXPENSES	\$ 372,749	\$ 366,580	1.7%	\$ 296,921	25.5%	\$ 1,689,266	\$ 1,892,822	-10.8%	\$ 1,619,528	4.3%
Depreciation/Amortization	\$ 23,413	\$ 27,430	-14.6%	\$ 28,692	-18.4%	\$ 116,898	\$ 146,065	-20.0%	\$ 143,821	-18.7%
TOTAL OPERATING COSTS	\$ 396,162	\$ 394,010	0.5%	\$ 325,613	21.7%	\$ 1,806,165	\$ 2,038,887	-11.4%	\$ 1,763,348	2.4%
NET GAIN (LOSS) FROM OPERATIONS	\$ (64,286)	\$ (185,856)	-65.4%	\$ (227,065)	-71.7%	\$ (232,095)	\$ (996,700)	-76.7%	\$ (802,494)	-71.1%
Operating Margin	-19.37%	-89.29%	-78.3%	-230.41%	-91.6%	-14.74%	-95.64%	-84.6%	-83.52%	-82.3%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Total Visits	2,121	1,967	7.8%	1,619	31.0%	9,617	9,808	-1.9%	9,345	2.9%
Average Revenue per Office Visit	310.48	295.31	5.1%	314.95	-1.4%	311.32	296.11	5.1%	309.14	0.7%
Hospital FTE's (Salaries and Wages)	25.3	28.3	-10.6%	21.3	18.6%	25.7	26.2	-1.7%	21.4	20.4%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC - SOUTH - OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 208,513	\$ 230,081	-9.4%	\$ 143,376	45.4%	\$ 988,239	\$ 1,138,668	-13.2%	\$ 901,461	9.6%
TOTAL PATIENT REVENUE	\$ 208,513	\$ 230,081	-9.4%	\$ 143,376	45.4%	\$ 988,239	\$ 1,138,668	-13.2%	\$ 901,461	9.6%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 119,601	\$ 134,841	-11.3%	\$ 63,310	88.9%	\$ 532,561	\$ 667,326	-20.2%	\$ 654,538	-18.6%
Self Pay Adjustments	30,318	38,746	-21.8%	43,312	-30.0%	151,799	191,755	-20.8%	106,794	42.1%
Bad Debts	(11,309)	(6,582)	71.8%	3,149	-459.1%	(28,734)	(32,574)	-11.8%	(70,232)	-59.1%
TOTAL REVENUE DEDUCTIONS	\$ 138,610	\$ 167,005	-17.0%	\$ 109,772	26.3%	\$ 655,626	\$ 826,507	-20.7%	\$ 691,099	-5.1%
	66.5%	72.6%		76.6%		66.3%	72.6%		76.7%	
NET PATIENT REVENUE	\$ 69,904	\$ 63,076	10.8%	\$ 33,604	108.0%	\$ 332,613	\$ 312,161	6.6%	\$ 210,362	58.1%
OTHER REVENUE										
FHC Other Revenue	\$ 81,763	\$ 23,543	0.0%	\$ 4,442	1740.9%	\$ 492,075	\$ 117,715	0.0%	\$ 139,035	253.9%
TOTAL OTHER REVENUE	\$ 81,763	\$ 23,543	247.3%	\$ 4,442	1740.9%	\$ 492,075	\$ 117,715	318.0%	\$ 139,035	253.9%
NET OPERATING REVENUE	\$ 151,667	\$ 86,619	75.1%	\$ 38,046	298.6%	\$ 824,687	\$ 429,876	91.8%	\$ 349,397	136.0%
OPERATING EXPENSE										
Salaries and Wages	\$ 75,248	\$ 59,217	27.1%	\$ 66,242	13.6%	\$ 380,730	\$ 293,065	29.9%	\$ 381,091	-0.1%
Benefits	16,809	15,275	10.0%	16,834	-0.1%	110,132	77,271	42.5%	100,492	9.6%
Physician Services	105,137	95,767	9.8%	87,036	20.8%	488,627	505,100	-3.3%	434,308	12.5%
Cost of Drugs Sold	2,680	4,684	-42.8%	3,910	-31.5%	23,642	23,180	2.0%	27,221	-13.1%
Supplies	2,959	5,367	-44.9%	4,315	-31.4%	15,599	26,624	-41.4%	20,215	-22.8%
Utilities	3,514	4,892	-28.2%	2,632	33.5%	15,513	17,821	-12.9%	14,581	6.4%
Repairs and Maintenance	554	2,824	-80.4%	10,676	-94.8%	3,333	14,120	-76.4%	23,439	-85.8%
Leases and Rentals	474	482	-1.7%	533	-11.0%	2,370	2,410	-1.7%	2,490	-4.8%
Other Expense	1,000	1,591	-37.1%	1,000	0.0%	5,000	7,955	-37.1%	8,335	-40.0%
TOTAL OPERATING EXPENSES	\$ 208,375	\$ 190,099	9.6%	\$ 193,177	7.9%	\$ 1,044,947	\$ 967,546	8.0%	\$ 1,012,172	3.2%
Depreciation/Amortization	\$ 2,560	\$ 2,744	-6.7%	\$ 2,625	-2.5%	\$ 12,630	\$ 14,414	-12.4%	\$ 13,142	-3.9%
TOTAL OPERATING COSTS	\$ 210,935	\$ 192,843	9.4%	\$ 195,802	7.7%	\$ 1,057,577	\$ 981,960	7.7%	\$ 1,025,314	3.1%
NET GAIN (LOSS) FROM OPERATIONS	\$ (59,268)	\$ (106,224)	44.2%	\$ (157,756)	62.4%	\$ (232,889)	\$ (552,084)	57.8%	\$ (675,917)	-65.5%
Operating Margin	-39.08%	-122.63%	-68.1%	-414.65%	-90.6%	-28.24%	-128.43%	-78.0%	-193.45%	-85.4%

	CURRENT MONTH					YEAR TO DATE				
Medical Visits	746	843	-11.5%	544	37.1%	3,490	4,172	-16.3%	3,405	2.5%
Average Revenue per Office Visit	279.51	272.93	2.4%	263.56	6.1%	283.16	272.93	3.7%	264.75	7.0%
Hospital FTE's (Salaries and Wages)	11.8	14.0	-16.2%	15.0	-21.4%	11.6	12.9	-9.6%	14.8	-21.4%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC - WEST UNIVERSITY - OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<u>PATIENT REVENUE</u>										
Outpatient Revenue	\$ 189,096	\$ 182,761	3.5%	\$ 128,238	47.5%	\$ 950,436	\$ 898,005	5.8%	\$ 730,176	30.2%
TOTAL PATIENT REVENUE	\$ 189,096	\$ 182,761	3.5%	\$ 128,238	47.5%	\$ 950,436	\$ 898,005	5.8%	\$ 730,176	30.2%
<u>DEDUCTIONS FROM REVENUE</u>										
Contractual Adjustments	\$ 103,219	\$ 99,454	3.8%	\$ 67,659	52.6%	\$ 524,407	\$ 488,673	7.3%	\$ 422,391	24.2%
Self Pay Adjustments	18,904	13,893	36.1%	13,312	42.0%	100,912	68,264	47.8%	41,159	145.2%
Bad Debts	558	8,507	-93.4%	12,889	-95.7%	8,478	41,799	-79.7%	22,669	-62.6%
TOTAL REVENUE DEDUCTIONS	\$ 122,681	\$ 121,854	0.7%	\$ 93,860	30.7%	\$ 633,797	\$ 598,736	5.9%	\$ 486,219	30.4%
	64.88%	66.67%		73.19%		66.68%	66.67%		66.59%	
NET PATIENT REVENUE	\$ 66,415	\$ 60,907	9.0%	\$ 34,378	93.2%	\$ 316,639	\$ 299,269	5.8%	\$ 243,957	29.8%
<u>OTHER REVENUE</u>										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
NET OPERATING REVENUE	\$ 66,415	\$ 60,907	9.0%	\$ 34,378	93.2%	\$ 316,639	\$ 299,269	5.8%	\$ 243,957	29.8%
<u>OPERATING EXPENSE</u>										
Salaries and Wages	\$ 3,193	\$ 21,842	-85.4%	\$ 4,671	-31.6%	\$ 45,306	\$ 107,324	-57.8%	\$ 35,103	29.1%
Benefits	713	5,634	-87.3%	1,187	-39.9%	13,105	28,298	-53.7%	9,257	41.6%
Physician Services	31,638	43,813	-27.8%	27,346	15.7%	167,180	236,276	-29.2%	157,767	6.0%
Cost of Drugs Sold	392	4,292	-90.9%	2	18202.3%	15,645	21,088	-25.8%	14,725	6.3%
Supplies	3,446	2,072	66.3%	6,184	-44.3%	23,043	10,198	126.0%	12,374	86.2%
Utilities	2,198	2,888	-23.9%	3,108	-29.3%	14,787	12,585	17.5%	12,696	16.5%
Repairs and Maintenance	-	-	0.0%	-	100.0%	1,700	-	0.0%	-	100.0%
Other Expense	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING EXPENSES	\$ 41,580	\$ 80,541	-48.4%	\$ 42,498	-2.2%	\$ 280,766	\$ 415,769	-32.5%	\$ 241,922	16.1%
Depreciation/Amortization	\$ 20,779	\$ 24,611	-15.6%	\$ 25,992	-20.1%	\$ 103,894	\$ 131,276	-20.9%	\$ 130,304	-20.3%
TOTAL OPERATING COSTS	\$ 62,359	\$ 105,152	-40.7%	\$ 68,490	-9.0%	\$ 384,660	\$ 547,045	-29.7%	\$ 372,226	3.3%
NET GAIN (LOSS) FROM OPERATIONS	\$ 4,056	\$ (44,245)	-109.2%	\$ (34,112)	-111.9%	\$ (68,021)	\$ (247,776)	-72.5%	\$ (128,269)	-47.0%
Operating Margin	6.11%	-72.64%	-108.4%	-99.23%	-106.2%	-21.48%	-82.79%	-74.1%	-52.58%	-59.1%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Total Visits	632	671	-5.8%	480	31.7%	3,134	3,297	-4.9%		0.0%
Average Revenue per Office Visit	299.20	272.37	9.9%	267.16	12.0%	303.27	272.37	11.3%	277.53	9.3%
Hospital FTE's (Salaries and Wages)	5.5	7.7	-27.7%	1.8	207.6%	6.5	7.0	-7.4%	2.4	167.7%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC - JBS - OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 260,919	\$ 168,029	55.3%	\$ 238,286	9.5%	\$ 1,055,300	\$ 867,593	21.6%	\$ 1,257,240	-16.1%
TOTAL PATIENT REVENUE	\$ 260,919	\$ 168,029	55.3%	\$ 238,286	9.5%	\$ 1,055,300	\$ 867,593	21.6%	\$ 1,257,240	-16.1%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 143,287	\$ 92,446	55.0%	\$ 163,391	-12.3%	\$ 585,270	\$ 477,332	22.6%	\$ 733,345	-20.2%
Self Pay Adjustments	17,322	5,906	193.3%	9,566	81.1%	95,651	30,496	213.7%	24,923	283.8%
Bad Debts	(13,484)	9,049	-249.0%	39,206	-134.4%	(58,364)	46,723	-224.9%	131,473	-144.4%
TOTAL REVENUE DEDUCTIONS	\$ 147,125	\$ 107,401	37.0%	\$ 212,163	-30.7%	\$ 622,557	\$ 554,551	12.3%	\$ 889,740	-30.0%
	56.39%	63.92%		89.04%		58.99%	63.92%		70.77%	
NET PATIENT REVENUE	\$ 113,794	\$ 60,628	87.7%	\$ 26,124	335.6%	\$ 432,743	\$ 313,042	38.2%	\$ 367,500	17.8%
OTHER REVENUE										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
NET OPERATING REVENUE	\$ 113,794	\$ 60,628	87.7%	\$ 26,124	335.6%	\$ 432,743	\$ 313,042	38.2%	\$ 367,500	17.8%
OPERATING EXPENSE										
Salaries and Wages	\$ 16,167	\$ 20,046	-19.3%	\$ 9,705	66.6%	\$ 94,021	\$ 103,506	-9.2%	\$ 60,119	56.4%
Benefits	3,611	5,171	-30.2%	2,466	46.4%	27,197	27,291	-0.3%	15,853	71.6%
Physician Services	90,868	59,406	53.0%	30,723	195.8%	157,176	320,365	-50.9%	225,034	-30.2%
Cost of Drugs Sold	9,907	9,414	5.2%	15,538	-36.2%	53,059	48,608	9.2%	54,119	-2.0%
Supplies	2,239	1,903	17.7%	2,814	-20.4%	32,101	9,737	229.7%	10,309	211.4%
Utilities	-	-	0.0%	-	100.0%	-	-	0.0%	-	100.0%
Repairs and Maintenance	-	-	0.0%	-	100.0%	-	-	0.0%	-	100.0%
Other Expense	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING EXPENSES	\$ 122,793	\$ 95,940	28.0%	\$ 61,246	100.5%	\$ 363,553	\$ 509,507	-28.6%	\$ 365,434	-0.5%
Depreciation/Amortization	\$ 75	\$ 75	-0.2%	\$ 75	0.0%	\$ 374	\$ 375	-0.2%	\$ 374	0.0%
TOTAL OPERATING COSTS	\$ 122,868	\$ 96,015	28.0%	\$ 61,321	100.4%	\$ 363,928	\$ 509,882	-28.6%	\$ 365,808	-0.5%
NET GAIN (LOSS) FROM OPERATIONS	\$ (9,074)	\$ (35,387)	-74.4%	\$ (35,197)	-74.2%	\$ 68,815	\$ (196,840)	-135.0%	\$ 1,692	3966.8%
Operating Margin	-7.97%	-58.37%	-86.3%	-134.73%	-94.1%	15.90%	-62.88%	-125.3%	0.46%	3353.6%

	CURRENT MONTH					YEAR TO DATE				
Medical Visits	743	453	64.0%	595	24.9%	2,993	2,339	28.0%	3,309	-9.5%
Total Visits	743	453	64.0%	595	24.9%	2,993	2,339	28.0%		0.0%
Average Revenue per Office Visit	351.17	370.92	-5.3%	400.48	-12.3%	352.59	370.92	-4.9%	379.95	-7.2%
Hospital FTE's (Salaries and Wages)	8.0	6.6	21.4%	4.6	75.3%	7.6	6.3	21.0%	4.2	83.3%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC COMBINED
FEBRUARY 2023**

	MONTHLY REVENUE					YTD REVENUE				
	Clements	West	JBS	Total	%	Clements	West	JBS	Total	%
Medicare	\$ 59,851	\$ 37,633	\$ 528	\$ 98,011	14.9%	\$ 253,231	\$ 199,610	\$ 1,070	\$ 453,911	15.2%
Medicaid	50,969	45,420	178,571	274,960	41.8%	262,064	263,398	715,920	1,241,382	41.5%
FAP	-	-	-	-	0.0%	-	-	-	-	0.0%
Commercial	29,767	56,102	70,114	155,983	23.7%	151,790	244,548	303,199	699,537	23.4%
Self Pay	59,722	40,360	7,601	107,683	16.4%	288,467	205,853	19,528	513,848	17.2%
Other	8,205	9,581	4,106	21,891	3.3%	32,687	37,026	15,583	85,296	2.8%
Total	\$ 208,513	\$ 189,096	\$ 260,919	\$ 658,529	100.0%	\$ 988,239	\$ 950,436	\$ 1,055,300	\$ 2,993,974	100.0%

	MONTHLY PAYMENTS					YEAR TO DATE PAYMENTS				
	Clements	West	JBS	Total	%	Clements	West	JBS	Total	%
Medicare	\$ 23,858	\$ 18,655	-	\$ 42,512	16.0%	\$ 120,407	\$ 100,228	\$ -	\$ 220,635	16.5%
Medicaid	22,775	26,070	94,104	142,949	53.8%	129,029	133,484	387,610	650,122	48.6%
FAP	-	-	-	-	0.0%	-	-	-	-	0.0%
Commercial	8,686	13,706	23,949	46,340	17.5%	57,422	92,586	151,774	301,782	22.6%
Self Pay	12,476	9,001	6,854	28,331	10.7%	61,382	48,059	30,044	139,485	10.4%
Other	1,399	1,589	2,420	5,408	2.0%	5,588	10,877	8,785	25,250	1.9%
Total	\$ 69,194	\$ 69,020	\$ 127,327	\$ 265,541	100.0%	\$ 373,828	\$ 385,234	\$ 578,213	\$ 1,337,275	100.0%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC CLEMENTS
FEBRUARY 2023**

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	\$ 59,851	28.7%	\$ 30,073	21.0%	\$ 253,231	25.6%	\$ 196,644	21.8%
Medicaid	50,969	24.4%	36,855	25.7%	262,064	26.5%	213,951	23.7%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	29,767	14.3%	22,124	15.4%	151,790	15.4%	139,648	15.5%
Self Pay	59,722	28.6%	48,251	33.7%	288,467	29.2%	315,334	35.0%
Other	8,205	3.9%	6,073	4.2%	32,687	3.3%	35,885	4.0%
TOTAL	\$ 208,513	99.9%	\$ 143,376	100.0%	\$ 988,239	100.0%	\$ 901,462	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	23,858	34.5%	\$ 12,647	32.2%	\$ 120,407	32.2%	\$ 83,664	31.5%
Medicaid	22,775	32.9%	9,155	23.3%	129,029	34.5%	73,820	27.6%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	8,686	12.6%	7,376	18.8%	57,422	15.4%	53,848	20.3%
Self Pay	12,476	18.0%	8,843	22.5%	61,382	16.4%	46,716	17.6%
Other	1,399	2.0%	1,276	3.2%	5,588	1.5%	7,849	3.0%
TOTAL	\$ 69,194	100.0%	\$ 39,296	100.0%	\$ 373,828	100.0%	\$ 265,897	100.0%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC WEST UNIVERSITY
FEBRUARY 2023**

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	\$ 37,633	19.9%	\$ 32,133	25.1%	\$ 199,610	21.0%	\$ 172,633	23.6%
Medicaid	45,420	24.0%	\$ 41,609	32.4%	263,398	27.7%	203,368	27.9%
PHC	-	0.0%	\$ -	0.0%	-	0.0%	-	0.0%
Commercial	56,102	29.7%	\$ 21,847	17.0%	244,548	25.7%	158,574	21.7%
Self Pay	40,360	21.3%	\$ 28,378	22.1%	205,853	21.7%	160,203	21.9%
Other	9,581	5.1%	\$ 4,271	3.3%	37,026	3.9%	35,398	4.8%
TOTAL	\$ 189,096	100.0%	\$ 128,238	100.0%	\$ 950,436	100.0%	\$ 730,176	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 18,655	27.0%	\$ 16,678	36.0%	\$ 100,228	26.0%	\$ 75,460	32.4%
Medicaid	26,070	37.8%	13,214	28.5%	\$ 133,484	34.7%	62,035	26.7%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	13,706	19.9%	9,228	19.9%	92,586	24.0%	60,846	26.2%
Self Pay	9,001	13.0%	5,365	11.6%	48,059	12.5%	28,366	12.2%
Other	1,589	2.3%	1,805	3.9%	10,877	2.8%	5,847	2.5%
TOTAL	\$ 69,020	100.0%	\$ 46,290	100.0%	\$ 385,234	100.0%	\$ 232,553	100.0%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC JBS
FEBRUARY 2023**

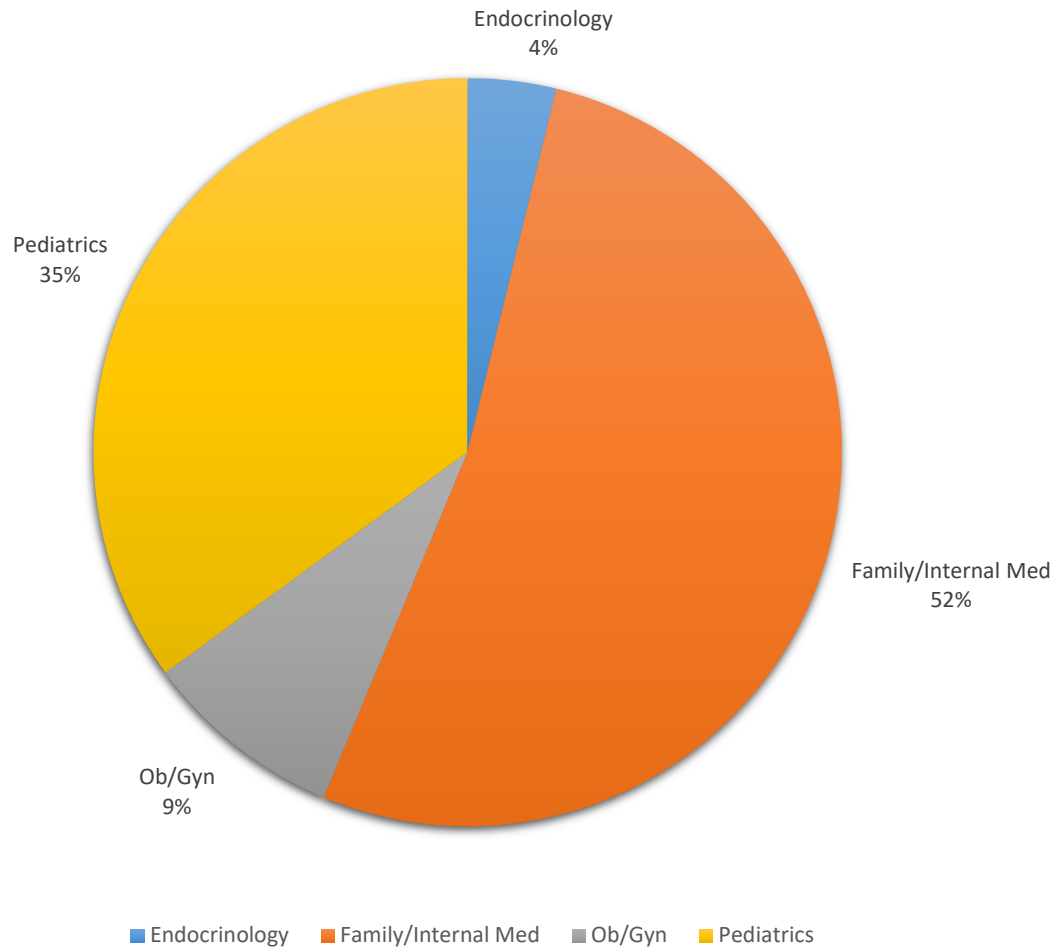
REVENUE BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 528	0.2%	\$ -	0.0%	\$ 1,070	0.1%	\$ (799)	-0.1%
Medicaid	178,571	68.4%	\$ 134,072	56.3%	715,920	67.8%	741,549	59.0%
PHC	-	0.0%	\$ -	0.0%	-	0.0%	-	0.0%
Commercial	70,114	26.9%	\$ 95,081	39.9%	303,199	28.7%	472,717	37.6%
Self Pay	7,601	2.9%	\$ 5,751	2.4%	19,528	1.9%	32,610	2.6%
Other	4,106	1.6%	\$ 3,382	1.4%	15,583	1.5%	11,164	0.9%
TOTAL	\$ 260,919	100.0%	\$ 238,286	100.0%	\$ 1,055,300	100.0%	\$ 1,257,240	100.0%

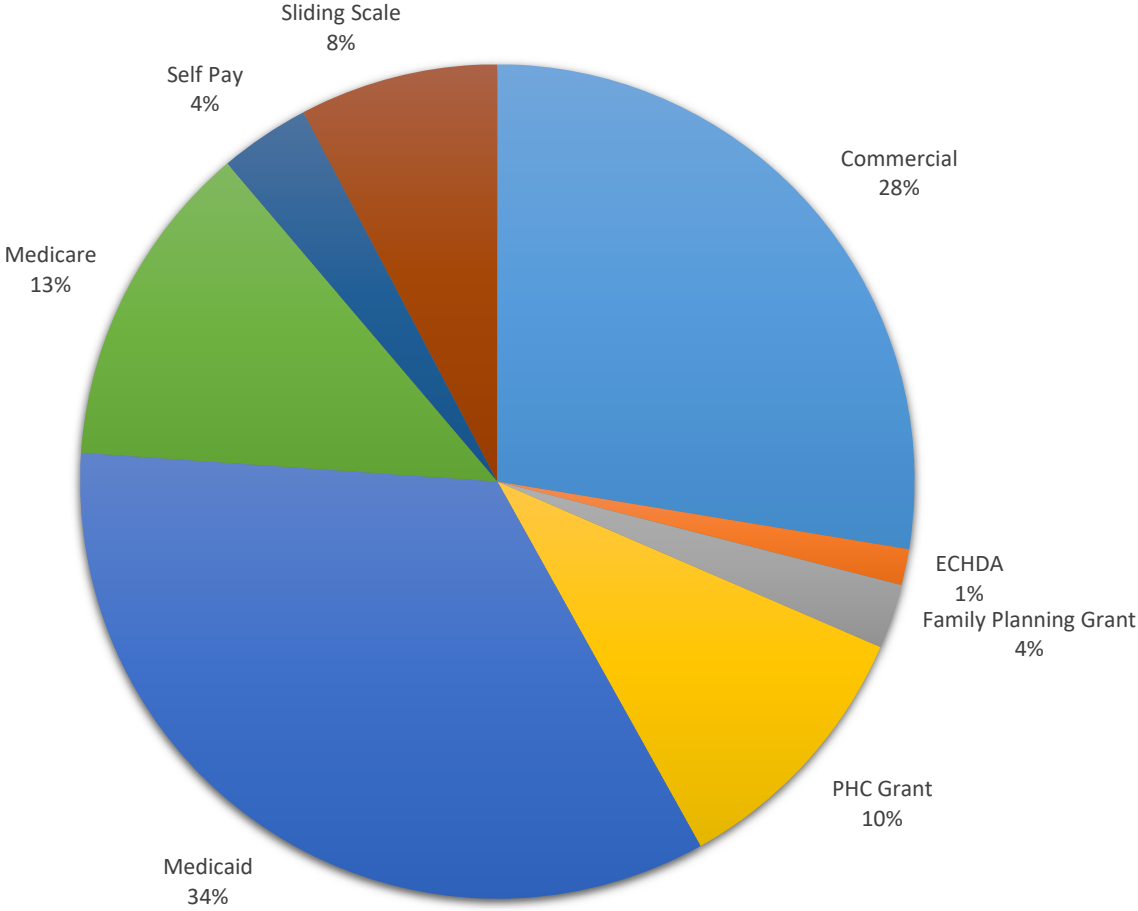
PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Medicaid	94,104	73.9%	21,335	31.7%	387,610	67.1%	165,904	39.7%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	23,949	18.8%	34,760	51.7%	151,774	26.2%	210,255	50.3%
Self Pay	6,854	5.4%	10,824	16.1%	30,044	5.2%	38,453	9.2%
Other	2,420	1.9%	380	0.6%	8,785	1.5%	3,060	0.7%
TOTAL	\$ 127,327	100.0%	\$ 67,299	100.0%	\$ 578,213	100.0%	\$ 417,672	100.0%

FHC February Visits By Service

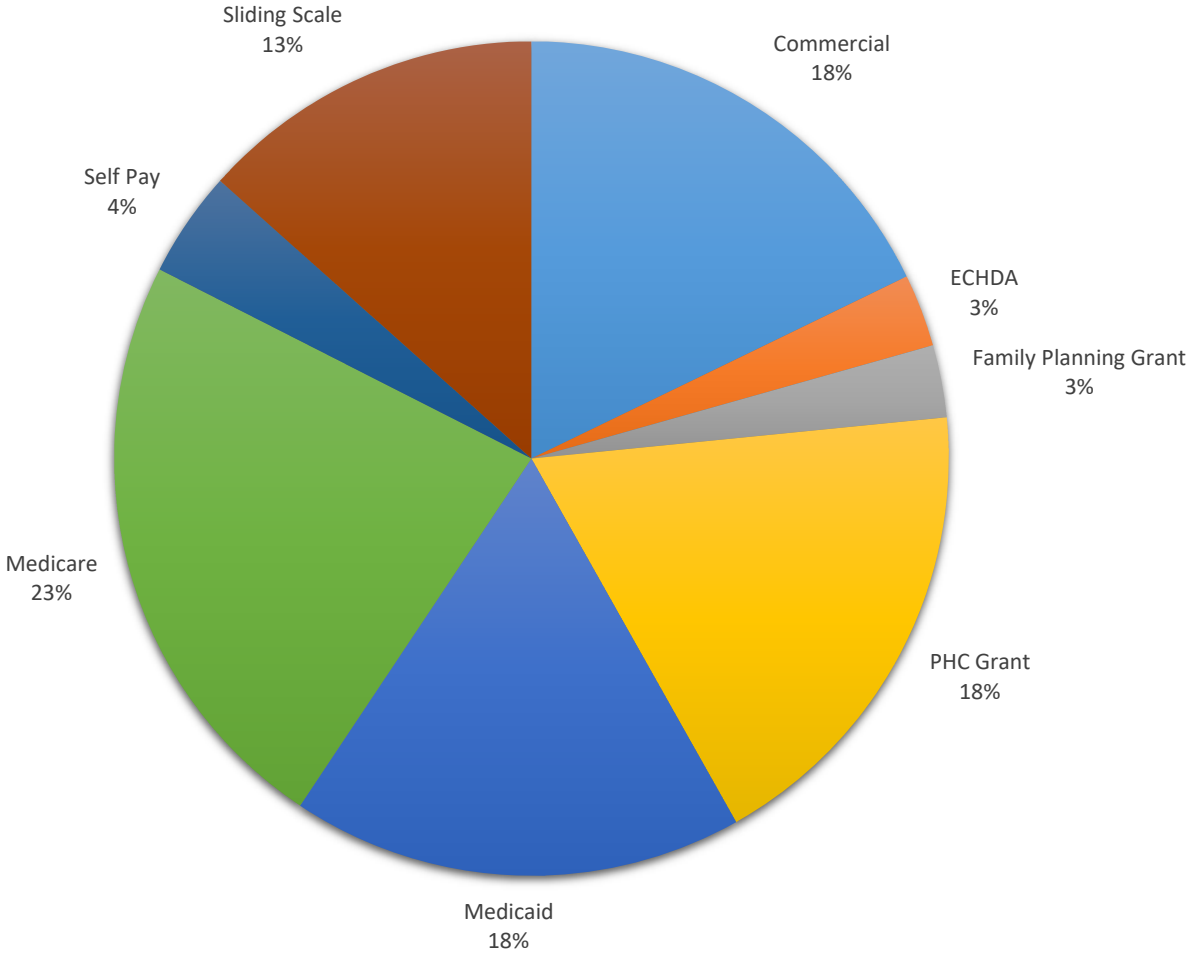


Total FHC February Visits by Financial Class



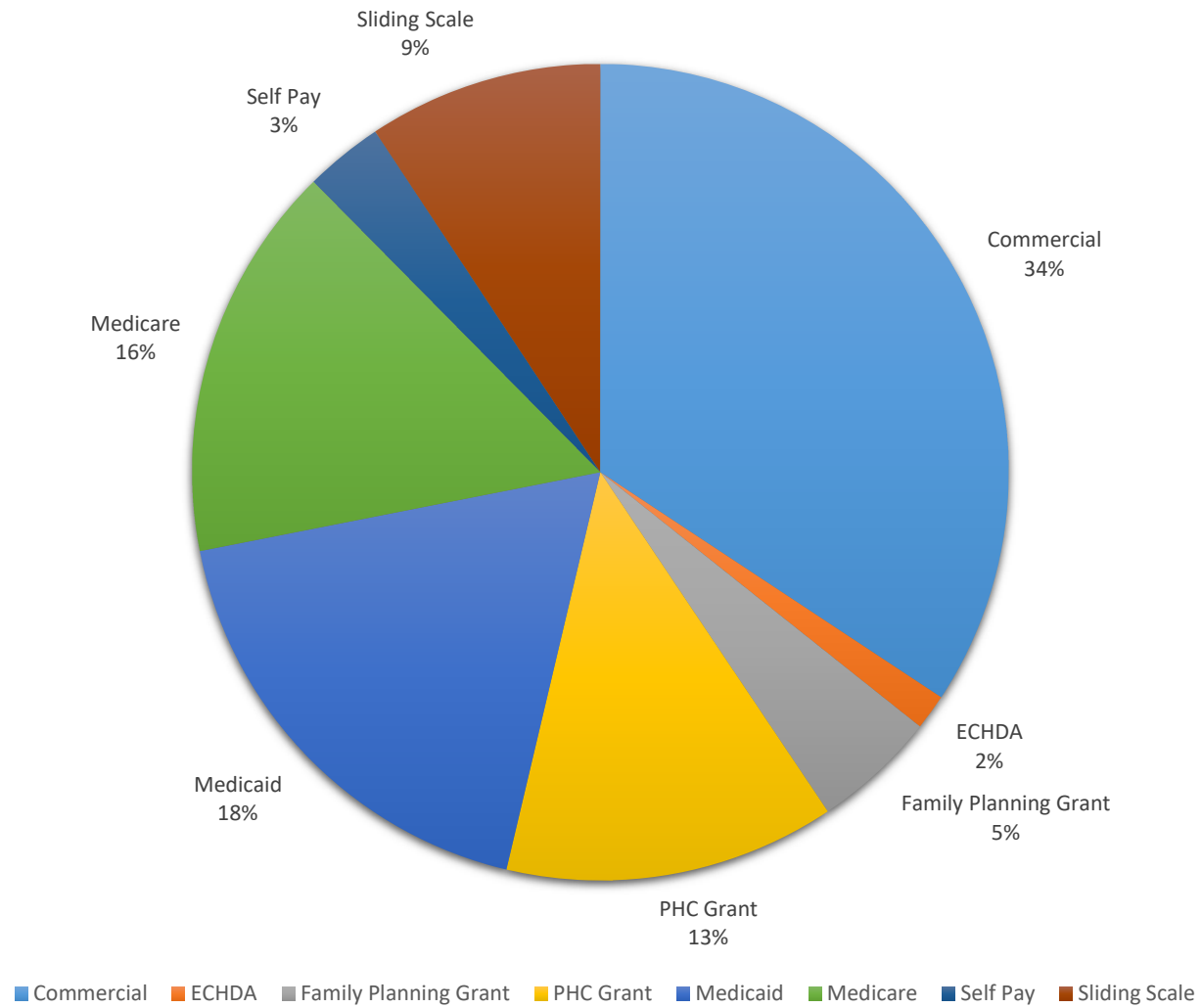
Commercial ECHDA Family Planning Grant PHC Grant Medicaid Medicare Self Pay Sliding Scale

FHC Clements February Visits by Financial Class

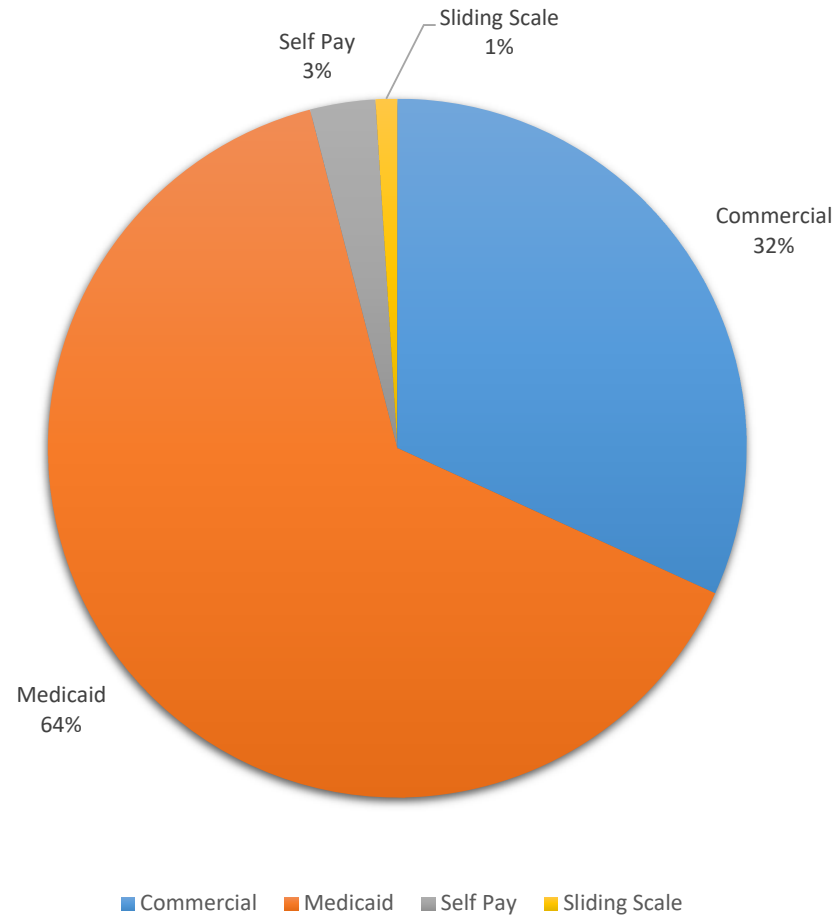


■ Commercial ■ ECHDA ■ Family Planning Grant ■ PHC Grant ■ Medicaid ■ Medicare ■ Self Pay ■ Sliding Scale

FHC West University February Visits by Financial Class



Healthy Kids Clinic February Visits by Financial Class



FHC Executive Director's Report-April 2023

- **Staffing Update:** The Family Health Clinic currently has three open positions. We are in search of an LVN for our pediatric clinic, and a Medical Assistant for our Clements and West University locations.
- **Provider Update:** We continue the search for Dr Poudel's permanent replacement in pediatrics. Dr Hart is still providing locums coverage in the interim.
- **Annual 340B Mock Audit:** On March 8 and 9, 2023, the Family Health Clinic participated in a mock 340B audit. This is an annual mock audit performed by SpendMend, our 340B consulting firm.
- **Community Events:** The Family Health Clinic participated in the following community events during the month of March:
 - FHC West University:** Free blood pressure and glucose screenings, Tuesdays 3pm-5pm.

**ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
FEBRUARY 2023**

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR. %	AMOUNT	VAR. %		AMOUNT	VAR. %	AMOUNT	VAR. %
Hospital InPatient Admissions										
Acute / Adult	965	922	4.7%	875	10.3%	5,285	4,638	13.9%	4,891	8.1%
Neonatal ICU (NICU)	27	24	12.5%	23	17.4%	138	120	15.0%	100	38.0%
Total Admissions	992	946	4.9%	898	10.5%	5,423	4,758	14.0%	4,991	8.7%
Patient Days										
Adult & Pediatric	3,801	3,319	14.5%	4,305	-11.7%	20,735	16,696	24.2%	23,701	-12.5%
ICU	401	387	3.6%	433	-7.4%	2,246	1,946	15.4%	2,459	-8.7%
CCU	380	306	24.2%	332	14.5%	2,045	1,540	32.8%	2,055	-0.5%
NICU	362	305	18.7%	170	112.9%	2,254	1,535	46.8%	1,143	97.2%
Total Patient Days	4,944	4,317	14.5%	5,240	-5.6%	27,280	21,717	25.6%	29,358	-7.1%
Observation (Obs) Days	450	444	1.4%	118	281.4%	1,689	2,234	-24.4%	1,884	-10.4%
Nursery Days	233	277	-15.9%	241	-3.3%	1,396	1,385	0.8%	1,413	-1.2%
Total Occupied Beds / Bassinets	5,627	5,038	11.7%	5,599	0.5%	30,365	25,336	19.8%	32,655	-7.0%
Average Length of Stay (ALOS)										
Acute / Adult & Pediatric	4.75	4.35	9.1%	5.79	-18.1%	4.74	4.35	8.8%	5.77	-17.9%
NICU	13.41	12.71	5.5%	7.39	81.4%	16.33	12.79	27.7%	11.43	42.9%
Total ALOS	4.98	4.56	9.2%	5.84	-14.6%	5.03	4.56	10.2%	5.88	-14.5%
Acute / Adult & Pediatric w/o OB	5.77			6.48	-11.0%	5.81			6.67	-12.8%
Average Daily Census	176.6	154.2	14.5%	180.7	-2.3%	180.7	143.8	25.6%	193.1	-6.5%
Hospital Case Mix Index (CMI)	1.8459	1.6500	11.9%	1.7659	4.5%	1.7311	1.6500	4.9%	1.7500	-1.1%
Medicare										
Admissions	380	332	14.5%	308	23.4%	1,981	1,669	18.7%	1,754	12.9%
Patient Days	2,166	1,763	22.9%	2,260	-4.2%	11,259	8,870	26.9%	12,223	-7.9%
Average Length of Stay	5.70	5.31	7.3%	7.34	-22.3%	5.68	5.31	6.9%	6.97	-18.4%
Case Mix Index	2.1202	1.9200	10.4%	2.0501	3.4%	2.0014	1.9200	4.2%	2.0246	-1.1%
Medicaid										
Admissions	148	120	23.3%	126	17.5%	756	604	25.2%	675	12.0%
Patient Days	690	397	73.8%	543	27.1%	3,566	1,996	78.7%	3,188	11.9%
Average Length of Stay	4.66	3.31	40.9%	4.31	8.2%	4.72	3.30	42.7%	4.72	-0.1%
Case Mix Index	1.3086	1.1900	10.0%	1.1595	12.9%	1.1483	1.1900	-3.5%	1.2199	-5.9%
Commercial										
Admissions	284	269	5.6%	254	11.8%	1,463	1,353	8.1%	1,367	7.0%
Patient Days	1,249	1,155	8.1%	1,208	3.4%	6,758	5,810	16.3%	6,841	-1.2%
Average Length of Stay	4.40	4.29	2.4%	4.76	-7.5%	4.62	4.29	7.6%	5.00	-7.7%
Case Mix Index	1.8171	1.5500	17.2%	1.6924	7.4%	1.6976	1.5500	9.5%	1.7249	-1.6%
Self Pay										
Admissions	151	202	-25.2%	192	-21.4%	1,047	1,016	3.1%	1,084	-3.4%
Patient Days	705	878	-19.7%	1,132	-37.7%	4,705	4,417	6.5%	6,347	-25.9%
Average Length of Stay	4.67	4.35	7.4%	5.90	-20.8%	4.49	4.35	3.4%	5.86	-23.3%
Case Mix Index	1.4874	1.5700	-5.3%	1.7449	-14.8%	1.5629	1.5700	-0.5%	1.6057	-2.7%
All Other										
Admissions	29	23	26.1%	18	61.1%	176	115	53.0%	111	58.6%
Patient Days	134	125	7.2%	97	38.1%	992	629	57.7%	759	30.7%
Average Length of Stay	4.62	5.43	-15.0%	5.39	-14.3%	5.64	5.47	3.0%	6.84	-17.6%
Case Mix Index	2.7338	2.0000	36.7%	1.9093	43.2%	2.3516	2.0000	17.6%	2.0745	13.4%
Radiology										
InPatient	4,071	3,244	25.5%	4,042	0.7%	20,796	16,321	27.4%	21,852	-4.8%
OutPatient	7,394	7,444	-0.7%	6,495	13.8%	36,993	37,445	-1.2%	35,033	5.6%
Cath Lab										
InPatient	506	552	-8.3%	538	-5.9%	2,984	2,776	7.5%	2,464	21.1%
OutPatient	429	519	-17.3%	407	5.4%	2,417	2,611	-7.4%	2,190	10.4%
Laboratory										
InPatient	68,834	59,000	16.7%	69,284	-0.6%	367,752	296,781	23.9%	397,393	-7.5%
OutPatient	64,617	60,022	7.7%	53,635	20.5%	325,714	301,925	7.9%	297,059	9.6%
Other										
Deliveries	172	174	-1.1%	172	0.0%	961	876	9.7%	898	7.0%
Surgical Cases										
InPatient	211	214	-1.4%	192	9.9%	1,156	1,076	7.4%	1,078	7.2%
OutPatient	506	556	-9.0%	467	8.4%	2,584	2,797	-7.6%	2,529	2.2%
Total Surgical Cases	717	770	-6.9%	659	8.8%	3,740	3,873	-3.4%	3,607	3.7%
GI Procedures (Endo)										
InPatient	118	149	-20.8%	118	0.0%	610	750	-18.7%	699	-12.7%
OutPatient	202	224	-9.8%	132	53.0%	894	1,127	-20.7%	642	39.3%
Total GI Procedures	320	373	-14.2%	250	28.0%	1,504	1,877	-19.9%	1,341	12.2%

**ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
FEBRUARY 2023**

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR. %	AMOUNT	VAR. %		AMOUNT	VAR. %	AMOUNT	VAR. %
OutPatient (O/P)										
Emergency Room Visits	4,671	4,145	12.7%	4,169	12.0%	26,260	20,851	25.9%	22,112	18.8%
Observation Days	450	444	1.4%	118	281.4%	1,689	2,234	-24.4%	1,884	-10.4%
Other O/P Occasions of Service	19,252	18,656	3.2%	16,217	18.7%	99,124	93,845	5.6%	99,346	-0.2%
Total O/P Occasions of Svc.	24,373	23,245	4.9%	20,504	18.9%	127,073	116,930	8.7%	123,342	3.0%
Hospital Operations										
Manhours Paid	247,426	253,787	-2.5%	238,976	3.5%	1,343,982	1,272,314	5.6%	1,284,890	4.6%
FTE's	1,546.4	1,586.2	-2.5%	1,442.1	7.2%	1,557.6	1,474.5	5.6%	1,479.3	5.3%
Adjusted Patient Days	9,696	8,383	15.7%	9,131	6.2%	51,660	41,967	23.1%	51,407	0.5%
Hours / Adjusted Patient Day	25.52	30.27	-15.7%	26.17	-2.5%	26.02	30.32	-14.2%	25.00	4.1%
Occupancy - Actual Beds	50.6%	44.2%	14.5%	50.8%	-0.3%	51.8%	41.2%	25.6%	55.3%	-6.5%
FTE's / Adjusted Occupied Bed	4.5	5.3	-15.7%	4.6	-2.5%	4.6	5.3	-14.2%	4.4	4.1%
Center for Primary Care - Clements										
Total Medical Visits	746	843	-11.5%	544	37.1%	3,490	4,172	-16.3%	3,405	2.5%
Manhours Paid	1,880	2,244	-16.2%	2,392	-21.4%	10,032	11,103	-9.6%	12,761	-21.4%
FTE's	11.8	14.0	-16.2%	14.4	-18.6%	11.6	12.9	-9.6%	14.7	-20.9%
Center for Primary Care - West University										
Total Medical Visits	632	671	-5.8%	480	31.7%	3,134	3,297	-4.9%	2,631	19.1%
Manhours Paid	887	1,228	-27.7%	289	207.6%	5,588	6,036	-7.4%	2,088	167.7%
FTE's	5.5	7.7	-27.7%	1.7	218.6%	6.5	7.0	-7.4%	2.4	169.4%
Center for Primary Care - JBS										
Total Medical Visits	743	453	64.0%	595	24.9%	2,993	2,339	28.0%	3,309	-9.5%
Manhours Paid	1,276	1,051	21.4%	728	75.3%	6,567	5,425	21.0%	3,582	83.3%
FTE's	8.0	6.6	21.4%	4.4	81.5%	7.6	6.3	21.0%	4.1	84.5%
Total ECHD Operations										
Total Admissions	992	946	4.9%	898	10.5%	5,423	4,758	14.0%	4,991	8.7%
Total Patient Days	4,944	4,317	14.5%	5,240	-5.6%	27,280	21,717	25.6%	29,358	-7.1%
Total Patient and Obs Days	5,394	4,761	13.3%	5,358	0.7%	28,969	23,951	21.0%	31,242	-7.3%
Total FTE's	1,571.7	1,614.4	-2.6%	1,462.7	7.5%	1,583.3	1,500.7	5.5%	1,500.5	5.5%
FTE's / Adjusted Occupied Bed	4.5	5.4	-15.8%	4.6	-2.3%	4.6	5.4	-14.3%	4.4	4.3%
Total Adjusted Patient Days	9,696	8,383	15.7%	9,131	6.2%	51,660	41,967	23.1%	51,407	0.5%
Hours / Adjusted Patient Day	25.94	30.81	-15.8%	26.54	-2.3%	26.45	30.85	-14.3%	25.35	4.3%
Outpatient Factor	1.9612	1.9420	1.0%	1.7426	12.5%	1.8937	1.9324	-2.0%	1.7510	8.1%
Blended O/P Factor	2.1941	2.1658	1.3%	1.9325	13.5%	2.1253	2.1685	-2.0%	1.9385	9.6%
Total Adjusted Admissions	1,945	1,837	5.9%	1,565	24.3%	10,269	9,195	11.7%	8,739	17.5%
Hours / Adjusted Admission	129.26	140.61	-8.1%	154.89	-16.6%	133.03	140.83	-5.5%	149.13	-10.8%
FTE's - Hospital Contract	44.5	64.7	-31.2%	105.4	-57.8%	45.8	60.4	-24.1%	102.9	-55.5%
FTE's - Mgmt Services	36.1	43.3	-16.6%	53.9	-33.0%	40.1	43.3	-7.4%	48.1	-16.6%
Total FTE's (including Contract)	1,652.3	1,722.4	-4.1%	1,622.0	1.9%	1,669.2	1,604.3	4.0%	1,651.5	1.1%
Total FTE'S per Adjusted Occupied Bed (including Contract)	4.8	5.8	-17.1%	5.2	-7.4%	4.9	5.8	-15.5%	4.9	-0.1%
ProCare FTEs	217.3	252.2	-13.8%	210.0	3.5%	218.2	252.1	-13.5%	212.2	2.8%
TraumaCare FTEs	9.4	10.0	-5.5%	0.0	0.0%	9.4	9.2	1.6%	0.0	0.0%
Total System FTEs	1,879.1	1,984.5	-5.3%	1,831.9	2.6%	1,896.8	1,865.7	1.7%	1,863.8	1.8%
Urgent Care Visits										
JBS Clinic	1,383	2,052	-32.6%	1,447	-4.4%	8,629	10,324	-16.4%	11,530	-25.2%
West University	862	1,152	-25.2%	953	-9.5%	5,431	5,794	-6.3%	8,984	-39.5%
42nd Street	-	-	0.0%	-	0.0%	-	-	0.0%	9	-100.0%
Total Urgent Care Visits	2,245	3,204	-29.9%	2,400	-6.5%	14,060	16,118	-12.8%	20,523	-31.5%
Wal-Mart Clinic Visits										
East Clinic	212	111	91.0%	111	91.0%	1,374	1,473	-6.7%	1,473	-6.7%

**ECTOR COUNTY HOSPITAL DISTRICT
BALANCE SHEET - BLENDED
FEBRUARY 2023**

	HOSPITAL	PRO CARE	TRAUMA CARE	ECTOR COUNTY HOSPITAL DISTRICT
ASSETS				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 20,907,238	\$ 5,075	\$ -	\$ 20,912,313
Investments	62,615,489	-	-	62,615,489
Patient Accounts Receivable - Gross	226,413,326	28,813,238	1,365,123	256,591,687
Less: 3rd Party Allowances	(149,960,731)	(11,957,507)	(1,050,350)	(162,968,589)
Bad Debt Allowance	(48,173,685)	(11,591,162)	(110,000)	(59,874,847)
Net Patient Accounts Receivable	28,278,909	5,264,569	204,773	33,748,251
Taxes Receivable	10,489,917	-	-	10,489,917
Accounts Receivable - Other	10,320,354	35,620	-	10,355,974
Inventories	8,856,221	479,133	-	9,335,354
Prepaid Expenses	3,251,278	148,833	12,646	3,412,757
Total Current Assets	144,719,406	5,933,230	217,419	150,870,055
CAPITAL ASSETS:				
Property and Equipment	507,430,160	393,970	-	507,824,129
Construction in Progress	4,734,795	-	-	4,734,795
	512,164,955	393,970	-	512,558,925
Less: Accumulated Depreciation and Amortization	(349,125,672)	(311,835)	-	(349,437,507)
Total Capital Assets	163,039,283	82,135	-	163,121,418
RESTRICTED ASSETS:				
Restricted Assets Held by Trustee	4,896	-	-	4,896
Restricted Assets Held in Endowment	6,129,638	-	-	6,129,638
Restricted TPC, LLC	1,461,047	-	-	1,461,047
Restricted MCH West Texas Services	2,329,645	-	-	2,329,645
Pension, Deferred Outflows of Resources	19,348,225	-	-	19,348,225
Assets whose use is Limited	-	190,660	-	190,660
TOTAL ASSETS	\$ 337,032,141	\$ 6,206,024	\$ 217,419	\$ 343,455,584
LIABILITIES AND FUND BALANCE				
CURRENT LIABILITIES:				
Current Maturities of Long-Term Debt	\$ 2,238,278	\$ -	\$ -	\$ 2,238,278
Self-Insurance Liability - Current Portion	3,476,369	-	-	3,476,369
Accounts Payable	27,122,292	(465,617)	(45,921)	26,610,755
A/R Credit Balances	2,146,508	-	-	2,146,508
Accrued Interest	(82,707)	-	-	(82,707)
Accrued Salaries and Wages	8,068,303	6,349,038	350,642	14,767,983
Accrued Compensated Absences	4,252,566	-	-	4,252,566
Due to Third Party Payors	5,572,135	-	-	5,572,135
Deferred Revenue	9,646,986	355,434	-	10,002,420
Total Current Liabilities	62,440,730	6,238,855	304,721	68,984,306
ACCRUED POST RETIREMENT BENEFITS	56,698,068	-	-	56,698,068
SELF-INSURANCE LIABILITIES - Less Current Portion	2,469,073	-	-	2,469,073
LONG-TERM DEBT - Less Current Maturities	33,991,813	-	-	33,991,813
Total Liabilities	155,599,684	6,238,855	304,721	162,143,261
FUND BALANCE	181,432,456	(32,831)	(87,302)	181,312,323
TOTAL LIABILITIES AND FUND BALANCE	\$ 337,032,141	\$ 6,206,024	\$ 217,419	\$ 343,455,584

**ECTOR COUNTY HOSPITAL DISTRICT
BALANCE SHEET - BLENDED
FEBRUARY 2023**

	CURRENT YEAR	PRIOR FISCAL YEAR END			CURRENT YEAR CHANGE
		HOSPITAL UNAUDITED	PRO CARE UNAUDITED	TRAUMA CARE UNAUDITED	
ASSETS					
CURRENT ASSETS:					
Cash and Cash Equivalents	\$ 20,912,313	\$ 32,033,000	\$ 5,075	\$ -	\$ (11,125,762)
Investments	62,615,489	68,206,692	-	-	(5,591,202)
Patient Accounts Receivable - Gross	256,591,687	215,087,104	24,731,462	614,859	16,158,262
Less: 3rd Party Allowances	(162,968,589)	(140,901,175)	(9,623,136)	(469,500)	(11,974,778)
Bad Debt Allowance	(59,874,847)	(49,620,354)	(10,153,878)	(52,000)	(48,615)
Net Patient Accounts Receivable	33,748,251	24,565,575	4,954,448	93,359	4,134,869
Taxes Receivable	10,489,917	10,705,560	-	-	(215,643)
Accounts Receivable - Other	10,355,974	4,081,925	34,499	-	6,239,550
Inventories	9,335,354	8,796,969	479,133	-	59,253
Prepaid Expenses	3,412,757	3,579,202	158,300	20,398	(345,143)
Total Current Assets	150,870,055	151,968,922	5,631,454	113,757	(6,844,078)
CAPITAL ASSETS:					
Property and Equipment	507,824,129	501,814,250	393,970	-	5,615,910
Construction in Progress	4,734,795	4,091,217	-	-	643,578
	512,558,925	505,905,467	393,970	-	6,259,488
Less: Accumulated Depreciation and Amortization	(349,437,507)	(341,371,455)	(305,754)	-	(7,760,298)
Total Capital Assets	163,121,418	164,534,012	88,216	-	(1,500,810)
INTANGIBLE ASSETS / GOODWILL - NET	-	-	-	-	-
RESTRICTED ASSETS:					
Restricted Assets Held by Trustee	4,896	4,896	-	-	-
Restricted Assets Held in Endowment	6,129,638	6,083,572	-	-	46,066
Restricted MCH West Texas Services	2,329,645	2,334,361	-	-	(4,716)
Pension, Deferred Outflows of Resources	19,348,225	19,348,225	-	-	-
Assets whose use is Limited	190,660	-	150,729	-	39,931
TOTAL ASSETS	\$ 343,455,584	\$ 345,735,034	\$ 5,870,400	\$ 113,757	\$ (8,263,607)
LIABILITIES AND FUND BALANCE					
CURRENT LIABILITIES:					
Current Maturities of Long-Term Debt	\$ 2,238,278	\$ 2,232,209	\$ -	\$ -	\$ 6,069
Self-Insurance Liability - Current Portion	3,476,369	3,476,369	-	-	-
Accounts Payable	26,610,755	29,257,247	899,411	(133,295)	(3,412,608)
A/R Credit Balances	2,146,508	2,431,305	-	-	(284,797)
Accrued Interest	(82,707)	19,148	-	-	(101,856)
Accrued Salaries and Wages	14,767,983	5,613,638	4,702,269	274,974	4,177,102
Accrued Compensated Absences	4,252,566	4,450,865	-	-	(198,299)
Due to Third Party Payors	5,572,135	16,199,526	-	-	(10,627,391)
Deferred Revenue	10,002,420	272,039	301,550	-	9,428,831
Total Current Liabilities	68,984,306	63,952,347	5,903,230	141,679	(871,271)
ACCRUED POST RETIREMENT BENEFITS	56,698,068	54,330,479	-	-	2,367,590
SELF-INSURANCE LIABILITIES - Less Current Portion	2,469,073	2,469,073	-	-	-
LONG-TERM DEBT - Less Current Maturities	33,991,813	34,565,827	-	-	(574,013)
Total Liabilities	162,143,261	155,317,725	5,903,230	141,679	780,626
FUND BALANCE	181,312,323	190,417,309	(32,831)	(27,922)	181,345,154
TOTAL LIABILITIES AND FUND BALANCE	\$ 343,455,584	\$ 345,735,034	\$ 5,870,400	\$ 113,757	\$ (8,263,607)

**ECTOR COUNTY HOSPITAL DISTRICT
BLENDED OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<u>PATIENT REVENUE</u>										
Inpatient Routine Revenue	\$ 47,925,500	\$ 48,071,725	-0.3%	\$ 52,896,060	-9.4%	\$ 261,805,368	\$ 246,230,819	6.3%	\$ 288,014,439	-9.1%
Inpatient Revenue	\$ 47,925,500	\$ 48,071,725	-0.3%	\$ 52,896,060	-9.4%	\$ 261,805,368	\$ 246,230,819	6.3%	\$ 288,014,439	-9.1%
Outpatient Revenue	57,225,855	56,039,973	2.1%	49,325,347	16.0%	294,620,235	287,730,900	2.4%	270,307,024	9.0%
TOTAL PATIENT REVENUE	\$ 105,151,355	\$ 104,111,698	1.0%	\$ 102,221,407	2.9%	\$ 556,425,604	\$ 533,961,719	4.2%	\$ 558,321,463	-0.3%
<u>DEDUCTIONS FROM REVENUE</u>										
Contractual Adjustments	\$ 69,232,942	\$ 64,022,724	8.1%	\$ 63,007,016	9.9%	\$ 354,811,245	\$ 329,041,446	7.8%	\$ 361,382,811	-1.8%
Policy Adjustments	713,213	1,419,756	-49.8%	1,249,932	-42.9%	8,365,736	7,458,405	12.2%	4,966,304	68.4%
Uninsured Discount	8,014,909	9,254,517	-13.4%	9,403,162	-14.8%	55,067,694	47,436,435	16.1%	39,293,680	40.1%
Indigent	737,952	1,146,390	-35.6%	1,993,811	-63.0%	5,084,480	5,866,481	-13.3%	5,904,649	-13.9%
Provision for Bad Debts	4,279,437	5,767,896	-25.8%	6,635,235	-35.5%	23,302,527	29,368,483	-20.7%	36,539,488	-36.2%
TOTAL REVENUE DEDUCTIONS	\$ 82,978,453	\$ 81,611,283	1.7%	\$ 82,289,156	0.8%	\$ 446,631,682	\$ 419,171,250	6.6%	\$ 448,086,933	-0.3%
	78.91%	78.39%		80.50%		80.27%	78.50%		80.26%	
<u>OTHER PATIENT REVENUE</u>										
Medicaid Supplemental Payments	\$ 2,094,222	\$ 2,094,222	0.0%	\$ 2,216,408	-5.5%	\$ 10,499,548	\$ 10,471,110	0.3%	\$ 11,082,038	-5.3%
DSRIP/CHIRP	(179,464)	698,830	-125.7%	613,465	-129.3%	4,829,843	3,494,150	38.2%	4,182,851	15.5%
Medicare Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OTHER PATIENT REVENUE	\$ 1,914,758	\$ 2,793,052	-31.4%	\$ 2,829,873	-32.3%	\$ 15,329,391	\$ 13,965,260	9.8%	\$ 15,264,889	0.4%
NET PATIENT REVENUE	\$ 24,087,660	\$ 25,293,467	-4.8%	\$ 22,762,124	5.8%	\$ 125,123,313	\$ 128,755,729	-2.8%	\$ 125,499,419	-0.3%
<u>OTHER REVENUE</u>										
Tax Revenue	\$ 6,039,124	\$ 6,179,932	-2.3%	\$ 6,504,082	-7.1%	\$ 32,120,123	\$ 28,053,454	14.5%	\$ 29,684,730	8.2%
Other Revenue	891,500	1,229,298	-27.5%	798,699	11.6%	4,799,535	6,206,137	-22.7%	4,507,504	6.5%
TOTAL OTHER REVENUE	\$ 6,930,624	\$ 7,409,230	-6.5%	\$ 7,302,781	-5.1%	\$ 36,919,658	\$ 34,259,591	7.8%	\$ 34,192,235	8.0%
NET OPERATING REVENUE	\$ 31,018,284	\$ 32,702,697	-5.2%	\$ 30,064,905	3.2%	\$ 162,042,971	\$ 163,015,320	-0.6%	\$ 159,691,653	1.5%
<u>OPERATING EXPENSES</u>										
Salaries and Wages	\$ 13,314,772	\$ 13,617,196	-2.2%	\$ 12,765,132	4.3%	\$ 70,454,781	\$ 68,488,339	2.9%	\$ 65,871,122	7.0%
Benefits	2,534,582	2,739,492	-7.5%	2,698,493	-6.1%	16,418,914	14,052,434	16.8%	14,315,501	14.7%
Temporary Labor	1,134,639	1,176,530	-3.6%	3,085,799	-63.2%	6,451,361	5,909,026	9.2%	15,345,036	-58.0%
Physician Fees	967,143	1,150,234	-15.9%	1,417,174	-31.8%	5,653,477	5,782,120	-2.2%	7,188,131	-21.3%
Texas Tech Support	901,123	879,933	2.4%	856,757	5.2%	4,401,716	4,399,665	0.0%	4,311,773	2.1%
Purchased Services	4,563,324	4,416,351	3.3%	4,523,561	0.9%	21,979,373	22,023,045	-0.2%	22,052,898	-0.3%
Supplies	5,136,854	5,534,051	-7.2%	4,037,610	27.2%	27,958,630	28,510,619	-1.9%	26,224,869	6.6%
Utilities	332,555	331,187	0.4%	260,386	27.7%	1,688,578	1,694,122	-0.3%	1,614,200	4.6%
Repairs and Maintenance	736,976	1,020,801	-27.8%	941,422	-21.7%	4,427,510	5,104,005	-13.3%	4,528,407	-2.2%
Leases and Rent	108,547	275,186	-60.6%	393,806	-72.4%	636,087	1,375,930	-53.8%	1,548,021	-58.9%
Insurance	189,757	167,990	13.0%	142,047	33.6%	924,394	839,950	10.1%	785,088	17.7%
Interest Expense	69,815	79,660	-12.4%	70,982	-1.6%	350,074	398,300	-12.1%	468,293	-25.2%
ECHDA	156,285	187,818	-16.8%	181,905	-14.1%	962,361	939,090	2.5%	801,903	20.0%
Other Expense	109,518	222,554	-50.8%	99,365	10.2%	1,275,433	1,143,745	11.5%	1,169,009	9.1%
TOTAL OPERATING EXPENSES	\$ 30,255,891	\$ 31,798,983	-4.9%	\$ 31,474,438	-3.9%	\$ 163,582,689	\$ 160,660,390	1.8%	\$ 166,224,251	-1.6%
Depreciation/Amortization	\$ 1,764,968	\$ 1,598,444	10.4%	\$ 1,645,353	7.3%	\$ 8,568,402	\$ 8,267,923	3.6%	\$ 8,311,050	3.1%
(Gain) Loss on Sale of Assets	-	-	0.0%	-	0.0%	(114,144)	-	0.0%	7,515	-1618.9%
TOTAL OPERATING COSTS	\$ 32,020,859	\$ 33,397,427	-4.1%	\$ 33,119,792	-3.3%	\$ 172,036,947	\$ 168,928,313	1.8%	\$ 174,542,815	-1.4%
NET GAIN (LOSS) FROM OPERATIONS	\$ (1,002,575)	\$ (694,730)	-44.3%	\$ (3,054,887)	67.2%	\$ (9,993,977)	\$ (5,912,993)	69.0%	\$ (14,851,162)	-32.7%
Operating Margin	-3.23%	-2.12%	52.1%	-10.16%	-68.2%	-6.17%	-3.63%	70.0%	-9.30%	-33.7%
<u>NONOPERATING REVENUE/EXPENSE</u>										
Interest Income	\$ 74,347	\$ 49,663	49.7%	\$ 26,764	177.8%	\$ 392,020	\$ 248,315	57.9%	\$ 89,998	335.6%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Trauma Funds	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Donations	-	33,333	-100.0%	-	-	2,000	166,665	-98.8%	-	-
COVID-19 Stimulus	-	-	0.0%	-	0.0%	-	-	0.0%	6,113,607	-100.0%
CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY	\$ (928,228)	\$ (611,734)	-51.7%	\$ (3,028,123)	69.3%	\$ (9,599,956)	\$ (5,498,013)	-74.6%	\$ (8,647,557)	-11.0%
Unrealized Gain/(Loss) on Investments	\$ (319,801)	\$ (8,333)	0.0%	\$ (221,361)	44.5%	\$ 440,678	\$ (41,665)	0.0%	\$ (826,459)	-153.3%
Investment in Subsidiaries	(7,927)	85,628	-109.3%	(6,798)	16.6%	115,045	428,140	-73.1%	5,351	2049.9%
CHANGE IN NET POSITION	\$ (1,255,956)	\$ (534,439)	-135.0%	\$ (3,256,282)	61.4%	\$ (9,044,234)	\$ (5,111,538)	-76.9%	\$ (9,468,665)	4.5%

**ECTOR COUNTY HOSPITAL DISTRICT
HOSPITAL OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Inpatient Revenue	\$ 47,925,500	\$ 48,071,725	-0.3%	\$ 52,896,060	-9.4%	\$ 261,805,368	\$ 246,230,819	6.3%	\$ 288,014,439	-9.1%
Outpatient Revenue	46,064,617	45,281,535	1.7%	39,279,992	17.3%	233,972,195	229,593,656	1.9%	216,312,088	8.2%
TOTAL PATIENT REVENUE	\$ 93,990,117	\$ 93,353,260	0.7%	\$ 92,176,052	2.0%	\$ 495,777,564	\$ 475,824,475	4.2%	\$ 504,326,527	-1.7%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 62,643,414	\$ 58,799,968	6.5%	\$ 57,973,544	8.1%	\$ 323,432,744	\$ 300,679,942	7.6%	\$ 334,517,551	-3.3%
Policy Adjustments	207,132	732,244	-71.7%	533,858	-61.2%	4,198,915	3,759,945	11.7%	1,668,212	151.7%
Uninsured Discount	7,802,777	8,821,340	-11.5%	8,904,229	-12.4%	52,568,710	45,095,286	16.6%	37,099,656	41.7%
Indigent Care	724,650	1,139,706	-36.4%	1,993,600	-63.7%	5,010,277	5,828,816	-14.0%	5,866,437	-14.6%
Provision for Bad Debts	3,620,327	4,901,177	-26.1%	5,957,376	-39.2%	17,958,388	24,690,456	-27.3%	31,792,269	-43.5%
TOTAL REVENUE DEDUCTIONS	\$ 74,998,300	\$ 74,394,435	0.8%	\$ 75,362,607	-0.5%	\$ 403,169,035	\$ 380,053,945	6.1%	\$ 410,944,125	-1.9%
	79.79%	79.69%		81.76%		81.32%	79.87%		81.48%	
OTHER PATIENT REVENUE										
Medicaid Supplemental Payments	\$ 2,094,222	\$ 2,094,222	0.0%	\$ 2,216,408	-5.5%	\$ 10,499,548	\$ 10,471,110	0.3%	\$ 11,082,038	-5.3%
DSRIP/CHIRP	(179,464)	698,830	-125.7%	613,465	-129.3%	4,829,843	3,494,150	38.2%	4,182,851	15.5%
Medicaid Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Medicare Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OTHER PATIENT REVENUE	\$ 1,914,758	\$ 2,793,052	-31.4%	\$ 2,829,873	-32.3%	\$ 15,329,391	\$ 13,965,260	9.8%	\$ 15,264,889	0.4%
NET PATIENT REVENUE	\$ 20,906,574	\$ 21,751,877	-3.9%	\$ 19,643,318	6.4%	\$ 107,937,920	\$ 109,735,790	-1.6%	\$ 108,647,291	-0.7%
OTHER REVENUE										
Tax Revenue	\$ 6,039,124	\$ 6,179,932	-2.3%	\$ 6,504,082	-7.1%	\$ 32,120,123	\$ 28,053,454	14.5%	\$ 29,684,730	8.2%
Other Revenue	715,321	1,008,859	-29.1%	633,253	13.0%	3,784,746	5,079,829	-25.5%	3,376,313	12.1%
TOTAL OTHER REVENUE	\$ 6,754,445	\$ 7,188,791	-6.0%	\$ 7,137,335	-5.4%	\$ 35,904,869	\$ 33,133,283	8.4%	\$ 33,061,043	8.6%
NET OPERATING REVENUE	\$ 27,661,019	\$ 28,940,668	-4.4%	\$ 26,780,653	3.3%	\$ 143,842,789	\$ 142,869,073	0.7%	\$ 141,708,334	1.5%
OPERATING EXPENSE										
Salaries and Wages	\$ 9,053,955	\$ 8,894,673	1.8%	\$ 8,791,163	3.0%	\$ 48,456,140	\$ 44,694,026	8.4%	\$ 45,808,323	5.8%
Benefits	2,022,474	2,294,303	-11.8%	2,234,099	-9.5%	14,016,653	11,784,289	18.9%	12,079,431	16.0%
Temporary Labor	804,976	893,686	-9.9%	2,813,002	-71.4%	4,821,099	4,494,806	7.3%	14,116,557	-65.8%
Physician Fees	1,055,597	1,254,900	-15.9%	1,254,659	-15.9%	5,944,133	6,274,500	-5.3%	6,347,499	-6.4%
Texas Tech Support	901,123	879,933	2.4%	856,757	5.2%	4,401,716	4,399,665	0.0%	4,311,773	2.1%
Purchased Services	4,594,294	4,467,754	2.8%	4,602,182	-0.2%	22,243,658	22,403,295	-0.7%	22,507,160	-1.2%
Supplies	5,018,723	5,408,851	-7.2%	3,949,460	27.1%	27,329,537	27,859,532	-1.9%	25,669,932	6.5%
Utilities	331,885	330,683	0.4%	259,686	27.8%	1,685,016	1,691,602	-0.4%	1,610,724	4.6%
Repairs and Maintenance	736,976	1,019,785	-27.7%	940,571	-21.6%	4,427,343	5,098,925	-13.2%	4,526,011	-2.2%
Leases and Rentals	(61,279)	104,327	-158.7%	237,892	-125.8%	(223,681)	521,635	-142.9%	773,784	-128.9%
Insurance	129,437	109,297	18.4%	94,798	36.5%	626,457	546,485	14.6%	534,599	17.2%
Interest Expense	69,815	79,660	-12.4%	70,982	-1.6%	350,074	398,300	-12.1%	468,293	-25.2%
ECHDA	156,285	187,818	-16.8%	181,905	-14.1%	962,361	939,090	2.5%	801,903	20.0%
Other Expense	72,128	164,510	-56.2%	51,921	38.9%	1,045,003	837,125	24.8%	949,989	10.0%
TOTAL OPERATING EXPENSES	\$ 24,886,389	\$ 26,090,180	-4.6%	\$ 26,339,077	-5.5%	\$ 136,085,508	\$ 131,943,275	3.1%	\$ 140,505,979	-3.1%
Depreciation/Amortization	\$ 1,757,953	\$ 1,592,555	10.4%	\$ 1,640,529	7.2%	\$ 8,537,227	\$ 8,238,478	3.6%	\$ 8,286,244	3.0%
(Gain)/Loss on Disposal of Assets	-	-	0.0%	-	0.0%	(113,637)	-	100.0%	-	0.0%
TOTAL OPERATING COSTS	\$ 26,644,342	\$ 27,682,735	-3.8%	\$ 27,979,606	-4.8%	\$ 144,509,098	\$ 140,181,753	3.1%	\$ 148,792,223	-2.9%
NET GAIN (LOSS) FROM OPERATIONS	\$ 1,016,676	\$ 1,257,933	-19.2%	\$ (1,198,953)	184.8%	\$ (666,308)	\$ 2,687,320	-124.8%	\$ (7,083,889)	-90.6%
Operating Margin	3.68%	4.35%	-15.4%	-4.48%	-182.1%	-0.46%	1.88%	-124.6%	-5.00%	-90.7%
NONOPERATING REVENUE/EXPENSE										
Interest Income	\$ 74,347	\$ 49,663	49.7%	\$ 26,764	177.8%	\$ 392,020	\$ 248,315	57.9%	\$ 89,998	335.6%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	-	-	0.0%
Trauma Funds	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Donations	-	33,333	-100.0%	-	0.0%	2,000	166,665	-98.8%	-	0.0%
COVID-19 Stimulus	-	-	0.0%	-	0.0%	-	-	-	6,113,607	-100.0%
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTION	\$ 1,091,023	\$ 1,340,929	-18.6%	\$ (1,172,189)	-193.1%	\$ (272,288)	\$ 3,102,300	-108.8%	\$ (880,284)	-69.1%
Procure & Trauma Care Capital Contribution	(1,968,979)	(1,968,534)	0.0%	(1,855,934)	6.1%	(9,268,288)	(8,676,181)	6.8%	(7,767,273)	19.3%
CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY	\$ (877,956)	\$ (627,605)	-39.9%	\$ (3,028,123)	71.0%	\$ (9,540,576)	\$ (5,573,881)	-71.2%	\$ (8,647,557)	-10.3%
Unrealized Gain/(Loss) on Investments	\$ (319,801)	\$ (8,333)	373.8%	\$ (221,361)	44.5%	\$ 440,678	\$ (41,665)	-1157.7%	\$ (826,459)	-153.3%
Investment in Subsidiaries	(7,927)	85,628	-109.3%	(6,798)	16.6%	115,045	428,140	-73.1%	5,351	2049.9%
CHANGE IN NET POSITION	\$ (1,205,684)	\$ (550,310)	-119.1%	\$ (3,256,282)	63.0%	\$ (8,984,853)	\$ (5,187,406)	-73.2%	\$ (9,468,665)	5.1%

**ECTOR COUNTY HOSPITAL DISTRICT
PROCARE OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 11,078,055	\$ 10,502,699	5.5%	\$ 10,045,355	10.3%	\$ 59,753,056	\$ 56,858,549	5.1%	\$ 53,994,936	10.7%
TOTAL PATIENT REVENUE	\$ 11,078,055	\$ 10,502,699	5.5%	\$ 10,045,355	10.3%	\$ 59,753,056	\$ 56,858,549	5.1%	\$ 53,994,936	10.7%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 6,498,642	\$ 5,098,755	27.5%	\$ 5,033,472	29.1%	\$ 30,833,115	\$ 27,741,999	11.1%	\$ 26,865,261	14.8%
Policy Adjustments	492,854	644,179	-23.5%	716,074	-31.2%	4,022,594	3,481,795	15.5%	3,298,092	22.0%
Uninsured Discount	212,132	433,177	-51.0%	498,933	-57.5%	2,498,984	2,341,149	6.7%	2,194,024	13.9%
Indigent	13,301	6,684	99.0%	212	6187.3%	74,203	37,665	97.0%	38,212	94.2%
Provision for Bad Debts	652,254	844,981	-22.8%	677,859	-3.8%	5,274,283	4,569,337	15.4%	4,747,219	11.1%
TOTAL REVENUE DEDUCTIONS	\$ 7,869,184	\$ 7,027,776	12.0%	\$ 6,926,549	13.6%	\$ 42,703,179	\$ 38,171,945	11.9%	\$ 37,142,808	15.0%
	71.03%	66.91%		68.95%		71.47%	67.13%		68.79%	
NET PATIENT REVENUE	\$ 3,208,872	\$ 3,474,923	-7.7%	\$ 3,118,806	2.9%	\$ 17,049,877	\$ 18,686,604	-8.8%	\$ 16,852,128	1.2%
OTHER REVENUE										
Other Income	\$ 175,826	\$ 220,439	-20.2%	\$ 165,446	6.3%	\$ 1,014,436	\$ 1,126,308	-9.9%	\$ 1,131,192	-10.3%
TOTAL OTHER REVENUE	\$ 175,826	\$ 220,439	-20.2%	\$ 165,446	6.3%	\$ 1,014,436	\$ 1,126,308	-9.9%	\$ 1,131,192	-10.3%
NET OPERATING REVENUE	\$ 3,384,698	\$ 3,695,362	-8.4%	\$ 3,284,252	3.1%	\$ 18,064,312	\$ 19,812,912	-8.8%	\$ 17,983,319	0.5%
OPERATING EXPENSE										
Salaries and Wages	\$ 4,031,940	\$ 4,460,098	-9.6%	\$ 3,973,968	1.5%	\$ 20,761,151	\$ 22,482,188	-7.7%	\$ 20,062,799	3.5%
Benefits	469,719	406,604	15.5%	464,394	1.1%	2,205,264	2,071,733	6.4%	2,236,070	-1.4%
Temporary Labor	329,663	282,844	16.6%	272,797	20.8%	1,630,262	1,414,220	15.3%	1,228,479	32.7%
Physician Fees	170,795	154,582	10.5%	162,515	5.1%	1,005,585	803,860	25.1%	840,631	19.6%
Purchased Services	(31,769)	(51,848)	-38.7%	(78,621)	-59.6%	(266,809)	(382,475)	-30.2%	(454,262)	-41.3%
Supplies	118,131	123,512	-4.4%	88,150	34.0%	625,938	642,647	-2.6%	554,937	12.8%
Utilities	671	504	33.1%	700	-4.2%	3,562	2,520	41.3%	3,476	2.5%
Repairs and Maintenance	-	1,016	-100.0%	851.54	100.0%	167	5,080	-96.7%	2,397	-93.0%
Leases and Rentals	167,833	170,859	-1.8%	155,913	7.6%	849,802	854,295	-0.5%	774,237	9.8%
Insurance	52,388	52,089	0.6%	47,249	10.9%	258,276	260,445	-0.8%	250,489	3.1%
Other Expense	37,292	57,744	-35.4%	47,444	-21.4%	228,735	305,120	-25.0%	219,020	4.4%
TOTAL OPERATING EXPENSES	\$ 5,346,662	\$ 5,658,004	-5.5%	\$ 5,135,361	4.1%	\$ 27,301,933	\$ 28,459,633	-4.1%	\$ 25,718,271	6.2%
Depreciation/Amortization	\$ 7,015	\$ 5,889	19.1%	\$ 4,825	45.4%	\$ 31,174	\$ 29,445	5.9%	\$ 24,806	25.7%
(Gain)/Loss on Sale of Assets	-	-	0.0%	-	0.0%	(506)	-	0.0%	7,515	0.0%
TOTAL OPERATING COSTS	\$ 5,353,676	\$ 5,663,893	-5.5%	\$ 5,140,186	4.2%	\$ 27,332,601	\$ 28,489,078	-4.1%	\$ 25,750,592	6.1%
NET GAIN (LOSS) FROM OPERATIONS	\$ (1,968,979)	\$ (1,968,531)	0.0%	\$ (1,855,934)	6.1%	\$ (9,268,288)	\$ (8,676,166)	-6.8%	\$ (7,767,273)	-19.3%
Operating Margin	-58.17%	-53.27%	9.2%	-56.51%	2.9%	-51.31%	-43.79%	17.2%	-43.19%	18.8%
COVID-19 Stimulus	\$ -	\$ -		\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
MCH Contribution	\$ 1,968,979	\$ 1,968,531	0.0%	\$ 1,855,934	6.1%	\$ 9,268,288	\$ 8,676,166	6.8%	\$ 7,767,273	19.3%
CAPITAL CONTRIBUTION	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%

MONTHLY STATISTICAL REPORT

	CURRENT MONTH					YEAR TO DATE				
Total Office Visits	8,925	9,005	-0.89%	8,412	6.10%	44,767	45,164	-0.88%	42,961	4.20%
Total Hospital Visits	5,378	5,460	-1.50%	5,220	3.03%	28,116	30,266	-7.10%	29,598	-5.01%
Total Procedures	12,011	10,884	10.35%	10,358	15.96%	64,239	60,059	6.96%	57,649	11.43%
Total Surgeries	724	667	8.55%	673	7.58%	3,942	3,920	0.56%	3,819	3.22%
Total Provider FTE's	89.2	101.9	-12.41%	88.4	0.93%	89.0	101.9	-12.62%	91.0	-2.15%
Total Staff FTE's	116.5	137.6	-15.34%	108.6	7.28%	116.9	137.6	-15.01%	108.2	8.08%
Total Administrative FTE's	11.6	12.7	-8.38%	13.0	-10.43%	12.3	12.7	-3.30%	13.1	-6.16%
Total FTE's	217.3	252.2	-13.81%	210.0	3.51%	218.2	252.1	-13.46%	212.2	2.82%

**ECTOR COUNTY HOSPITAL DISTRICT
TRAUMACARE OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 83,183	\$ 255,739	-67.5%	\$ -	100.0%	\$ 894,984	\$ 1,278,695	-30.0%	\$ -	100.0%
TOTAL PATIENT REVENUE	\$ 83,183	\$ 255,739	-67.5%	\$ -	100.0%	\$ 894,984	\$ 1,278,695	-30.0%	\$ -	100.0%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 90,886	\$ 124,001	-26.7%	\$ -	100.0%	\$ 545,386	\$ 620,005	-12.0%	\$ -	100.0%
Policy Adjustments	13,227	43,333	-69.5%	-	100.0%	144,227	216,665	-33.4%	-	100.0%
Uninsured Discount	-	-	-	-	100.0%	-	-	-	-	100.0%
Indigent	-	-	-	-	100.0%	-	-	-	-	100.0%
Provision for Bad Debts	6,856	21,738	-68.5%	-	100.0%	69,856	108,690	-35.7%	-	100.0%
TOTAL REVENUE DEDUCTIONS	\$ 110,968	\$ 189,072	-41.3%	\$ -	100.0%	\$ 759,468	\$ 945,360	-19.7%	\$ -	100.0%
	133.40%	73.93%		#DIV/0!		84.86%	73.93%		#DIV/0!	
NET PATIENT REVENUE	\$ (27,785)	\$ 66,667	-141.7%	\$ -	100.0%	\$ 135,516	\$ 333,335	-59.3%	\$ -	100.0%
						15.1%				
OTHER REVENUE										
Other Income	\$ 353	\$ -	-	\$ -	100.0%	\$ 353	\$ -	-	\$ -	100.0%
TOTAL OTHER REVENUE					100.0%					100.0%
NET OPERATING REVENUE	\$ (27,432)	\$ 66,667	-141.1%	\$ -	100.0%	\$ 135,869	\$ 333,335	-59.2%	\$ -	100.0%
OPERATING EXPENSE										
Salaries and Wages	\$ 228,878	\$ 262,425	-12.8%	\$ -	100.0%	\$ 1,237,489	\$ 1,312,125	-5.7%	\$ -	100.0%
Benefits	42,389	38,585	9.9%	-	100.0%	196,998	196,412	0.3%	-	100.0%
Temporary Labor	-	-	-	-	100.0%	-	-	-	-	100.0%
Physician Fees	(259,248)	(259,248)	0.0%	-	100.0%	(1,296,240)	(1,296,240)	0.0%	-	100.0%
Purchased Services	799	445	79.5%	-	100.0%	2,524	2,225	13.5%	-	100.0%
Supplies	-	1,688	-100.0%	-	100.0%	3,155	8,440	-62.6%	-	100.0%
Utilities	-	-	-	-	100.0%	-	-	-	-	100.0%
Repairs and Maintenance	-	-	-	-	100.0%	-	-	-	-	100.0%
Leases and Rentals	1,993	-	-	-	100.0%	9,967	-	-	-	100.0%
Insurance	7,932	6,604	20.1%	-	100.0%	39,660	33,020	20.1%	-	100.0%
Other Expense	97	300	-67.6%	-	100.0%	1,695	1,500	13.0%	-	100.0%
TOTAL OPERATING EXPENSES	\$ 22,840	\$ 50,799	-55.0%	\$ -	100.0%	\$ 195,249	\$ 257,482	-24.2%	\$ -	100.0%
Depreciation/Amortization	\$ -	\$ -	-	\$ -	100.0%	\$ -	\$ -	0.0%	\$ -	100.0%
(Gain)/Loss on Sale of Assets	-	-	0.0%	-	100.0%	-	-	0.0%	-	100.0%
TOTAL OPERATING COSTS	\$ 22,840	\$ 50,799	-55.0%	\$ -	100.0%	\$ 195,249	\$ 257,482	-24.2%	\$ -	100.0%
NET GAIN (LOSS) FROM OPERATIONS	\$ (50,272)	\$ 15,868	416.8%	\$ -	100.0%	\$ (59,380)	\$ 75,853	178.3%	\$ -	100.0%
Operating Margin	183.26%	23.80%	669.9%	#DIV/0!	-100.0%	-43.70%	22.76%	-292.1%	#DIV/0!	-100.0%
COVID-19 Stimulus	\$ -	\$ -	-	\$ -	100.0%	\$ -	\$ -	0.0%	\$ -	100.0%
MCH Contribution	\$ -	\$ -	-	\$ -	100.0%	\$ -	\$ -	-	\$ -	100.0%
CAPITAL CONTRIBUTION	\$ (50,272)	\$ 15,868	0.0%	\$ -	0.0%	\$ (59,380)	\$ 75,853	0.0%	\$ -	0.0%

MONTHLY STATISTICAL REPORT

	CURRENT MONTH					YEAR TO DATE				
Total Procedures	515	427	20.61%	0	100.00%	3,540	2,135	65.81%	0	100.00%
Total Provider FTE's	8.4	8.9	-5.24%	0.0	100.00%	8.4	8.2	2.29%	0.0	100.00%
Total Staff FTE's	1.0	1.1	-7.51%	0.0	100.00%	1.0	1.0	-3.75%	0.0	100.00%
Total FTE's	9.4	10.0	-5.49%	0.0	100.00%	9.4	9.2	1.64%	0.0	100.00%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC - SOUTH - OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 208,513	\$ 230,081	-9.4%	\$ 143,376	45.4%	\$ 988,239	\$ 1,138,668	-13.2%	\$ 901,461	9.6%
TOTAL PATIENT REVENUE	\$ 208,513	\$ 230,081	-9.4%	\$ 143,376	45.4%	\$ 988,239	\$ 1,138,668	-13.2%	\$ 901,461	9.6%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 119,601	\$ 134,841	-11.3%	\$ 63,310	88.9%	\$ 532,561	\$ 667,326	-20.2%	\$ 654,538	-18.6%
Self Pay Adjustments	30,318	38,746	-21.8%	43,312	-30.0%	151,799	191,755	-20.8%	106,794	42.1%
Bad Debts	(11,309)	(6,582)	71.8%	3,149	-459.1%	(28,734)	(32,574)	-11.8%	(70,232)	-59.1%
TOTAL REVENUE DEDUCTIONS	\$ 138,610	\$ 167,005	-17.0%	\$ 109,772	26.3%	\$ 655,626	\$ 826,507	-20.7%	\$ 691,099	-5.1%
	66.5%	72.6%		76.6%		66.3%	72.6%		76.7%	
NET PATIENT REVENUE	\$ 69,904	\$ 63,076	10.8%	\$ 33,604	108.0%	\$ 332,613	\$ 312,161	6.6%	\$ 210,362	58.1%
OTHER REVENUE										
FHC Other Revenue	\$ 81,763	\$ 23,543	0.0%	\$ 4,442	1740.9%	\$ 492,075	\$ 117,715	0.0%	\$ 139,035	253.9%
TOTAL OTHER REVENUE	\$ 81,763	\$ 23,543	247.3%	\$ 4,442	1740.9%	\$ 492,075	\$ 117,715	318.0%	\$ 139,035	253.9%
NET OPERATING REVENUE	\$ 151,667	\$ 86,619	75.1%	\$ 38,046	298.6%	\$ 824,687	\$ 429,876	91.8%	\$ 349,397	136.0%
OPERATING EXPENSE										
Salaries and Wages	\$ 75,248	\$ 59,217	27.1%	\$ 66,242	13.6%	\$ 380,730	\$ 293,065	29.9%	\$ 381,091	-0.1%
Benefits	16,809	15,275	10.0%	16,834	-0.1%	110,132	77,271	42.5%	100,492	9.6%
Physician Services	105,137	95,767	9.8%	87,036	20.8%	488,627	505,100	-3.3%	434,308	12.5%
Cost of Drugs Sold	2,680	4,684	-42.8%	3,910	-31.5%	23,642	23,180	2.0%	27,221	-13.1%
Supplies	2,959	5,367	-44.9%	4,315	-31.4%	15,599	26,624	-41.4%	20,215	-22.8%
Utilities	3,514	4,892	-28.2%	2,632	33.5%	15,513	17,821	-12.9%	14,581	6.4%
Repairs and Maintenance	554	2,824	-80.4%	10,676	-94.8%	3,333	14,120	-76.4%	23,439	-85.8%
Leases and Rentals	474	482	-1.7%	533	-11.0%	2,370	2,410	-1.7%	2,490	-4.8%
Other Expense	1,000	1,591	-37.1%	1,000	0.0%	5,000	7,955	-37.1%	8,335	-40.0%
TOTAL OPERATING EXPENSES	\$ 208,375	\$ 190,099	9.6%	\$ 193,177	7.9%	\$ 1,044,947	\$ 967,546	8.0%	\$ 1,012,172	3.2%
Depreciation/Amortization	\$ 2,560	\$ 2,744	-6.7%	\$ 2,625	-2.5%	\$ 12,630	\$ 14,414	-12.4%	\$ 13,142	-3.9%
TOTAL OPERATING COSTS	\$ 210,935	\$ 192,843	9.4%	\$ 195,802	7.7%	\$ 1,057,577	\$ 981,960	7.7%	\$ 1,025,314	3.1%
NET GAIN (LOSS) FROM OPERATIONS	\$ (59,268)	\$ (106,224)	44.2%	\$ (157,756)	62.4%	\$ (232,889)	\$ (552,084)	57.8%	\$ (675,917)	-65.5%
Operating Margin	-39.08%	-122.63%	-68.1%	-414.65%	-90.6%	-28.24%	-128.43%	-78.0%	-193.45%	-85.4%

	CURRENT MONTH					YEAR TO DATE				
Medical Visits	746	843	-11.5%	544	37.1%	3,490	4,172	-16.3%	3,405	2.5%
Average Revenue per Office Visit	279.51	272.93	2.4%	263.56	6.1%	283.16	272.93	3.7%	264.75	7.0%
Hospital FTE's (Salaries and Wages)	11.8	14.0	-16.2%	15.0	-21.4%	11.6	12.9	-9.6%	14.8	-21.4%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC - WEST UNIVERSITY - OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<u>PATIENT REVENUE</u>										
Outpatient Revenue	\$ 189,096	\$ 182,761	3.5%	\$ 128,238	47.5%	\$ 950,436	\$ 898,005	5.8%	\$ 730,176	30.2%
TOTAL PATIENT REVENUE	\$ 189,096	\$ 182,761	3.5%	\$ 128,238	47.5%	\$ 950,436	\$ 898,005	5.8%	\$ 730,176	30.2%
<u>DEDUCTIONS FROM REVENUE</u>										
Contractual Adjustments	\$ 103,219	\$ 99,454	3.8%	\$ 67,659	52.6%	\$ 524,407	\$ 488,673	7.3%	\$ 422,391	24.2%
Self Pay Adjustments	18,904	13,893	36.1%	13,312	42.0%	100,912	68,264	47.8%	41,159	145.2%
Bad Debts	558	8,507	-93.4%	12,889	-95.7%	8,478	41,799	-79.7%	22,669	-62.6%
TOTAL REVENUE DEDUCTIONS	\$ 122,681	\$ 121,854	0.7%	\$ 93,860	30.7%	\$ 633,797	\$ 598,736	5.9%	\$ 486,219	30.4%
	64.88%	66.67%		73.19%		66.68%	66.67%		66.59%	
NET PATIENT REVENUE	\$ 66,415	\$ 60,907	9.0%	\$ 34,378	93.2%	\$ 316,639	\$ 299,269	5.8%	\$ 243,957	29.8%
<u>OTHER REVENUE</u>										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
NET OPERATING REVENUE	\$ 66,415	\$ 60,907	9.0%	\$ 34,378	93.2%	\$ 316,639	\$ 299,269	5.8%	\$ 243,957	29.8%
<u>OPERATING EXPENSE</u>										
Salaries and Wages	\$ 3,193	\$ 21,842	-85.4%	\$ 4,671	-31.6%	\$ 45,306	\$ 107,324	-57.8%	\$ 35,103	29.1%
Benefits	713	5,634	-87.3%	1,187	-39.9%	13,105	28,298	-53.7%	9,257	41.6%
Physician Services	31,638	43,813	-27.8%	27,346	15.7%	167,180	236,276	-29.2%	157,767	6.0%
Cost of Drugs Sold	392	4,292	-90.9%	2	18202.3%	15,645	21,088	-25.8%	14,725	6.3%
Supplies	3,446	2,072	66.3%	6,184	-44.3%	23,043	10,198	126.0%	12,374	86.2%
Utilities	2,198	2,888	-23.9%	3,108	-29.3%	14,787	12,585	17.5%	12,696	16.5%
Repairs and Maintenance	-	-	0.0%	-	100.0%	1,700	-	0.0%	-	100.0%
Other Expense	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING EXPENSES	\$ 41,580	\$ 80,541	-48.4%	\$ 42,498	-2.2%	\$ 280,766	\$ 415,769	-32.5%	\$ 241,922	16.1%
Depreciation/Amortization	\$ 20,779	\$ 24,611	-15.6%	\$ 25,992	-20.1%	\$ 103,894	\$ 131,276	-20.9%	\$ 130,304	-20.3%
TOTAL OPERATING COSTS	\$ 62,359	\$ 105,152	-40.7%	\$ 68,490	-9.0%	\$ 384,660	\$ 547,045	-29.7%	\$ 372,226	3.3%
NET GAIN (LOSS) FROM OPERATIONS	\$ 4,056	\$ (44,245)	-109.2%	\$ (34,112)	-111.9%	\$ (68,021)	\$ (247,776)	-72.5%	\$ (128,269)	-47.0%
Operating Margin	6.11%	-72.64%	-108.4%	-99.23%	-106.2%	-21.48%	-82.79%	-74.1%	-52.58%	-59.1%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Total Visits	632	671	-5.8%	480	31.7%	3,134	3,297	-4.9%		0.0%
Average Revenue per Office Visit	299.20	272.37	9.9%	267.16	12.0%	303.27	272.37	11.3%	277.53	9.3%
Hospital FTE's (Salaries and Wages)	5.5	7.7	-27.7%	1.8	207.6%	6.5	7.0	-7.4%	2.4	167.7%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC - JBS - OPERATIONS SUMMARY
FEBRUARY 2023**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 260,919	\$ 168,029	55.3%	\$ 238,286	9.5%	\$ 1,055,300	\$ 867,593	21.6%	\$ 1,257,240	-16.1%
TOTAL PATIENT REVENUE	\$ 260,919	\$ 168,029	55.3%	\$ 238,286	9.5%	\$ 1,055,300	\$ 867,593	21.6%	\$ 1,257,240	-16.1%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 143,287	\$ 92,446	55.0%	\$ 163,391	-12.3%	\$ 585,270	\$ 477,332	22.6%	\$ 733,345	-20.2%
Self Pay Adjustments	17,322	5,906	193.3%	9,566	81.1%	95,651	30,496	213.7%	24,923	283.8%
Bad Debts	(13,484)	9,049	-249.0%	39,206	-134.4%	(58,364)	46,723	-224.9%	131,473	-144.4%
TOTAL REVENUE DEDUCTIONS	\$ 147,125	\$ 107,401	37.0%	\$ 212,163	-30.7%	\$ 622,557	\$ 554,551	12.3%	\$ 889,740	-30.0%
	56.39%	63.92%		89.04%		58.99%	63.92%		70.77%	
NET PATIENT REVENUE	\$ 113,794	\$ 60,628	87.7%	\$ 26,124	335.6%	\$ 432,743	\$ 313,042	38.2%	\$ 367,500	17.8%
OTHER REVENUE										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
NET OPERATING REVENUE	\$ 113,794	\$ 60,628	87.7%	\$ 26,124	335.6%	\$ 432,743	\$ 313,042	38.2%	\$ 367,500	17.8%
OPERATING EXPENSE										
Salaries and Wages	\$ 16,167	\$ 20,046	-19.3%	\$ 9,705	66.6%	\$ 94,021	\$ 103,506	-9.2%	\$ 60,119	56.4%
Benefits	3,611	5,171	-30.2%	2,466	46.4%	27,197	27,291	-0.3%	15,853	71.6%
Physician Services	90,868	59,406	53.0%	30,723	195.8%	157,176	320,365	-50.9%	225,034	-30.2%
Cost of Drugs Sold	9,907	9,414	5.2%	15,538	-36.2%	53,059	48,608	9.2%	54,119	-2.0%
Supplies	2,239	1,903	17.7%	2,814	-20.4%	32,101	9,737	229.7%	10,309	211.4%
Utilities	-	-	0.0%	-	100.0%	-	-	0.0%	-	100.0%
Repairs and Maintenance	-	-	0.0%	-	100.0%	-	-	0.0%	-	100.0%
Other Expense	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING EXPENSES	\$ 122,793	\$ 95,940	28.0%	\$ 61,246	100.5%	\$ 363,553	\$ 509,507	-28.6%	\$ 365,434	-0.5%
Depreciation/Amortization	\$ 75	\$ 75	-0.2%	\$ 75	0.0%	\$ 374	\$ 375	-0.2%	\$ 374	0.0%
TOTAL OPERATING COSTS	\$ 122,868	\$ 96,015	28.0%	\$ 61,321	100.4%	\$ 363,928	\$ 509,882	-28.6%	\$ 365,808	-0.5%
NET GAIN (LOSS) FROM OPERATIONS	\$ (9,074)	\$ (35,387)	-74.4%	\$ (35,197)	-74.2%	\$ 68,815	\$ (196,840)	-135.0%	\$ 1,692	3966.8%
Operating Margin	-7.97%	-58.37%	-86.3%	-134.73%	-94.1%	15.90%	-62.88%	-125.3%	0.46%	3353.6%

	CURRENT MONTH					YEAR TO DATE				
Medical Visits	743	453	64.0%	595	24.9%	2,993	2,339	28.0%	3,309	-9.5%
Total Visits	743	453	64.0%	595	24.9%	2,993	2,339	28.0%		0.0%
Average Revenue per Office Visit	351.17	370.92	-5.3%	400.48	-12.3%	352.59	370.92	-4.9%	379.95	-7.2%
Hospital FTE's (Salaries and Wages)	8.0	6.6	21.4%	4.6	75.3%	7.6	6.3	21.0%	4.2	83.3%

**ECTOR COUNTY HOSPITAL DISTRICT
FEBRUARY 2023**

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	\$ 37,256,161	39.6%	\$ 37,228,370	40.4%	\$ 187,165,527	37.8%	\$ 197,069,485	39.1%
Medicaid	15,087,485	16.1%	10,000,764	10.8%	73,075,078	14.7%	64,729,757	12.8%
Commercial	28,576,675	30.4%	25,057,802	27.2%	148,259,813	29.9%	144,688,639	28.7%
Self Pay	9,191,813	9.8%	13,186,839	14.3%	66,779,592	13.5%	53,912,830	10.7%
Other	3,877,984	4.1%	6,702,277	7.3%	20,497,554	4.1%	43,925,815	8.7%
TOTAL	\$ 93,990,117	100.0%	\$ 92,176,052	100.0%	\$ 495,777,564	100.0%	\$ 504,326,526	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 7,435,543	40.8%	\$ 6,982,527	39.8%	\$ 34,998,692	38.0%	\$ 35,181,138	37.6%
Medicaid	2,448,210	13.5%	1,835,893	10.5%	13,339,910	14.5%	8,870,454	9.5%
Commercial	5,998,440	33.0%	6,388,566	36.4%	33,807,466	36.7%	36,345,027	38.8%
Self Pay	1,121,564	6.2%	1,163,867	6.6%	5,081,764	5.5%	5,753,372	6.1%
Other	1,175,883	6.5%	1,171,851	6.7%	4,929,243	5.3%	7,493,764	8.0%
TOTAL	\$ 18,179,641	100.0%	\$ 17,542,704	100.0%	\$ 92,157,075	100.0%	\$ 93,643,756	100.0%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC CLEMENTS
FEBRUARY 2023**

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	\$ 59,851	28.7%	\$ 30,073	21.0%	\$ 253,231	25.6%	\$ 196,644	21.8%
Medicaid	50,969	24.4%	36,855	25.7%	262,064	26.5%	213,951	23.7%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	29,767	14.3%	22,124	15.4%	151,790	15.4%	139,648	15.5%
Self Pay	59,722	28.6%	48,251	33.7%	288,467	29.2%	315,334	35.0%
Other	8,205	3.9%	6,073	4.2%	32,687	3.3%	35,885	4.0%
TOTAL	\$ 208,513	99.9%	\$ 143,376	100.0%	\$ 988,239	100.0%	\$ 901,462	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	23,858	34.5%	\$ 12,647	32.2%	\$ 120,407	32.2%	\$ 83,664	31.5%
Medicaid	22,775	32.9%	9,155	23.3%	129,029	34.5%	73,820	27.6%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	8,686	12.6%	7,376	18.8%	57,422	15.4%	53,848	20.3%
Self Pay	12,476	18.0%	8,843	22.5%	61,382	16.4%	46,716	17.6%
Other	1,399	2.0%	1,276	3.2%	5,588	1.5%	7,849	3.0%
TOTAL	\$ 69,194	100.0%	\$ 39,296	100.0%	\$ 373,828	100.0%	\$ 265,897	100.0%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC WEST UNIVERSITY
FEBRUARY 2023**

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	\$ 37,633	19.9%	\$ 32,133	25.1%	\$ 199,610	21.0%	\$ 172,633	23.6%
Medicaid	45,420	24.0%	\$ 41,609	32.4%	263,398	27.7%	203,368	27.9%
PHC	-	0.0%	\$ -	0.0%	-	0.0%	-	0.0%
Commercial	56,102	29.7%	\$ 21,847	17.0%	244,548	25.7%	158,574	21.7%
Self Pay	40,360	21.3%	\$ 28,378	22.1%	205,853	21.7%	160,203	21.9%
Other	9,581	5.1%	\$ 4,271	3.3%	37,026	3.9%	35,398	4.8%
TOTAL	\$ 189,096	100.0%	\$ 128,238	100.0%	\$ 950,436	100.0%	\$ 730,176	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 18,655	27.0%	\$ 16,678	36.0%	\$ 100,228	26.0%	\$ 75,460	32.4%
Medicaid	26,070	37.8%	13,214	28.5%	\$ 133,484	34.7%	62,035	26.7%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	13,706	19.9%	9,228	19.9%	92,586	24.0%	60,846	26.2%
Self Pay	9,001	13.0%	5,365	11.6%	48,059	12.5%	28,366	12.2%
Other	1,589	2.3%	1,805	3.9%	10,877	2.8%	5,847	2.5%
TOTAL	\$ 69,020	100.0%	\$ 46,290	100.0%	\$ 385,234	100.0%	\$ 232,553	100.0%

**ECTOR COUNTY HOSPITAL DISTRICT
FAMILY HEALTH CLINIC JBS
FEBRUARY 2023**

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	\$ 528	0.2%	\$ -	0.0%	\$ 1,070	0.1%	\$ (799)	-0.1%
Medicaid	178,571	68.4%	\$ 134,072	56.3%	715,920	67.8%	741,549	59.0%
PHC	-	0.0%	\$ -	0.0%	-	0.0%	-	0.0%
Commercial	70,114	26.9%	\$ 95,081	39.9%	303,199	28.7%	472,717	37.6%
Self Pay	7,601	2.9%	\$ 5,751	2.4%	19,528	1.9%	32,610	2.6%
Other	4,106	1.6%	\$ 3,382	1.4%	15,583	1.5%	11,164	0.9%
TOTAL	\$ 260,919	100.0%	\$ 238,286	100.0%	\$ 1,055,300	100.0%	\$ 1,257,240	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Medicaid	94,104	73.9%	21,335	31.7%	387,610	67.1%	165,904	39.7%
PHC	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Commercial	23,949	18.8%	34,760	51.7%	151,774	26.2%	210,255	50.3%
Self Pay	6,854	5.4%	10,824	16.1%	30,044	5.2%	38,453	9.2%
Other	2,420	1.9%	380	0.6%	8,785	1.5%	3,060	0.7%
TOTAL	\$ 127,327	100.0%	\$ 67,299	100.0%	\$ 578,213	100.0%	\$ 417,672	100.0%

**ECTOR COUNTY HOSPITAL DISTRICT
STATEMENT OF CASH FLOW
FEBRUARY 2023**

	Hospital	ProCare	TraumaCare	Blended
Cash Flows from Operating Activities and Nonoperating Revenue:				
Excess of Revenue over Expenses	\$ (8,984,853)	-	(59,380)	\$ (9,044,233)
Noncash Expenses:				
Depreciation and Amortization	7,754,217	6,081	-	7,760,298
Unrealized Gain/Loss on Investments	440,678	-	-	440,678
Accretion (Bonds) & COVID Funding	(271,164)	-	-	(271,164)
Changes in Assets and Liabilities				
Patient Receivables, Net	(3,713,334)	(310,121)	(111,414)	(4,134,869)
Taxes Receivable/Deferred	9,590,589	53,884	-	9,644,473
Inventories, Prepaids and Other	(5,969,757)	8,346	7,751	(5,953,660)
Accounts Payable	(2,419,752)	(1,365,028)	87,374	(3,697,405)
Accrued Expenses	2,148,381	1,606,838	75,668	3,830,887
Due to Third Party Payors	(10,627,391)	-	-	(10,627,391)
Accrued Post Retirement Benefit Costs	2,367,590	-	-	2,367,590
Net Cash Provided by Operating Activities	<u>\$ (9,684,798)</u>	<u>0</u>	<u>-</u>	<u>\$ (9,684,798)</u>
Cash Flows from Investing Activities:				
Investments	\$ 5,150,525	-	-	\$ 5,150,525
Acquisition of Property and Equipment	<u>(6,259,488)</u>	<u>-</u>	<u>-</u>	<u>(6,259,488)</u>
Net Cash used by Investing Activities	<u>\$ (1,108,963)</u>	<u>-</u>	<u>-</u>	<u>\$ (1,108,963)</u>
Cash Flows from Financing Activities:				
Current Portion Debt	\$ 12,199	-	-	\$ 12,199
Net Repayment of Long-term Debt/Bond Issuance	<u>(302,849)</u>	<u>-</u>	<u>-</u>	<u>(302,849)</u>
Net Cash used by Financing Activities	<u>(290,651)</u>	<u>-</u>	<u>-</u>	<u>(290,651)</u>
Net Increase (Decrease) in Cash	(11,084,411)	0	-	(11,084,411)
Beginning Cash & Cash Equivalents @ 9/30/2022	41,916,875	5,075	-	41,921,950
Ending Cash & Cash Equivalents @ 2/28/2023	<u>\$ 30,832,464</u>	<u>\$ 5,075</u>	<u>\$ -</u>	<u>\$ 30,837,539</u>
Balance Sheet				
Cash and Cash Equivalents	\$ 15,272,818	5,075	-	\$ 15,277,893
Restricted Assets	15,559,646	-	-	15,559,646
Ending Cash & Cash Equivalents @ 2/28/2023	<u>\$ 30,832,464</u>	<u>5,075</u>	<u>-</u>	<u>\$ 30,837,539</u>

ECTOR COUNTY HOSPITAL DISTRICT
TAX COLLECTIONS
FISCAL 2023

	<u>ACTUAL COLLECTIONS</u>	<u>BUDGETED COLLECTIONS</u>	<u>VARIANCE</u>	<u>PRIOR YEAR COLLECTIONS</u>	<u>VARIANCE</u>
<u>AD VALOREM</u>					
OCTOBER	\$ 171,150	\$ 1,620,998	\$ (1,449,848)	\$ 215,347	\$ (44,197)
NOVEMBER	1,386,408	1,620,998	(234,590)	1,231,030	155,378
DECEMBER	2,872,971	1,620,998	1,251,973	6,614,568	(3,741,596)
JANUARY	9,447,999	1,620,998	7,827,001	5,169,442	4,278,557
FEBRUARY	3,781,066	1,620,998	2,160,068	6,692,218	(2,911,153)
TOTAL	<u>\$ 17,659,593</u>	<u>\$ 8,104,990</u>	<u>\$ 9,554,603</u>	<u>\$ 19,922,605</u>	<u>\$ (2,263,012)</u>
<u>SALES</u>					
OCTOBER	\$ 4,629,856	\$ 3,828,487	\$ 801,369	\$ 3,421,981	\$ 1,207,875
NOVEMBER	5,029,309	3,845,439	1,183,870	3,326,676	1,702,634
DECEMBER	4,519,934	4,042,252	477,682	4,147,133	372,801
JANUARY	4,677,620	3,673,352	1,004,268	3,621,391	1,056,229
FEBRUARY	5,206,455	4,558,934	647,521	4,399,256	807,200
SUB TOTAL	<u>24,063,174</u>	<u>19,948,464</u>	<u>4,114,710</u>	<u>18,916,435</u>	<u>5,146,739</u>
ACCRUAL	(48,041)	-	(48,041)	-	(48,041)
TOTAL	<u>\$ 24,015,133</u>	<u>\$ 19,948,464</u>	<u>\$ 4,066,669</u>	<u>\$ 18,916,435</u>	<u>\$ 5,098,698</u>
TAX REVENUE	<u><u>\$ 41,674,726</u></u>	<u><u>\$ 28,053,454</u></u>	<u><u>\$ 13,621,272</u></u>	<u><u>\$ 38,839,040</u></u>	<u><u>\$ 2,835,686</u></u>

**ECTOR COUNTY HOSPITAL DISTRICT
MEDICAID SUPPLEMENTAL PAYMENTS
FISCAL YEAR 2023**

<u>CASH ACTIVITY</u>	<u>TAX (IGT) ASSESSED</u>	<u>GOVERNMENT PAYOUT</u>	<u>BURDEN ALLEVIATION</u>	<u>NET INFLOW</u>
DSH				
1st Qtr	\$ (1,654,774)	\$ 4,877,024		\$ 3,222,249
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
DSH TOTAL	\$ (1,654,774)	\$ 4,877,024		\$ 3,222,249
UC				
1st Qtr	\$ -	\$ -		-
2nd Qtr	(4,755,885)	-		(4,755,885)
3rd Qtr	-	-		-
4th Qtr	-	-		-
UC TOTAL	\$ (4,755,885)	\$ -		\$ (4,755,885)
DSRIP				
1st Qtr	\$ -	\$ -		-
2nd Qtr	(31,759)	63,518		31,759
3rd Qtr	-	-		-
4th Qtr	-	-		-
DSRIP UPL TOTAL	\$ (31,759)	\$ 63,518		\$ 31,759
UHRIP				
1st Qtr	\$ -	\$ 66,496		\$ 66,496
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
UHRIP TOTAL	\$ -	\$ 66,496		\$ 66,496
GME				
1st Qtr	\$ -	\$ -		-
2nd Qtr	(247,692)	730,009		482,317
3rd	-	-		-
4th Qtr	-	-		-
GME TOTAL	\$ (247,692)	\$ 730,009		\$ 482,317
CHIRP				
1st Qtr	\$ (2,067,317)	\$ -		\$ (2,067,317)
2nd Qtr	-	-		-
3rd	-	-		-
4th Qtr	-	-		-
CHIRP TOTAL	\$ (2,067,317)	\$ -		\$ (2,067,317)
HARP				
1st Qtr	\$ -	\$ 2,777,906		\$ 2,777,906
2nd Qtr	(117,356)	345,878		228,522
3rd	-	-		-
4th Qtr	-	-		-
HARP TOTAL	\$ (117,356)	\$ 3,123,784		\$ 3,006,427
TIPPS				
1st Qtr	\$ -	\$ -		-
2nd Qtr	-	-		-
3rd	-	-		-
4th Qtr	-	-		-
TIPPS TOTAL	\$ -	\$ -		\$ -
MCH Cash Activity	\$ (8,874,784)	\$ 8,860,831		\$ (13,952)
ProCare Cash Activity	\$ -	\$ -	\$ -	\$ -
Blended Cash Activity	\$ (8,874,784)	\$ 8,860,831	\$ -	\$ (13,952)

INCOME STATEMENT ACTIVITY:

FY 2023 Accrued / (Deferred) Adjustments:

	BLENDED
DSH Accrual	\$ 4,391,665
Uncompensated Care Accrual	5,011,773
URIP	-
GME	295,875
CHIRP	4,829,843
HARP	729,130
TIPPS	71,105
Regional UPL Benefit	-
Medicaid Supplemental Payments	15,329,391
DSRIP Accrual	-
Total Adjustments	\$ 15,329,391

**ECTOR COUNTY HOSPITAL DISTRICT
SCHEDULE OF CASH AND INVESTMENTS - HOSPITAL ONLY
FEBRUARY 2023**

<u>Cash and Cash Equivalents</u>	<u>Frost</u>	<u>Hilltop</u>	<u>Total</u>
Operating	\$ 14,421,520	\$ -	\$ 14,421,520
Mission Fitness	314,407	-	314,407
Petty Cash	9,028	-	9,028
Dispro	-	104,455	104,455
General Liability	-	34,233	34,233
Professional Liability	-	36,918	36,918
Funded Worker's Compensation	-	107,143	107,143
Funded Depreciation	-	80,551	80,551
Designated Funds	-	164,563	164,563
	<hr/>	<hr/>	<hr/>
Total Cash and Cash Equivalents	\$ 14,744,955	\$ 527,863	\$ 15,272,818

<u>Investments</u>	<u>Other</u>	<u>Hilltop</u>	<u>Total</u>
Dispro	\$ -	\$ 5,350,000	\$ 5,350,000
Funded Depreciation	-	29,086,000	29,086,000
Funded Worker's Compensation	-	2,200,000	2,200,000
General Liability	-	3,000,000	3,000,000
Professional Liability	-	3,100,000	3,100,000
Designated Funds	211,036	23,200,000	23,411,036
Allowance for Change in Market Values	-	(3,531,547)	(3,531,547)
	<hr/>	<hr/>	<hr/>
Total Investments	\$ 211,036	\$ 62,404,453	\$ 62,615,489
Total Unrestricted Cash and Investments			\$ 77,888,307

<u>Restricted Assets</u>	<u>Reserves</u>	<u>Prosperity</u>	<u>Total</u>
Assets Held By Trustee - Bond Reserves	\$ 4,896	\$ -	\$ 4,896
Assets Held In Endowment-Board Designated	-	6,129,638	6,129,638
Advanced Medicare Payment	5,634,420	-	5,634,420
Restricted TPC, LLC-Equity Stake	1,461,047	-	1,461,047
Restricted MCH West Texas Services-Equity Stake	2,329,645	-	2,329,645
Total Restricted Assets	<hr/>	<hr/>	<hr/>
	\$ 9,430,008	\$ 6,129,638	\$ 15,559,646

Total Cash & Investments			<u><u>\$ 93,447,953</u></u>
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**ECTOR COUNTY HOSPITAL DISTRICT
CONSTRUCTION IN PROGRESS - HOSPITAL ONLY
AS OF FEBRUARY 28, 2023**

<u>ITEM</u>	CIP BALANCE AS OF 1/31/2023	FEBRUARY "+" ADDITIONS	FEBRUARY "- " ADDITIONS	FEBRUARY TRANSFERS	CIP BALANCE AS OF 2/28/2023	ADD: AMOUNTS CAPITALIZED	PROJECT TOTAL	BUDGETED AMOUNT	UNDER/(OVER) APRVD/BUDGET
<u>RENOVATIONS</u>									
IFIRST FLOOR COMMON AREAS	497,736	4,120	-	(501,856)	-	-	-	720,000	720,000
IRELOCATE SPD	522,985	2,460	-	-	525,445	-	525,445	4,000,000	3,474,555
ISPECIAL PROCEDURES ROOM 8	231,523	26,077	-	-	257,600	-	257,600	250,000	(7,600)
ISWITCH GEAR OVERHAUL	-	-	-	-	-	-	-	500,000	500,000
SUB-TOTAL	\$ 1,252,245	\$ 32,657	\$ -	\$ (501,856)	\$ 783,045	\$ -	\$ 783,045	\$ 5,470,000	\$ 4,686,955
<u>MINOR BUILDING IMPROVEMENT</u>									
ISTERILE PROCESS REMODEL	333,491	-	-	-	333,491	-	333,491	49,000	(284,491)
IANNEX UPS	-	16,507	-	-	16,507	-	16,507	300,000	283,493
ICOMMUNITY HEALTH/CARE MANAGEMENT	-	508	-	-	508	-	508	150,000	149,492
SUB-TOTAL	\$ 333,491	\$ 17,015	\$ -	\$ -	\$ 350,506	\$ -	\$ 350,506	\$ 499,000	\$ 148,494
<u>EQUIPMENT & SOFTWARE PROJECTS - CIP INCOMPLETE</u>									
VARIOUS CAPITAL EXPENDITURE PROJECTS	\$ 6,061,375	\$ 1,167,412	\$ (3,627,543)	\$ -	\$ 3,601,244	\$ -	\$ 3,601,244	\$ 8,500,000	\$ 4,898,756
SUB-TOTAL	\$ 6,061,375	\$ 1,167,412	\$ (3,627,543)	\$ -	\$ 3,601,244	\$ -	\$ 3,601,244	\$ 8,500,000	\$ 4,898,756
TOTAL CONSTRUCTION IN PROGRESS	\$ 7,647,110	\$ 1,217,084	\$ (3,627,543)	\$ (501,856)	\$ 4,734,795	\$ -	\$ 4,734,795	\$ 14,469,000	\$ 9,734,205

ECTOR COUNTY HOSPITAL DISTRICT
CAPITAL PROJECT & EQUIPMENT EXPENDITURES
FEBRUARY 2023

ITEM	CLASS	BOOKED AMOUNT
TRANSFERRED FROM CONSTRUCTION IN PROGRESS/RENOVATION PROJECTS		
First Floor Common Areas Renovation	Building	\$ 501,856
TOTAL PROJECT TRANSFERS		\$ 501,856
EQUIPMENT PURCHASES		
None		\$ -
TOTAL EQUIPMENT PURCHASES		\$ -
TOTAL TRANSFERS FROM CIP/EQUIPMENT PURCHASES		\$ 501,856

**ECTOR COUNTY HOSPITAL DISTRICT
FISCAL 2023 CAPITAL EQUIPMENT
CONTINGENCY FUND
FEBRUARY 2023**

MONTH/ YEAR	DESCRIPTION	DEPT NUMBER	BUDGETED AMOUNT	P.O AMOUNT	ACTUAL AMOUNT	TO/(FROM) CONTINGENCY
	Available funds from budget		\$ 600,000	\$ -	\$ -	\$ 600,000
Oct-22	CX 50 Compact Extreme	7190	-	-	80,000	(80,000)
Oct-22	Maxi Sky	6850	19,500	-	19,375	125
Oct-22	Electric Fryer	8020	29,213	-	58,426	(29,213)
Oct-22	Jaundice Meter	7000	-	-	6,333	(6,333)
Oct-22	Wheelchair Prime Swing Away Model	8390	5,635	-	5,635	(0)
Oct-22	Ford Explorer	8380	-	-	50,525	(50,525)
Oct-22	Chairs	6140	-	-	7,011	(7,011)
Oct-22	RNS Telemetry Monitor	6160	-	-	13,452	(13,452)
Oct-22	Blanket Warmer	6910	6,510	-	6,510	-
Oct-22	ED Linen Carts	6850	-	-	4,896	(4,896)
Oct-22	Carrier 5 ton pkg AC unit	8510	-	-	6,368	(6,368)
Nov-22	Maternity Beds	6700	185,179	-	185,179	0
Nov-22	Phantom Spect	7290	4,246	-	4,246	0.0
Nov-22	PM Ultrasound - Logiq p9	9300	-	-	60,476	(60,476)
Nov-22	Chassis & 10 Blades	9100	143,894	-	143,894	-
Nov-22	Cobas Liat PCR System	7140	50,248	-	40,248	10,000
Nov-22	Laparoscopic Equipment	6620	1,906,455	-	1,906,455	(0.0000)
Nov-22	TP Nuance Pacs	9100	80,550	-	80,550	-
Nov-22	Glidescope	6850	4,268	-	4,237	31
Nov-22	Blanketrol	6550	9,912	-	9,912	-
Nov-22	Retail Pharmacy Project	7360	250,000	-	537,300	(287,300.0)
Dec-22	2022 Ford Explorer	8380	-	-	50,524	(50,523.8)
Dec-22	2022 Chevrolet Silverado	8380	-	-	52,430	(52,429.9)
Dec-22	Supply Cart and Evolve Cabinets	7310	50,743	-	50,743	-
Dec-22	Robotic Stirrups	6620	18,222	-	18,222	(0.2)
Dec-22	ePayment Plus	9100	14,975	-	14,975	-
Dec-22	Acuson Ultrasound System	7270	169,000	-	160,261	8,739.0
Dec-22	Hemotherm	6620	-	-	21,814	(21,813.5)
Dec-22	Belmont Rapid Infuser	6850	-	-	65,190	(65,190.0)
Dec-22	Golf Cart	7360	-	-	12,875	(12,875.0)
Dec-22	AC Unit 3 ton pkg Unit	8510	-	-	8,608	(8,607.8)
Jan-23	AC Unit	8510	-	-	14,442	(14,442.2)
Jan-23	Paint and Drywall Repair	8200	-	-	285,610	(285,610.0)
Jan-23	Paint and Drywall Repair	8500	-	-	11,490	(11,490.0)
Jan-23	Epiq Ultrasound	7320	169,000	-	186,054	(17,054.0)
Jan-23	Matrix Ultrasound	7320	169,000	-	161,011	7,989.0
Jan-23	Heat Exchanger	8200	40,110	-	82,884	(42,774.0)
Jan-23	Network Chassis Replacement	9100	65,541	-	65,541	-
Jan-23	Self-Checkout POS System - Coffee House	8020	-	-	29,331	(29,331.0)
Jan-23	Upgrade Konica DR	9300	7,000	-	7,000	-
Jan-23	Artis Q	7310	1,061,278	-	1,061,278	-
Jan-23	Data Domain Backup	9100	110,057	-	110,057	-
Jan-23	DICOM CD/DVD Burner	7250	-	-	16,832	(16,831.6)
Jan-23	Spok Software - Phone Upgrade	9100	249,912	-	249,912	-
Jan-23	Optiplex 7000	9100	6,420	-	6,420	-
Jan-23	Telecom Phone Upgrade	9100	-	-	195,279	(195,279.0)
Jan-23	Latitude 5420	9100	-	-	17,538	(17,538.0)
Jan-23	Vscan Air Base Package	6850	4,495	-	4,495	-
Feb-23	First Floor Common Areas Renovation	8200	720,000	-	501,856	218,143.8
Feb-23	OR Cabinets	6620	-	-	17,838	(17,838.2)
Feb-23	Roll Around Monitor	7290	-	-	5,093	(5,093.4)
Feb-23	Respirator Fit Test Equipment	9140	15,675	-	16,235	(560.4)
Feb-23	Datacenter Power	9100	-	-	92,727	(92,727.1)
Feb-23	Endoscope	6620	-	-	9,850	(9,850.0)
Feb-23	Office Furnishing	6300	14,517	-	14,432	85.2
Feb-23	Ultrasound Units	9300	117,394	-	117,394	-
Feb-23	Voluson Ultrasound Unit	9300	-	-	77,506	(77,506.0)
Feb-23	AC3 Optimus	7220	-	-	310,000	(310,000.0)
Feb-23	EEG Arc Comp	7420	-	-	13,630	(13,629.8)

ECTOR COUNTY HOSPITAL DISTRICT
FISCAL 2023 CAPITAL EQUIPMENT
CONTINGENCY FUND
FEBRUARY 2023

MONTH/ YEAR	DESCRIPTION	DEPT NUMBER	BUDGETED AMOUNT	P.O AMOUNT	ACTUAL AMOUNT	TO/(FROM) CONTINGENCY
			\$ 6,298,949	\$ -	\$ 7,368,404	\$ (1,069,455)

**ECTOR COUNTY HOSPITAL DISTRICT
SUPPLEMENTAL SCHEDULE OF ACCOUNTS RECEIVABLE - OTHER
FEBRUARY 2023**

	CURRENT YEAR	PRIOR YEAR		CURRENT YEAR CHANGE
		HOSPITAL UNAUDITED	PRO CARE UNAUDITED	
AR DISPRO/UPL	\$ 1,169,416	\$ -	\$ -	\$ 1,169,416
AR UNCOMPENSATED CARE	8,563,222	(1,175,998)	-	9,739,220
AR TIPPS	71,105	-	-	71,105
AR DSRIP	(31,759)	(0.450)	-	(31,759)
AR CHIRP	2,067,317	897,322	-	1,169,996
AR UHRIP	-	66,496	-	(66,496)
AR GME	(186,442)	-	-	(186,442)
AR HARP	(2,277,297)	-	-	(2,277,297)
AR PHYSICIAN GUARANTEES	443,920	710,143	-	(266,222)
AR ACCRUED INTEREST	172,654	151,232	-	21,422
AR OTHER:	1,469,600	969,356	34,499	465,745
Procure On-Call Fees	-	-	-	-
Procure A/R - FHC	-	-	-	-
Other Misc A/R	1,469,600	969,356	34,499	465,745
AR DUE FROM THIRD PARTY PAYOR	1,224,163	2,818,154	-	(1,593,991)
TOTAL ACCOUNTS RECEIVABLE - OTHER	\$ 10,355,974	\$ 4,081,925	\$ 34,499	\$ 6,239,550

**ECTOR COUNTY HOSPITAL DISTRICT
SUPPLEMENTAL SCHEDULE OF HOSPITAL TEMPORARY LABOR FTE'S
FEBRUARY 2023**

TEMPORARY LABOR DEPARTMENT	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	VAR	PRIOR YR	PRIOR YR VAR
Cardiopulmonary	8.4	12.7	-33.5%	17.2	-50.9%	9.7	11.8	-17.9%	11.9	-18.4%
Operating Room	11.3	7.8	45.7%	10.2	10.5%	9.6	7.2	33.0%	4.9	95.1%
Laboratory - Chemistry	3.4	3.2	9.0%	-	0.0%	5.6	2.9	89.4%	-	0.0%
Care Management	3.1	2.2	44.1%	0.2	1338.2%	2.8	2.0	38.3%	0.6	332.7%
Imaging - Diagnostics	3.4	3.2	8.5%	1.7	99.1%	2.7	2.9	-7.7%	1.4	92.5%
Labor & Delivery	2.8	3.2	-11.0%	4.2	-32.7%	2.3	3.0	-20.8%	0.8	180.8%
Imaging - Ultrasound	2.3	1.5	51.7%	-	0.0%	1.8	1.4	28.4%	0.5	238.1%
4 EAST	2.5	0.6	331.7%	0.1	2160.6%	1.7	0.5	216.8%	0.0	4761.6%
Emergency Department	1.8	3.2	-42.3%	5.3	-65.8%	1.5	2.9	-49.1%	4.5	-66.5%
Intensive Care Unit (ICU) 2	0.5	4.2	-89.0%	13.2	-96.5%	1.2	3.9	-69.6%	14.5	-91.8%
Intensive Care Unit (CCU) 4	0.9	4.2	-78.8%	5.0	-82.0%	1.2	3.9	-70.7%	18.7	-93.8%
8 Central	-	2.1	-100.0%	4.2	-100.0%	0.5	2.0	-72.1%	3.7	-85.0%
PM&R - Physical	0.9	-	0.0%	0.9	-3.4%	0.5	-	0.0%	0.4	26.2%
7 Central	-	6.3	-100.0%	4.3	-100.0%	0.5	5.9	-91.4%	3.9	-87.1%
3 West Observation	-	4.2	-100.0%	6.4	-100.0%	0.5	3.9	-88.0%	6.7	-93.0%
4 Central	-	2.1	-100.0%	8.4	-100.0%	0.5	2.0	-76.9%	7.1	-93.6%
NURSING ORIENTATION	1.1	-	0.0%	2.3	-54.4%	0.4	-	0.0%	1.3	-66.3%
5 Central	0.1	-	0.0%	5.0	-98.5%	0.3	-	0.0%	4.4	-93.5%
CHW - Sports Medicine	0.1	1.1	-94.9%	-	0.0%	0.3	1.0	-73.6%	-	0.0%
9 Central	-	1.1	-100.0%	2.9	-100.0%	0.1	1.0	-85.2%	3.8	-96.1%
6 Central	-	1.1	-100.0%	8.0	-100.0%	0.1	1.0	-89.4%	6.1	-98.3%
Imaging - Cat Scan	-	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%
6 West	-	-	0.0%	1.3	-100.0%	0.0	-	0.0%	1.2	-96.5%
Engineering	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
2 Central	-	-	0.0%	-	0.0%	-	-	0.0%	1.8	-100.0%
Human Resources	-	-	0.0%	-	0.0%	-	-	0.0%	0.2	-100.0%
Cardiopulmonary - Neonatal Intensive Care Uni	-	1.1	-100.0%	-	0.0%	-	1.0	-100.0%	-	0.0%
SUBTOTAL	43.2	64.7	-33.3%	103.1	-58.1%	44.6	60.4	-26.0%	99.6	-55.2%
TRANSITION LABOR										
Laboratory - Chemistry	1.4	-	0.0%	2.3	-41.4%	1.2	-	0.0%	3.3	-63.9%
SUBTOTAL	1.4	-	0.0%	2.3	-41.4%	1.2	-	0.0%	3.3	-63.9%
GRAND TOTAL	44.5	64.7	-31.2%	105.4	-57.8%	45.8	60.4	-24.1%	102.9	-55.5%

**ECTOR COUNTY HOSPITAL DISTRICT
SUPPLEMENTAL SCHEDULE OF TEMPORARY LABOR, TRANSITION LABOR & PURCHASED SERVICES - HOSPITAL ONLY
FEBRUARY 2023**

	CURRENT MONTH						YEAR TO DATE					
	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR
OR TEMPORARY LABOR	\$ 188,917	\$ 113,629	\$ 75,288	66.3%	\$ 203,842	-7.3%	\$ 968,052	\$ 571,579	\$ 396,473	69.4%	\$ 505,891	91.4%
CHEM TEMPORARY LABOR	55,824.26	46,379	9,445	20.4%	-	100.0%	555,682.50	233,298	322,385	138.2%	-	100.0%
COMM HEALTH TEMPORARY LABOR	88,218.08	31,765	56,453	177.7%	3,339	2542.3%	341,519.64	158,825	182,695	115.0%	65,548	421.0%
4E TEMPORARY LABOR	46,350.15	8,349	38,001	455.2%	3,240	1330.6%	169,190.55	41,980	127,211	303.0%	5,690	2873.4%
ALL OTHER	337,829	393,139	(55,310)	-14.1%	1,615,267	-79.1%	2,072,895	1,977,918	94,977	4.8%	6,645,109	-68.8%
US TEMPORARY LABOR	41,772.51	22,258	19,515	87.7%	-	100.0%	198,530.07	111,979	86,551	77.3%	57,128	247.5%
OT TEMPORARY LABOR	9,550.30	-	9,550	100.0%	-	100.0%	56,408.95	-	56,409	100.0%	-	100.0%
ICU2 TEMPORARY LABOR	9,133.95	61,866	(52,732)	-85.2%	429,913	-97.9%	147,676.07	311,088	(163,412)	-52.5%	2,483,511	-94.1%
ICU4 TEMPORARY LABOR	16,809	61,765	(44,956)	-72.8%	307,346	-94.5%	131,462	310,843	(179,381)	-57.7%	2,874,616	-95.4%
TEMPORARY LABOR	-	61,894	(61,894)	-100.0%	109,994	-100.0%	70,393.02	311,166	(240,773)	-77.4%	823,474	-91.5%
7C TEMPORARY LABOR	370	92,642	(92,272)	-99.6%	121,216	-99.7%	56,897	466,130	(409,233)	-87.8%	509,029	-88.8%
TOTAL TEMPORARY LABOR	\$ 794,775	\$ 893,686	\$ (98,911)	-11.1%	\$ 2,794,156	-71.6%	\$ 4,768,707	\$ 4,494,806	\$ 273,901	6.1%	\$ 13,969,996	-65.9%
CHEM TRANSITION LABOR	\$ 10,201	\$ -	\$ 10,201	100.0%	\$ 18,845	-45.9%	\$ 52,392	\$ -	\$ 52,392	100.0%	\$ 146,561	-64.3%
ALL OTHER	-	-	-	100.0%	-	100.0%	-	-	-	100.0%	-	100.0%
TOTAL TRANSITION LABOR	\$ 10,201	\$ -	\$ 10,201	0%	\$ 18,845	-45.9%	\$ 52,392	\$ -	\$ 52,392	0.0%	\$ 146,561	-64.3%
GRAND TOTAL TEMPORARY LABOR	\$ 804,976	\$ 893,686	\$ (88,710)	-9.9%	\$ 2,813,002	-71.4%	\$ 4,821,099	\$ 4,494,806	\$ 326,293	7.3%	\$ 14,116,557	-65.8%
COMM HEALTH OTHER PURCH SVCS	\$ 31,001	\$ 13,750	\$ 17,251	125.5%	\$ 64,727	-52.1%	\$ 479,261	\$ 68,750	\$ 410,511	597.1%	\$ 91,738	422.4%
ADM CONSULTANT FEES	221,048	68,324	152,724	223.5%	28,384	678.8%	498,551.59	341,620	156,932	45.9%	194,668	156.1%
AMBULANCE FEES	16,834	12,944	3,890	30.0%	(4,070)	-513.6%	179,030.27	64,720	114,310	176.6%	51,270	249.2%
FIN ACCT COST REPORT/CONSULTANT FEES	151,981	68,841	83,140	120.8%	121,206	25.4%	455,710.08	344,205	111,505	32.4%	146,876	210.3%
HK SVC CONTRACT PURCH SVC	114,100	107,244	6,856	6.4%	81,197	40.5%	642,344	536,220	106,124	19.8%	471,093	36.4%
FOUNDATION ADVERTISING FEES	7,819	6,302	1,517	24.1%	10,128	-22.8%	109,729.16	31,510	78,219	248.2%	40,704	169.6%
4E OTHER PURCH SVCS	30,193	16,562	13,631	82.3%	18,277	65.2%	112,808.53	82,810	29,999	36.2%	48,564	132.3%
NSG OTHER PURCH SVCS	9,108	10,080	(972)	-9.6%	257,911	-96.5%	73,683.60	50,400	23,284	46.2%	1,071,000	-93.1%
FA EXTERNAL AUDIT FEES	20,833	20,833	-	0.0%	50,000	-58.3%	87,694.00	104,165	(16,471)	-15.8%	121,220	-27.7%
ADMIN LEGAL FEES	27,024	42,299	(15,275)	-36.1%	23,256	16.2%	173,338	211,495	(38,157)	-18.0%	151,902	14.1%
COMM REL ADVERTISEMENT PURCH SVCS	22,798	28,066	(5,268)	-18.8%	19,028	19.8%	99,459	140,330	(40,871)	-29.1%	94,564	5.2%
OR FEES (PERFUSION SERVICES)	36,259	40,000	(3,741)	-9.4%	34,251	5.9%	158,461	200,000	(41,539)	-20.8%	168,562	-6.0%
IT INFORMATION SOLUTIONS SVCS	24,684	27,117	(2,433)	-9.0%	15,512	59.1%	91,721	135,585	(43,864)	-32.4%	82,831	10.7%
PI FEES (TRANSITION NURSE PROGRAM)	27,632	47,533	(19,901)	-41.9%	23,885	15.7%	174,357.04	237,665	(63,308)	-26.6%	392,841	-55.6%
PRIMARY CARE WEST OTHER PURCH SVCS	31,638	43,813	(12,175)	-27.8%	27,346	15.7%	167,180.11	236,276	(69,096)	-29.2%	157,767	6.0%
MED STAFF REVIEW FEES	12,138	27,783	(15,645)	-56.3%	8,030	51.2%	64,235.31	138,915	(74,680)	-53.8%	44,749	43.5%
ADM APPRAISAL DIST FEE	11,349	34,830	(23,481)	-67.4%	24,963	-54.5%	97,446	174,150	(76,705)	-44.0%	124,801	-21.9%
FHC OTHER PURCH SVCS	38,524	66,854	(28,330)	-42.4%	37,971	1.5%	228,215	360,535	(132,320)	-36.7%	251,312	-9.2%
UC-WEST CLINIC - PURCH SVCS-OTHER	30,321	72,917	(42,596)	-58.4%	45,007	-32.6%	225,204	364,585	(139,381)	-38.2%	307,154	-26.7%
OTHER PURCH SVCS	90,868	59,406	31,462	53.0%	30,723	195.8%	157,176	320,365	(163,189)	-50.9%	225,034	-30.2%
ALL OTHERS	3,586,429	3,637,462	(51,033)	-1.4%	3,647,620	-1.7%	17,771,730	18,185,024	(413,294)	-2.3%	18,168,476	-2.2%
TOTAL PURCHASED SERVICES	\$ 4,594,294	\$ 4,467,754	\$ 126,540	2.8%	\$ 4,602,182	-0.2%	\$ 22,243,658	\$ 22,403,295	\$ (159,637)	-0.7%	\$ 22,507,160	-1.2%



Financial Presentation

For the Month Ended

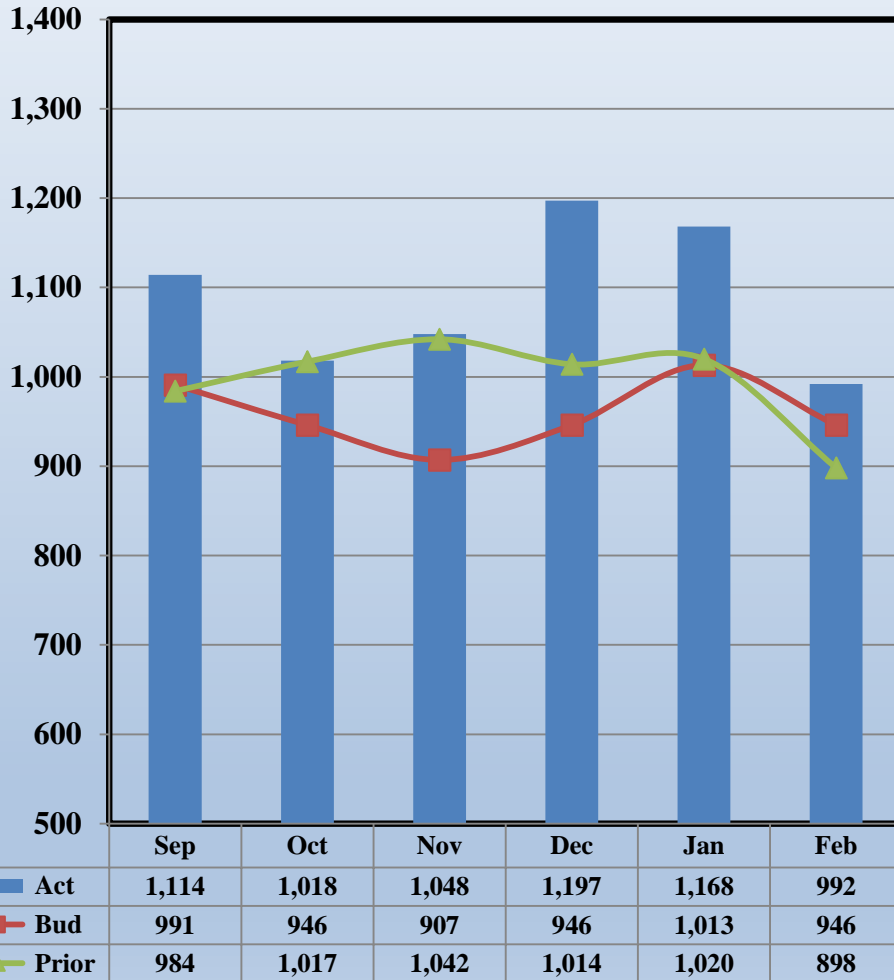
February 28, 2023

Volume



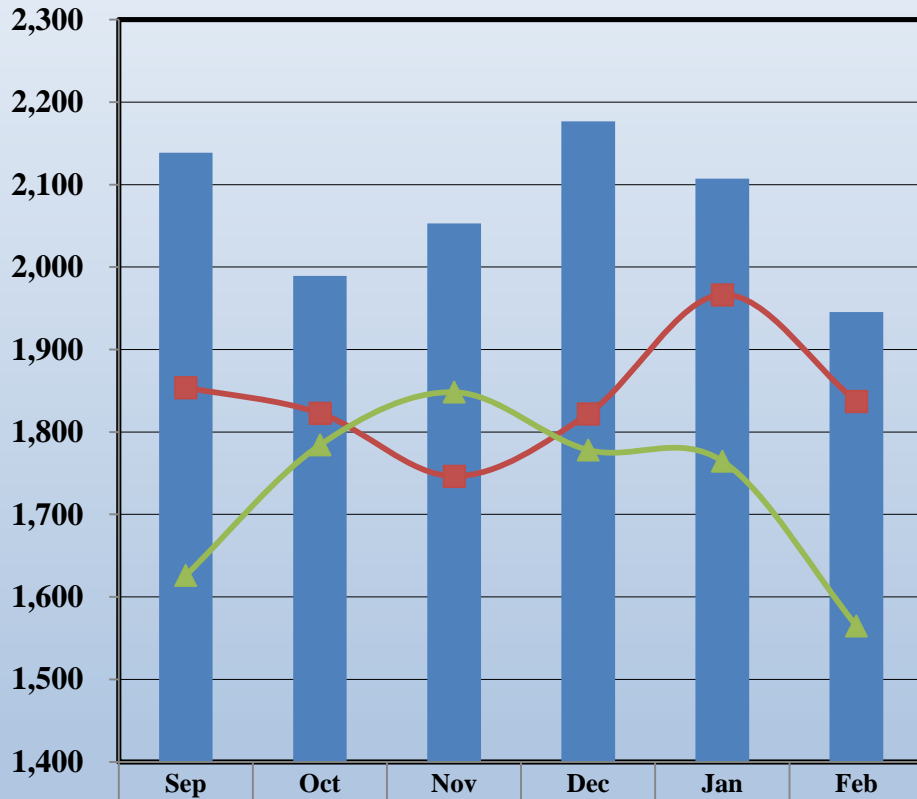
Admissions

Total – Adults and NICU



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	992	946	898
Var %		4.9%	10.5%
Year-To-Date	5,423	4,758	4,991
Var %		14.0%	8.7%
Annualized	12,334	12,053	12,264
Var %		2.3%	0.6%

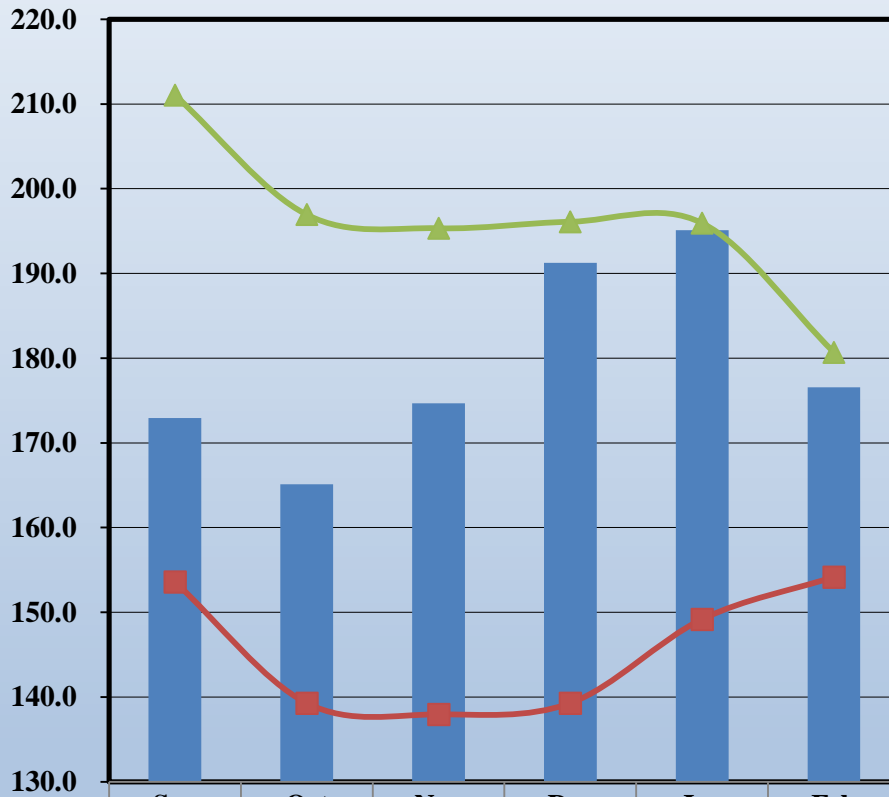
Adjusted Admissions



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	1,945	1,837	1,565
Var %		5.9%	24.3%
Year-To-Date	10,269	9,195	8,739
Var %		11.7%	17.5%
Annualized	23,564	22,670	21,868
Var %		3.9%	7.8%

	Sep	Oct	Nov	Dec	Jan	Feb
Act	2,139	1,989	2,053	2,177	2,107	1,945
Bud	1,854	1,823	1,746	1,822	1,967	1,837
Prior	1,626	1,784	1,848	1,778	1,765	1,565

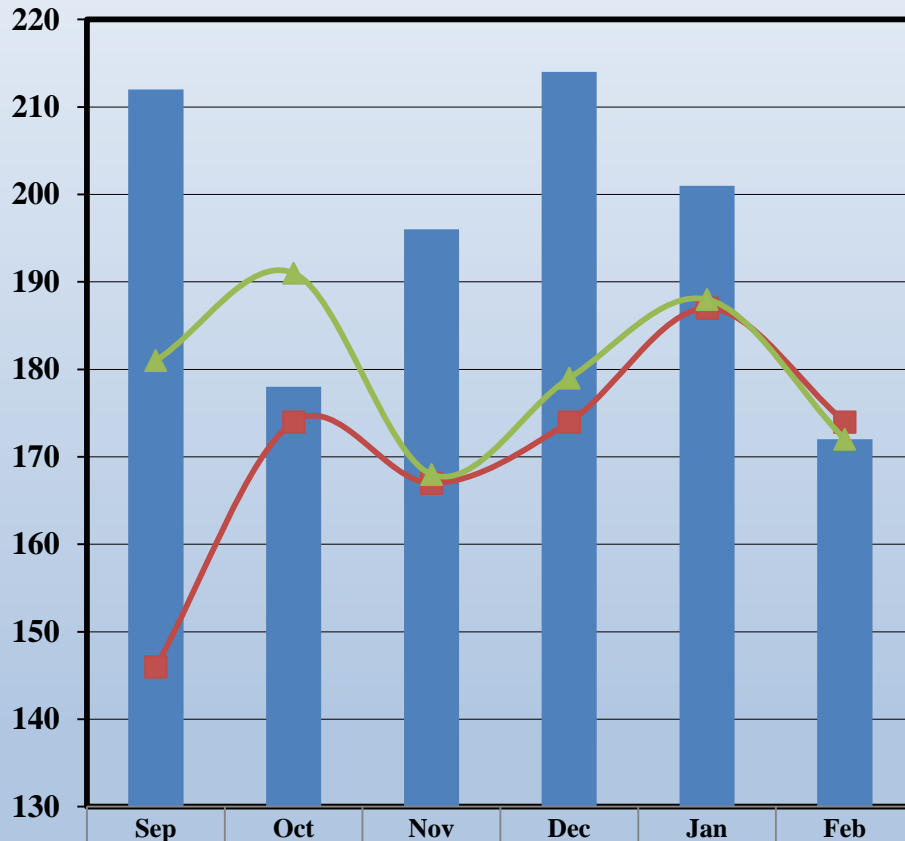
Average Daily Census



Act	172.9	165.1	174.7	191.3	195.1	176.6
Bud	153.6	139.3	138.0	139.3	149.2	154.2
Prior	211.0	196.9	195.3	196.1	195.9	180.7

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	176.6	154.2	180.7
Var %		14.5%	-2.3%
Year-To-Date	180.7	143.8	193.1
Var %		25.6%	-6.5%
Annualized	172.9	152.2	186.2
Var %		13.6%	-7.1%

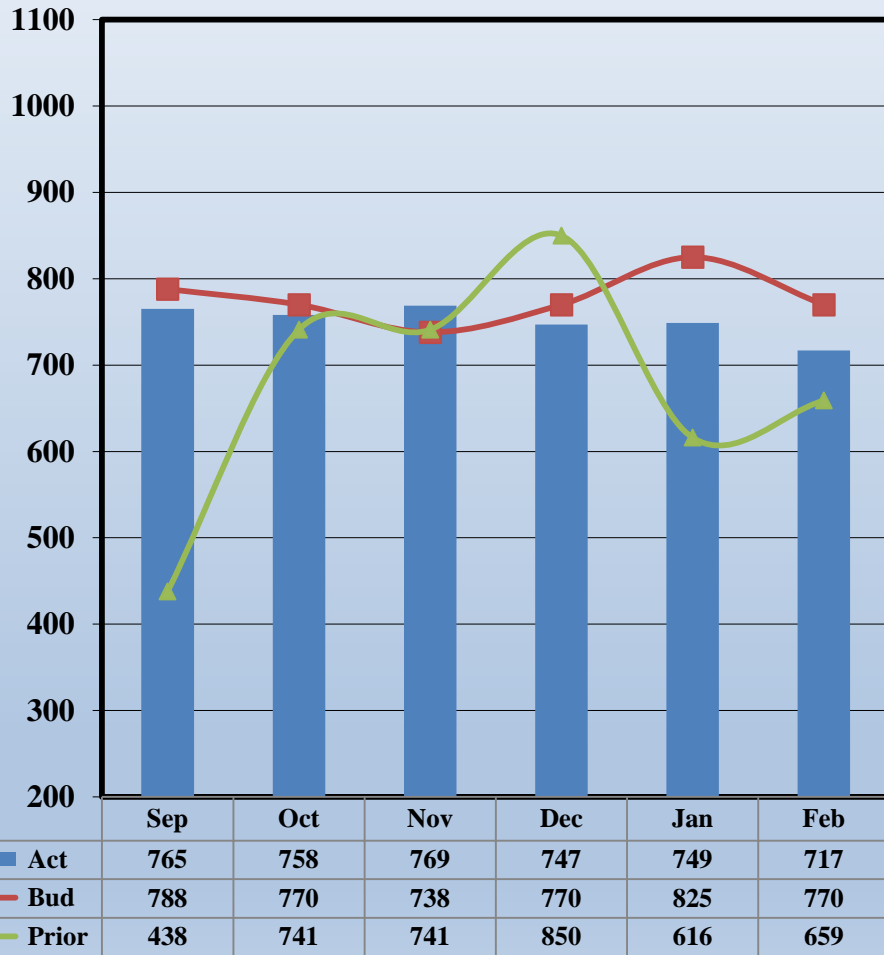
Deliveries



■ Act	212	178	196	214	201	172
■ Bud	146	174	167	174	187	174
▲ Prior	181	191	168	179	188	172

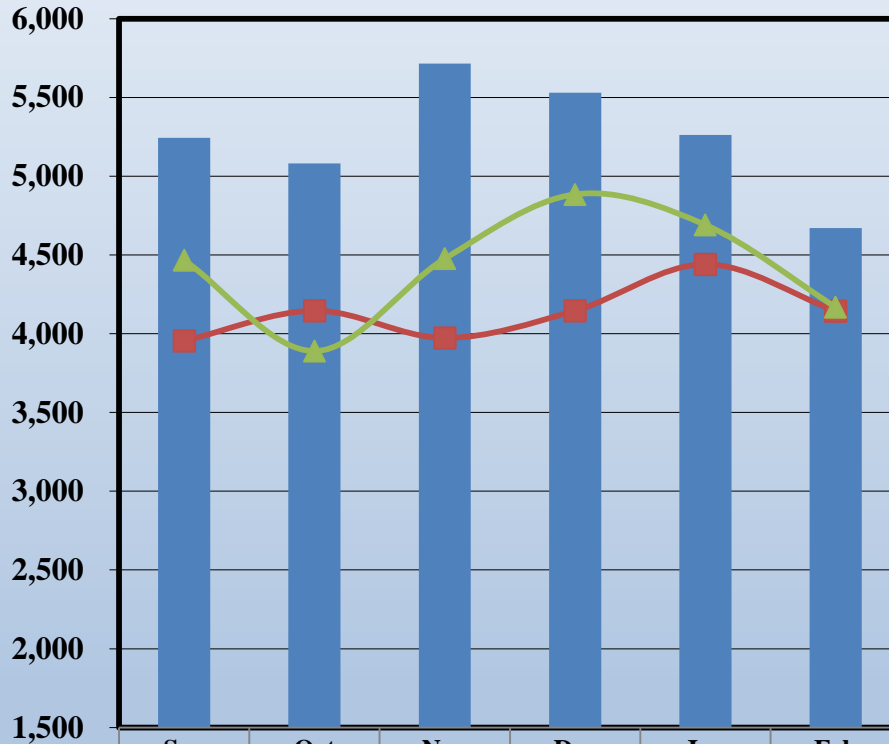
	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	172	174	172
Var %		-1.1%	0.0%
Year-To-Date	961	876	898
Var %		9.7%	7.0%
Annualized	2,252	1,945	2,037
Var %		15.8%	10.6%

Total Surgical Cases



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	717	770	659
Var %		-6.9%	8.8%
Year-To-Date	3,740	3,873	3,607
Var %		-3.4%	3.7%
Annualized	8,998	9,536	8,377
Var %		-5.6%	7.4%

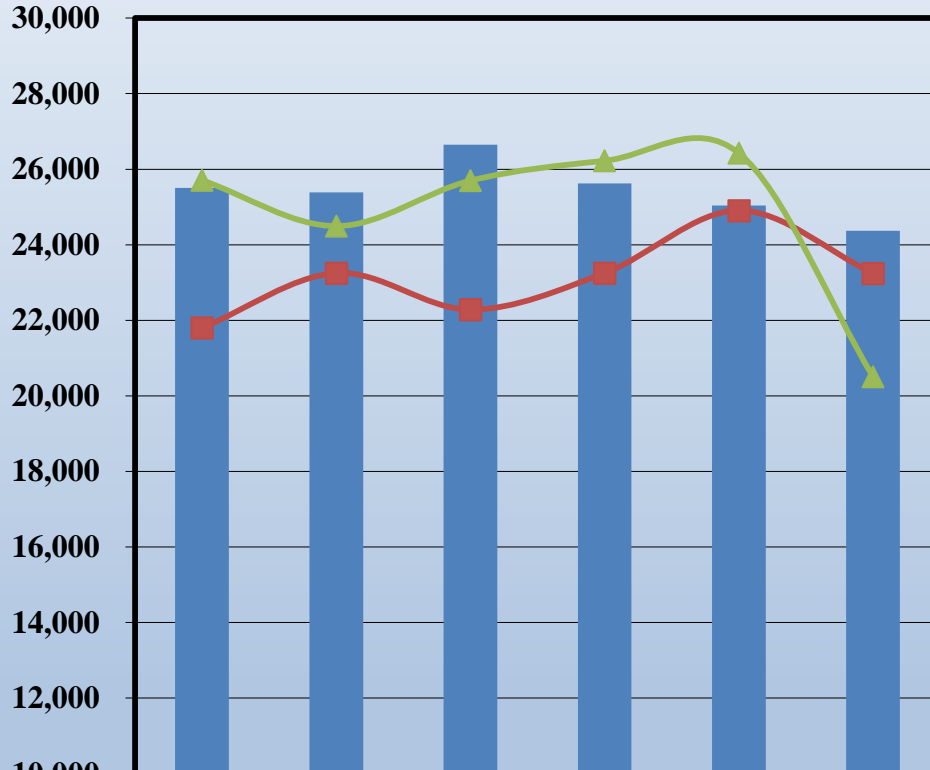
Emergency Room Visits



■ Act	5,243	5,081	5,715	5,531	5,262	4,671
■ Bud	3,955	4,146	3,973	4,146	4,441	4,145
▲ Prior	4,467	3,890	4,477	4,885	4,691	4,169

	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	4,671	4,145	4,169
Var %		12.7%	12.0%
Year-To-Date	26,260	20,851	22,112
Var %		25.9%	18.8%
Annualized	57,591	49,126	50,615
Var %		17.2%	13.8%

Total Outpatient Occasions of Service

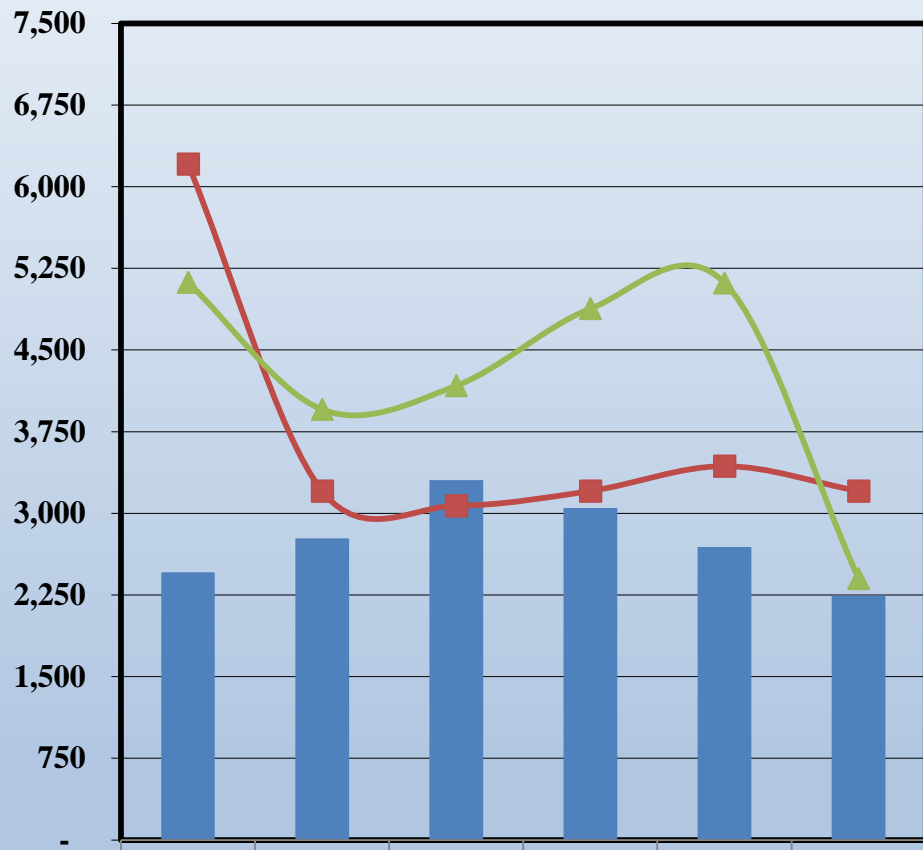


	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	24,373	23,245	20,504
Var %		4.9%	18.9%
Year-To-Date	127,073	116,930	123,342
Var %		8.7%	3.0%
Annualized	292,903	271,958	293,989
Var %		7.7%	-0.4%

	Sep	Oct	Nov	Dec	Jan	Feb
Act	25,507	25,389	26,651	25,623	25,037	24,373
Bud	21,798	23,249	22,281	23,249	24,906	23,245
Prior	25,706	24,493	25,698	26,222	26,425	20,504

Urgent Care Visits

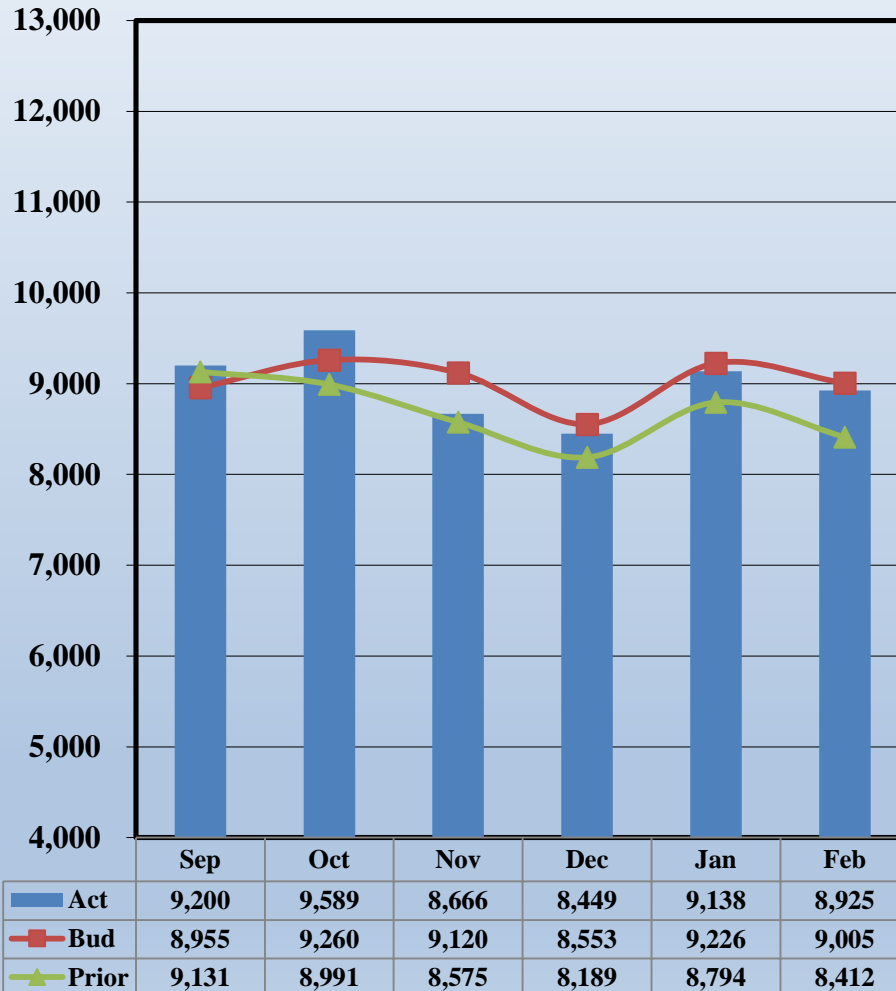
(JBS Clinic, West University & 42nd Street)



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	2,245	3,204	2,400
Var %		-29.9%	-6.5%
Year-To-Date	14,060	16,118	20,523
Var %		-12.8%	-31.5%
Annualized	29,854	60,224	45,909
Var %		-50.4%	-35.0%

	Sep	Oct	Nov	Dec	Jan	Feb
■ Act	2,458	2,770	3,304	3,049	2,692	2,245
■ Bud	6,210	3,205	3,071	3,205	3,433	3,204
▲ Prior	5,121	3,954	4,172	4,880	5,117	2,400

Total ProCare Office Visits



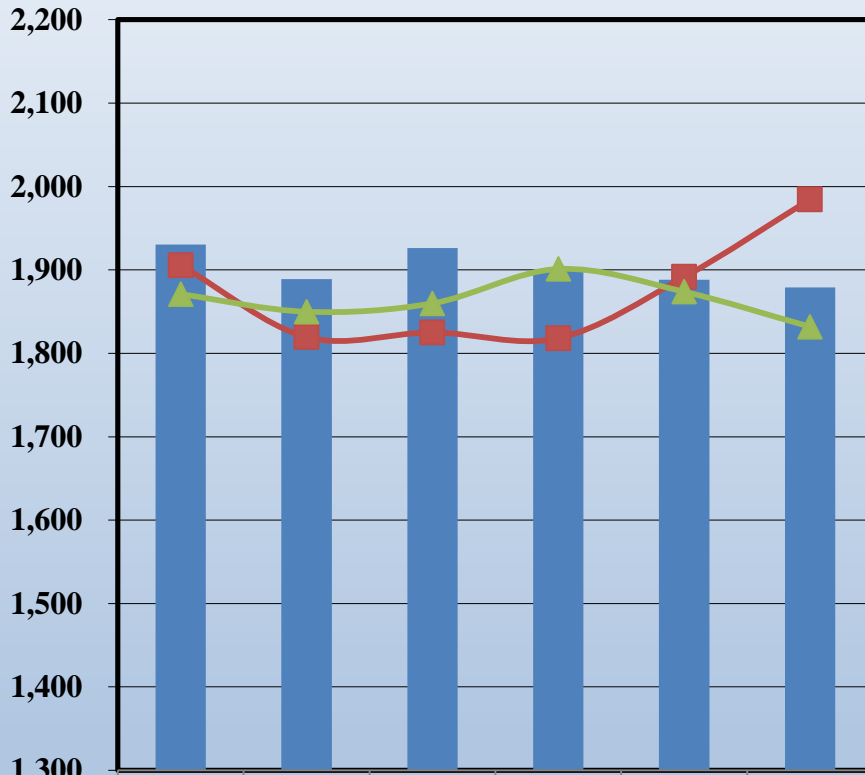
	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	8,925	9,005	8,412
Var %		-0.9%	6.1%
Year-To-Date	44,767	45,164	42,961
Var %		-0.9%	4.2%
Annualized	108,356	111,343	108,767
Var %		-2.7%	-0.4%

Staffing



Blended FTE's

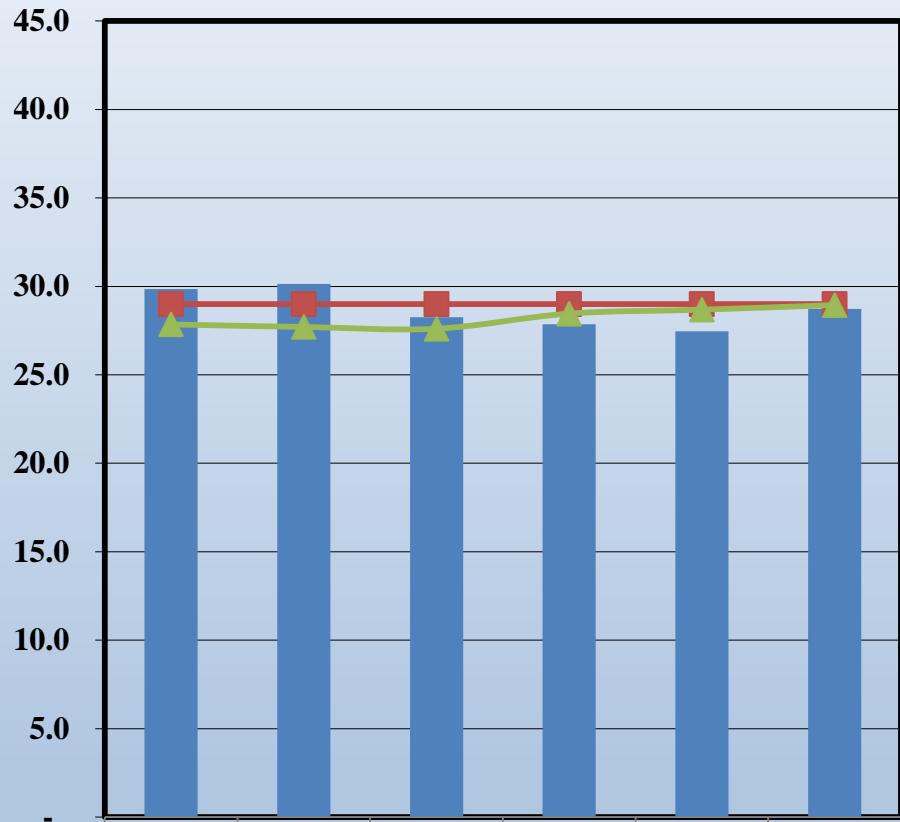
Including Contract Labor and Management Services



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	1,879	1,985	1,832
Var %		-5.3%	2.6%
Year-To-Date	1,897	1,866	1,864
Var %		1.7%	1.8%
Annualized	1,901	1,895	1,854
Var %		0.3%	2.5%

	Sep	Oct	Nov	Dec	Jan	Feb
Act	1,930	1,889	1,926	1,900	1,888	1,879
Bud	1,906	1,819	1,825	1,818	1,891	1,985
Prior	1,871	1,850	1,860	1,901	1,874	1,832

Paid Hours per Adjusted Patient Day *(Ector County Hospital District)*



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	28.7	29.0	28.9
Var %		-0.9%	-0.7%
Year-To-Date	28.5	29.0	28.3
Var %		-1.7%	0.7%
Annualized	29.6	29.0	28.8
Var %		2.1%	2.8%

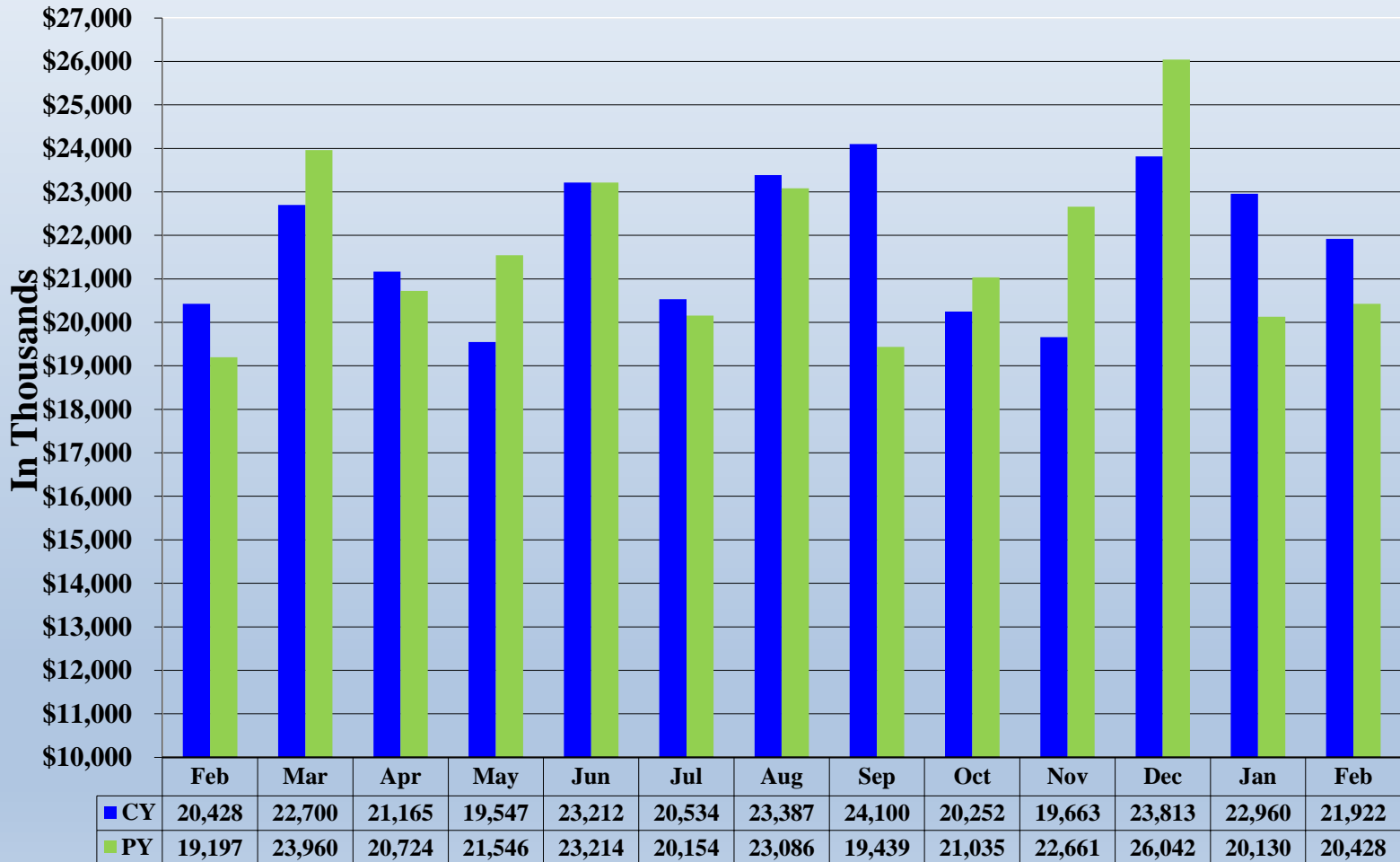
	Sep	Oct	Nov	Dec	Jan	Feb
Act	29.9	30.1	28.3	27.9	27.5	28.7
Bud	29.0	29.0	29.0	29.0	29.0	29.0
Prior	27.8	27.7	27.6	28.5	28.7	28.9

Accounts Receivable



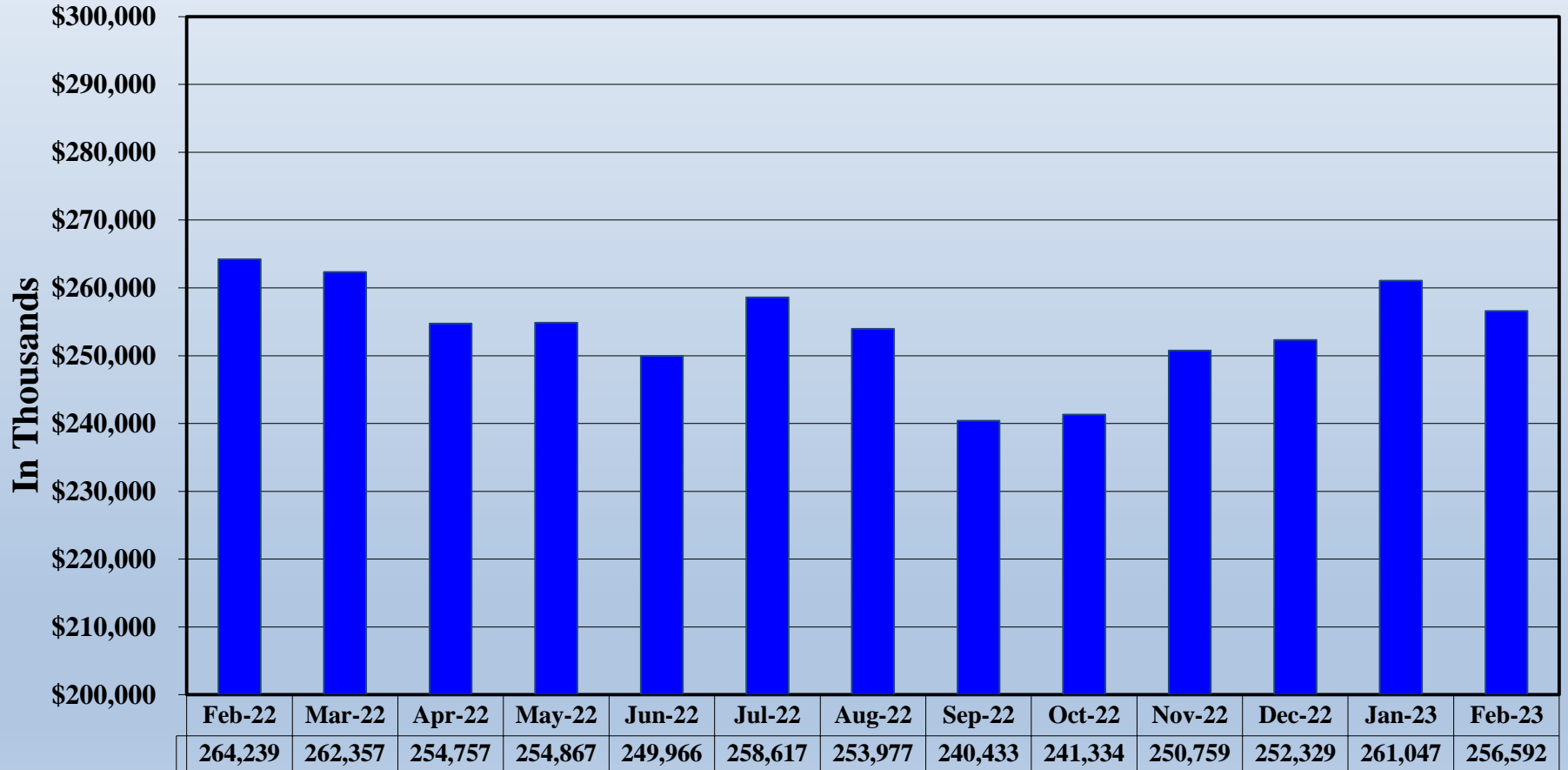
Total AR Cash Receipts

13 Month Trending



Total Accounts Receivable – Gross

Thirteen Month Trending

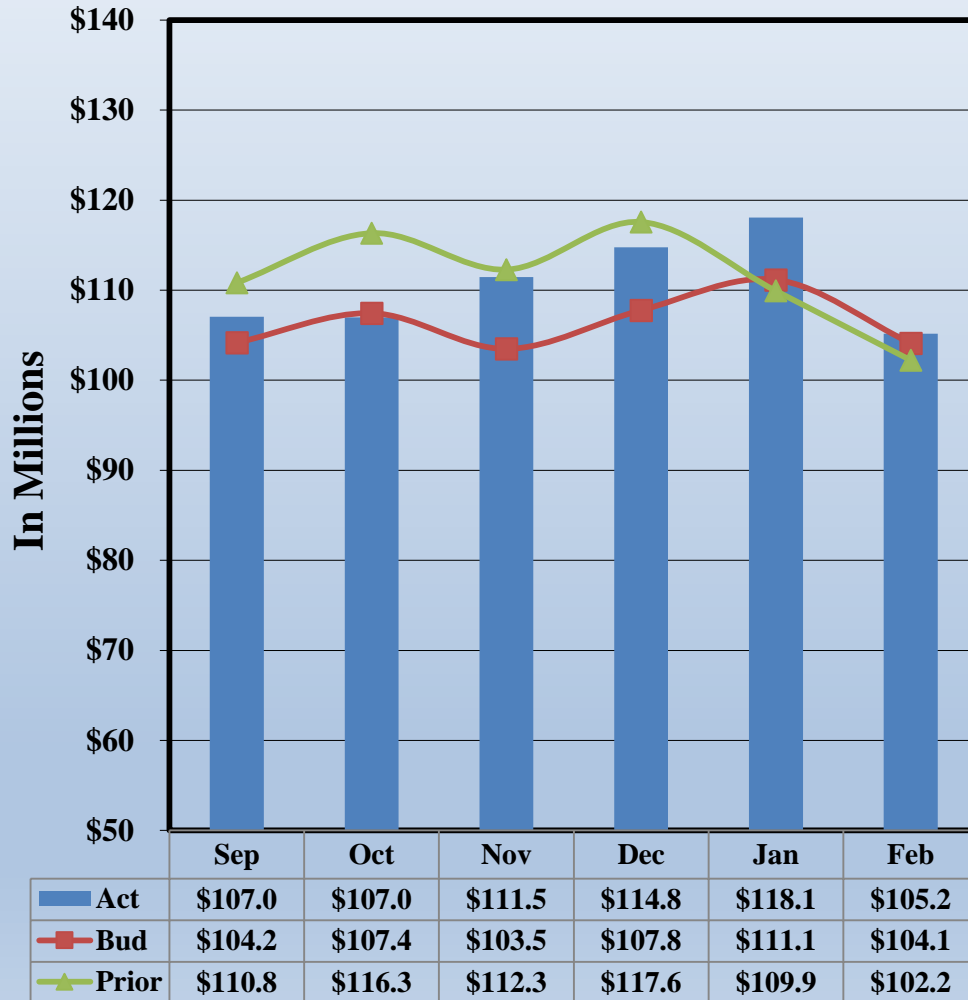


Revenues & Revenue Deductions



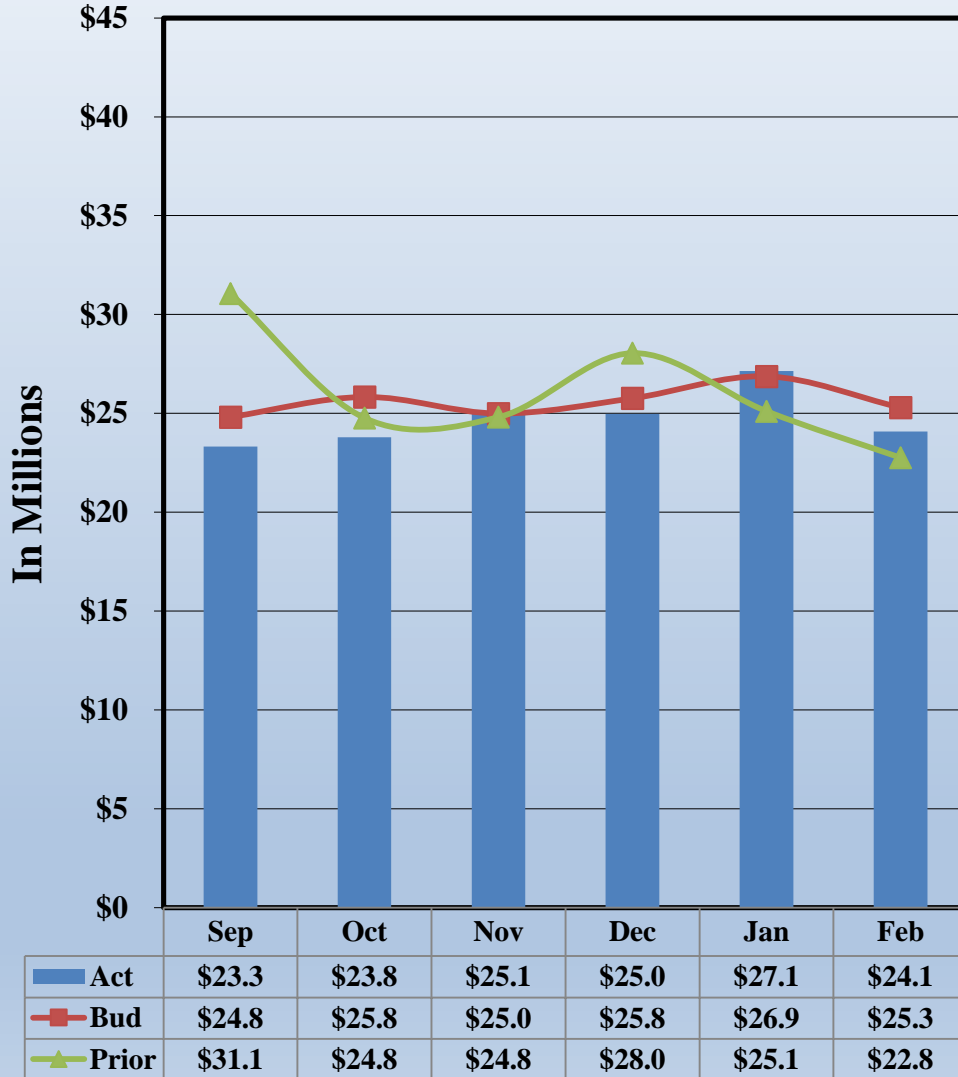
Total Patient Revenues

(Ector County Hospital District)



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 105.2	\$ 104.1	\$ 102.2
Var %		1.0%	2.9%
Year-To-Date	\$ 556.4	\$ 534.0	\$ 558.3
Var %		4.2%	-0.3%
Annualized	\$ 1,310.1	\$ 1,287.0	\$ 1,334.9
Var %		1.8%	-1.9%

Total Net Patient Revenues

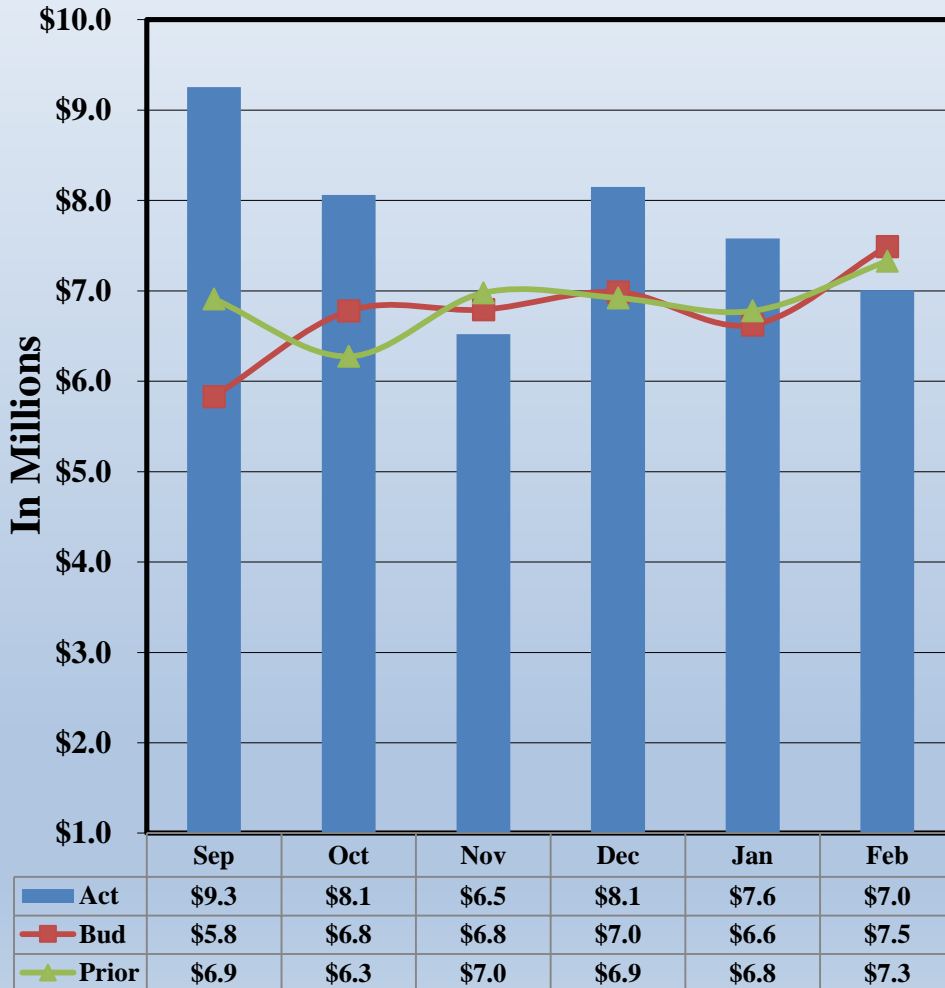


	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 24.1	\$ 25.3	\$ 22.8
Var %		-4.8%	5.8%
Year-To-Date	\$ 125.1	\$ 128.8	\$ 125.5
Var %		-2.8%	-0.3%
Annualized	\$ 289.9	\$ 307.8	\$ 309.8
Var %		-5.8%	-6.4%

Other Revenue

(Ector County Hospital District)

Including Tax Receipts, Interest & Other Operating Income

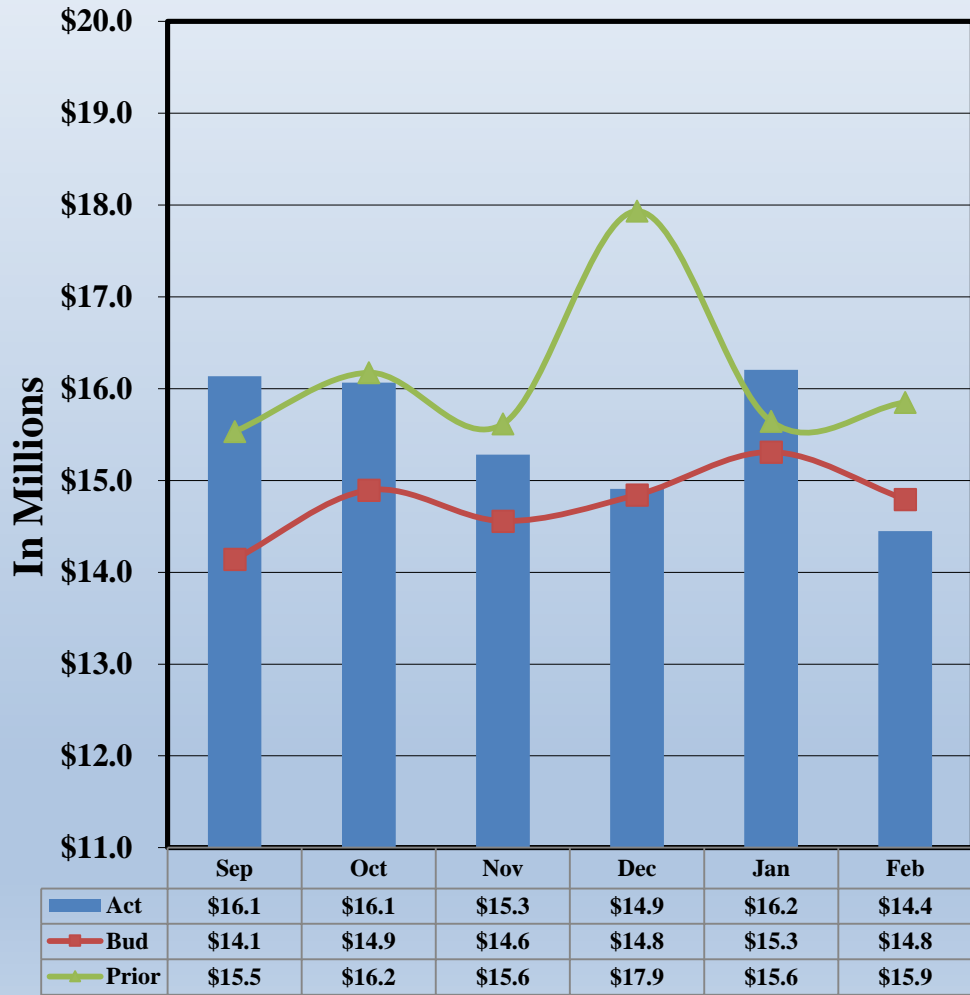


	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 7.0	\$ 7.5	\$ 7.3
Var %		-6.5%	-4.4%
Year-To-Date	\$ 37.3	\$ 34.7	\$ 34.3
Var %		7.6%	8.8%
Annualized	\$ 93.6	\$ 72.6	\$ 75.0
Var %		28.9%	24.8%

Operating Expenses



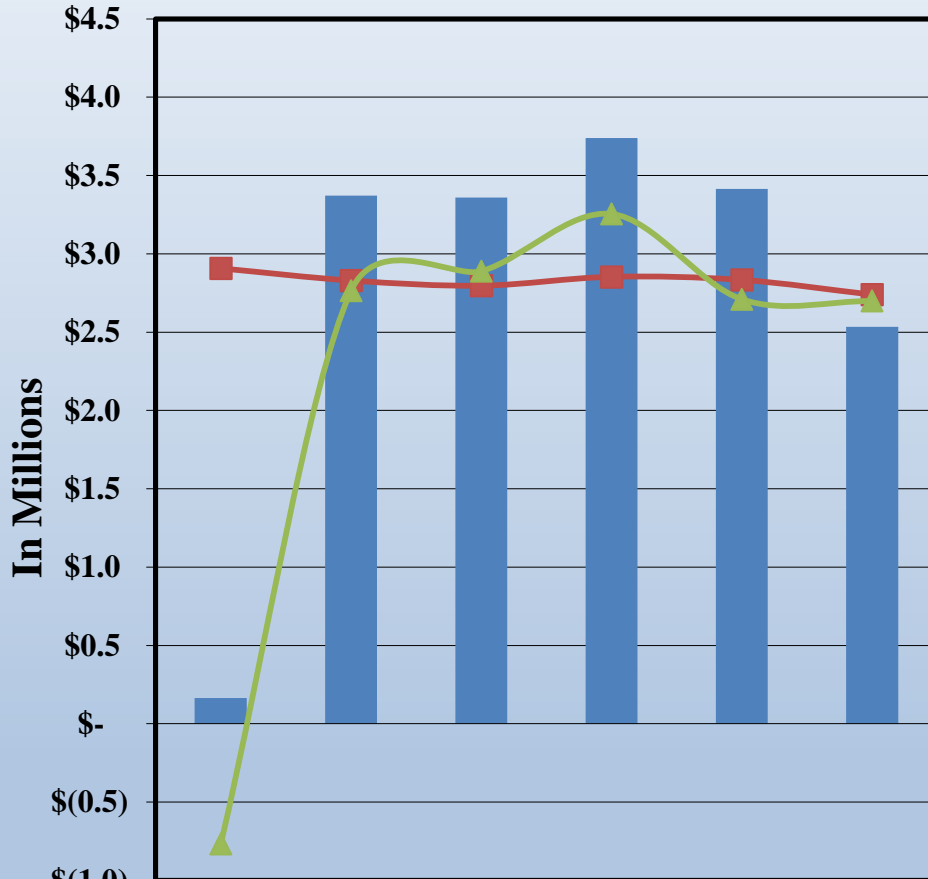
Salaries, Wages & Contract Labor (Ector County Hospital District)



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 14.4	\$ 14.8	\$ 15.9
Var %		-2.7%	-9.4%
Year-To-Date	\$ 76.9	\$ 74.4	\$ 81.2
Var %		3.4%	-5.3%
Annualized	\$ 194.4	\$ 174.9	\$ 182.4
Var %		11.1%	6.6%

Employee Benefit Expense

(Ector County Hospital District)

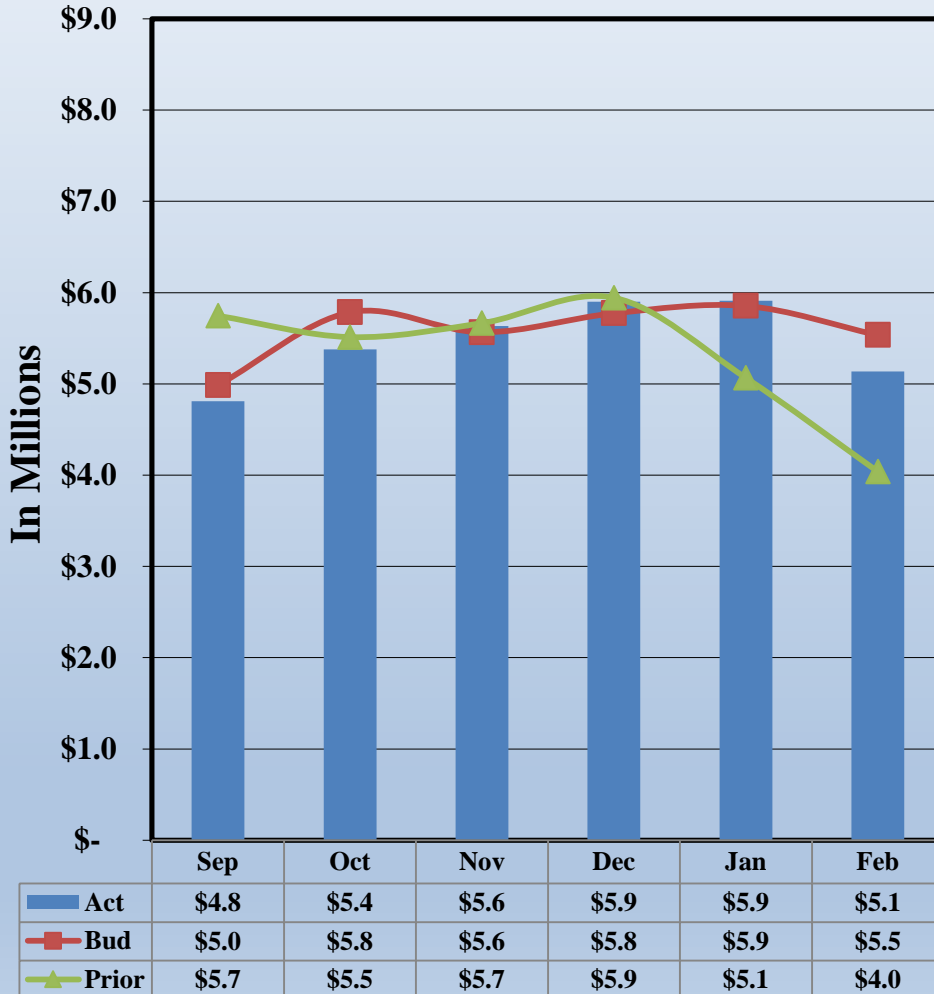


	Sep	Oct	Nov	Dec	Jan	Feb
Act	\$0.2	\$3.4	\$3.4	\$3.7	\$3.4	\$2.5
Bud	\$2.9	\$2.8	\$2.8	\$2.9	\$2.8	\$2.7
Prior	\$(0.8)	\$2.8	\$2.9	\$3.3	\$2.7	\$2.7

	Actual	Budget	Prior Year
Month	\$ 2.5	\$ 2.7	\$ 2.7
Var %		-7.5%	-6.1%
Year-To-Date	\$ 16.4	\$ 14.1	\$ 14.3
Var %		16.8%	14.7%
Annualized	\$ 15.3	\$ 34.7	\$ 34.1
Var %		-55.9%	-55.1%

Supply Expense

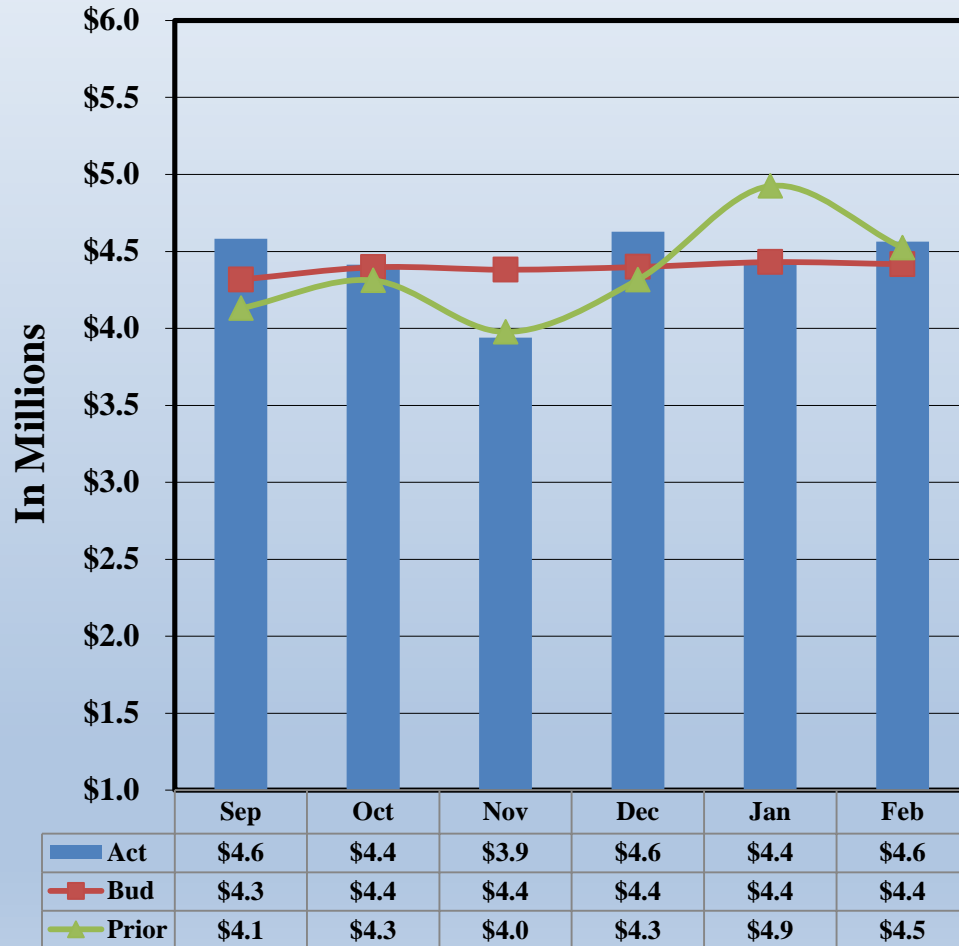
(Ector County Hospital District)



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 5.1	\$ 5.5	\$ 4.0
Var %		-7.2%	27.2%
Year-To-Date	\$ 28.0	\$ 28.5	\$ 26.2
Var %		-1.9%	6.6%
Annualized	\$ 64.9	\$ 64.0	\$ 62.6
Var %		1.4%	3.7%

Purchased Services

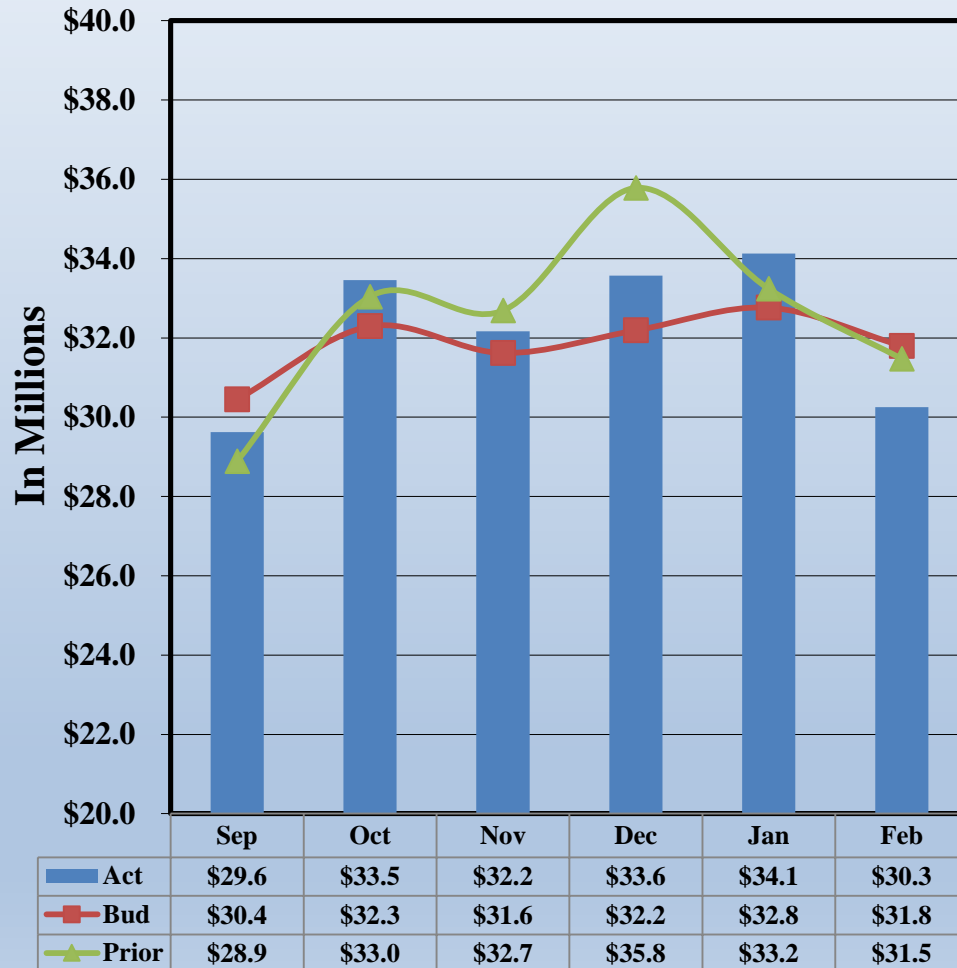
(Ector County Hospital District)



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 4.6	\$ 4.4	\$ 4.5
Var %		3.3%	0.9%
Year-To-Date	\$ 22.0	\$ 22.0	\$ 22.1
Var %		-0.2%	-0.3%
Annualized	\$ 52.8	\$ 52.3	\$ 50.4
Var %		1.0%	4.8%

Total Operating Expense

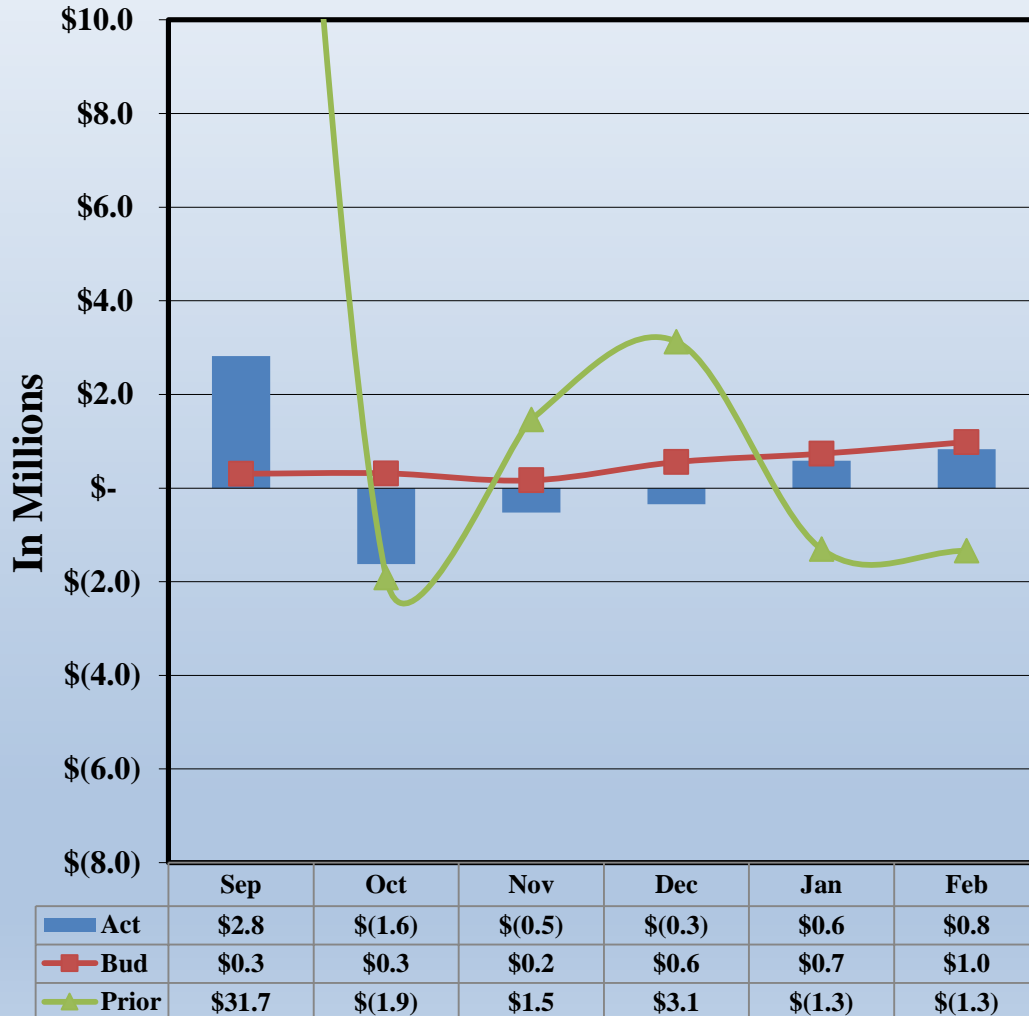
(Ector County Hospital District)



	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 30.3	\$ 31.8	\$ 31.5
Var %		-4.9%	-3.9%
Year-To-Date	\$ 163.6	\$ 160.7	\$ 166.2
Var %		1.8%	-1.6%
Annualized	\$ 376.3	\$ 376.2	\$ 382.3
Var %		0.0%	-1.6%

Operating EBIDA

Ector County Hospital District Operations

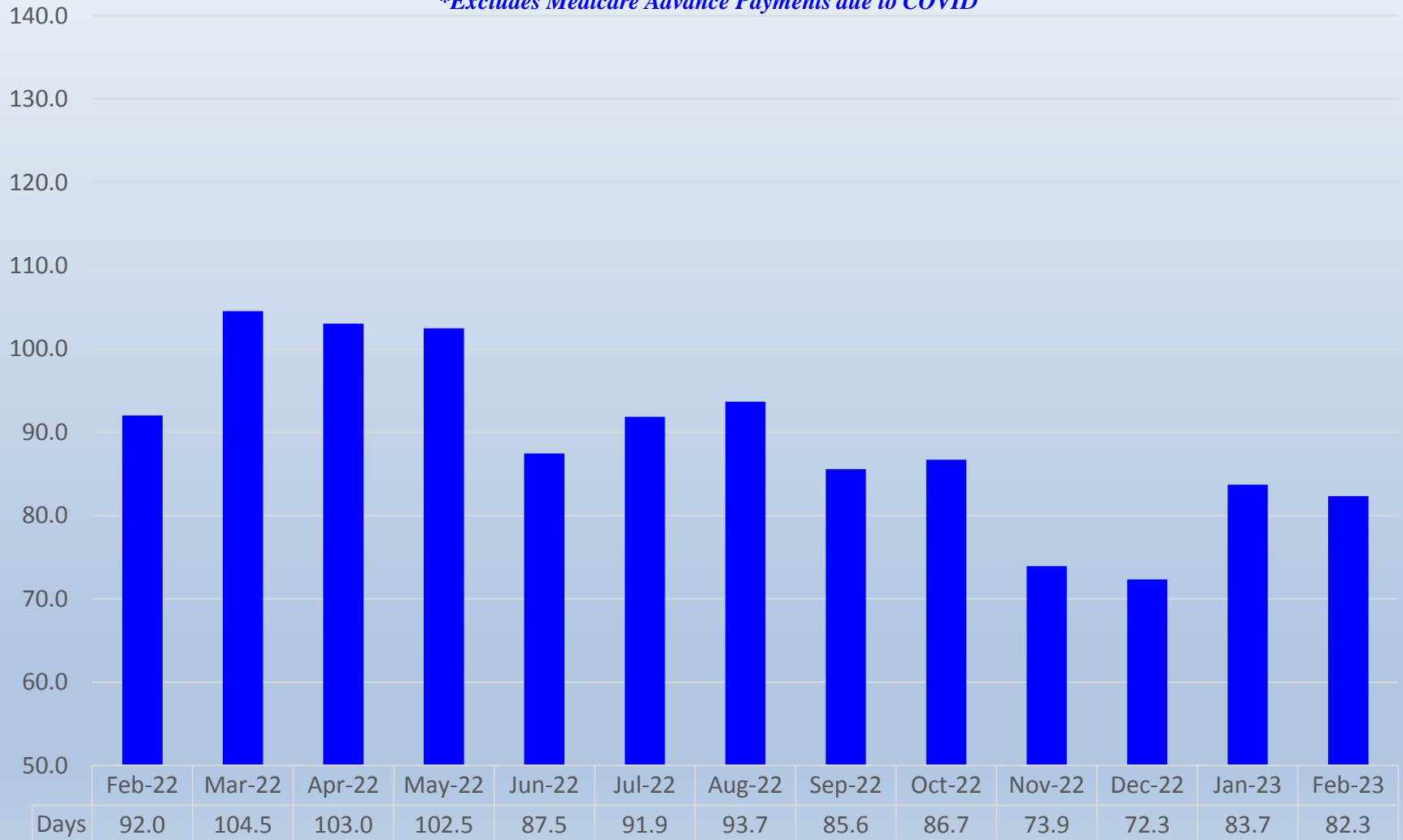


	<u>Actual</u>	<u>Budget</u>	<u>Prior Year</u>
Month	\$ 0.8	\$ 1.0	\$ (1.3)
Var %		-20.0%	-161.5%
Year-To-Date	\$ (1.1)	\$ 2.8	\$ -
Var %		-139.3%	0.0%
Annualized	\$ 5.7	\$ 9.7	\$ 35.7
Var %		-41.2%	-84.0%

Days Cash on Hand

Thirteen Month Trending

**Excludes Medicare Advance Payments due to COVID*



mch



MEMORANDUM

TO: ECHD Board of Directors

FROM: Linda Carpenter, Chief Information Officer

SUBJECT: Star Care Health Services – SharePoint Software Development & Support
 3yr Renewal

DATE: April 1, 2023

Cost:

SharePoint Software Development & Support <i>(Annual Cost–3yr Agreement)</i>	\$155,952.00
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Budget Reference:

Operational Funds <i>(Annually)</i>	\$155,952.00
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Background:

Star Care Health Services provides software and support services for Medical Center Health Care’s (MCHS) SharePoint technology software. SharePoint is used as a secure place to store, organize, share, and access information such as MCHS intranet home page and various SharePoint sites.

Star Care fully supports and maintains all aspects of MCHS SharePoint sites. The team implements new intranet sites and workflows as requested by MCHS, troubleshoots all SharePoint issues, and continually makes changes to optimize the full site. Workflows can be difficult to apply, and Stare Care is able to test and implement the latest Microsoft tools to create new complicated workflows.

Renewing Star Care Health Services will ensure the necessary support, stability, and development for all MCHS SharePoint sites.

Funding:

Stare Care Health Services 3yr agreement with annual fees of \$155,952 will come from operational budgeted funds for this service.



MEMORANDUM

TO: ECHD Board of Directors

**FROM: Carlos Aguilar, Director of Engineering
Through Matt Collins, Chief Operating Officer**

SUBJECT: Culligan Inc. Contract Renewal – RO Water System

DATE: March 28,2023

Cost:

RO Water System for MCH (05/01/2023 – 04/30/2024) \$128,440.32
(Operational Budget)

Contract Total \$128,440.32

Background:

This contract renewal will provide equipment and service for RO Water Systems throughout the Medical Center campuses for the next year.

Staffing:

No additional FTE's required

Disposition of Existing Equipment:

N/A

Implementation Time Frame:

N/A

Funding:

Budgeted operational expense



MEMORANDUM

TO: ECHD Board of Directors

**FROM: Carlos Aguilar, Director of Engineering
Through Matt Collins, Chief Operating Officer**

SUBJECT: Beacon Medaes Contract Renewal – Medical Gas

DATE: March 30, 2023

Cost:

MedGas Maintenance and DNV (05/01/2023 – 06/30/2026) <i>(Operational Budget)</i>	\$104,778.00
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Contract Total	\$104,778.00
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Background:

This contract renewal will provide MedGas preventative maintenance and DNV requirements on medical air compressors & vacuum pumps.

Staffing:

No additional FTE's required

Disposition of Existing Equipment:

N/A

Implementation Time Frame:

N/A

Funding:

Budgeted operational expense



Contract Memo

Date: April 4, 2023

To: Ector County Hospital District Board of Directors

Through: Russell Tippin, President / CEO.
Courtney Look, CXO

Re: Statement of Work with TPC for TPC Contracted Vizient Clinical Data Base

Request

The Performance Improvement Division is requesting approval for the Statement of Work with TPC for the implementation of the Vizient Clinical Database. TPC currently holds the primary agreement with Vizient, and this Statement of Work is an agreement to cover the specifics relating to the implementation of the Vizient CDB platform at MCHS.

Cost

The contracted price between TPC and Vizient for the CDB platform is currently \$125,630 for CY2023. Currently this contract is non-budgeted but will be replacing the Premier Quality Advisor platform starting January 2024.

Benefits

This system is a database that utilizes our claims based data, and performs algorithms which are predictive of how we are performing in regards to quality metrics defined by CMS. This system will provide benchmarking across TPC and many other facilities to show how we are performing in these quality metrics and resource usage. This system will also provide internal performance improvement insights that will help us achieve our strategic goals for Quality.

Historical

We currently are under contract to provide similar services with Premier and their Quality Advisor platform. We have the opportunity to cancel the agreement with Premier, which costs around \$150,000 annually, in December 2023, therefore we would like to start the transition process by building and implementing the Vizient CDB product prior to the Premier cancellation to ensure we do not lose data availability which leads to continued performance improvement.

Recommendation

The Performance Improvement Division recommends proceeding with this contract and the partnership with TPC and Vizient to provide these services.



Contract Memo

Date: April 4, 2023

To: Ector County Hospital District Board of Directors

Through: Russell Tippin, President / CEO.
Courtney Look, CXO

Re: Gallup Contract

Request

The Performance Improvement Division is requesting to secure a contract with Gallup to provide a single platform in which to provide system wide surveys for improvement strategies in culture of safety as well as employee and physician engagement.

Cost

The Gallup contract is a three-year contract that will be paid over three years.

Year 1	\$70,000
Year 2	\$57,180
Year 3	\$57,180
Total Cost...	\$ 184,360

Benefits

This system will provide one platform that will be able to be utilized to capture survey data from our employees and physicians on employee engagement as well as culture of safety. In previous years we have utilized multiple vendors to supply only single portions of the whole that Gallup can provide. All of the necessary surveys being provided by one source will be time saving overall and will give our hospital system consistent results over the three-year period.

As well as providing the survey platform, Gallup also will provide debriefing sessions with our executive team and assist in interpretation and action planning for survey results.

Historical

We are no longer in contract with any other vendors we have previously used to provide portions of the necessary surveying that the Gallup contract will provide. The cost of Gallup's services is equivalent to the sum the other three vendors have been in prior years.

Recommendation

The Performance Improvement Division recommends proceeding with this contract and the partnership with Gallup to provide these services.

MEMORANDUM

TO: ECHD Board of Directors
 FROM: Kim Leftwich, Chief Nursing Officer
 SUBJECT: Sonifi Health Software/Hardware Upgrade
 DATE: April 1, 2022

Cost:

Sonifi Health Software/Hardware Upgrade (3-yr support - \$51,093 annually)	\$26,637.00
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Budget Reference:

FY23 Capital Request	\$26,637.00
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Background:

Sonifi Health interactive patient education and television has been used throughout Medical Center Health System (MCHS) since 2009. This interactive patient education system provides MCHS with the ability to educate and empower patients to guide their own healthcare. System improves the quality of care delivered by providing a more consistent, individualized, and timely education process. The integrated patient Education Channel provides on-demand and individualized patient education. The Healthcare Information Channel provides at-a-glance news and information about onsite activities and real-time control of content and schedules. It also offers the opportunity to inform patients and visitors about events throughout the hospital.

Objective:

The objective is to perform the necessary upgrade to the existing hardware and software that is long overdue to address current compatibility issues. As well as provide enhanced features beneficial for both patients and hospital staff.

Upgrade includes 3-yr hardware and software support that will continue to provide required system updates and support.

Staffing:

No additional FTEs required.

Implementation Time Frame:

Funding:

Sonifi Health Software/Hardware Upgrade is requested from capital funds in the amount of \$26,637.00 from Sonifi Health, with annual operational cost of \$51,093.00.

**Ector County
Hospital District
d/b/a Medical Center
Health System**

**Independent Auditor's Report
and Financial Statements**

September 30, 2022 and 2021



**Ector County Hospital District
d/b/a Medical Center Health System
September 30, 2022 and 2021**

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Independent Auditor's Report

Board of Directors
Ector County Hospital District
d/b/a Medical Center Health System
Odessa, Texas

Opinion

We have audited the financial statements of Ector County Hospital District d/b/a Medical Center Health System (District), as of and for the years ended September 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of September 30, 2022 and 2021, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a

material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

FORVIS, LLP

**Dallas, Texas
March 30, 2023**

Ector County Hospital District d/b/a Medical Center Health System Management's Discussion and Analysis September 30, 2022 and 2021

Introduction

This management's discussion and analysis of the financial performance of Ector County Hospital District d/b/a Medical Center Health System (District) provides an overview of the District's financial activities for the years ended September 30, 2022 and 2021. It should be read in conjunction with the accompanying financial statements of the District.

Financial Highlights

- The District's net position decreased \$8,545,964, or 4.23%, in 2022 and increased \$30,765,742, or 17.98%, in 2021.
- The District reported operating losses in both 2022 (\$87,100,225) and 2021 (\$60,063,480). The operating loss in 2022 increased by \$27,036,745, or 45.01%, over the operating loss reported in 2021. The operating loss in 2021 improved by \$14,730,265, or 19.69%, from the operating loss reported in 2020. The details of the operating losses are discussed in greater detail below.
- Net nonoperating revenues decreased \$12,274,961 or 13.51%, in 2022 compared to 2021 and increased \$26,883,925 or 42.04%, in 2021 compared to 2020. These changes are primarily due to recognition of Provider Relief Funds (*Note 15*) as well as an increases in tax revenue.
- Cash and investments decreased in 2022 by \$15,173,632, or 12.51%, and decreased in 2021 by \$9,133,250, or 7.00%. The decrease in both years is primarily attributable to the District expending the remaining portion of the Provider Relief Funds and paying back the Medicare Advance Payment liability that was obtained during 2020.

Using This Annual Report

The District's financial statements consist of three statements—a balance sheet; a statement of revenues, expenses and changes in net position; and a statement of cash flows. These statements provide information about the activities of the District, including resources held by the District but restricted for specific purposes by creditors, contributors, grantors or enabling legislation. The District is accounted for as a business-type activity and presents its financial statements using the economic resources measurement focus and the accrual basis of accounting.

The Balance Sheet and Statement of Revenues, Expenses and Changes in Net Position

One of the most important questions asked about any hospital's finances is "Is the hospital as a whole better or worse off as a result of the year's activities?" The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position report information about the District's resources and its activities in a way that helps answer this question. These statements include all restricted and unrestricted assets and all liabilities using the accrual basis of accounting. Using the accrual basis of accounting means that all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District’s net position and changes in it. The District’s total net position—the difference between assets, liabilities and deferred inflows and outflows of resources—is one measure of the District’s financial health or financial position. Over time, increases or decreases in the District’s net position are an indicator of whether its financial health is improving or deteriorating. Other nonfinancial factors, such as changes in the District’s patient base, changes in legislation and regulations, measures of the quantity and quality of services provided to its patients and local economic factors should also be considered to assess the overall financial health of the District.

The Statement of Cash Flows

The statement of cash flows reports cash receipts, cash payments and net changes in cash and cash equivalents resulting from four defined types of activities. It provides answers to such questions as where did cash come from, what was cash used for and what was the change in cash and cash equivalents during the reporting period.

The District’s Net Position

The District’s net position is the difference between its assets and liabilities reported in the balance sheets. A summary of the District’s balance sheets is presented in the following table.

Table 1: Assets and Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

	2022	2021	2020
Assets			
Patient accounts receivable, net	\$ 29,613,385	\$ 35,746,984	\$ 31,231,024
Other current assets	63,589,070	85,718,576	108,793,555
Capital and lease assets, net	164,622,227	170,329,690	176,633,440
Net pension asset	29,997,352	-	-
Other noncurrent assets	79,038,514	75,245,122	50,007,961
Total assets	<u>366,860,548</u>	<u>367,040,372</u>	<u>366,665,980</u>
Deferred Outflows of Resources	<u>19,348,225</u>	<u>29,138,210</u>	<u>6,438,549</u>
Total assets and deferred outflows of resources	<u>\$ 386,208,773</u>	<u>\$ 396,178,582</u>	<u>\$ 373,104,529</u>
Liabilities			
Long-term debt and lease liabilities	\$ 36,671,846	\$ 39,915,333	\$ 40,603,072
Net pension liability	-	44,515,430	22,684,174
Other postemployment benefits	12,634,010	20,950,660	23,213,335
Other current and noncurrent liabilities	71,890,426	69,546,785	104,172,643
Total liabilities	<u>121,196,282</u>	<u>174,928,208</u>	<u>190,673,224</u>
Deferred Inflows of Resources	<u>71,693,821</u>	<u>19,385,740</u>	<u>11,332,413</u>
Net Position			
Net investment in capital assets	127,632,322	130,288,229	133,323,224
Restricted for pensions	29,997,352	-	-
Unrestricted	35,688,996	71,576,405	37,775,668
Total net position	<u>193,318,670</u>	<u>201,864,634</u>	<u>171,098,892</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 386,208,773</u>	<u>\$ 396,178,582</u>	<u>\$ 373,104,529</u>

Total assets and deferred outflows of resources decreased by \$9,969,809, or 2.52%, between 2021 and 2022. Significant changes in the balance sheet include the following for 2022:

- Cash and investments decreased by \$15,173,632, or 12.51%, as previously discussed.
- Patient accounts receivable, net, decreased \$6,133,599, or 17.16%, as a result of patient volumes and patient acuity decreasing from 2021.
- The District reported a net pension asset of \$29,997,352 at September 30, 2022, as compared to a net pension liability of \$44,515,430 at September 30, 2021. The change in the benefit plan's funded position is attributable to the invested assets of the plan exceeding the projected total pension liability at the measurement date.
- Deferred outflows of resources decreased by \$9,789,985, or 33.60%. The decrease is primarily attributable to a change in plan assumptions and inputs.
- Total liabilities decreased \$53,731,926, or 30.72%. The decrease in liabilities is due to the decrease in the net pension liability, as previously discussed, as well as a decrease in the Medicare Advance liability.

Total assets and deferred outflows of resources increased by \$23,074,053, or 6.18%, between 2020 and 2021. Significant changes in the balance sheet include the following for 2021:

- Cash and investments decreased by \$9,133,250, or 7.00%, as previously discussed.
- Patient accounts receivable, net, increased \$4,515,960, or 14.46%, as a result of increases in services provided and patient volumes increasing from 2020.
- Deferred outflows of resources increased by \$22,699,661, or 352.56%. This increase is primarily attributable to a change in plan assumptions and inputs.
- Total liabilities decreased \$15,745,016, or 8.26%. The decrease in liabilities is primarily due to the expending of the remaining Provider Relief Funds in 2021, which were included as Provider Relief Funds received in advance at September 30, 2020.

Operating Results and Changes in the District's Net Position

The following table presents a summary of the District's revenues and expenses for each of the years ended September 30, 2022, 2021 and 2020:

Table 2: Operating Results and Changes in Net Position

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating Revenues			
Net patient service revenue	\$ 259,340,690	\$ 263,116,260	\$ 242,372,912
Supplemental Medicaid funding	36,496,491	42,318,461	41,178,988
Other revenue	11,965,667	11,045,420	10,040,499
Total operating revenues	<u>307,802,848</u>	<u>316,480,141</u>	<u>293,592,399</u>
Operating Expenses			
Salaries, wages and employee benefits	173,535,870	187,358,292	182,308,325
Purchased services and professional fees	115,631,262	90,028,605	95,974,899
Supplies and other	85,768,559	79,847,232	71,562,149
Depreciation and amortization	19,967,382	19,309,492	18,540,771
Total operating expenses	<u>394,903,073</u>	<u>376,543,621</u>	<u>368,386,144</u>
Operating Loss	<u>(87,100,225)</u>	<u>(60,063,480)</u>	<u>(74,793,745)</u>
Nonoperating Revenues (Expenses)			
Tax revenue, net	77,828,511	64,419,905	59,344,095
Interest expense	(895,410)	(880,534)	(2,746,777)
Provider Relief Fund revenue	3,113,607	23,707,616	3,487,582
Other nonoperating revenues, net	(1,492,447)	3,582,235	3,860,397
Total nonoperating revenues (expenses)	<u>78,554,261</u>	<u>90,829,222</u>	<u>63,945,297</u>
Change in Net Position	<u>\$ (8,545,964)</u>	<u>\$ 30,765,742</u>	<u>\$ (10,848,448)</u>

Operating Losses

The first component of the overall change in the District's net position is its operating income or loss—generally, the difference between net patient service and other operating revenues and the expenses incurred to perform those services. In each of the past three years, the District has reported an operating loss. This is consistent with the District's recent operating history as the District was formed and is operated primarily to serve residents of Ector County and the surrounding area, regardless of their ability to pay. The District levies property taxes and receives sales taxes to provide sufficient resources to enable the facility to serve lower income and other residents.

The operating loss for 2022 increased \$27,036,745, or 45.01%, as compared to 2021. The primary components of the increased operating loss are:

- Net patient service revenue decreased \$3,775,570, or 1.43%, primarily from patient volume decreased.
- A decrease in supplemental Medicaid funding of \$5,821,970, or 13.76%, primarily from the DSRIP program sunseting, as discussed in *Note 3*.

- Salaries and employee benefits expense decreased \$13,822,422, or 7.38%, primarily from favorable actuarial results for the defined benefit pension plan and other postemployment benefits liability.
- Purchased services, professional fees, supplies and other operating expenses increased \$31,523,984 or 18.56%, due to contract labor increases as a result of the nursing shortage from the COVID-19 pandemic as well as increases in inflation caused by national supply chain issues and rising demand.

The operating loss for 2021 improved by \$14,730,265, or 19.69%, as compared to 2021. The primary components of the decreased operating loss are:

- Net patient service revenue increased \$20,743,348, or 8.56%, primarily from patient volume increases due to the COVID-19 pandemic, higher patient acuity, and increased collection rates.
- Salaries and employee benefits expense increased \$5,049,967, or 2.77%, primarily from additional staffing required by the COVID-19 pandemic.

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses consist primarily of sales and property taxes levied by the District, interest expense and funding recognized from the Provider Relief Funds. Tax revenue increased \$13,408,606, or 20.81% due to an increase in sales tax revenue as the local economy recovers from COVID-19. During 2022, the District recognized approximately \$3,114,000 of revenue from the Provider Relief Funds as discussed in *Note 15*.

The District's Cash Flows

Changes in the District's cash flows are consistent with changes in balance sheet amounts, operating results and non-operating revenues and expenses previously discussed for 2022, 2021 and 2020.

Capital and Lease Asset and Debt Administration

Capital and Lease Assets

The District had \$164,622,227 and \$170,329,690 invested in capital and lease assets, net of accumulated depreciation and amortization at September 30, 2022 and 2021, respectively. More detailed information about the District's capital assets is presented in *Note 6* of the financial statements.

Debt and Lease Liabilities

At September 30, 2022 and 2021, the District had \$34,998,653 and \$37,305,868, respectively, in revenue bonds outstanding. At September 30, 2022 and 2021, the District had \$1,673,193 and \$2,609,465, respectively, in lease liabilities outstanding. More detailed information about the District's long-term liabilities is presented in *Note 8* of the financial statements.

Contacting the District's Financial Management

This financial report is designed to provide our patients, suppliers, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions about this report and requests for additional financial information should be directed to the District's financial offices at 500 West 4th Street, Odessa, Texas 79761.

Ector County Hospital District
d/b/a Medical Center Health System
Balance Sheets
September 30, 2022 and 2021

Assets and Deferred Outflows of Resources

	2022	2021
Current Assets		
Cash and cash equivalents	\$ 32,038,076	\$ 51,190,530
Patient accounts receivable, net of allowance; 2022—\$59,541,000 2021—\$62,900,000	29,613,385	35,746,984
Taxes receivable, net	11,105,013	8,121,560
Estimated amounts due from third-party payers	6,535,712	14,157,302
Supplies	8,796,970	7,642,274
Prepaid expenses and other	5,113,299	4,606,910
Total current assets	93,202,455	121,465,560
Noncurrent Cash and Investments - Internally Designated	74,084,123	70,105,301
Capital and Lease Assets, Net	164,622,227	170,329,690
Net Pension Asset	29,997,352	-
Other Assets	4,954,391	5,139,821
Total assets	366,860,548	367,040,372
Deferred Outflows of Resources - Pensions	19,348,225	29,138,210
Total assets and deferred outflows of resources	\$ 386,208,773	\$ 396,178,582

Liabilities, Deferred Inflows of Resources and Net Position

	<u>2022</u>	<u>2021</u>
Current Liabilities		
Current maturities of long-term debt	\$ 1,705,000	\$ 1,620,000
Current portion of lease liabilities	527,209	936,272
Accounts payable	30,129,480	20,848,892
Accrued salaries and wages	10,177,846	7,854,681
Accrued compensated absences	4,863,905	4,536,252
Other accrued expenses	4,448,037	422,820
Other postemployment benefits liability—current	275,469	787,318
Estimated self-insurance costs—current	3,476,369	2,551,189
Medicare advance payments—current	16,199,526	15,115,504
	<hr/>	<hr/>
Total current liabilities	71,802,841	54,672,928
Other Liabilities		
Estimated self-insurance costs	2,469,073	1,476,505
Long-term debt	33,293,653	35,685,868
Lease liabilities	1,145,984	1,673,193
Net pension liability	-	44,515,430
Other	126,190	315,474
Total other postemployment benefits liability	12,358,541	20,163,342
Medicare Advance Payments	-	16,425,468
	<hr/>	<hr/>
Total other liabilities	49,393,441	120,255,280
Total liabilities	<hr/>	<hr/>
	121,196,282	174,928,208
Deferred Inflows of Resources - Pensions	<hr/>	<hr/>
	71,693,821	19,385,740
Net Position		
Net investment in capital assets	127,632,322	130,288,229
Restricted for pension	29,997,352	-
Unrestricted	35,688,996	71,576,405
	<hr/>	<hr/>
Total net position	193,318,670	201,864,634
Total liabilities, deferred inflows of resources and net position	<hr/>	<hr/>
	\$ 386,208,773	\$ 396,178,582

Ector County Hospital District
d/b/a Medical Center Health System
Statements of Revenues, Expenses and Changes in Net Position
Years Ended September 30, 2022 and 2021

	2022	2021
Operating Revenues		
Net patient service revenue, net of provision for uncollectible accounts; 2022—\$77,540,000; 2021—\$68,448,000	\$ 259,340,690	\$ 263,116,260
Supplemental Medicaid funding revenue	36,496,491	42,318,461
Other revenue	11,965,667	11,045,420
Total operating revenues	307,802,848	316,480,141
Operating Expenses		
Salaries, wages and benefits	173,535,870	187,358,292
Purchased services and professional fees	115,631,262	90,028,605
Supplies and other	85,768,559	79,847,232
Depreciation and amortization	19,967,382	19,309,492
Total operating expenses	394,903,073	376,543,621
Operating Loss	(87,100,225)	(60,063,480)
Nonoperating Revenues (Expenses)		
Tax revenue, net	77,828,511	64,419,905
Investment return (loss)	(3,219,157)	(32,289)
Interest expense	(895,410)	(880,534)
Gain on investment in equity investees	776,605	2,146,116
Tobacco settlement	1,158,055	1,171,633
Other nonoperating revenues (expenses), net	(207,950)	296,775
CARES Act funding	3,113,607	23,707,616
Total nonoperating revenues, net	78,554,261	90,829,222
Increase (Decrease) in Net Position	(8,545,964)	30,765,742
Net Position, Beginning of Year	201,864,634	171,098,892
Net Position, End of Year	\$ 193,318,670	\$ 201,864,634

Ector County Hospital District
d/b/a Medical Center Health System
Statements of Cash Flows
Years Ended September 30, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities		
Receipts from and on behalf of patients	\$ 251,774,386	\$ 253,867,695
Cash received from supplemental Medicaid funding programs	43,673,472	34,976,358
Payments to suppliers and contractors	(191,899,608)	(176,481,336)
Payments to or on behalf of employees	(192,143,748)	(182,604,350)
Other receipts, net	11,976,971	12,451,917
Net cash used in operating activities	(76,618,527)	(57,789,716)
Cash Flows From Noncapital Financing Activities		
Receipt of property and sales taxes supporting operations	71,631,381	59,832,448
Proceeds received from tobacco settlement	1,158,055	1,171,633
Other	(207,950)	296,775
Proceeds from note payable with City of Odessa, Texas	3,000,000	-
Cash received from CARES Act	3,113,607	666,667
Net cash provided by noncapital financing activities	78,695,093	61,967,523
Cash Flows From Capital and Related Financing Activities		
Principal paid on long-term debt	(1,620,000)	(1,520,000)
Principal paid on lease payable	(936,272)	(568,286)
Interest paid on long-term debt and lease payable	(1,647,266)	(1,698,400)
Property taxes to acquire or retire debt for acquisitions of capital assets	3,213,677	3,155,901
Purchase of capital assets	(13,997,275)	(13,430,038)
Net cash used in capital and related financing activities	(14,987,136)	(14,060,823)
Cash Flows From Investing Activities		
Income from investments	1,598,245	832,861
Purchase of investments	(88,475,010)	(109,822,677)
Proceeds from disposition of investments	79,485,265	84,698,594
Net cash used in investing activities	(7,391,500)	(24,291,222)
Decrease in Cash and Cash Equivalents	(20,302,070)	(34,174,238)
Cash and Cash Equivalents, Beginning of Year	52,513,261	86,687,499
Cash and Cash Equivalents, End of Year	\$ 32,211,191	\$ 52,513,261

Ector County Hospital District
d/b/a Medical Center Health System
Statements of Cash Flows (Continued)
Years Ended September 30, 2022 and 2021

	2022	2021
Reconciliation of Cash and Cash Equivalents to the Balance Sheets		
Cash and cash equivalents in current assets	\$ 32,038,076	\$ 51,190,530
Cash and cash equivalents in noncurrent cash and investments	173,115	1,322,731
Total cash and cash equivalents	\$ 32,211,191	\$ 52,513,261
Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	\$ (87,100,225)	\$ (60,063,480)
Depreciation and amortization	19,967,382	19,309,492
Provision for uncollectible accounts	77,540,385	68,447,647
Changes in operating assets and liabilities		
Patient accounts receivable, net	(71,406,786)	(72,963,607)
Estimated amounts due from and to third-party payers	8,797,588	(9,376,677)
Accounts payable and accrued expenses	13,320,487	(8,569,684)
Medicare advance payment liability	(15,341,446)	(429,987)
Net pension asset/liability	(74,512,782)	21,831,256
Total other postemployment benefits liability	(8,316,650)	(2,262,675)
Deferred outflows of resources - pensions	9,789,985	(22,699,661)
Deferred inflows of resources - pensions	52,308,081	8,053,327
Other assets and liabilities	(1,664,546)	934,333
Net cash used in operating activities	\$ (76,618,527)	\$ (57,789,716)
Noncash Investing, Capital and Financing Activities		
Capital asset acquisitions included in accounts payable	\$ 318,059	\$ 126,128
Lease obligation incurred for lease assets	\$ -	\$ 2,133,958

Ector County Hospital District
d/b/a Medical Center Health System
Notes to Financial Statements
September 30, 2022 and 2021

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations and Reporting Entity

Ector County Hospital District d/b/a Medical Center Health System (District) is an acute care hospital located in Odessa, Texas. The District primarily earns revenues by providing inpatient, outpatient and emergency care services to patients in Ector County and surrounding areas. The District is governed by an elected Board of Directors (Board).

Blended component units. Medical Center Hospital Professional Care (ProCare) is a Texas nonprofit health organization certified by the Texas State Board of Medical Examiners pursuant to Section 501(a) of the *Texas Medical Practices Act*, now codified at Section 162.001 of the Texas Occupations Code. ProCare provides primary care physician services at the District's family health centers. ProCare is a taxable non-profit corporation.

The District is the sole corporate member of ProCare and has the authority to exercise significant control over the financial operations of ProCare. The District's governing board is responsible for all financial decisions related to ProCare, there exists a financial benefit or burden relationship between the District and ProCare and the District's management has operational responsibility for ProCare. As such, ProCare is presented as a blended component unit of the District. ProCare does not issue separate financial statements.

West Texas Medical Center Hospital Services (WTMCHS) was formed to establish membership in the limited liability company agreement of Texas Healthcare Linen, LLC (THL). Prior to fiscal year 2022, THL was owned by three regional health care organizations. Beginning in 2022, THL is now owned by four regional health care organizations. THL was formed on March 3, 2010, to provide linen services to businesses and institutions of the region. The District's governing board is responsible for all financial decisions related to WTMCHS, there exists a financial benefit or burden relationship between the District and WTMCHS and the District's management has operational responsibility for WTMCHS. As such, the financial statements of WTMCHS, including its equity interest in THL, are presented as a blended component unit of the District. The financial statements of WTMCHS are not material. Complete financial statements for THL can be obtained by contacting the District's financial offices, 500 W. 4th Street, Odessa, Texas 79761.

ECHD Ventures (Ventures) was formed in May 2021 and was organized to contract, collaborate, or enter into a joint venture with any public or private entity and to become a member in and owner of a limited liability company as necessary or convenient to carry out the function of or provide services on behalf of the District. Because the District is the sole corporate member of Ventures, Ventures is presented as a blended component unit of the District. Ventures did not have material financial activity in 2022 or 2021.

Medical Center Hospital TraumaCare (TraumaCare) was formed in May 2022 and was organized to contract, collaborate, or enter into a joint venture with any public or private entity as necessary or convenient to carry out the function of or provide services on behalf of the District. Because the District is the sole corporate member of TraumaCare, TraumaCare is presented as a blended component unit of the District. TraumaCare did not have material financial activity in 2022.

Ector County Hospital District
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Notes to Financial Statements
September 30, 2022 and 2021

The District's financial statements include the activities of the entities set forth above. All material intercompany accounts and transactions have been eliminated in the financial statements.

Basis of Accounting and Presentation

The financial statements of the District have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows of resources from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated or voluntary nonexchange transactions (principally federal and state grants) are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions and program-specific, government-mandated or voluntary nonexchange transactions. Government-mandated or voluntary nonexchange transactions that are not program specific, sales taxes, property taxes, investment income and interest on capital asset-related debt are included in nonoperating revenues and expenses. The District first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The District considers all liquid investments with original maturities of three months or less to be cash equivalents. At September 30, 2022 and 2021, cash equivalents consisted primarily of money market accounts.

Sales and Property Taxes

For operating purposes, the District has the authority to collect a 0.75% sales tax on all qualified retail sales in the District and to levy ad valorem taxes at a rate not to exceed 15 cents on each \$100 valuation of taxable real property in the District.

The District received approximately 20% and 16% of its financial support from sales and property taxes in 2022 and 2021, respectively.

**Ector County Hospital District
d/b/a Medical Center Health System
Notes to Financial Statements
September 30, 2022 and 2021**

Sales taxes are collected by the state of Texas and remitted to the District monthly. The tax is collected by the vendor and is required to be remitted to the state by the 20th of the month following collection. The tax is then paid to the District by the Friday following the second Wednesday of the subsequent month. The District recognized \$53,851,809 and \$40,070,072 of sales tax revenue in 2022 and 2021, respectively. 100% of sales taxes were used to support operations.

Property taxes are levied January 1 and become due October 1, each year based on the value of all real and personal property located in the County. Assessed taxes become delinquent the following February 1. Revenue from property taxes is recognized in the year for which the taxes are levied. The District recognized \$23,976,702 and \$24,349,833 of property tax revenue in 2022 and 2021, respectively.

The District's total property tax rate was \$0.150000 in both 2022 and 2021. The District's maintenance and operations property tax rate was \$0.129895 per \$100 valuation in 2022 and \$0.130559 per \$100 valuation in 2021. The District's interest and debt service property tax rate was \$0.020105 per \$100 valuation in 2022 and \$0.019441 per \$100 valuation in 2021. Property tax funds were used as follows:

	2022	2021
Percentage used to support operations	86.6%	87.0%
Percentage used for debt service on bonds	13.4%	13.0%
Total	100.0%	100.0%

The District had a tax receivable of \$11,105,013 and \$8,121,560 at September 30, 2022 and 2021, respectively.

Tobacco Settlement Revenue

Tobacco settlement revenue is the result of a settlement between various counties and hospital districts in Texas and the tobacco industry for tobacco-related health care costs. The District received \$1,158,055 and \$1,171,633 in revenue from this settlement for the years ended September 30, 2022 and 2021, respectively.

Risk Management

The District is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than professional and general liability, employee health and workers' compensation claims. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

**Ector County Hospital District
d/b/a Medical Center Health System**

**Notes to Financial Statements
September 30, 2022 and 2021**

The District is self-insured for a portion of its exposure to risk of loss from professional and general liability, employee health and workers' compensation claims. Annual estimated provisions are accrued for the self-insured portion of these risks and include an estimate of the ultimate costs for both reported claims and claims incurred but not yet reported.

Investments and Investment Income

Investments in U.S. Treasury, agency and instrumentality obligations with a remaining maturity of one year or less at time of acquisition and in non-negotiable certificates of deposit are carried at amortized cost. The investment in equity investees is reported on the equity method of accounting. All other investments are carried at fair value. Fair value is determined using quoted market prices.

Investment income includes interest income, realized gains and losses and the net change for the year in the fair value of investments carried at fair value.

Patient Accounts Receivable

The District reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients, and others. The District provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions.

Supplies

Supply inventories are stated at the lower of cost, determined using the first-in, first-out method, or market.

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or acquisition value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The following estimated useful lives are being used by the District:

Land improvements	10 – 20 years
Buildings and leasehold improvements	10 – 40 years
Equipment	3 – 20 years
Computer software	3 – 10 years

Ector County Hospital District
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Lease Assets

Lease assets are initially recorded at the initial measurement period of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentive received from the lessor at or before commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. Due to the insignificance of lease assets, these balances are included in capital assets.

Capital and Lease Asset Impairment

The District evaluates capital and lease assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital or lease asset has occurred. If a capital or lease asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, accumulated depreciation is increased by the amount of the impairment loss. No asset impairment was recognized during the years ended September 30, 2022 and 2021.

Defined Benefit Pension Plan

The District provides pension benefits to its employees through an agent multiple-employer defined benefit pension plan operated by the Texas County and District Retirement System (Plan). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Non-Trusted Single Employer Defined Benefit Other Postemployment Benefit Plan

The District provides medical benefits to certain retirees under a single-employer defined benefit other postemployment benefit (OPEB) plan. For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the District recognizes benefit payments when they are due and payable in accordance with the benefit terms.

Deferred Outflows of Resources

The District reports the consumption of net position that is applicable to a future reporting period as deferred outflows of resources in a separate section of its balance sheet.

Ector County Hospital District
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Deferred Inflows of Resources

The District reports an acquisition of net position that is applicable to a future reporting period as deferred inflows of resources in a separate section of its balance sheet.

Compensated Absences

District policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Expense and the related liability for sick leave benefits are recognized when earned to the extent the employee is expected to realize the benefit in cash determined using the termination payment method. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the balance sheet date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

Net Position

Net position of the District is classified in four components on its balance sheets.

- Net investment in capital assets consists of capital and lease assets net of accumulated depreciation amortization and reduced by the outstanding balances of borrowings and lease liabilities used to finance the purchase, use, or construction of those assets.
- Restricted for pension represents assets restricted providing contributions to the agent multiple-employer defined benefit pension plan which provides pensions in accordance with the benefit terms of the plan.
- Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

At September 30, 2022 and 2021, \$74,084,123 and \$70,105,301, respectively, of unrestricted net position has been designated by the District's Board for capital acquisitions and other purposes. Designated net position remains under the control of the Board, which may, at its discretion, later use the net position for other purposes.

Net Patient Service Revenue

The District has agreements with third-party payers that provide for payments to the District at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known.

Ector County Hospital District
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Charity Care

The District provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Because the District does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as net patient service revenue.

Income Taxes

As an essential government function of the County, the District is generally exempt from federal and state income taxes under Section 115 of the Internal Revenue Code (IRC) and a similar provision of state law. The District also carries an exemption from income taxes under IRC Section 501(c)(3). However, the District is subject to federal income tax on any unrelated business taxable income.

ProCare is taxable for federal income tax purposes. ProCare has net operating loss carryforwards totaling approximately \$137,568,000 at September 30, 2022. The net operating loss carryforwards will begin to expire in September 2025 if not utilized. Management has provided a valuation allowance for the entire balance of the deferred tax assets. The valuation allowance was established due to the uncertainties regarding the realization of the tax benefits in future years and because it is more likely than not that some portion or all of the deferred tax assets may not be realized.

Change in Accounting Principle

On October 1, 2021, the District adopted GASB Statement No. 87, *Leases*, using a retrospective method of adoption to all leases in place and not yet completed at the beginning of the earliest period presented. The statement requires lessees to recognize a lease liability, measured at the present value of payments expected to be made during the lease term, and an intangible right-to-use lease asset.

The impact of adopting the standard was not material to the District's financial statements, however, certain revisions were made to the 2021 financial statements to conform to GASB 87, primarily revising the lease liabilities from long-term debt, to be presented as a separate line item on the balance sheet.

Note 2: Net Patient Service Revenue

The District has agreements with third-party payers that provide for payments to the District at amounts different from its established rates. These payment arrangements include:

Medicare. Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain inpatient nonacute services and defined medical education costs are paid based on a cost reimbursement methodology. The District is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by the District and audits

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thereof by the Medicare administrative contractor. The District's Medicare cost reports have been audited by the Medicare administrative contractor through September 30, 2016.

Medicaid. Inpatient and outpatient services rendered to Medicaid program beneficiaries (including patients that participate in Medicaid managed care programs) are primarily paid at prospectively determined rates. Certain items may be reimbursed at tentative rates with final settlement determined after submission of annual cost reports by the District and audits thereof by the Medicaid administrative contractor. The District's Medicaid cost reports have been audited by the Medicaid administrative contractor through September 30, 2015.

Approximately 53% and 57% of net patient service revenue is from participation in the Medicare and state-sponsored Medicaid programs for the years ended September 30, 2022 and 2021, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

The District has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the District under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Note 3: Supplemental Medicaid Funding Revenue

In response to the growing number of uninsured patients and the rising cost of health care, the Texas Legislature established a Texas Medicaid Disproportionate Share Program (DSH Program) that was designed to assist those facilities serving the majority of the indigent patients by providing funds supporting increased access to health care within the community. This program allows the Texas Department of Human Services to levy assessments from certain hospitals, use the assessed funds to obtain federal matching funds, and then redistribute the total funds to those facilities serving a disproportionate share of indigent patients in the state of Texas.

On December 12, 2011, the United States Department of Health and Human Services (HHS) approved a new Medicaid section 1115(a) demonstration entitled "Texas Health Transformation and Quality Improvement Program" (Waiver). The Waiver expanded existing Medicaid managed care programs and established two funding pools that assists providers with uncompensated care costs (UC Pool) and promotes health system transformation (DSRIP Pool).

The Waiver was originally effective from December 12, 2011 to September 30, 2016, and extended through December 2017 as the Texas Health and Human Services Commission (HHSC) and the Centers for Medicare and Medicaid Services (CMS) negotiated a longer-term extension. On December 21, 2017, HHSC received an approved extension from CMS for the period of January 1, 2018 through September 30, 2022. Among other changes, the approved plan required a change in the methodology used to allocate UC funds and a phase out of the DSRIP program over the five-year period.

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On April 22, 2022, CMS approved an extension of the Waiver through September 30, 2030. The extension provides for the continuation of the UC Pool. The DSRIP program ended on September 30, 2021, and was not extended under the Waiver extension. CMS also approved an expansion of directed payment programs, which transitions participating hospitals away from the DSRIP program. One of the new directed payment programs is the Comprehensive Hospital Increased Reimbursement Program (CHIRP), which adds a quality component to the existing Uniform Hospital Rate Increase Program (UHRIP).

Under UHRIP, HHSC directed managed care organizations in a service delivery area to provide a uniform percentage rate increase to all hospitals within a particular class of hospitals. CHIRP also provides for rate increases similar to UHRIP but also provides for a rate enhancement above the UHRIP rate, based upon a percentage of estimated average commercial reimbursement. Participating hospitals may opt into this second component. The UHRIP program transitioned on August 31, 2021, and the CHIRP program began on September 1, 2021. CHIRP will require annual approval by CMS and has been approved through August 31, 2023. Revenue from UHRIP and CHIRP is estimated based on patient claims and known program factors and are recognized as a component of net patient service revenue. Both programs also include additional payment and recoupment provisions based on certain quality measures.

The District also receives supplemental payments through the Public Hospital Medicaid Graduate Medical Education (GME) program. The GME program provides reimbursement to support teaching hospitals that operate approved medical residency training programs in recognition of the higher costs incurred by teaching hospitals.

In 2022, the District began participating in the Public Hospital Augmented Reimbursement Program (HARP). HARP is a statewide supplemental program that provides Medicaid payments to hospitals for inpatient and outpatient services that serve Texas Medicaid fee-for-service patients. The program serves as a financial transition for providers historically participating in the DSRIP program and provides additional funding to hospitals to assist in offsetting the cost hospitals incur while providing Medicaid services.

Total revenue recognized from these programs (excluding UHRIP and CHIRP, which are recorded as a component of net patient service revenue) was approximately \$36,496,000 and \$42,318,000 for the years ended September 30, 2022 and 2021, respectively, and is included as Supplemental Medicaid funding revenue within operating revenues in the statements of revenues, expenses and changes in net position. Amounts receivable under these programs were approximately \$3,675,000 and \$11,456,000 at September 30, 2022 and 2021, respectively, which is included in the estimated amounts due from third party payers in the balance sheets.

Funding from the DSH Program and the UC Pool are limited to certain costs incurred. At September 30, 2022 and 2021, the District recorded an expected overpayment related to these programs of approximately \$1,176,000 and \$0, respectively, which are included in other accrued expenses on the balance sheet.

Ector County Hospital District
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Notes to Financial Statements
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The programs described above are subject to review and scrutiny by both the Texas Legislature and CMS and the programs could be modified or terminated based on new legislation or regulation in future periods. The funding historically received may not be representative of funding that will be received in future years.

Note 4: Deposits, Investments and Investment Income

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government’s deposits may not be returned to it. The District’s deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance or other qualified investments. At September 30, 2022 and 2021, \$732,000 and \$1,132,000, respectively, of the District’s bank balances were uninsured and uncollateralized.

Investments

The District may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. agencies and instrumentalities and in bank repurchase agreements. It may also invest to a limited extent in corporate bonds and equity securities. A portion of the District’s investments are in certificates of deposit which are considered deposits for disclosure purposes.

At September 30, 2022 and 2021, the District had the following investments and maturities:

Type	September 30, 2022				
	Fair Value	Maturities in Years			
		Less than 1	1-5	6-10	More than 10
U.S. agencies obligations	\$ 49,501,739	\$ 19,773,632	\$ 29,728,107	\$ -	\$ -
U.S. Treasury obligations	20,898,847	6,286,560	14,612,287	-	-
Money market mutual funds	671,283	671,283	-	-	-
Accrued interest	24,418	24,418	-	-	-
	<u>\$ 71,096,287</u>	<u>\$ 26,755,893</u>	<u>\$ 44,340,394</u>	<u>\$ -</u>	<u>\$ -</u>

**Ector County Hospital District
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September 30, 2022 and 2021**

Type	September 30, 2021				
	Fair Value	Maturities in Years			
		Less than 1	1-5	6-10	More than 10
U.S. agencies obligations	\$ 986,868	\$ -	\$ 986,868	\$ -	\$ -
U.S. Treasury obligations	63,796,535	55,842,135	7,954,400	-	-
Money market mutual funds	9,374,589	9,374,589	-	-	-
Accrued interest	9,018	9,018	-	-	-
	<u>\$ 74,167,010</u>	<u>\$ 65,225,742</u>	<u>\$ 8,941,268</u>	<u>\$ -</u>	<u>\$ -</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy requires that total investments have a weighted-average maturity of five years or less. The District's investments in U.S. agency obligations include fixed-rate notes and bonds with a weighted average maturity of three years. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the District's policy to limit its investments to U.S. Treasury and agency obligations or otherwise follow the restrictions of the *Texas Public Funds Investment Act*. The debt securities of the U.S. agencies and U.S. Treasury are rated AA+ by Standard & Poor's rating agency at September 30, 2022 and 2021. The money market mutual funds invested by the District are rated as AAA by Standard & Poor's at September 30, 2022 and 2021.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the District's investments are held in safekeeping or trust accounts.

Concentration of Credit Risk. The District's investment policy restricts the aggregate investment in money market funds to no more than 80% of the District's average investment fund balance, and the aggregate investment in mutual funds cannot exceed 15% of such investment fund balance.

The following table reflects the District's investments in single issuers that represent more than 5% of total investments at September 30:

	<u>2022</u>	<u>2021</u>
Federal Home Loan Bank	22.3%	1.3%
Federal Farm Credit Banks	13.8%	0.0%
Farmer Mac	26.1%	0.0%

Ector County Hospital District
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Notes to Financial Statements
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Summary of Carrying Values

The carrying values of deposits and investments shown above are included in the balance sheets as follows:

	<u>2022</u>	<u>2021</u>
Carrying value		
Deposits	\$ 35,025,912	\$ 47,128,821
Investments	<u>71,096,287</u>	<u>74,167,010</u>
	<u>\$ 106,122,199</u>	<u>\$ 121,295,831</u>
Included in the following balance sheet captions		
Cash and cash equivalents	\$ 32,038,076	\$ 51,190,530
Noncurrent cash and investments	<u>74,084,123</u>	<u>70,105,301</u>
	<u>\$ 106,122,199</u>	<u>\$ 121,295,831</u>

Investment Income (Loss)

Investment income (loss) for the years ended September 30, consisted of:

	<u>2022</u>	<u>2021</u>
Interest income	\$ 642,150	\$ 50,806
Net decrease in fair value of investments	<u>(3,861,307)</u>	<u>(83,095)</u>
Total investment loss	<u>\$ (3,219,157)</u>	<u>\$ (32,289)</u>

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Note 5: Patient Accounts Receivable

The District grants credit without collateral to its patients, many of whom are area residents and are insured under third-party payer agreements. Patient accounts receivable at September 30, consisted of:

	<u>2022</u>	<u>2021</u>
Medicare	\$ 11,829,860	\$ 12,308,607
Medicaid	6,336,147	5,846,816
Other third-party payers	15,600,132	22,594,807
Patients	<u>55,387,938</u>	<u>57,904,098</u>
	89,154,077	98,654,328
Less allowance for uncollectible accounts	<u>59,540,692</u>	<u>62,907,344</u>
	<u>\$ 29,613,385</u>	<u>\$ 35,746,984</u>

Ector County Hospital District
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Note 6: Capital and Lease Assets

Capital and lease assets activity for the years ended September 30, was:

	2022				Ending Balance
	Beginning Balance	Additions	Disposals	Transfers	
Land	\$ 13,799,205	\$ -	\$ -	\$ -	\$ 13,799,205
Land improvements	11,610,435	-	-	23,029	11,633,464
Buildings and improvements	206,424,447	62,688	(24,271)	211,931	206,674,795
Equipment	261,926,531	3,213,570	(3,234,046)	7,533,968	269,440,023
Construction in progress	<u>885,886</u>	<u>10,974,260</u>	<u>-</u>	<u>(7,768,928)</u>	<u>4,091,218</u>
	<u>494,646,504</u>	<u>14,250,518</u>	<u>(3,258,317)</u>	<u>-</u>	<u>505,638,705</u>
Less accumulated depreciation					
Land improvements	9,404,675	572,888	-	-	9,977,563
Buildings and improvements	122,930,003	5,463,368	(24,271)	-	128,369,100
Equipment	<u>191,982,136</u>	<u>13,914,211</u>	<u>(3,234,046)</u>	<u>7,514</u>	<u>202,669,815</u>
	<u>324,316,814</u>	<u>19,950,467</u>	<u>(3,258,317)</u>	<u>7,514</u>	<u>341,016,478</u>
Capital and lease assets, net	<u>\$ 170,329,690</u>	<u>\$ (5,699,949)</u>	<u>\$ -</u>	<u>\$ (7,514)</u>	<u>\$ 164,622,227</u>
	2021				Ending Balance
	Beginning Balance	Additions	Disposals	Transfers	
Land	\$ 13,799,205	\$ -	\$ -	\$ -	\$ 13,799,205
Land improvements	11,610,435	-	-	-	11,610,435
Buildings and improvements	205,579,409	90,745	(238,775)	993,068	206,424,447
Equipment	249,069,115	3,814,467	(2,358,269)	11,401,218	261,926,531
Construction in progress	<u>4,122,171</u>	<u>9,158,001</u>	<u>-</u>	<u>(12,394,286)</u>	<u>885,886</u>
	<u>484,180,335</u>	<u>13,063,213</u>	<u>(2,597,044)</u>	<u>-</u>	<u>494,646,504</u>
Less accumulated depreciation					
Land improvements	8,628,773	775,902	-	-	9,404,675
Buildings and improvements	117,517,747	5,651,031	(238,775)	-	122,930,003
Equipment	<u>181,400,375</u>	<u>12,940,030</u>	<u>(2,358,269)</u>	<u>-</u>	<u>191,982,136</u>
	<u>307,546,895</u>	<u>19,366,963</u>	<u>(2,597,044)</u>	<u>-</u>	<u>324,316,814</u>
Capital and lease assets, net	<u>\$ 176,633,440</u>	<u>\$ (6,303,750)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170,329,690</u>

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Note 7: Risk Management

Professional and General Liability Risks

The District is self-insured for professional and general liability claims. The District's maximum liability for professional and general liability claims as a governmental unit under the *Tort Claims Act* is generally \$100,000 per individual and \$300,000 per occurrence.

Losses from asserted and unasserted claims identified under the District's incident reporting system are accrued based on estimates that incorporate the District's past experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors. It is reasonably possible that the District's estimate of losses will change by a material amount in the near term.

Employee Health Claims

Substantially all of the District's employees and their dependents are eligible to participate in the District's employee health insurance plan. Commercial stop-loss insurance coverage is purchased for employee health claims in excess of \$350,000 at September 30, 2022 and 2021. A provision is accrued for self-insured employee health claims including both claims reported and claims incurred but not yet reported. The accrual is estimated based on consideration of prior claims experience, recently settled claims, frequency of claims and other economic and social factors. It is reasonably possible that the District's estimate will change by a material amount in the near term.

Workers' Compensation Claims

The District is self-insured for workers' compensation claims. Commercial stop-loss insurance coverage is purchased for workers' compensation claims in excess of \$500,000. A provision is accrued for self-insured workers' compensation claims including both claims reported and claims incurred but not yet reported. The accrual is estimated based on consideration of prior claims experience, recently settled claims, frequency of claims and other economic and social factors. It is reasonably possible that the District's estimate will change by a material amount in the near term.

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Activity in the District's self-insured claims liability accounts during 2022 and 2021 is summarized below:

	2022		
	Employee Health Care Benefits	Workers' Compensation	General and Professional Liability
Balance, beginning of year	\$ 1,359,000	\$ 789,769	\$ 1,878,925
Current year claims incurred and changes in estimates for claims incurred in prior years	7,406,805	462,062	2,176,341
Claims and expenses paid, net	<u>(7,524,805)</u>	<u>(602,655)</u>	<u>-</u>
Balance, end of year	<u>\$ 1,241,000</u>	<u>\$ 649,176</u>	<u>\$ 4,055,266</u>
	2021		
	Employee Health Care Benefits	Workers' Compensation	General and Professional Liability
Balance, beginning of year	\$ 1,628,000	\$ 948,137	\$ 2,087,375
Current year claims incurred and changes in estimates for claims incurred in prior years	7,849,789	(49,907)	(192,375)
Claims and expenses paid, net	<u>(8,118,789)</u>	<u>(108,461)</u>	<u>(16,075)</u>
Balance, end of year	<u>\$ 1,359,000</u>	<u>\$ 789,769</u>	<u>\$ 1,878,925</u>

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Bonds Payable – Series 2020

In September 2020, the District issued the Limited Tax General Obligation Refunding Bonds, Series 2020 (Series 2020 bonds) to defease and redeem all of the District’s outstanding Series 2010B bonds and pay the costs associated with the issuance of the Series 2020 bonds. The Series 2020 bond is a direct obligation of the District and is payable from an ad valorem tax.

The Series 2020 bonds consist of hospital revenue bonds in the original amount of \$33,275,000 dated September 15, 2020, which bear interest at rates ranging from 4.00% to 5.00%. The Series 2020 bonds were issued at a premium of \$6,284,279. The Series 2020 bonds are payable in annual installments, beginning September 15, 2021 through September 15, 2035. The maturity schedule of the 2020 bonds was consistently maintained with the 2010B bonds.

The Series 2020 bonds are subject to early redemption by the District subsequent to September 15, 2030, in whole or in part, at par plus accrued interest to the date of redemption. As a result of the refunding, the District decreased its total debt service requirements by approximately \$12,000,000 (\$10,800,000 present value), less \$3,900,000 of funding the District contributed at closing.

The debt service requirements for the 2020 bonds as of September 30, 2022, are as follows:

Year Ending September 30,	Principal	Interest	Total
2023	\$ 1,705,000	\$ 1,447,350	\$ 3,152,350
2024	1,790,000	1,362,100	3,152,100
2025	1,880,000	1,272,600	3,152,600
2026	1,970,000	1,178,600	3,148,600
2027	2,070,000	1,080,100	3,150,100
2028 - 2032	12,005,000	3,740,750	15,745,750
2033 - 2035	<u>8,715,000</u>	<u>735,150</u>	<u>9,450,150</u>
	<u>\$ 30,135,000</u>	<u>\$ 10,816,650</u>	<u>\$ 40,951,650</u>

Lease Liabilities

The District leases equipment, the terms of which expire in 2026. Variable payments based upon the use of the underlying asset are not included in the lease liability because they are not fixed in substance.

The following is a schedule by year of payments under the leases as of September 30, 2022:

Year Ending September 30,	Principal	Interest	Total
2023	\$ 527,209	\$ 39,401	\$ 566,610
2024	541,892	24,718	566,610
2025	556,983	9,627	566,610
2026	<u>47,109</u>	<u>108</u>	<u>47,217</u>
	<u>\$ 1,673,193</u>	<u>\$ 73,854</u>	<u>\$ 1,747,047</u>

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Note 9: Charity Care

In support of its mission, the District voluntarily provides free care to patients who lack financial resources and are deemed to be medically indigent. The costs of charity care provided under the District's charity care policy was approximately \$2,916,000 and \$4,603,000 for 2022 and 2021, respectively. The cost of charity care is estimated by applying the ratio of cost to gross charges to the gross uncompensated charges.

Note 10: Pension and Other Retirement Plans

Plan Description

The District contributes to the Texas County and District Retirement System (TCDRS), an agent multiple-employer defined benefit pension plan covering substantially all employees. The Plan is administered by a board of trustees appointed by TCDRS. Benefit provisions are contained in the plan document and were established and can be amended by action of the District's governing body within the options available in the state statutes governing TCDRS. The Plan does not issue a separate report that includes financial statements and required supplementary information for the Plan. TCDRS in the aggregate issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas 78768-2034 or from the website www.tcdrs.org.

Benefits Provided

The Plan provides retirement, disability, and survivor benefits to plan members and their beneficiaries. Benefit amounts are determined by the sum of the employee's contributions to the Plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the District within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the commitment of the District to contribute to the Plan. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS.

Members can retire at ages 60 and above with eight or more years of service or with 30 years regardless of age, or when the sum of their age and years of service equals 75 or more. A member is vested after eight years but must leave his accumulated contributions in the Plan to receive any employer-financed benefit. If a member withdraws his personal contributions in a lump sum, he is not entitled to any amounts contributed by the employer.

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The Plan has been adopted in lieu of the normal requirement that employers contribute to the social security program (other than for the Medicare portion).

The employees covered by the Plan at December 31, are:

	2021	2020
Inactive employees or beneficiaries currently receiving benefits	818	783
Inactive employees entitled to but not yet receiving benefits	3,905	3,560
Active employees	1,890	1,944
	6,613	6,287

Contributions

The District’s governing body has the authority to establish and amend the contribution requirements of the District and active employees.

The District establishes rates based on the annually determined rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both the employee members and the employer based on the covered payroll of employee members. Plan members are required to contribute 6% of their annually covered salary. Under the TCDRS Act, rates are based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the fiscal years ended September 30, 2022 and 2021, employees contributed \$7,442,608 and \$6,804,808, or 6.0% of annual pay, respectively, and the District contributed \$10,812,393 and \$8,812,807, or 8.7% and 7.7%, of annual pay, respectively, to the Plan.

Net Pension (Asset) Liability

The District’s net pension (asset) liability as of September 30, 2022 and 2021, was measured as of December 31, 2021 and 2020, respectively, and the total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of that date.

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The total pension liability in the December 31, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurements:

	<u>2021</u>	<u>2020</u>
Inflation	2.50%	2.50%
Salary increases (average over career, including inflation)	4.70%	4.60%
Ad hoc cost of living adjustments	Not included	Not included
Investment rate of return (net of investment expenses, including inflation)	7.50%	7.50%

For the December 31, 2021 actuarial valuation, mortality rates for depositing members were 135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

For the December 31, 2020 actuarial valuation, mortality rates for depositing members were 130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The actuarial assumptions used in the December 31, 2021 and 2020 valuations were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016.

The long-term expected rate of return on pension plan investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information. The target allocation and geometric real rates of return for each major asset class are summarized in the table on the following page:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities		
U.S. Equities	11.5%	3.8%
International Equities — Developed	5.0%	3.8%
International Equities — Emerging	6.0%	4.3%
Global Equities	2.5%	4.1%
Hedge Funds	6.0%	1.6%
High-Yield Investments		
Strategic Credit	9.0%	1.8%
Distressed Debt	4.0%	4.5%
Direct Lending	16.0%	6.3%
Private Equity	25.0%	6.8%
Real Assets		
REITs	2.0%	3.1%
Private Real Estate Partnerships	6.0%	5.1%
Master Limited Partnerships	2.0%	3.9%
Investment-Grade Bonds	3.0%	-0.9%
Cash Equivalents	2.0%	-1.1%
	<hr/>	
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.6% at December 31, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Changes in the total pension liability, plan fiduciary net position and the net pension (asset) liability for the year end September 30, are:

	2022		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at beginning of year	\$ 552,092,085	\$ 507,576,655	\$ 44,515,430
Changes for the year			
Service cost	11,616,474	-	11,616,474
Interest on total pension liability	41,960,629	-	41,960,629
Effect of economic/demographic gains or losses	(1,800,167)	-	(1,800,167)
Effect of assumptions changes or inputs	(185,670)	-	(185,670)
Refund of contributions	(1,606,946)	(1,606,946)	-
Benefit payments	(22,015,646)	(22,015,646)	-
Administrative expenses	-	(330,048)	330,048
Member contributions	-	6,867,176	(6,867,176)
Net investment income	-	110,603,128	(110,603,128)
Employer contributions	-	9,041,777	(9,041,777)
Other changes	-	(77,985)	77,985
Net changes	27,968,674	102,481,456	(74,512,782)
Balances at end of year	\$ 580,060,759	\$ 610,058,111	\$ (29,997,352)

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	2021		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at beginning of year	\$ 489,716,438	\$ 467,032,264	\$ 22,684,174
Changes for the year			
Service cost	11,373,290	-	11,373,290
Interest on total pension liability	39,702,415	-	39,702,415
Effect of plan changes	3,869,291	-	3,869,291
Effect of economic/demographic gains or losses	(3,431,439)	-	(3,431,439)
Effect of assumptions changes or inputs	33,169,296	-	33,169,296
Refund of contributions	(2,165,860)	(2,165,860)	-
Benefit payments	(20,141,346)	(20,141,346)	-
Administrative expenses	-	(371,403)	371,403
Member contributions	-	6,773,240	(6,773,240)
Net investment income	-	48,232,952	(48,232,952)
Employer contributions	-	8,387,529	(8,387,529)
Other changes	-	(170,721)	170,721
Net changes	62,375,647	40,544,391	21,831,256
Balances at end of year	<u>\$ 552,092,085</u>	<u>\$ 507,576,655</u>	<u>\$ 44,515,430</u>

The net pension liability has been calculated using a discount rate of 7.6%. The following table presents the net pension (asset) liability of the District using a discount rate 1% higher and 1% lower than the current rate for September 30, 2022:

	2022		
	1% Decrease 6.6%	Current Discount Rate 7.6%	1% Increase 8.6%
District's net pension (asset) liability	<u>\$ 55,404,640</u>	<u>\$ (29,997,352)</u>	<u>\$ (100,150,580)</u>

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Pension Expense (Benefit) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended September 30, 2022 and 2021, the District recognized pension expense (benefit) of approximately (\$1,961,000) and \$16,309,000, respectively. At September 30, 2022 and 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 2,043,896
Changes of assumptions	11,056,432	92,835
Net difference between projected and actual earnings on plan investments	-	69,557,090
District's contributions subsequent to the measurement date of the net pension	8,291,793	-
	<u>\$ 19,348,225</u>	<u>\$ 71,693,821</u>
	2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 145,735	\$ 2,287,626
Changes in assumptions	22,112,864	-
Net difference between projected and actual earnings on plan investments	-	17,098,114
District's contributions subsequent to the measurement date of the net pension	6,879,611	-
	<u>\$ 29,138,210</u>	<u>\$ 19,385,740</u>

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At September 30, 2022 and 2021, the District reported \$8,291,793 and \$6,879,611, respectively, as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as an increase in the net pension asset or a reduction of the net pension liability at September 30, 2023 and 2022, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources at September 30, 2022, related to pensions will be recognized in pension expense as follows:

Year ending September 30:		
2023	\$	(6,181,471)
2024		(23,382,076)
2025		(16,607,786)
2026		<u>(14,466,056)</u>
	<u>\$</u>	<u>(60,637,389)</u>

Pension Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued financial reports of TCDRS for the years ended December 31, 2022 and 2021.

Deferred Compensation Plan

The District also offers its employees a selection of deferred compensation plans created in accordance with IRC Section 457 and 403b. The plans are available to all District employees and permit them to defer a portion of their salary until future years. All amounts of compensation deferred under the plans and income attributable to those amounts are solely the property of the employee. Thus, the plan amounts are not reported in the accompanying financial statements. Employee contributions to the deferred compensation plans were approximately \$1,033,000 and \$940,000 for the years ended September 30, 2022 and 2021, respectively.

ProCare 401(k)

ProCare has adopted a defined contribution retirement plan for all ProCare employees who met the eligibility requirements. Employees that were employed by ProCare after July 1, 2010, meet the minimum age and service conditions of the plan, satisfy any allocation conditions required by the plan, and are not specifically excluded by the provisions of the plan are eligible to participate in the plan. Employees entering the plan after July 1, 2010, vest at a rate of 20% each year, and are fully vested after five years of service. The employees who entered the plan prior to July 1, 2010, were 100% vested upon hire and were grandfathered at that rate upon creation of the new plan. ProCare distributes a discretionary matching contribution and a qualified matching contribution that is determined annually by the Board. Matching contributions cannot exceed 4% of employee plan compensation. Total employer contributions to the plan for the years ended September 30, 2022 and 2021, were approximately \$1,521,000 and \$1,481,000, respectively.

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Note 11: Other Postemployment Benefits (OPEB)

Plan Description and Funding Policy

The District provides postretirement health care benefits, in accordance with District policies, under a single-employer defined benefit OPEB plan administered by the District. Benefits under the plan are provided to employees hired prior to January 1, 1993, retiring from the District who elect to continue participation in the District's health insurance program and retire at the earliest of (a) attaining the age of 60 with at least 10 years of service; (b) completing 30 years of employment, regardless of age; and (c) having the sum of age plus service equal to at least 75. Employees hired after January 1, 1993, are not eligible to receive postretirement health care benefits. Prior to December 31, 2016, the District paid for all medical and hospitalization costs incurred by eligible retirees and their dependents. There was no cost to retirees, but the dependents were required to pay a quarterly premium.

On November 1, 2016, the District approved changes to the plan benefits. Effective January 1, 2017, pre-Medicare benefits are available to eligible retirees in the form of funding to a health reimbursement account (HRA). The HRA funding is \$12,000 annually starting in 2017 for pre-Medicare ages and is expected to increase with inflation in future years. A grandfathered group of post-Medicare retirees will receive HRA funding of \$3,600 annually starting in 2017. Current active employees and other retirees not in this grandfathered group are eligible for HRA funding of \$1,020 annually starting in 2017 for post-Medicare benefits. The post-Medicare benefits are expected to increase with inflation in future years. No HRA funding is provided for retiree dependents.

During 2018, the District reached a settlement with certain participants in the plan to change HRA funding levels effective January 1, 2019. The pre-Medicare HRA funding was changed from \$12,000 to \$12,500 annually. For all but a few grandfathered participants, the post-Medicare HRA funding was changed from \$1,020 to \$2,500 annually. The HRA funding for the post-Medicare grandfathered participants remained the same at \$3,600 annually. However, HRA benefits will no longer be indexed with inflation. In addition, certain dependents will be allowed to submit their qualified medical expenses for reimbursements.

The settlement lists specific participants who were party to the litigation that was filed; however, management has indicated that the new HRA funding limits will apply to all participants in the plan regardless of whether they were named in the settlement agreement. In addition, the settlement agreement indicates that there are expiration dates to the HRA funding, and the expiration date varies from 10 to 15 years beyond 2019 depending on the participant's current age. However, the District has indicated that it intends to continue funding HRA benefits for plan participants beyond these expiration dates as long as they are financially able to do so. For purposes of the below valuation information, management has assumed HRA funding will continue for each participant's lifetime, without taking into consideration expiration dates.

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No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The postretirement medical insurance benefits are currently funded on a pay-as-you-go basis. The District currently funds on a cash basis as benefits are paid.

At September 30, 2022 and 2021, the following employees were covered by the benefit terms:

	2022	2021
Inactive employees or beneficiaries currently receiving benefits	393	385
Active employees	33	45
	426	430

Total OPEB Liability

The District's total OPEB liability of \$12,634,010 and \$20,950,660 was measured as of September 30, 2022 and 2021, respectively. The liability was based on January 1, 2022 and October 1, 2020 valuation dates. No significant differences existed between the actuarial valuation and the measurement date, which would have required a roll-forward to the measurement date.

Actuarial Assumptions

The total OPEB liability in the January 1, 2022 and October 1, 2020 actuarial valuation reports was determined using the following actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement period, unless otherwise specified:

Rate of salary		2.5%
Discount rate	4.59%	(2.31% in prior year)
Healthcare cost trend		Not Applicable

For the September 30, 2022 and 2021 measurement dates, mortality rates are from the Pub-2010 total dataset mortality for general employees, with generational projection accordingly to Scale MP-2021.

Discount Rate

The discount rate used to measure the total OPEB liability at September 30, 2022 and 2021, was 4.59% and 2.31%, respectively, which is based on the average S&P municipal bond 20 Year High Grade Rate Index and the Fidelity GO AA 20 Year Index as of the measurement date. In general, GASB 75 requires a discount rate for an unfunded plan to be based on high quality, long-term municipal bond rates.

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Changes in the Total OPEB Liability

	2022	2021
Total OPEB liability, beginning of year	\$ 20,950,660	\$ 23,213,335
Changes for the year		
Service cost	77,866	76,288
Interest	469,476	483,187
Difference between expected and actual experience	(437,326)	(1,321,497)
Changes in assumptions and other inputs	(7,008,783)	59,528
Benefit payments	(1,417,883)	(1,560,181)
Net changes	(8,316,650)	(2,262,675)
Total OPEB liability, end of year	\$ 12,634,010	\$ 20,950,660

Changes in benefit terms reflect the changes discussed under the Plan Description and Funding Policy above.

Changes in assumptions and other inputs reflect a change in the discount rate previously disclosed.

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate

The total OPEB liability has been calculated using a discount rate of 4.59%. The following table presents the total OPEB liability using a discount rate 1% higher and 1% lower than the current discount rate.

	1% Decrease	Current Discount	1% Increase
	3.59%	Rate	5.59%
		4.59%	
Total OPEB Liability	\$ 11,806,417	\$ 12,634,010	\$ 13,585,344

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

A sensitivity analysis depicting changes in the healthcare cost trend rates is not applicable to the District's OPEB because the District provides a fixed HRA contribution to retirees each year, and those amounts are not scheduled to increase in the future.

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OPEB Expense and Deferred Inflows/Outflows of Resources Related to OPEB

For the years ended September 30, 2022 and 2021, the District recognized an OPEB benefit of approximately \$6,899,000 and \$728,000, respectively. The District did not report any deferred inflows of resources or deferred outflows of resources related to the OPEB at September 30, 2022 or 2021.

Note 12: Related Party Transactions

Medical Center Health System Foundation

The District is the beneficiary of the Medical Center Health System Foundation (Foundation), a separate legal entity with a separate board of directors. The Foundation has legal title to all of the Foundation's assets. The Foundation is not a component unit of the District and, thus, is not reflected in the accompanying financial statements. The District received approximately \$285,000 and \$197,000 from the Foundation in 2022 and 2021, respectively. The funds received are intended primarily for capital projects but are not restricted. Therefore, they have been included in nonoperating revenues.

Medical Center Hospital Auxiliary

From time to time, the District receives contributions from the Medical Center Hospital Auxiliary (Auxiliary), a separate legal entity with a separate board of directors. The Auxiliary has legal title to all of the Auxiliary's assets. The Auxiliary is not a component unit of the District and, thus, is not reflected in the accompanying financial statements. The District received \$0 and \$1,000,000 in donations from the Auxiliary during 2022 and 2021, respectively.

CHC Community Care, LLC

ContinueCare Hospital (CCHO) at Odessa, Inc. is a long-term acute care hospital located in Odessa, Texas. CCHO was developed in conjunction with CHC Community Care, LLC (CCC). The District has a Class H membership in CCC. The District provided CCHO a \$2,500,000 line of credit to provide working capital for CCHO. The Class H membership rights require that cash distributions from CCHO be used to first pay off any amounts outstanding under the line of credit. Subsequent to these payments, cash distributions from CCHO will be paid 80% to the District and 20% to CCC. There were no distributions to the District in 2022 or 2021. The balance of the line of credit was approximately \$372,000 and \$415,000 at September 30, 2022 and 2021, respectively, and is included in prepaid expenses and other current assets.

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Permian Basin Behavioral Health Center

In November 2021, the District joined with another regional healthcare provider to form Permian Basin Behavioral Health Center (the Center). The Center is a Texas nonprofit corporation whose purpose is to establish, own and operate a comprehensive behavioral health center to serve the Permian Basin region of the state of Texas. The District's equity ownership at September 30, 2022 was 50 percent. The Center did not have material financial activity in 2022.

Texas Healthcare Linen, LLC

The District owns a 25.00% and 33.33% membership interest in THL at September 30, 2022 and 2021, respectively. The District's equity interest in THL at September 30, 2022 and 2021, was \$2,334,361 and \$2,322,472, respectively. The equity interest in THL is included in other long-term assets on the accompanying balance sheets.

In September 2010, the District entered into a guarantor agreement whereby the District has agreed to guarantee up to \$2,000,000 of loans that were extended to THL from an unrelated party. The original aggregate amount of the THL loans was \$12,291,000 and the proceeds were used for construction, equipment, and a working capital line of credit. The combined balance of the loans outstanding at September 30, 2022 was \$3,097,299. In February 2022, the District was released from the guarantee agreement and the District no longer guarantees the balance of THL's debt.

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Note 13: Condensed Combining Information

The following tables include condensed combining balance sheet information related for the District and its material blended component unit, ProCare, as of September 30, 2022 and 2021:

	September 30, 2022			
	District	ProCare	Eliminations	Total
Assets and Deferred Outflows of Resources				
Current assets	\$ 87,554,552	\$ 6,003,347	\$ (355,444)	\$ 93,202,455
Noncurrent cash and investments	74,084,123	-	-	74,084,123
Capital and lease assets, net	164,534,011	88,216	-	164,622,227
Other noncurrent assets	34,951,743	-	-	34,951,743
Deferred outflows of resources	19,348,225	-	-	19,348,225
Total assets and deferred outflows of resources	<u>\$ 380,472,654</u>	<u>\$ 6,091,563</u>	<u>\$ (355,444)</u>	<u>\$ 386,208,773</u>
Liabilities, Deferred Inflows of Resources and Net Position				
Current liabilities	\$ 66,033,894	\$ 6,124,391	\$ (355,444)	\$ 71,802,841
Estimated self-insurance costs	2,469,073	-	-	2,469,073
Long-term debt	33,293,653	-	-	33,293,653
Other long-term liabilities	13,630,715	-	-	13,630,715
Deferred inflows of resources	71,693,821	-	-	71,693,821
Total liabilities and deferred inflows of resources	<u>187,121,156</u>	<u>6,124,391</u>	<u>(355,444)</u>	<u>192,890,103</u>
Net Position				
Net investments in capital assets	127,544,106	88,216	-	127,632,322
Restricted	29,997,352	-	-	29,997,352
Unrestricted	35,810,040	(121,044)	-	35,688,996
Total net position	<u>193,351,498</u>	<u>(32,828)</u>	<u>-</u>	<u>193,318,670</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 380,472,654</u>	<u>\$ 6,091,563</u>	<u>\$ (355,444)</u>	<u>\$ 386,208,773</u>

Ector County Hospital District
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	September 30, 2021			
	District	ProCare	Eliminations	Total
Assets and Deferred Outflows of Resources				
Current assets	\$ 116,386,217	\$ 5,772,655	\$ (693,312)	\$ 121,465,560
Noncurrent cash and investments	70,105,301	-	-	70,105,301
Capital and lease assets, net	170,224,021	105,669	-	170,329,690
Other noncurrent assets	5,139,821	-	-	5,139,821
Deferred outflows of resources	29,138,210	-	-	29,138,210
Total assets and deferred outflows of resources	<u>\$ 390,993,570</u>	<u>\$ 5,878,324</u>	<u>\$ (693,312)</u>	<u>\$ 396,178,582</u>
Liabilities, Deferred Inflows of Resources and Net Position				
Current liabilities	\$ 49,455,084	\$ 5,911,156	\$ (693,312)	\$ 54,672,928
Estimated self-insurance costs	1,476,505	-	-	1,476,505
Long-term debt	35,685,868	-	-	35,685,868
Medicare Advance Payments - Long-term	16,425,468	-	-	16,425,468
Other long-term liabilities	66,667,439	-	-	66,667,439
Deferred inflows of resources	19,385,740	-	-	19,385,740
Total liabilities and deferred inflows of resources	<u>189,096,104</u>	<u>5,911,156</u>	<u>(693,312)</u>	<u>194,313,948</u>
Net Position				
Net investments in capital assets	130,182,560	105,669	-	130,288,229
Unrestricted	71,714,906	(138,501)	-	71,576,405
Total net position	<u>201,897,466</u>	<u>(32,832)</u>	<u>-</u>	<u>201,864,634</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 390,993,570</u>	<u>\$ 5,878,324</u>	<u>\$ (693,312)</u>	<u>\$ 396,178,582</u>

Ector County Hospital District
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September 30, 2022 and 2021

The following tables include condensed combining statements of revenues, expenses and changes in net position information for the District and its material blended component unit, ProCare, for the years ended September 30, 2022 and 2021:

	September 30, 2022		
	District	ProCare	Total
Operating revenues			
Net patient service revenue	\$ 217,438,117	\$ 41,902,573	\$ 259,340,690
Supplemental Medicaid funding revenue	36,496,491	-	36,496,491
Other revenue	9,463,880	2,501,787	11,965,667
Total operating revenues	<u>263,398,488</u>	<u>44,404,360</u>	<u>307,802,848</u>
Operating expenses			
Salaries, wages and benefits	119,411,453	54,124,417	173,535,870
Purchased services and professional fees	110,654,214	4,977,048	115,631,262
Supplies and other	80,976,449	4,792,110	85,768,559
Depreciation and amortization	19,904,903	62,479	19,967,382
Total operating expenses	<u>330,947,019</u>	<u>63,956,054</u>	<u>394,903,073</u>
Operating loss	<u>(67,548,531)</u>	<u>(19,551,694)</u>	<u>(87,100,225)</u>
Nonoperating Revenues (Expenses)			
Tax revenue, net	77,828,511	-	77,828,511
Interest expense	(895,410)	-	(895,410)
Other nonoperating revenues, net	1,621,160	-	1,621,160
Intercompany transfers	(19,551,698)	19,551,698	-
Total nonoperating revenues	<u>59,002,563</u>	<u>19,551,698</u>	<u>78,554,261</u>
Change in net position	<u>(8,545,968)</u>	<u>4</u>	<u>(8,545,964)</u>
Net position, beginning of year	<u>201,897,466</u>	<u>(32,832)</u>	<u>201,864,634</u>
Net position, end of year	<u>\$ 193,351,498</u>	<u>\$ (32,828)</u>	<u>\$ 193,318,670</u>

Ector County Hospital District
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	September 30, 2021		
	District	ProCare	Total
Operating revenues			
Net patient service revenue	\$ 222,483,447	\$ 40,632,813	\$ 263,116,260
Supplemental Medicaid funding revenue	42,318,461	-	42,318,461
Other revenue	8,546,107	2,499,313	11,045,420
Total operating revenues	<u>273,348,015</u>	<u>43,132,126</u>	<u>316,480,141</u>
Operating expenses			
Salaries, wages and benefits	134,971,546	52,386,746	187,358,292
Purchased services and professional fees	85,866,918	4,161,687	90,028,605
Supplies and other	74,850,301	4,996,931	79,847,232
Depreciation and amortization	19,229,695	79,797	19,309,492
Total operating expenses	<u>314,918,460</u>	<u>61,625,161</u>	<u>376,543,621</u>
Operating loss	<u>(41,570,445)</u>	<u>(18,493,035)</u>	<u>(60,063,480)</u>
Nonoperating Revenues (Expenses)			
Tax revenue, net	64,419,905	-	64,419,905
Interest expense	(880,534)	-	(880,534)
Other nonoperating revenues, net	26,131,531	1,158,320	27,289,851
Intercompany transfers	(17,334,719)	17,334,719	-
Total nonoperating revenues	<u>72,336,183</u>	<u>18,493,039</u>	<u>90,829,222</u>
Change in net position	<u>30,765,738</u>	<u>4</u>	<u>30,765,742</u>
Net position, beginning of year	<u>171,131,728</u>	<u>(32,836)</u>	<u>171,098,892</u>
Net position, end of year	<u>\$ 201,897,466</u>	<u>\$ (32,832)</u>	<u>\$ 201,864,634</u>

Ector County Hospital District
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September 30, 2022 and 2021

The following table includes condensed combining statements of cash flows information for the District and its material blended component unit, ProCare, for the years ended September 30, 2022 and 2021:

	September 30, 2022		
	District	ProCare	Total
Net cash provided by (used in)			
Operating activities	\$ (57,067,254)	\$ (19,551,273)	\$ (76,618,527)
Noncapital financing activities	78,695,093	-	78,695,093
Capital and related financing activities	(34,538,834)	19,551,698	(14,987,136)
Investing activities	<u>(7,391,500)</u>	<u>-</u>	<u>(7,391,500)</u>
Increase (decrease) in cash and cash equivalents	(20,302,495)	425	(20,302,070)
Cash and cash equivalents, beginning of year	<u>52,508,611</u>	<u>4,650</u>	<u>52,513,261</u>
Cash and cash equivalents, end of year	<u>\$ 32,206,116</u>	<u>\$ 5,075</u>	<u>\$ 32,211,191</u>
	September 30, 2021		
	District	ProCare	Total
Net cash provided by (used in)			
Operating activities	\$ (34,974,623)	\$ (22,815,093)	\$ (57,789,716)
Noncapital financing activities	60,809,203	1,158,320	61,967,523
Capital and related financing activities	(35,717,546)	21,656,723	(14,060,823)
Investing activities	<u>(24,291,222)</u>	<u>-</u>	<u>(24,291,222)</u>
Decrease in cash and cash equivalents	(34,174,188)	(50)	(34,174,238)
Cash and cash equivalents, beginning of year	<u>86,682,799</u>	<u>4,700</u>	<u>86,687,499</u>
Cash and cash equivalents, end of year	<u>\$ 52,508,611</u>	<u>\$ 4,650</u>	<u>\$ 52,513,261</u>

Ector County Hospital District
d/b/a Medical Center Health System
Notes to Financial Statements
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Note 14: Disclosures About Fair Value of Investments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2022 and 2021:

	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
September 30, 2022				
Money market mutual funds	\$ 671,283	\$ 671,283	\$ -	\$ -
U.S. agencies obligations	49,501,739	-	49,501,739	-
U.S. treasury obligations	20,898,847	-	20,898,847	-
Total investments	<u>\$ 71,071,869</u>	<u>\$ 671,283</u>	<u>\$ 70,400,586</u>	<u>\$ -</u>
September 30, 2021				
Money market mutual funds	\$ 9,374,589	\$ 9,374,589	\$ -	\$ -
U.S. agencies obligations	986,868	-	986,868	-
U.S. treasury obligations	63,796,535	-	63,796,535	-
Total investments	<u>\$ 74,157,992</u>	<u>\$ 9,374,589</u>	<u>\$ 64,783,403</u>	<u>\$ -</u>

Ector County Hospital District
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Notes to Financial Statements
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Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The District held no Level 3 investments at September 30, 2022 and 2021.

Note 15: COVID-19 Pandemic & CARES Act Funding

On March 11, 2020, the World Health Organization designated the SARS-CoV-2 virus and the incidence of COVID-19 (COVID-19) as a global pandemic. Patient volumes and the related revenues were significantly affected by COVID-19 as various policies were implemented by federal, state, and local governments in response to the pandemic that led many people to remain at home and forced the closure of or limitations on certain businesses, as well as suspended elective procedures by health care facilities.

As discussed below, the District received accelerated Medicare payments and general and targeted Provider Relief Fund distributions as provided for under the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*.

Provider Relief Fund and Coronavirus Relief Fund

From inception of the pandemic through September 30, 2022, the District had received approximately \$29,628,000 of distributions from the CARES Act Provider Relief Fund (the Provider Relief Fund) and \$670,000 from the CARES Act Coronavirus Relief Fund (the Coronavirus Relief Fund), of which approximately \$3,114,000 and \$670,000 were received during the years ended September 30, 2022 and 2021, respectively. These distributions are not subject to repayment, provided the District is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the distributions received have been used for qualifying expenses or lost revenue attributable to COVID-19, as defined by the U.S. Department of Health and Human Services.

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The District is accounting for such payments as conditional contributions. Payments are recognized as non-operating revenue once the applicable terms and conditions required to retain the funds have been met. Based on an analysis of the compliance and reporting requirements of the Provider Relief Fund and Coronavirus Relief Fund and the effect of the pandemic on the District's operating revenues and expenses through September 30, 2022 and 2021, the District recognized approximately \$3,114,000 and \$23,708,000, related to the Provider Relief Fund and Coronavirus Relief Fund in 2022 and 2021, respectively, and these payments are recorded as CARES Act funding in the statements of revenues, expenses and changes in net position.

The terms and conditions governing the Provider Relief Funds and Coronavirus Relief Funds are complex and subject to interpretation and change. If the District is unable to attest to or comply with current or future terms and conditions, the District's ability to retain some or all of the distributions received may be affected. These payments are subject to government oversight, including potential audits.

Medicare Accelerated and Advanced Payment Program

During the year ended September 30, 2020, the District requested and received approximately \$31,971,000 of accelerated Medicare payments as provided for in the CARES Act, which allows for eligible health care facilities to request up to six months of advance Medicare payments for acute care hospitals or up to three months of advance Medicare payments for other health care providers. These amounts are expected to be recaptured by CMS according to the payback provisions.

Effective September 30, 2020, the payback provisions were revised and extended the payback period to begin one year after the issuance of the advance payment through a phased payback period approach. The first 11 months of the payback period will be at 25 percent of the remittance advice payment followed by a six-month payback period at 50 percent of the remittance advice payment. After 29 months, CMS expects any amount not paid back through the withhold amounts to be paid back in a lump sum or interest will begin to accrue subsequent to the 29 month at a rate of 4 percent.

The District's outstanding balance related to the accelerated Medicare payments was approximately \$16,200,000 and \$31,541,000 at September 30, 2022 and 2021, respectively.

Payable to City of Odessa, Texas

During the year ended September 30, 2022, the city of Odessa, Texas advanced the District \$3,000,000 of American Rescue Plan Act funds, for costs associated with pandemic that the District incurred from March 3, 2021 through December 31, 2021. The outstanding balance of the loan was \$3,000,000 at September 30, 2022, and is included in other accrued expenses on the balance sheet. The District paid the loan in full in December 2022.

Ector County Hospital District
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Notes to Financial Statements
September 30, 2022 and 2021

Note 16: Contingencies

In the normal course of business, the District is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the District's self-insurance program (discussed elsewhere in these notes) or by commercial insurance; for example, allegations regarding employment practices or performance of contracts. The District evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of ultimate expected loss, if any, for each. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

Note 17: Future Change in Accounting Principle

GASB Statement No. 96 – *Subscription Based Information Technology Arrangement* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Required Supplementary Information

Ector County Hospital District
d/b/a Medical Center Health System
Schedule of Changes in the District's Net Position Liability and Related Ratios
As of December 31,

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 11,616,474	\$ 11,373,290	\$ 10,676,072	\$ 10,424,169	\$ 11,664,134	\$ 12,611,339	\$ 11,722,978	\$ 11,063,097
Interest on total pension liability	41,960,629	39,702,415	37,414,549	35,219,433	33,423,201	30,752,584	28,642,798	26,748,805
Effect of plan changes	-	3,869,291	-	-	(4,482,712)	-	(1,903,496)	-
Effect of assumption changes or inputs	(185,670)	33,169,296	-	-	1,461,676	-	4,643,534	-
Effect of economic/demographic (gains) or losses	(1,800,167)	(3,431,439)	437,203	11,498	(1,559,674)	(464,253)	(2,168,073)	(3,304,508)
Benefit payments, including refunds of employee contributions	(23,622,592)	(22,307,206)	(19,703,041)	(17,944,799)	(16,269,752)	(14,583,702)	(13,405,611)	(12,201,099)
Net Change in Total Pension Liability	27,968,674	62,375,647	28,824,783	27,710,301	24,236,873	28,315,968	27,532,130	22,306,295
Total Pension Liability—Beginning	552,092,086	489,716,439	460,891,656	433,181,355	408,944,482	380,628,514	353,096,384	330,790,089
Total Pension Liability—Ending (a)	<u>\$ 580,060,760</u>	<u>\$ 552,092,086</u>	<u>\$ 489,716,439</u>	<u>\$ 460,891,656</u>	<u>\$ 433,181,355</u>	<u>\$ 408,944,482</u>	<u>\$ 380,628,514</u>	<u>\$ 353,096,384</u>
Plan Fiduciary Net Position								
Contributions—employer	\$ 9,041,777	\$ 8,387,529	\$ 8,473,362	\$ 7,541,944	\$ 8,535,709	\$ 7,881,165	\$ 8,263,374	\$ 8,021,499
Contributions—employee	6,867,176	6,773,240	7,304,622	6,686,804	5,373,243	5,303,910	5,345,403	4,963,799
Net investment income (loss)	110,603,128	48,232,952	66,494,590	(7,806,530)	53,397,053	25,372,459	(3,886,950)	21,913,195
Benefit payments, including refunds of employee contributions	(23,622,592)	(22,307,206)	(19,703,041)	(17,944,799)	(16,269,752)	(14,583,702)	(13,405,611)	(12,201,099)
Administrative expense	(330,048)	(371,403)	(355,896)	(325,207)	(277,189)	(275,792)	(248,388)	(259,291)
Other	(77,985)	(170,721)	(68,907)	(70,381)	(34,197)	(420,168)	(545,315)	(608,848)
Net Change in Plan Fiduciary Net Position	102,481,456	40,544,391	62,144,730	(11,918,169)	50,724,867	23,277,872	(4,477,487)	21,829,255
Plan Fiduciary Net Position—Beginning	507,576,656	467,032,265	404,887,535	416,805,704	366,080,837	342,802,965	347,280,452	325,451,197
Plan Fiduciary Net Position—Ending (b)	<u>\$ 610,058,112</u>	<u>\$ 507,576,656</u>	<u>\$ 467,032,265</u>	<u>\$ 404,887,535</u>	<u>\$ 416,805,704</u>	<u>\$ 366,080,837</u>	<u>\$ 342,802,965</u>	<u>\$ 347,280,452</u>
District's Net Pension (Asset) Liability—Ending (a) – (b)	<u>\$ (29,997,352)</u>	<u>\$ 44,515,430</u>	<u>\$ 22,684,174</u>	<u>\$ 56,004,121</u>	<u>\$ 16,375,651</u>	<u>\$ 42,863,645</u>	<u>\$ 37,825,549</u>	<u>\$ 5,815,932</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Covered Payroll	105.17%	91.94%	95.37%	87.85%	96.22%	89.52%	90.06%	98.35%
District's Net Pension (Asset) Liability as a Percentage of Covered Payroll	\$ 114,452,939	\$ 112,887,341	\$ 121,743,700	\$ 111,446,732	\$ 107,464,853	\$ 106,072,205	\$ 106,900,052	\$ 99,275,976
	-26.21%	39.43%	18.63%	50.25%	15.24%	40.41%	35.38%	5.86%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available. Information presented in this schedule has been determined as of the measurement date (December 31) of the net pension liability in accordance with GASB 68.

**Ector County Hospital District
d/b/a Medical Center Health System
Schedule of District Contributions
Year Ending September 30, 2022**

Year Ending September 30,	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll (1)	Contributions as a Percentage of Covered Payroll
2022	\$ 10,812,393	\$ 10,812,393	\$ -	\$ 123,655,098	8.7%
2021	\$ 8,812,807	\$ 8,812,807	\$ -	\$ 114,331,281	7.7%
2020	\$ 8,442,132	\$ 8,442,132	\$ -	\$ 115,778,786	7.3%
2019	\$ 8,250,569	\$ 8,250,569	\$ -	\$ 115,953,367	7.1%
2018	\$ 7,749,743	\$ 7,749,743	\$ -	\$ 110,519,900	7.0%
2017	\$ 8,414,494	\$ 8,414,494	\$ -	\$ 109,010,606	7.7%
2016	\$ 7,928,302	\$ 7,928,302	\$ -	\$ 106,714,714	7.4%
2015	\$ 8,022,863	\$ 8,022,863	\$ -	\$ 103,172,647	7.8%

Notes to Schedule:

(1) Payroll is calculated based on contributions as reported to TCDRS

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost
Amortization method	Level percentage of payroll, closed
Remaining amortization period	18.9 years
Asset valuation method	5-year smoothed non-asymptotic market
Inflation	2.50%
Salary increases	4.7% average over career, including inflation
Investment rate of return	7.5%, net of pension plan investment expense, including inflation
Retirement age	61 (average)
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available. Information presented in this schedule has been determined as of the District's fiscal year end (September 30) in accordance with GASB 68.

**Ector County Hospital District
d/b/a Medical Center Health System
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
Year Ending September 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service cost	\$ 77,866	\$ 76,288	\$ 76,903	\$ 96,547	\$ 112,681
Interest	469,476	483,187	692,194	890,682	713,283
Changes in benefit terms	-	-	-	-	3,958,585
Difference between expected and actual experience	(437,326)	(1,321,497)	(112,350)	-	-
Changes in assumptions and other inputs	(7,008,783)	59,528	(1,569,754)	1,498,425	(475,455)
Benefit payments	(1,417,883)	(1,560,181)	(1,412,346)	(1,318,809)	(1,229,631)
Net Change in Total OPEB Liability	<u>(8,316,650)</u>	<u>(2,262,675)</u>	<u>(2,325,353)</u>	<u>1,166,845</u>	<u>3,079,463</u>
Total OPEB Liability—Beginning	<u>20,950,660</u>	<u>23,213,335</u>	<u>25,538,688</u>	<u>24,371,843</u>	<u>21,292,380</u>
Total OPEB Liability—Ending	<u>\$ 12,634,010</u>	<u>\$ 20,950,660</u>	<u>\$ 23,213,335</u>	<u>\$ 25,538,688</u>	<u>\$ 24,371,843</u>
Covered-employee Payroll	\$ 2,359,704	\$ 4,072,559	\$ 4,068,072	\$ 5,222,568	\$ 5,123,824
District's total OPEB liability as a percentage of covered-employee payroll	535.41%	514.43%	570.62%	489.01%	475.66%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

2018

Changes in benefit terms reflect the changes discussed under the Plan Description and Funding Policy in *Note 11*.
Changes in assumptions and other inputs reflect a change in the discount rate from 3.43% to 3.74%.

2019

Changes in assumptions and other inputs reflect a change in the discount rate from 3.74% to 3.17%.

2020

Changes in assumptions and other inputs reflect a change in the discount rate from 3.17% to 2.28%.

2021

Changes in assumptions and other inputs reflect a change in the discount rate from 2.28% to 2.31%.

2022

Changes in assumptions and other inputs reflect a change in the discount rate from 2.31% to 4.59% and a change in the HRA utilization rate from 90% to 70%.



Report to the Board of Directors, Audit Committee, and Management

**Ector County Hospital District d/b/a
Medical Center Health System**

**Results of the 2022 Financial Statement
Audit, Including Required Communications**

Dallas, Texas

September 30, 2022

forvis.com



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Required Communications Regarding Our Audit Strategy & Approach (AU-C 260)

The following matters are required communications we must make to you, including these responsibilities:

Overview & Responsibilities

Matter	Discussion
Scope of Our Audit	<p>This report covers audit results related to your financial statements:</p> <ul style="list-style-type: none">• As of and for the year ended September 30, 2022• Conducted in accordance with our contract dated August 17, 2022
Our Responsibilities	<p>FORVIS is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).</p>
Audit Scope & Inherent Limitations to Reasonable Assurance	<p>An audit performed in accordance with auditing standards generally accepted in the United States of America (GAAS) is designed to obtain reasonable, rather than absolute, assurance about the financial statements. The scope of our audit tests was established in relation to the financial statements taken as a whole and did not include a detailed audit of all transactions.</p>



Extent of Our Communication	In addition to areas of interest and noting prior communications made during other phases of the engagement, this report includes communications required in accordance with GAAS that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process, including audit approach, results, and internal control. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.
Independence	The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.
Your Responsibilities	Our audit does not relieve management or those charged with governance of your responsibilities. Your responsibilities and ours are further referenced in our contract.
Distribution Restriction	<p>This communication is intended solely for the information and use of the following and is not intended to be, and should not be, used by anyone other than these specified parties:</p> <ul style="list-style-type: none"> • The Board of Directors, Audit Committee, and Management • Others within the District



Qualitative Aspects of Significant Accounting Policies & Practices

The following matters are detailed in the following pages and included in our assessment:

Significant Accounting Policies

Significant accounting policies are described in *Note 1* of the audited financial statements.

With respect to new accounting standards adopted during the year, we call to your attention the following topics detailed in the following pages:

- GASB 87, *Leases*

Unusual Policies or Methods

With respect to significant unusual accounting policies or accounting methods used for significant unusual transactions (significant transactions outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature), we noted the following:

- No matters are reportable

Alternative Accounting Treatments

We had discussions with management regarding alternative accounting treatments within GAAP for policies and practices for material items, including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies, as follows:

- No matters are reportable



Management Judgments & Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. Significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates include:

- Allowance for uncollectible accounts and contractual adjustments
- Estimates of third-party payer settlements
- Supplemental Medicaid funding revenue and related settlements
- Estimates of professional and general liability accruals
- Estimates for incurred, but not reported, health claims for employees
- Value of sales and property taxes receivable and tax revenue
- Other Post-Retirement Benefits (OPEB)
- Net Pension Asset/Liability

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Patient revenue recognition
- Medicaid supplemental payment programs
- Defined benefit pension plan
- OPEB
- COVID-19 and CARES Act Provisions

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Our Judgment About the Quality of the District's Accounting Principles

During the course of the audit, we made the following observations regarding the District's application of accounting principles:

- No matters are reportable

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Adjustments Identified by Audit

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.

A misstatement is a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

Proposed & Recorded Adjustments

Auditor-proposed and management-recorded entries include the following:

- Supplemental Medicaid funding receivable and related revenue
- Other receivables and non-operating revenue
- Sales tax receivable and tax revenue

Uncorrected Misstatements

Some adjustments proposed were **not recorded** because their aggregate effect is not currently material; however, they involve areas in which adjustments in the future could be material, individually or in the aggregate.

Uncorrected audit misstatements pertaining to the latest period presented that were determined by management to be immaterial, both individually and in the aggregate, but more than trivial to the financial statements as a whole are included as an attachment to this communication.

While these uncorrected misstatements were deemed to be immaterial to the current-year financial statements, it is possible that the impact of these uncorrected misstatements, or matters underlying these uncorrected misstatements, could potentially cause future-period financial statements to be materially misstated.

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Nature of Uncorrected Misstatements

- Passed adjustment schedule (see *Attachments*)

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Other Required Communications

Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter (see *Attachments*)
- We observed matters that we consider to be deficiencies that we communicated to management verbally.

Representation of:
Ector County Hospital District
d/b/a Medical Center Health System
500 West 4th Street
Odessa, Texas 76761

Provided to:
FORVIS, LLP
Certified Public Accountants
14241 Dallas Parkway, Suite 1100
Dallas, Texas 75254-2961

The undersigned (“We”) are providing this letter in connection with FORVIS’ audits of our financial statements as of and for the years ended September 30, 2022 and 2021.

Our representations are current and effective as of the date of FORVIS’ report: March 30, 2023.

Our engagement with FORVIS is based on our contract for services dated August 17, 2022.

Our Responsibility & Consideration of Material Matters

We confirm that we are responsible for the fair presentation of the financial statements subject to FORVIS’ report in conformity with accounting principles generally accepted in the United States of America.

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

Confirmation of Matters Specific to the Subject Matter of FORVIS’ Report

We confirm, to the best of our knowledge and belief, the following:

Broad Matters

1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation, and maintenance of:
 - a. Internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
 - b. Internal control to prevent and detect fraud.
3. We have provided you with:

Ector County Hospital District
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- a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. All minutes of directors' meetings held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the board if applicable, and maintained as part of our records.
 - e. All significant contracts and grants.
4. We have responded fully and truthfully to all your inquiries.

Government Auditing Standards

5. We acknowledge that we are responsible for compliance with applicable laws, regulations, and provisions of contracts and grant agreements.
6. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
7. We have identified and disclosed to you any violations or possible violations of laws, regulations and provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.
8. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts, or violations of provisions of contracts or grant agreements that you or other auditors report.
9. We have a process to track the status of audit findings and recommendations.
10. We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements, or other studies.

Misappropriation, Misstatements, & Fraud

11. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
 - a. Misappropriation of assets.
 - b. Misrepresented or misstated assets, deferred outflows of resources, liabilities, deferred inflows of resources or net position.
12. We have no knowledge of fraud or suspected fraud affecting the entity involving:

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- a. Management or employees who have significant roles in internal control over financial reporting, or
 - b. Others when the fraud could have a material effect on the financial statements.
13. We understand that the term "fraud" includes misstatements arising from fraudulent financial reporting and misstatements arising from misappropriation of assets. Misstatements arising from fraudulent financial reporting are intentional misstatements, or omissions of amounts or disclosures in financial statements to deceive financial statement users. Misstatements arising from misappropriation of assets involve the theft of an entity's assets where the effect of the theft causes the financial statements not to be presented in conformity with accounting principles generally accepted in the United States of America.
 14. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, patients, citizens, policyholders, suppliers, or others.
 15. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.
 16. We have no knowledge of illegal acts that may materially misstate the financial statements.

Ongoing Operations

17. The entity's ability to continue as a going concern was evaluated and that appropriate disclosures are made in the financial statements as necessary under GASB requirements.

Related Parties

18. We have disclosed to you the identity of all of the entity's related parties and all the related-party relationships of which we are aware.

In addition, we have disclosed to you all related-party transactions and amounts receivable from or payable to related parties of which we are aware, including:

- Support for any assertion that a transaction with a related party was conducted on terms equivalent to those prevailing in an arm's-length transaction.
- Any modifications during the year that were made to related-party transaction agreements which existed prior to the beginning of the year under audit, as well as new related-party transaction agreements that were executed during the year under audit.

Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

19. We understand that the term related party refers to:
 - Affiliates.
 - Entities for which investments are accounted for by the equity method.
 - Trusts for the benefits of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management.
 - Management and members of their immediate families.

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- Any other party with which the entity may deal if one party can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Another party is also a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with, the entity.

Litigation, Laws, Rulings, & Regulations

20. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America
21. We have no knowledge of any other communications from regulatory agencies, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws and regulations, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
22. We have disclosed to you all known instances of violations or noncompliance or possible violations or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements or as a basis for recording a loss contingency.
23. There are no regulatory examinations currently in progress for which we have not received examination reports.
24. We have no reason to believe the entity owes any penalties or payments under the Employer Shared Responsibility Provisions of the *Patient Protection and Affordable Care Act* nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.
25. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.

Nonattest Services

26. You have provided nonattest services, including the following, during the period of this engagement:
 - Preparing a draft of the financial statements and related notes and supplementary information.
 - Preparation of the Medicare and Medicaid cost reports
27. With respect to these services:
 - a. We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.

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- b. We have established and monitored the performance of the nonattest services to ensure they meet our objectives.
- c. We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.
- d. We have evaluated the adequacy of the services performed and any findings that resulted.
- e. Established and maintained internal controls, including monitoring ongoing activities.
- f. We have received the deliverables from you and have stored these deliverables in information systems controlled by us. We have taken responsibility for maintaining internal control over these deliverables.

Financial Statements & Reports

- 28. We have reviewed and approved a draft of the financial statements and related notes referred to above, which you prepared in connection with your audit of our financial statements. We acknowledge that we are responsible for the fair presentation of the financial statements and related notes.
- 29. We do not issue an annual report, nor do we have plans to issue an annual report at this time.

Transactions, Records, & Adjustments

- 30. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 31. The entity has appropriately reconciled its general ledger accounts to their related supporting information. All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the financial statements. All intracompany (and intercompany) accounts have been eliminated or appropriately measured and considered for disclosure in the financial statements.
- 32. We have everything we need to keep our books and records.
- 33. We have disclosed any significant unusual transactions the entity has entered into during the period, including the nature, terms, and business purpose of those transactions.
- 34. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the entity's accounts.
- 35. We believe the effects of the uncorrected financial statement misstatements and omitted disclosures summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Healthcare Matters

- 36. We have provided you with all peer review organizations, administrative contractor, and third-party payer reports and information.
- 37. We have informed you of all pending or completed investigations by regulatory authorities of which we are aware. There are no known circumstances that could jeopardize the entity's participation in the Medicare or other governmental healthcare programs.

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38. Adequate provisions and allowances have been accrued for any material losses from Medicare/Medicaid and other third-party payer contractual, audit, or other adjustments.
39. With respect to the entity's possible exposure to past or future medical malpractice assertions:
 - a. We have disclosed to you all incidents known to us that could possibly give rise to an assertion of malpractice.
 - b. All known incidents have been reported to our actuarial consultants and are appropriately considered in our malpractice liability accrual. Any claims that should be reported to our excess liability carrier have been reported.
 - c. There is no known lapse in coverage, including any lapse subsequent to the fiscal year-end, that would result in any known incidents being uninsured above our customary self-insured retention amounts.
 - d. Management does not expect any claims to exceed any applicable excess policy malpractice insurance limits.
 - e. We believe our accruals for uninsured malpractice claims are sufficient for all known and any probable potential claims.
 - f. We have reviewed the assumptions used by our actuarial consultant to estimate our self-insured accrual and believe those assumptions are appropriate.
40. Billings to third-party payers comply in all material respects with applicable coding guidelines, laws, and regulations. Billings reflect only charges for goods and services that were medically necessary; properly approved by regulatory bodies, if required; and properly rendered.
41. With regard to cost reports filed with Medicare, Medicaid, or other third parties:
 - a. All required reports have been properly filed.
 - b. Management is responsible for the accuracy and propriety of those reports.
 - c. All costs reflected on such reports are appropriate and allowable under applicable reimbursement rules and regulations and are patient-related and properly allocated to applicable payers.
 - d. The reimbursement methodologies and principles employed are in accordance with applicable rules and regulations.
 - e. All items required to be disclosed, including disputed costs that are being claimed to establish a basis for a subsequent appeal, have been fully disclosed in the cost report.
 - f. Recorded third-party settlements include differences between filed (and to be filed) cost reports and calculated settlements, which are necessary based upon historical experience or new or ambiguous regulations that may be subject to differing interpretations. While management believes the entity is entitled to all the amounts claimed on the cost reports, management also believes the amounts of these differences are appropriate.
42. With respect to the entity's possible exposure to past or future workers' compensation assertions:
 - a. We have disclosed to you all incidents known to us that could possibly give rise to workers' compensation assertion.

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- b. All known incidents have been reported to the appropriate workers' compensation insurer.
 - c. There is no known lapse in coverage, including any lapse subsequent to the fiscal year-end, that would result in any known incidents being uninsured.
 - d. Management does not expect any claims to exceed workers' compensation insurance limits.
43. There are no instances of noncompliance with laws or regulations with respect to Medicare and Medicaid antifraud and abuse statutes, in any jurisdiction, whose effects we believe should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, other than those disclosed or accrued in the financial statements. This is including, but not limited to, the Anti-Kickback Statute of the *Medicare and Medicaid Patient and Program Protection Act of 1987*, limitations on certain physician referrals (the Stark law), and the *False Claims Act*.

Nonprofit Accounting & Disclosure Matters

44. We are an entity exempt from income tax under Section 501(c) of the Internal Revenue Code and a similar provision of state law and, except as disclosed in the financial statements, there are no activities that would jeopardize our tax-exempt status or subject us to income tax on unrelated business income or excise tax on prohibited transactions and events.
- a. We further acknowledge the entity's exemption under Section 501(c) is subject to additional operating requirements under Section 501(r). As such, we made publicly available a community health needs assessment performed in accordance with IRS requirements, and the entity's Board of Directors subsequently approved an implementation strategy to address needs identified in the assessment. The entity is also in compliance with certain requirements dealing with financial assistance, billing and collection practices, and limitations on charges for uninsured patients that meet our financial assistance requirements.

Accounting & Disclosure

45. All transactions entered into by the entity are final. We are not aware of any unrecorded transactions, side agreements, or other arrangements (either written or oral) that are in place.
46. Except as reflected in the financial statements, there are no:
- a. Plans or intentions that may materially affect carrying values or classifications of assets, liabilities, or net position.
 - b. Material transactions omitted or improperly recorded in the financial records.
 - c. Material unasserted claims or assessments that are probable of assertion or other gain/loss contingencies requiring accrual or disclosure in accordance with Accounting Standards Codification (ASC) Topic 450, *Contingencies*, including those arising from environmental remediation obligations.
 - d. Events occurring subsequent to the balance sheet date through the date of this letter, which is the date the financial statements were available to be issued, requiring adjustment or disclosure in the financial statements.
 - e. Agreements to purchase assets previously sold.

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- f. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, lines of credit, or similar arrangements.
 - g. Guarantees, whether written or oral, under which the entity is contingently liable.
 - h. Known or anticipated asset retirement obligations.
47. Except as disclosed in the financial statements, the entity has:
- a. Satisfactory title to all recorded assets, and those assets are not subject to any liens, pledges, or other encumbrances.
 - b. Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.

Revenue, Accounts Receivable, & Inventory

48. Adequate provisions and allowances have been accrued for any material losses from:
- a. Uncollectible receivables.
 - b. Excess or obsolete inventories.
 - c. Sales commitments, including those unable to be fulfilled.
 - d. Purchase commitments in excess of normal requirements or at prices in excess of prevailing market prices.
49. With regards to the payments received from the Provider Relief Fund established by the CARES Act, we represent the following:
- a. To the extent revenue has been recognized, we believe we have met the eligibility requirements as outlined in the U.S. Department of Health and Human Services' (HHS) terms and conditions for the Provider Relief Fund.
 - b. We believe the method we have utilized to recognize revenue associated with the Provider Relief Fund is consistent with acceptable methods outlined in HHS' terms and conditions and other guidance available as of September 30, 2022.
 - c. Consistent with the terms and conditions established by HHS and other guidance available as of September 30, 2022, Provider Relief Fund payments were not used to reimburse expenses or losses that have been reimbursed or are obligated to be reimbursed by other sources, including payments from insurance and/or patients and amounts received from federal, state, or local governments.
 - d. We acknowledge that HHS may issue new guidance that could have a material impact on the amount of revenue recognized from the Provider Relief Fund as of September 30, 2022.
 - e. We understand that amounts recognized on the Schedule of Expenditures of Federal Awards may differ from amounts recognized on the financial statements.

Estimates

50. We have identified all accounting estimates that could be material to the financial statements, and we confirm the appropriateness of the methods and the consistency in their application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in making the accounting estimates, including those measured at fair value reported in the financial statements.
51. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that "near term" means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations, which refer to volumes of business existing at the date of the financial statements that would make the entity vulnerable to the risk of severe impact in the near term that have not been properly disclosed in the financial statements.

Fair Value

52. With respect to the fair value measurements of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto:
 - a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated course of action.
 - b. The measurement methods and significant assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - c. The significant assumptions appropriately reflect market participant assumptions.
 - d. The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

Off-Balance Sheet Risk

53. The following information about financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk have been properly disclosed in the financial statements:
 - a. The extent, nature, and terms of financial instruments with off-balance sheet risk.
 - b. The amount of credit risk of financial instruments with off-balance sheet risk and information about the collateral supporting such financial instruments.
 - c. Significant concentrations of credit risk arising from all financial instruments and information about the collateral of such financial instruments.
 - d. The common activity, region, or characteristic that identified the concentration.
 - e. The maximum loss that could result if the counterparties completely failed to perform their obligations and any collateral for the amounts due were worthless.
 - f. The entity's policy of requiring collateral to minimize the risk, the *nature of this collateral*, and information about the entity's access to collateral.

Investments

54. Debt securities are properly classified as held-to-maturity, available-for-sale, or trading based upon our intent. Furthermore, we have the ability to hold all held-to-maturity securities to their maturity. Securities classified as held-to-maturity or available-for-sale which have declines in credit value have credit losses appropriately reflected.
55. Equity securities are properly measured at fair value, or for those investments without a readily determinable fair value, the investments are recorded using the net asset value (NAV) per share or cost minus impairment, if any, plus or minus changes resulting from observable price changes for the identical or similar investment of the same issuer.
56. The equity method is used for the entity's investments because the entity has the ability to exercise significant influence over the investee's operations and financial policies. Tax-Exempt Bonds
57. Tax-exempt bonds issued have retained their tax-exempt status.
58. We have notified you of any instances of noncompliance with applicable disclosure requirements of the SEC Rule 15c2-12 and applicable state laws.

Governmental Accounting & Disclosure Matters

59. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
60. With regard to deposit and investment activities:
 - a. All deposit, repurchase and reverse repurchase agreements, and investment transactions have been made in accordance with legal and contractual requirements.
 - b. Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
 - c. Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
 - d. We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
61. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
62. We have identified and evaluated all potential fiduciary activities. The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended.
63. Components of net position (net investment in capital assets, restricted, and unrestricted) are properly classified and, if applicable, approved.
64. The entity has properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in debt agreements related to significant *default or termination*

Ector County Hospital District
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events with finance-related consequences, and significant subjective acceleration clauses in accordance with GASB Statement No. 88.

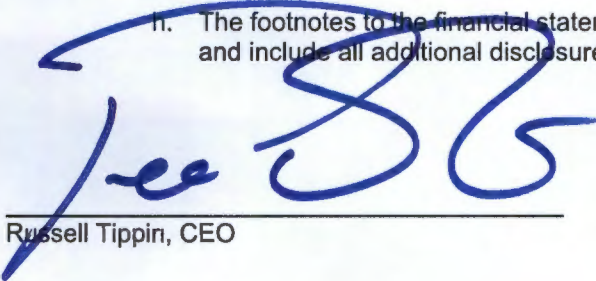
65. We have identified and evaluated all potential tax abatements, and we believe there are no material tax abatements.
66. The entity's ability to continue as a going concern was evaluated and that appropriate disclosures are made in the financial statements as necessary under GASB requirements.
67. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, pension, and other postemployment benefit information, has been prepared and is measured and presented in conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions, and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.
68. With regard to pension and other postretirement benefits (OPEB):
 - a. We believe the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
 - b. We have provided you with the entity's most current pension and OPEB plan instrument for the audit period, including all plan amendments.
 - c. The participant data provided to you related to pension and OPEB plans are true copies of the data submitted or electronically transmitted to the plan's actuary.
 - d. The participant data that we provided the plan's actuary for the purposes of determining the actuarial present value of accumulated plan benefits and other actuarially determined amounts in the financial statements were complete.
69. To the best of our knowledge, the amounts recorded as the balances under the Section 1115(a) waiver program (Uncompensated Care and Delivery System Reform Incentive Payment Program), Medicaid DSH, and Hospital Augmented Reimbursement Program (HARP), are reasonable estimates of the amounts we will ultimately receive for these programs. We have made appropriate allowances for any amounts subject to retrospective audit and adjustment by the state of Texas or the Center for Medicare and Medicaid Services.

New Accounting Standards

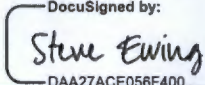
70. In connection with the adoption of GASB Statement No. 87, *Leases* (GASB 87), we represent the following:
 - a. We have identified a complete population of potential leases as of the implementation date.
 - b. We have reviewed all significant contracts to identify lease and nonlease components as of the earliest date of adoption. Allocation of contract prices between lease and nonlease components are based upon standalone prices or other reasonable factors.
 - c. Measurements of the lease assets and liabilities are based upon facts *and circumstances* that existed at the beginning of the period of implementation.

Ector County Hospital District
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- d. The estimates related to any options to extend or terminate the lease terms within the measurement of lease assets and liabilities agree to management's plans for the leases.
- e. The discount rates for each lease are based upon what would be obtained by the entity for similar loans as an incremental rate.
- f. The classification and accounting of related-party leases between entities, for which separate financial statements are issued, have been modified to recognize the substance of the transaction rather than only its legal form.
- g. We have adequate controls in place to prevent and/or detect errors in lease assets and liabilities on a recurring basis.
- h. The footnotes to the financial statements appropriately describe the adoption of GASB 87 and include all additional disclosures required under the Statement.



Russell Tippin, CEO

DocuSigned by:

DAA27ACE056F400...
Steve Ewing, CFO

Ector County Hospital District
ATTACHMENT

This analysis and the attached "Schedule of Uncorrected Misstatements (Adjustments Passed)" reflect the effects on the financial statements if the uncorrected misstatements identified were corrected.

QUANTITATIVE ANALYSIS

	Before Misstatements	Misstatements	Subsequent to Misstatements	% Change
Current Assets	93,202,455	1,426,171	94,628,626	1.53%
Non-Current Assets & Deferred Outflows	293,006,318	2,549,982	295,556,300	0.87%
Current Liabilities	(71,802,841)		(71,802,841)	
Non-Current Liabilities & Deferred Inflows	(121,087,262)	(3,469,269)	(124,556,531)	2.87%
Current Ratio	1.298		1.318	1.54%
Total Assets & Deferred Outflows	386,208,773	3,976,153	390,184,926	1.03%
Total Liabilities & Deferred Inflows	(192,890,103)	(3,469,269)	(196,359,372)	1.80%
Total Net Position	(193,318,670)	(506,884)	(193,825,554)	0.26%
Operating Revenues	(307,802,848)	(506,884)	(308,309,732)	0.16%
Operating Expenses	394,903,073		394,903,073	
Nonoperating Revenues (Exp)	(78,554,261)		(78,554,261)	
Change in Net Position	8,545,964	(506,884)	8,039,080	-5.93%

Misstatements within Notes to the Financial Statements

- 1 1 Lease asset activity (rollforward footnote) is not shown and lease assets are i
- 2 2 Lease revenue/expense between hospital and procare is not shown as an elir
- 3 3 Principal payments rec'd on leases receivable are reflected in operating activi

Client: Ector County Hospital District
 Period Ending: September 30, 2022

Major Enterprise Fund
 SCHEDULE OF UNCORRECTED MISSTATEMENTS (ADJUSTMENTS PRESENT)

Description	Financial Statement Line Item	Factual (F), Judgmental (J) or Projected (P)	Assets				Liabilities				Net Effect on Following Year		
			Current 90 - 999	Noncurrent 91 - 999	Current 92 - 999	Noncurrent 93 - 999	Operating Payables 94 - 999	Operating Borrowings 95 - 999	Nonoperating Payables/Other 96 - 999	Net Position 97 - 999	Change in Net Position 98 - 999	Net Position 99 - 999	
(To correct GASB 97 balance of NHCDC)		F	910,387	2,549,983	0	(3,469,299)	0	0	0	0	0	0	0
Capital asset				(267,611)									
Lease Liability						267,611							
Deferred inflows						(2,684,729)							
Lease Receivable			910,387	2,817,433									
(To correct the cash balance at NHCDC)		F	850,884	0	0	0	(55,884)	0	0	0	0	850,884	(55,884)
Cash			850,884									850,884	(55,884)
Net patient service revenue							(55,884)					850,884	(55,884)
Total period adjustments			1,429,171	2,549,983	0	(3,469,299)	(55,884)	0	0	0	0	850,884	(55,884)
							Impact on Change in Net Position				(84,884)		
							Impact on Net Position				(84,884)		

SCHEDULE OF UNCORRECTED MISSTATEMENTS (NOTES TO THE FINANCIAL STATEMENTS)

Uncorrected and/or Omitted Disclosure (Include Guidance Reference)	Misstatement Type	Quantitative Amount(s)	Relevant Financial Statement Line(s)
1 Lease asset activity (rollforward footnote) is not shown and lease assets are included with capital assets	Omitted	~2M	Capital assets
2 Lease revenue/expense between hospital and procure is not shown as an eliminating entry in the consolidating schedules.	Omitted	\$2M	Other operating revenue Supplies/other expense
3 Principal payments rec'd on leases receivable are reflected in operating activities vs capital and related financing	Uncorrected	\$19K	Statement of cash flows



DATE: April 4, 2023
TO: Board of Directors
Ector County Hospital District
FROM: Steve Ewing
Senior Vice President / Chief Financial Officer
Subject: Endowment Fund Distribution

As required by the Trust Agreements for the endowed chairs at Texas Tech University Health Sciences Center-Permian Basin; Odessa College School of Nursing; and the University of Texas –Permian Basin, the Ector County Hospital District must approve the distribution of earnings to the respective institutions.

Following is a summary of the distribution of funds, net of the 10% reinvestment:

- Texas Tech University Health Sciences Center-Permian Basin
For the benefit of the Internal Medicine; Family Practice,
Obstetrics; and School of Nursing. \$44,402.35
- Odessa Junior College
For the benefit of the School of Nursing \$13,197.64
- University of Texas –Permian Basin
For the benefit of the School of Nursing \$ 5,450.32

Once the Board approves the distributions, we will instruct Prosperity Trust to issue checks to the appropriate institutions.

Regional Services
April 2023 Board Report

Events

3/1- Optum Cardiovascular Service Line Assessment

3/3 – Bingo and Bubbly (Harmony Home)

3/30- Amwell /MCH Strategy Session

3/30- Doctor's Day Lunch and Dinner

Upcoming Events

4/20- MCH Regional Roundtable

4/27- First Physician's lunch

Community Outreach

Dr. Butler, Dr. Parsons, First Physicians East, First physicians West, West tex., Signature Care, Vital Care

Regional Site Visits

Kermit met with ED physician and nurses, no issues with transfers when not on diversions. They did mention Lubbock has been on diversion quite a bit too. I have provided them updates on providers no questions at this time. I met with entire interdisciplinary team on med surge unit, New NP Lisa Hernandez, RT, PT, Shawna CM, and nurses. They were currently doing patient rounds and discussing swing bed patients. I spoke with Lisa regarding our services we offer and explained the importance of us getting their patients back to them in their swing bed. Lisa stated she will be seeing all hospital patients for now including swing before seeing patients in clinic. I have provided her with contact information and to call with any needs. I did let Shawna know it might be a good idea to introduce Lisa to CM team, she stated she will reach out to Karime.

Met with clinic referral specialist, Anna provided updated list of providers. She had questions about insurances accepted, I explained.

Ward- Met with ED physician, charge nurse, and nurses. They stated they have had no issues with transfer other than GI. They stated they usually can send to us, but we have been unable to accept ERCPS lately. I have explained why this might be happening but let them know we are working hard to recruit for this area as we know there is a need, I will keep them updated. Met with CNO Vince, he stated he has really appreciated our help in the last few months. He is looking forward to working with our various teams and letting his staff shadow some of ours. He requested to send his health and wellness nurse to our H&W department, I connected him with Amanda, and they have arranged a date for their staff to come shadow. He would also like to send some folks over to shadow our infection prevention team. He is excited as they are keeping more patients recently and staff is handling very well. No needs currently.

Met with referral specialist in clinic, Ciarra. I have provided updates on providers. No issues or questions currently.

Big Spring- rounded on all clinics, including primary care, internal medicine, and cardiology. I provided updated list of providers and left contact information to call with any questions/ concerns. Met with ED staff also provided updated list, they voiced no concerns over transfers.

Stanton- Met with ED staff, they stated they are still sending the bulk of their transfers to MCH. They really appreciate our ED group and transfer center. I will pass the information along. I provided them with updates. Met with ED director, Mark. He will be leaving at the end of March but stated he will pass my contact information along to the person taking his spot. I also met with Jana, referral specialist for all clinics. We went through majority of our specialist, she stated she has sent several patients to our specialist and has not had any issues.

MCH is also working closely with Stanton to arrange TeleICU services. MCH currently drafting a contract, initial proposal has been accepted. With this service the Stanton providers will have access to the Critical Care providers to help manage more complex patients allowing Stanton to manage patients in their hospital.

Alpine- Met with referral specialist in rural clinic Carol. She stated she has had no issues with referrals. She did let me know she personally went to Dr Babbel for hand surgery and was very pleased with his services. I have let her know I will pass this along.

Met with referral specialist along with clinic manager Regina at clinics located in hospital. They stated they are glad to hear about Dr Cunningham coming back and hardly ever have issues sending referrals. Regina stated she appreciated how flexible our cardiologist were to the construction in their building. I have let her know I will pass that along.

I also met with the med surge director along with case management director. They have let me know about added services to their swing bed and they are working hard to be able to accept more patients into their swing bed. I have gotten their contact information and will pass along to case mgt. They stated they will arrange lunch to talk about the added services.

Lastly, I met with the ED staff, they stated they have had no issues with transfers outside of diversions. No other needs currently.

MCH Telehealth

Month 23'	On Demand	Scheduled
January	20	104
February	24	77