



**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING**

**DECEMBER 5, 2017 – 5:30 p.m.**

**AGENDA**

- I. CALL TO ORDER** ..... Mary Thompson, President
- II. INVOCATION** ..... Chaplain Farrell Ard
- III. PLEDGE OF ALLEGIANCE** ..... Mary Thompson
- IV. MISSION/VISION/VALUES OF MEDICAL CENTER HEALTH SYSTEM** ... Mary Thompson, p. 3
- V. DECEMBER 2017 EMPLOYEES OF THE MONTH**..... William Webster
  - Clinical: Heather Bulman, Divisional Director of Quality Patient Safety
  - Non-Clinical: Carlos Aguilar, Director of Engineering
  - Nurse: Diana Ruiz, Director of Population Community Health
- VI. REVIEW OF MINUTES**..... Mary Thompson, p. 4-14

Regular Meeting – November 7, 2017  
Special Meeting – November 16, 2017
- VII. COMMITTEE REPORTS**
  - A. Finance Committee** ..... David Dunn, p. 15-78
    - 1. Financials for one month ended October 31, 2017
    - 2. CERs
      - a. Portable X-Ray Unit
      - b. Server Replacements
      - c. Emergency Department Stretchers
      - d. Inpatient Bed Mattress Replacement
  - B. Joint Conference Committee**..... Greg Shipkey, M.D., p. 79-89
    - 1. Medical Staff or AHP Initial Appointment/Reappointment
    - 2. Change in Clinical Privileges/or Scope of Practice/or Supervisor
    - 3. Change in Medical Staff or AHP Staff Status
    - 4. Change in Medical Staff or AHP Staff Category
    - 5. Change in Medical Staff Bylaws/Policy/Privilege Criteria
  - C. Executive Committee** ..... Mary Thompson  
Incoming President/Chief Executive Officer

**VIII. TTUHSC AT THE PERMIAN BASIN REPORT**

Presentation to Mr. Webster from Texas Tech University Health Sciences Center  
Tedd L. Mitchell, M.D., President  
Steven L. Berk, M.D., Executive Vice President and Provost; Dean, School of Medicine  
Kendra Burris, Associate Vice Chancellor; Vice President External Relations

**IX. RECOGNITION OF MR. WEBSTER BY ODESSA CHAMBER OF COMMERCE**

Renee Earls, President/Chief Executive Officer and Roy Gillean, Chairman of the Board

**X. PRESIDENT/CHIEF EXECUTIVE OFFICER’S REPORT ..... William Webster**

**A. Policy MCHS-1068 Abuse and Harassment.....Robbi Banks, p. 90-97**

**B. HCC Group Medical Stop Loss Agreement Renewal .....Robbi Banks, p. 98-103**

**C. Resolution approving the First Amendment to the Indenture of Trust and Security Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the First Amendment to the Indenture of Trust and Security Agreement; and other provisions in connection therewith  
..... Ron Griffin/Robert Abernethy, p. 104-114**

**XI. EXECUTIVE SESSION**

Meeting held in closed session as to (1) consultation with attorney regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code, and (2) deliberation by the Governing Board pursuant to Section 551.085 of the Texas Government Code, pertaining to negotiation for arrangement of health care services and negotiation of product lines and services.

**XII. MCH PROCARE PROVIDER AGREEMENT .....Julian Beseril**

**XIII. CERNER AGREEMENT ..... Robert Abernethy**

**XIV. ADJOURNMENT ..... Mary Thompson**

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

## **MISSION**

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

## **VISION**

***MCHS will be the premier source for health and wellness.***

## **VALUES**

***I-ntegrity***

***C-ustomer centered***

***A-ccountability***

***R-espect***

***E-xcellence***



**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING**

**NOVEMBER 7, 2017 – 5:30 p.m.**

**MINUTES OF THE MEETING**

**MEMBERS PRESENT:**

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

**MEMBERS ABSENT:**

None

**OTHERS PRESENT:**

William Webster, President/Chief Executive Officer  
Tony Ruiz, Senior Vice President/Chief Operating Officer  
Jon Riggs, Senior Vice President/Chief Financial Officer  
Chad Dunavan, Vice President/Chief Nursing Officer  
Gary Barnes, Senior Vice President/Chief Information Officer  
Dr. Augusto Sepulveda, Senior Vice President/CMO/CMIO  
Dr. Greg Shipkey, Chief of Staff  
Ron Griffin, Vice President/Chief Legal Counsel  
Jan Ramos, ECHD Board Secretary  
Dr. Gary Ventolini, TTUHSC Permian Basin  
Various other interested members of the  
Medical Staff, Employees, and Citizens

**I. CALL TO ORDER**

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

**II. INVOCATION**

Chaplain Farrell Ard offered the invocation.

**III. PLEDGE OF ALLEGIANCE**

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

#### **IV. MISSION/VISION OF MEDICAL CENTER HEALTH SYSTEM**

Richard Herrera presented the Mission, Vision and Values of Medical Center Health System.

#### **V. NOVEMBER 2017 EMPLOYEES OF THE MONTH**

Mr. Webster introduced the October 2017 Employees of the Month as follows:

- Clinical: Linno Guerrero, CT Technologist, Radiology CAT Scan
- Non-Clinical: Gabriella Rojo, Divisional Secretary, Emergency Department
- Nurse of the Month: Tausha Martinez, RN, Labor and Delivery

#### **VI. REVIEW OF MINUTES**

##### **Regular Meeting – October 3, 2017**

David Dunn moved and Mary Lou Anderson seconded the motion to accept the minutes of the Regular ECHD Board meeting held October 3, 2017 as presented. The motion carried.

#### **VII. EDUCATIONAL TOPIC: ContinueCare Hospital at Medical Center Long Term Acute Care Hospital (LTACH)**

Judith Schiros, CEO of ContinueCare Hospital at Medical Center Hospital provided an educational presentation related to the Community Hospital Corporation, its relationship with Medical Center Hospital, and the benefit to both.

#### **VIII. COMMITTEE REPORTS**

##### **A. Finance Committee**

1. Quarterly Investment Report – Quarter 4, FY 2017

David Dunn moved and Ben Quiroz seconded the motion to approve the Quarterly Investment Report – Quarter 4, FY 2017. The motion carried.

2. Quarterly Investment Officer's Certification

David Dunn moved and Bryn Dodd seconded the motion to approve the Quarterly Investment Officer's Certification. The motion carried.

3. Financials for twelve months ended September 30, 2017

David Dunn moved and Ben Quiroz seconded the motion to approve the Financials for twelve months ended September 30, 2017. The motion carried.

##### **B. Joint Conference Committee**

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

1. **Medical Staff or AHP Initial Appointment/Reappointment**

**Medical Staff**

<b>Applicant</b>	<b>Department</b>	<b>Specialty/ Privileges</b>	<b>Group</b>	<b>Dates</b>
*Aljarwi, Mohammed MD	Pediatrics	Pediatrics	Covenant Medical Group	11/07/2017 – 10/06/2018
*Ayyagari, Krishna MD	Medicine	Critical Care	MCH ProCare	11/07/2017 – 10/06/2018
Dickens, Jessie MD	Surgery	Orthopedic Surgery	Midland TX Ortho Group	11/07/2017 – 10/06/2018
Geatrakas, Christina MD	Radiology	Teleradiology	VRAD	11/07/2017 – 10/06/2018
Risinger, Brian MD	Radiology	Teleradiology	VRAD	11/07/2017 – 10/06/2018

**Allied Health Professional (AHP) Staff Applicants**

<b>Applicant</b>	<b>Department</b>	<b>Specialty/ Privileges</b>	<b>Group</b>	<b>Sponsoring Physician(s)</b>	<b>Dates</b>
*Jackie, Lehr NP	OB/GYN	Nurse Practitioner	MCH ProCare	Avelino Garcia, MD	11/07/2017 – 10/06/2019

*\*Please grant temporary privileges*

**Reappointment of the Medical Staff and Allied Health Professional Staff**

**Medical Staff/Or Allied Health Professional Staff**

<b>Applicant</b>	<b>Department</b>	<b>Staff Category</b>	<b>Specialty/ Privileges</b>	<b>Group</b>	<b>Dates</b>
Anderson, Errol MD	Radiology	Active	Diagnostic Radiology	MCH ProCare	12/01/2017 – 11/30/2019
Auringer, Michael MD	Family Medicine	Courtesy	Family Medicine	MCH ProCare	12/01/2017 – 11/30/2018
Eilers, Mark MD	Surgery	Associate	Orthopedic Surgery	Basin Orthopedic Surgical Specialists	12/01/2017 – 11/30/2018
Griffeth, Landis MD	Radiology	Telemedicine	Teleradiology	American Rad. Assoc	12/01/2017 – 11/30/2019
Grossman, Stanley MD	Radiology	Telemedicine	Teleradiology	American Rad. Assoc	12/01/2017 – 11/30/2019
Guillen, Phillip MD	Surgery	Associate	Orthopedic Surgery	WTX Orthopedics	12/01/2017 – 11/30/2018
Huerta, Christopher MD	Emergency Medicine	Associate to Active	Emergency Medicine	BEPO	12/01/2017 – 11/30/2019
Islam, Sajjadul MD	Radiology	Active	Diagnostic Radiology	WTX Imaging	12/01/2017 – 11/30/2019
Joyner, Kristen MD	Radiology	Telemedicine	Teleradiology	American Rad. Assoc	12/01/2017 – 11/30/2019
Kaczor, Joseph MD	Radiology	Active	Radiation Oncology	TX Oncology	12/01/2017 – 11/30/2019
Kadir, Abdul MD	Medicine	Active	Neurology	Private	12/01/2017 – 11/30/2019
Latifi, Hamid MD	Radiology	Telemedicine	Teleradiology	American RAD	12/01/2017 – 11/30/2019

Onyia, Barbara MD	Medicine	Associate	Internal Medicine	MCH ProCare	12/01/2017 – 11/30/2018
Shailendri, Philip MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019
Porter, Douglas MD	Medicine	Telemedicine	Electroneuromonitoring	RTNA	12/01/2017 – 11/30/2019
Reddy, Varadareddy MD	Radiology	Active	Diagnostic Radiology	Private	12/01/2017 – 11/30/2019
Robinette, Alison MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019
Rodenko, George MD	Radiology	Active	Diagnostic Radiology	MCH ProCare	12/01/2017 – 11/30/2019
Schroeder, Russell MD	Radiology	Active	Diagnostic Radiology	MCH ProCare	12/01/2017 – 11/30/2019
Slone, Richard MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019
Talmi, Danit MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019

Blank **Staff Category** column signifies no change

**Allied Health Professionals**

<b>Applicant</b>	<b>Department</b>	<b>Specialty/ Privileges</b>	<b>Group</b>	<b>Sponsoring Physician(s)</b>	<b>Dates</b>
Gelera, Albino NP	Medicine	Nurse Practitioner	MCH	Chau Le, MD James Huston, MD	12/01/2017 – 11/30/2019
Mora, Annalee FNP	Family Medicine	Nurse Practitioner	Private	Alfonso Gonzalez, MD	12/01/2017 – 11/30/2019
Mulkey, Ailena RN	Medicine	Research Coordinator	TTUHSC	Craig Spellman, DO	12/01/2017 – 11/30/2019
Zipparo, Jeffrey CRNA	Anesthesia	CRNA	MCH ProCare	Meghana Gillala, MD; Joseph Bryan, MD; Jannie Tang, MD; Marlys Munnell, MD; Luke Young, MD; Abhishek Bhari Jayadevappa, MD	12/01/2017 – 11/30/2019

Blank **Staff Category** column signifies no change

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

**Clinical/ Additional Privileges**

<b>Staff Member</b>	<b>Department</b>	<b>Privilege</b>
Kadir, Abdul MD	Medicine	Add: Intracerebral hemorrhages manage and treat
Islam, Sajjadul MD	Radiology	Delete: Catheter angioplasty; Cavernosography; Central Venous Catherization; Chemoembolization; Chemoneurolysis; Chest Drainage procedures; Cisternography; Diagnostic Angiography; Diagnostic Arteriography; Embolization and infusion procedures; Endovascular stents, placement; Inferior Vena Cava Filter insertion; Lung biopsy, percutaneous; Lymphography; Mass-biopsy, aspiration; Neuro and non-neuro embolization procedures; Nuclear Isotope therapy, for thyroid malignancy; Percutaneous abscess and fluid drainage procedures; Percutaneous Nephrostomy, management of; Percutaneous Stone Treatment; Percutaneous Vertebroplasty; Pneumocystography; Pneumoencephalography; Pulmonary Angiography; Radiofrequency Catheter Ablation; Renal mass

		biopsy; Renal procedures, percutaneous diagnostic/interventional; Specimen radiography, including paraffin block radiography; Thrombolytic therapy, intravenous; Urethral interventions; Uterine artery embolization; Vascular occlusions (therapeutic); Venous access, via percutaneous introduction techniques; Intra-aortic balloon pump, chest radiography preferred placement of; Left ventricular assist device, chest radiography preferred placement of.
Odumusi, Kolawole MD	Pediatrics	Circumcision
Onyia, Barbara MD	Medicine	Add: Medical ophthalmology, diagnose and manage or refer to other specialist

**3. Change in Medical Staff or AHP Staff Status**

**Resignation / Expiration of Privileges**

Staff Member	Staff Category	Department	Effective Date	Action
Auge, Verna CRNA	Allied Health Professional	Anesthesia	10/2/2017	Resigned
Bulczak, Dariusz MD	Telemedicine	Radiology	9/26/2017	Resigned
Chavez, Antonio DO	Active	OB/GYN	8/31/2017	Resigned
Gleaves, Rachel PA	Allied Health Professional	Family Medicine	8/31/2017	Resigned
Goel, Shiv MD	Active	Medicine	9/01/2017	Resigned
Gonzales, Yarines NP	Allied Health Professional	Medicine	8/31/2017	Resigned
Hafiz, Tanvir PA	Allied Health Professional	Family Medicine	8/31/2017	Resigned
Harvey, Kathy CRNA	Allied Health Professional	Anesthesia	10/02/2017	Resigned
Mayo, Kristina CRNA	Allied Health Professional	Anesthesia	10/02/2017	Resigned
Siwald, Lauren PA	Allied Health Professional	Surgery	10/2/2017	Resigned
Saldivar, Adelina FNP	Allied Health Professional	Family Medicine	8/31/2017	Resigned

**4. Change in Medical Staff or AHP Staff Category**

**Staff Category Changes**

Staff Member	Department	Category
Huerta, Christopher MD	Emergency Medicine	Associate to Active

**Change in Credentialing Date:**

Staff Member	Department	Dates
Allen Michael, MD	Radiology (Telemedicine)	12/01/2017 – 11/30/2018

**Leave of Absence**

**None Presented**

**5. Medical Staff Bylaws/Policy/Privilege Criteria**

**None Presented**

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

**C. Audit Committee**

David Dunn, Audit Committee Chairman, reported that the ECHD Board of Directors Audit Committee met on October 17, 2017 at 4:30 p.m. in Administration Conference Room A at Medical Center Hospital. Mr. Dunn noted that the Audit Committee received from Weaver the 2017/2018 Project Plan Status and Completed Project Results, which included Debt Service/ GASB 68 Ratio, Cerner Capitalization, and Prior Year Audit Deficiency Review.

Mr. Dunn reported that the Audit Committee also received the BKD Pre-audit Report which included 2017 Audit Planning, Planned Scope & Timing, BKD Engagement Team, Audit Timeline, and Required Communications with Audit Committee.

Mr. Dunn stated that these reports, along with the 2018 Audit Committee Meeting Schedule were approved by the Audit Committee as presented on October 17, 2017, and further recommends this report to the Ector County Hospital District Board for approval.

David Dunn moved and Bryn Dodd seconded the motion to accept the 2017/2018 Project Plan Status and Completed Project Results, the BKD Pre-audit Report, and the 2018 Audit Committee Meeting Schedule as recommended by the Audit Committee. The motion carried.

**IX. TTUHSC AT THE PERMIAN BASIN REPORT**

Dr. Gary Ventolini provided the TTUHSC of the Permian Basin Report for informational purposes only. No action was taken.

**X. PRESIDENT/CHIEF EXECUTIVE OFFICERS REPORT**

**A. ECHD/MCHS Corporate Compliance Program Resolution/Reaffirmation**

Virginia Sredanovich, Chief Compliance and Privacy Officer presented the ECHD/MCHS Corporate Compliance Program Resolution/Reaffirmation.

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

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

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

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

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

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

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

**Passed and Approved** this 7th day of November, 2017.

\_\_\_\_\_  
Mary Thompson, President

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Don Hallmark

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David Dunn, Vice President

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Richard Herrera

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Mary Lou Anderson

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Ben Quiroz

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Bryn Dodd

David Dunn moved and Mary Lou Anderson seconded the motion to approve the ECHD/MCHS Corporate Compliance Program Resolution/Reaffirmation. The motion carried.

#### **B. THA Smart Ribbon (IllumiCare) Agreement**

Tony Ruiz, Senior Vice President/Chief Operating Officer, presented an agreement with

THA (IllumiCare) to provide a Smart Ribbon application that will be an enhancement to the electronic medical record (EMR). This application will decrease costs to the hospital and patient by giving the practitioners the real time costs of medications, labs, and imaging.

THA pre-negotiated a hospital investment discount of 20% (\$10 per discharge vs. \$12.50), the first six months at half price (\$5 per discharge), and a waived implementation fee for hospitals that contract before 2018. Smart Ribbon is not budgeted for but should provide a significant return on investment. It contains a 30 day out clause, without cause, should we not see the value. Based on 12,630 discharges we have a first year cost of \$94,740. This will increase over years two and three due to the six month discount ending for an approximate increase of \$30,000 over years two and three depending on discharges.

David Dunn moved and Bryn Dodd seconded the motion to approve the THA Smart Ribbon (IllumiCare) Agreement. The motion carried.

**XI. Change ECHD Board of Directors Audit Committee, Finance Committee, and Regular Meeting Date From February 6 to February 13, 2018**

Mary Thompson presented the proposed change of meeting date from February 6 to February 13, 2018 in order to accommodate the Board's participation in the Texas Hospital Association Annual Conference.

David Dunn moved and Mary Lou Anderson seconded the motion to approve the change of meeting date from February 6 to February 13, 2018 as presented. The motion carried.

**XII. EXECUTIVE SESSION**

Mary Thompson stated that the Board would go into Executive Session for the Meeting held in closed session as to (1) consultation with attorney regarding legal matters and legal issues pursuant to Section 551.071 of the Texas Government Code, (2) deliberation by the governing board of certain providers of health care services of the hospital pursuant to Section 551.085 of the Texas Government Code, pertaining to negotiation for arrangement of health care services, and (3) the Board will receive an update from the ad hoc executive search committee on the employment of a new President/Chief Executive Officer, pursuant to Section 551.074 of the Texas Government Code. The Board is expected to continue to receive updates on this topic periodically in the future.

Those present during Executive Session to deliberate related to **Section 551.085** included Mary Thompson, David Dunn, Mary Anderson, Bryn Dodd, Don Hallmark, Ben Quiroz, Richard Herrera, William Webster, Jon Riggs, Ron Griffin, Julian Beseril, and Jan Ramos.

Those present during Executive Session to deliberate related to **Section 551.085 and 551.071** included Mary Thompson, David Dunn, Mary Anderson, Bryn Dodd, Don Hallmark, Ben Quiroz, Richard Herrera, William Webster, Jon Riggs, Ron Griffin, and Jan Ramos.

Those excused from Executive Session during consultation/deliberation related to **Section 551.074** were William Webster, Jon Riggs, and Jan Ramos. David Dunn excused himself from the remainder of Executive Session due to illness.

**Executive Session began at 6:26 pm.**  
**Executive Session ended at 8:57 p.m.**

No action was taken during Executive Session.

### **XIII. MCH PROCARE PROVIDER AGREEMENTS**

Ron Griffin presented two (2) MCH ProCare provider agreement as follows:

Sanchita P. Yadalla, M.D. FACOG. This is a three year full-time agreement for MCH ProCare Women's Clinic as replacement for a currently vacant OB/GYN position due to provider non-renewal. Employment effective March 1, 2018.

Richard Herrera moved and Mary Lou Anderson seconded the motion to approve the MCH ProCare Provider agreement with Sanchita P. Yadalla, M.D. FACOG, as presented. The motion carried by a vote of 4-2 with Bryn Dodd and Don Hallmark voting against the motion.

Karina Rubio, PA. This is a two year full-time agreement for Family Health Clinic – Clements as replacement for a currently vacant Physician Assistant position. Employment effective upon licensing, privileging and credentialing.

Ben Quiroz moved and Richard Herrera seconded the motion to approve the MCH ProCare Provider agreement with Karina Rubio, PA, as presented. The motion carried by a vote of 4-2 with Bryn Dodd and Don Hallmark voting against the motion.

### **XIV. ADJOURNMENT**

There being no further business to come before the Board, Mary Thompson adjourned the meeting at 9:00 p.m.

Respectfully Submitted,



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Jan Ramos, Secretary  
Ector County Hospital District Board of Directors

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
SPECIAL MEETING**

**NOVEMBER 16 – 4:00 p.m.**

**MINUTES OF THE MEETING**

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

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Tony Ruiz, Senior Vice President/Chief Operating Officer  
John O’Hearn, Vice President/Chief Strategy Officer  
Matt Collins, Vice President  
Chad Dunavan, Vice President/CNO  
Ron Griffin, Vice President, Chief Counsel  
Jan Ramos, ECHD Board Secretary  
Various other interested members of the Media,  
Medical Staff, Employees and Citizens

**I. CALL TO ORDER**

Mary Thompson, President, called the meeting to order at 4:00 p.m. in the Board Room of Medical Center Hospital. Notice of the meeting was properly posted as required by the Open Meetings Act.

**II. EXECUTIVE SESSION**

Mary Thompson stated that the Board would now go into Executive Session for consultation with attorney regarding legal matters pursuant to the Texas Open Meetings Act.

**Executive Session began at 4:01 p.m.  
Executive Session ended at 5:05 p.m.**

No action was taken during Executive Session.

### III. ECHD PRESIDENT/CEO SEARCH/APPOINTMENT

Don Hallmark made the following motion:

*Madam Chair,  
I move to appoint Rick Napper as the next President/Chief Executive Officer of the Ector County Hospital District/Medical Center Health System. The appointment is subject to general terms and conditions of employment, inclusive of a compensation/benefit package and start date, to be negotiated, finalized and approved by the Executive Committee of the Board of Directors.*

Bryn Dodd seconded the motion. The motion carried unanimously. Each Board member was provided an opportunity to state the reason for his/her vote in favor of the motion.

### IV. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 5:09 p.m.

Respectfully submitted,



Jan Ramos, Secretary  
Ector County Hospital District Board of Directors



DATE: December 1, 2017

TO: Board of Directors  
Ector County Hospital District

FROM: Robert Abernethy  
Interim Senior Vice President and Chief Financial Officer

Subject: Financial Report for the month ended October 31, 2017

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Attached are the Financial Statements for the month ended October 31, 2017 and a high level summary of the months activity.

Operating Results - Hospital Operations:

For the month ended October, earnings before interest depreciation and amortization (EBIDA) was a deficit of \$1.6M comparing unfavorably to the budget of \$0.2M by 7,610.7%. Inpatient (I/P) revenue was above budget by \$0.6M driven by increased deliveries, Nursery Days, NICU Days, and associated ancillary tests as compared to budget. Outpatient (O/P) revenue was below budget by \$0.5M due to decreased Cath Lab, and Lab volumes. Net Patient Revenue was \$1.1M or 6.0% below the budget of \$19.0M due to increased contractual allowances resulting from decreased cash collections associated with the electronic medical record (EMR) conversion. Net operating revenue was \$0.7M, or 2.7%, below budget due to an increase in sales tax that offset the weaker net patient revenue cash collections.

Operating expenses for the month were under budget by \$182K due to favorable physician fees caused by lower than budgeted call pay. Other major favorable variances include purchased services driven by \$149K of services related to ProCare provider costs for the Family Health Clinics and urgent cares and \$66K favorable expense related to Cerner purchased services and \$56K in reduced eligibility fees. The repairs and maintenance favorable variance was due to decreased physical plant repairs. Major unfavorable variances include salaries and wages by \$709K due to missed staffing targets in variable departments, and \$427K in supplies for expenses related to \$200K in Crofab for snakebites, and \$150K in orthopedic implants and bone and joint supplies in the operating room.

#### Operating Results - ProCare (501a) Operations:

For the month of October the net loss from operations before capital contributions was \$1.3M compared to a budgeted loss of \$1.2M. Net operating revenue was below budget by \$171K due to weaker cash collections associated with the MCH<sup>1</sup> conversion. Total operating costs were below budget by \$37K. The favorable variance was caused by a combination of salaries \$23K, benefits \$21K, and other expenses \$21K. This was partially offset by increased supplies of \$25K. After MCH capital contributions of \$2.3M for the month, ProCare showed a positive contribution of \$954K.

#### Operating Results - Family Health Center Operations:

For the month of October the net loss from operations by location:

- Clements: \$226K loss compared to a budgeted loss of \$259K. Net revenue was unfavorable by \$103K due to decreased cash collections. Operating costs were \$135K favorable to budget due decreased physician services used from ProCare.
- West University: \$128K loss compared to a budgeted loss of \$101K. Net revenue was unfavorable by \$84K due to decreased cash collections and was partially offset by \$56K in favorable operating costs related to decreased physician utilization.

#### Blended Operating Results - Ector County Hospital District:

For the month of September EBIDA was <\$666K> compared to a budget of <\$40K> that was created by an accumulation of the variances previously described.

#### Volume:

Total admissions for the month and YTD were 1,131 or 6.3% below budget and 2.8% above last year. Patient days for the month and YTD were 5,633 or 1.4% below budget and 9.0% below last year. YTD patient days were 67,403, or 5.0% above budget and 0.9% above last year. Due to the preceding, total average length of stay (ALOS) was 5.0 for the month and YTD. Observation days were below budget by 7.0% and above prior year by 15.5%.

Emergency room visits for the month and YTD totaled 4,175 resulting in an increase compared to budget of 12.2% and an increase as compared to last year of 1.2%. Total O/P occasions of service for the month and YTD were 16.2% below budget for the month and 16.7% below last year.

#### Revenues:

I/P revenues were above budget for the month by \$582K due to increased deliveries, nursery days, NICU days and the resulting IP ancillary services. O/P revenues were below budget for the month by \$488K as a result of decreased OP volumes in Cath Lab and Surgery. Total patient revenue was above budget by \$95K, or 0.1%, and total revenue deductions were \$1.2M above budget due to weaker cash collections previously described, leaving net patient revenue below budget by \$1.1M.

#### Operating Expenses:

Total operating expenses for the month were 0.8% below budget. Major favorable variances include physician fees by \$688K, purchased services by \$306K and repairs and maintenance by \$328K, that were partially offset by unfavorable salaries of \$709K, and supplies of \$427K. Physician fees favorable expense was the result of physician call pay that was budgeted, but not paid. Purchased services favorable expense was due to decreased provider expenses in the FHCs and urgent cares from ProCare, IT services

related to MCH<sup>1</sup>, and reduced patient eligibility fees. The favorable variance for repairs and maintenance was due to decreased physical plant repairs. The unfavorable labor variance was caused by missed staffing targets in variable departments. The unfavorable supplies were driven by increased Crofab use for snakebites as well as increased bone and joint supplies used in the operating room.

ECTOR COUNTY HOSPITAL DISTRICT  
MONTHLY STATISTICAL REPORT  
OCTOBER 2017

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
<b>Hospital InPatient Admissions</b>										
Acute / Adult	1,104	1,177	-6.2%	1,074	2.8%	1,104	1,177	-6.2%	1,074	2.8%
Neonatal ICU (NICU)	27	30	-10.0%	36	-25.0%	27	30	-10.0%	36	-25.0%
<b>Total Admissions</b>	<b>1,131</b>	<b>1,207</b>	<b>-6.3%</b>	<b>1,110</b>	<b>1.9%</b>	<b>1,131</b>	<b>1,207</b>	<b>-6.3%</b>	<b>1,110</b>	<b>1.9%</b>
<b>Patient Days</b>										
Adult & Pediatric	4,318	4,335	-0.4%	4,391	-1.7%	4,318	4,335	-0.4%	4,391	-1.7%
ICU	390	465	-16.1%	413	-5.6%	390	465	-16.1%	413	-5.6%
CCU	377	421	-10.5%	344	9.6%	377	421	-10.5%	344	9.6%
NICU	548	495	10.8%	433	26.6%	548	495	10.8%	433	26.6%
<b>Total Patient Days</b>	<b>5,633</b>	<b>5,715</b>	<b>-1.4%</b>	<b>5,581</b>	<b>0.9%</b>	<b>5,633</b>	<b>5,715</b>	<b>-1.4%</b>	<b>5,581</b>	<b>0.9%</b>
Observation (Obs) Days	692	744	-7.0%	599	15.5%	692	744	-7.0%	599	15.5%
Nursery Days	245	236	3.8%	255	-3.9%	245	236	3.8%	255	-3.9%
<b>Total Occupied Beds / Bassinets</b>	<b>6,570</b>	<b>6,695</b>	<b>-1.9%</b>	<b>6,435</b>	<b>2.1%</b>	<b>6,570</b>	<b>6,695</b>	<b>-1.9%</b>	<b>6,435</b>	<b>2.1%</b>
<b>Average Length of Stay (ALOS)</b>										
Acute / Adult & Pediatric	4.61	4.44	3.8%	4.79	-3.9%	4.61	4.44	3.8%	4.79	-3.9%
NICU	20.30	16.49	23.1%	12.03	68.7%	20.30	16.49	23.1%	12.03	68.7%
<b>Total ALOS</b>	<b>4.98</b>	<b>4.74</b>	<b>5.2%</b>	<b>5.03</b>	<b>-0.9%</b>	<b>4.98</b>	<b>4.74</b>	<b>5.2%</b>	<b>5.03</b>	<b>-0.9%</b>
<b>Average Daily Census</b>	<b>181.7</b>	<b>184.4</b>	<b>-1.4%</b>	<b>180.0</b>	<b>0.9%</b>	<b>181.7</b>	<b>184.4</b>	<b>-1.4%</b>	<b>180.0</b>	<b>0.9%</b>
<b>Hospital Case Mix Index (CMI)</b>	<b>1.4659</b>	<b>1.4657</b>	<b>0.0%</b>	<b>1.4091</b>	<b>4.0%</b>	<b>1.4659</b>	<b>1.4657</b>	<b>0.0%</b>	<b>1.4091</b>	<b>4.0%</b>
<b>Medicare</b>										
Admissions	461	493	-6.5%	432	6.7%	461	493	-6.5%	432	6.7%
Patient Days	2,485	3,909	-36.4%	2,378	4.5%	2,485	3,909	-36.4%	2,378	4.5%
Average Length of Stay	5.39	7.93	-32.0%	5.50	-2.1%	5.39	7.93	-32.0%	5.50	-2.1%
Case Mix Index	1.6463			1.7111	-3.8%	1.6463			1.7111	-3.8%
<b>Medicaid</b>										
Admissions	134	143	-6.3%	170	-21.2%	134	143	-6.3%	170	-21.2%
Patient Days	750	761	-1.4%	684	9.6%	750	761	-1.4%	684	9.6%
Average Length of Stay	5.60	5.32	5.2%	4.02	39.1%	5.60	5.32	5.2%	4.02	39.1%
Case Mix Index	1.0510			0.8939	17.6%	1.0510			0.8939	17.6%
<b>Commercial</b>										
Admissions	303	323	-6.2%	260	16.5%	303	323	-6.2%	260	16.5%
Patient Days	1,368	1,388	-1.4%	1,187	15.2%	1,368	1,388	-1.4%	1,187	15.2%
Average Length of Stay	4.51	4.30	5.1%	4.57	-1.1%	4.51	4.30	5.1%	4.57	-1.1%
Case Mix Index	1.4806			1.4522	2.0%	1.4806			1.4522	2.0%
<b>Self Pay</b>										
Admissions	197	210	-6.2%	192	2.6%	197	210	-6.2%	192	2.6%
Patient Days	877	890	-1.5%	1,038	-15.5%	877	890	-1.5%	1,038	-15.5%
Average Length of Stay	4.45	4.24	5.0%	5.41	-17.7%	4.45	4.24	5.0%	5.41	-17.7%
Case Mix Index	1.2590			1.2295	2.4%	1.2590			1.2295	2.4%
<b>All Other</b>										
Admissions	36	38	-5.3%	56	-35.7%	36	38	-5.3%	56	-35.7%
Patient Days	153	155	-1.3%	297	-48.5%	153	155	-1.3%	297	-48.5%
Average Length of Stay	4.25	4.08	4.2%	5.30	-19.9%	4.25	4.08	4.2%	5.30	-19.9%
Case Mix Index	1.4685			1.6795	-12.6%	1.4685			1.6795	-12.6%
<b>Radiology</b>										
InPatient	4,062	3,672	10.6%	3,602	12.8%	4,062	3,672	10.6%	3,602	12.8%
OutPatient	8,685	7,429	16.9%	7,460	16.4%	8,685	7,429	16.9%	7,460	16.4%
<b>Cath Lab</b>										
InPatient	350	438	-20.1%	321	9.0%	350	438	-20.1%	321	9.0%
OutPatient	363	460	-21.1%	330	10.0%	363	460	-21.1%	330	10.0%
<b>Laboratory</b>										
InPatient	67,343	60,015	12.2%	56,486	19.2%	67,343	60,015	12.2%	56,486	19.2%
OutPatient	52,220	44,027	18.6%	34,701	50.5%	52,220	44,027	18.6%	34,701	50.5%
NonPatient	1,957	2,387	-18.0%	7,792	-74.9%	1,957	2,387	-18.0%	7,792	-74.9%
<b>Other</b>										
Deliveries	163	146	11.6%	154	5.8%	163	146	11.6%	154	5.8%
<b>Surgical Cases</b>										
InPatient	328	328	0.0%	331	-0.9%	328	328	0.0%	331	-0.9%
OutPatient	607	642	-5.5%	581	4.5%	607	642	-5.5%	581	4.5%
<b>Total Surgical Cases</b>	<b>935</b>	<b>970</b>	<b>-3.6%</b>	<b>912</b>	<b>2.5%</b>	<b>935</b>	<b>970</b>	<b>-3.6%</b>	<b>912</b>	<b>2.5%</b>
<b>GI Procedures (Endo)</b>										
InPatient	91	111	-18.0%	92	-1.1%	91	111	-18.0%	92	-1.1%
OutPatient	300	267	12.4%	222	35.1%	300	267	12.4%	222	35.1%
<b>Total GI Procedures</b>	<b>391</b>	<b>378</b>	<b>3.4%</b>	<b>314</b>	<b>24.5%</b>	<b>391</b>	<b>378</b>	<b>3.4%</b>	<b>314</b>	<b>24.5%</b>

ECTOR COUNTY HOSPITAL DISTRICT  
MONTHLY STATISTICAL REPORT  
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	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
<b>OutPatient (O/P)</b>										
Emergency Room Visits	4,175	3,720	12.2%	4,126	1.2%	4,175	3,720	12.2%	4,126	1.2%
Observation Days	692	744	-7.0%	599	15.5%	692	744	-7.0%	599	15.5%
Other O/P Occasions of Service	19,014	24,029	-20.9%	23,956	-20.6%	19,014	24,029	-20.9%	23,956	-20.6%
<b>Total O/P Occasions of Svc.</b>	<b>23,881</b>	<b>28,493</b>	<b>-16.2%</b>	<b>28,681</b>	<b>-16.7%</b>	<b>23,881</b>	<b>28,493</b>	<b>-16.2%</b>	<b>28,681</b>	<b>-16.7%</b>
<b>Hospital Operations</b>										
Manhours Paid	285,527	266,061	7.3%	283,134	0.8%	285,527	266,061	7.3%	283,134	0.8%
FTE's	1,611.8	1,502.0	7.3%	1,598.3	0.8%	1,611.8	1,502.0	7.3%	1,598.3	0.8%
Adjusted Patient Days	10,454	9,966	4.9%	9,732	7.4%	10,454	9,966	4.9%	9,732	7.4%
Hours / Adjusted Patient Day	27.31	26.70	2.3%	29.09	-6.1%	27.31	26.70	2.3%	29.09	-6.1%
Occupancy - Actual Beds	52.1%	52.8%	-1.4%	51.6%	0.9%	52.1%	52.8%	-1.4%	51.6%	0.9%
FTE's / Adjusted Occupied Bed	4.8	4.7	2.3%	5.1	-6.1%	4.8	4.7	2.3%	5.1	-6.1%
<b>InPatient Rehab Unit</b>										
Admissions	33	33	0.0%	35	-5.7%	33	33	0.0%	35	-5.7%
Patient Days	406	405	0.2%	393	3.3%	406	405	0.2%	393	3.3%
Average Length of Stay	12.3	12.3	0.2%	11.2	9.6%	12.3	12.3	0.2%	11.2	9.6%
Manhours Paid	5,856	6,109	-4.1%	5,923	-1.1%	5,856	6,109	-4.1%	5,923	-1.1%
FTE's	33.1	34.5	-4.1%	33.4	-1.1%	33.1	34.5	-4.1%	33.4	-1.1%
<b>Center for Primary Care - Clements</b>										
Total Medical Visits	956	963	-0.7%	1,410	-32.2%	956	963	-0.7%	1,410	-32.2%
Total Dental Visits	350	691	-49.3%	651	-46.2%	350	691	-49.3%	651	-46.2%
Manhours Paid	761	769	-1.0%	943	-19.3%	761	769	-1.0%	943	-19.3%
FTE's	4.3	4.3	-1.0%	5.3	-19.3%	4.3	4.3	-1.0%	5.3	-19.3%
<b>Center for Primary Care - West University</b>										
Total Medical Visits	594	725	-18.1%	793	-25.1%	594	725	-18.1%	793	-25.1%
Total Optometry	330	271	21.8%	258	27.9%	330	271	21.8%	258	27.9%
Manhours Paid	174	169	3.3%	167	4.3%	174	169	3.3%	167	4.3%
FTE's	1.0	1.0	3.3%	0.9	4.3%	1.0	1.0	3.3%	0.9	4.3%
<b>Total ECHD Operations</b>										
Total Admissions	1,164	1,240	-6.1%	1,145	1.7%	1,164	1,240	-6.1%	1,145	1.7%
Total Patient Days	6,039	6,120	-1.3%	5,974	1.1%	6,039	6,120	-1.3%	5,974	1.1%
Total Patient and Obs Days	6,731	6,864	-1.9%	6,573	2.4%	6,731	6,864	-1.9%	6,573	2.4%
Total FTE's	1,650.2	1,541.7	7.0%	1,638.1	0.7%	1,650.2	1,541.7	7.0%	1,638.1	0.7%
FTE's / Adjusted Occupied Bed	4.6	4.2	9.6%	4.6	-1.1%	4.6	4.2	9.6%	4.6	-1.1%
<b>Total Adjusted Patient Days</b>	<b>11,207</b>	<b>11,479</b>	<b>-2.4%</b>	<b>11,005</b>	<b>1.8%</b>	<b>11,207</b>	<b>11,479</b>	<b>-2.4%</b>	<b>11,005</b>	<b>1.8%</b>
<b>Hours / Adjusted Patient Day</b>	<b>26.08</b>	<b>23.79</b>	<b>9.6%</b>	<b>26.37</b>	<b>-1.1%</b>	<b>26.08</b>	<b>23.79</b>	<b>9.6%</b>	<b>26.37</b>	<b>-1.1%</b>
<b>Outpatient Factor</b>	<b>1.8558</b>	<b>1.8755</b>	<b>-1.1%</b>	<b>1.8421</b>	<b>0.7%</b>	<b>1.8558</b>	<b>1.8755</b>	<b>-1.1%</b>	<b>1.8421</b>	<b>0.7%</b>
<b>Blended O/P Factor</b>	<b>2.1031</b>	<b>2.1168</b>	<b>-0.6%</b>	<b>2.1089</b>	<b>-0.3%</b>	<b>2.1031</b>	<b>2.1168</b>	<b>-0.6%</b>	<b>2.1089</b>	<b>-0.3%</b>
<b>Total Adjusted Admissions</b>	<b>2,160</b>	<b>2,326</b>	<b>-7.1%</b>	<b>2,109</b>	<b>2.4%</b>	<b>2,160</b>	<b>2,326</b>	<b>-7.1%</b>	<b>2,109</b>	<b>2.4%</b>
<b>Hours / Adjusted Admisssion</b>	<b>135.32</b>	<b>117.43</b>	<b>15.2%</b>	<b>137.57</b>	<b>-1.6%</b>	<b>135.32</b>	<b>117.43</b>	<b>15.2%</b>	<b>137.57</b>	<b>-1.6%</b>
<b>FTE's - Hospital Contract</b>	<b>65.2</b>	<b>59.3</b>	<b>9.9%</b>	<b>65.8</b>	<b>-1.0%</b>	<b>65.2</b>	<b>59.3</b>	<b>9.9%</b>	<b>65.8</b>	<b>-1.0%</b>
<b>FTE's - Mgmt Services</b>	<b>46.4</b>	<b>49.9</b>	<b>-7.0%</b>	<b>54.0</b>	<b>-14.0%</b>	<b>46.4</b>	<b>49.9</b>	<b>-7.0%</b>	<b>54.0</b>	<b>-14.0%</b>
<b>Total FTE's (including Contract)</b>	<b>1,761.8</b>	<b>1,650.9</b>	<b>6.7%</b>	<b>1,757.9</b>	<b>0.2%</b>	<b>1,761.8</b>	<b>1,650.9</b>	<b>6.7%</b>	<b>1,757.9</b>	<b>0.2%</b>
<b>Total FTE'S per Adjusted Occupied Bed (including Contract)</b>	<b>4.9</b>	<b>4.5</b>	<b>9.3%</b>	<b>5.0</b>	<b>-1.6%</b>	<b>4.9</b>	<b>4.5</b>	<b>9.3%</b>	<b>5.0</b>	<b>-1.6%</b>
<b>Urgent Care Visits</b>										
Health & Wellness	-	-	0.0%	396	-100.0%	-	-	0.0%	396	-100.0%
Golder	-	-	0.0%	411	-100.0%	-	-	0.0%	411	-100.0%
JBS Clinic	982	744	32.0%	698	40.7%	982	744	32.0%	698	40.7%
West University	672	506	32.8%	423	58.9%	672	506	32.8%	423	58.9%
42nd Street	507	494	2.6%	-	0.0%	507	494	2.6%	-	0.0%
<b>Total Urgent Care Visits</b>	<b>2,161</b>	<b>1,744</b>	<b>23.9%</b>	<b>1,928</b>	<b>12.1%</b>	<b>2,161</b>	<b>1,744</b>	<b>23.9%</b>	<b>1,928</b>	<b>12.1%</b>
<b>Wal-Mart Clinic Visits</b>										
East Clinic	405	318	27.4%	264	53.4%	405	318	27.4%	264	53.4%
West Clinic	291	171	70.2%	140	107.9%	291	171	70.2%	140	107.9%
<b>Total Wal-Mart Visits</b>	<b>696</b>	<b>489</b>	<b>42.3%</b>	<b>404</b>	<b>72.3%</b>	<b>696</b>	<b>489</b>	<b>42.3%</b>	<b>404</b>	<b>72.3%</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
BALANCE SHEET - BLENDED  
OCTOBER 2017**

	<u>HOSPITAL</u>	<u>PRO CARE</u>	<u>ECTOR COUNTY HOSPITAL DISTRICT</u>
<b>ASSETS</b>			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 27,355,835	\$ 4,346,555	\$ 31,702,389
Investments	9,919,475	-	9,919,475
Patient Accounts Receivable - Gross	261,343,523	35,512,405	296,855,928
Less: 3rd Party Allowances	(106,924,031)	(20,537,345)	(127,461,376)
Bad Debt Allowance	(114,071,473)	(7,321,808)	(121,393,281)
Net Patient Accounts Receivable	40,348,019	7,653,252	48,001,271
Taxes Receivable	7,745,014	-	7,745,014
Accounts Receivable - Other	20,617,729	3,217,070	23,834,799
Inventories	6,952,319	273,475	7,225,794
Prepaid Expenses	4,088,718	243,572	4,332,290
 Total Current Assets	 <u>117,027,110</u>	 <u>15,733,923</u>	 <u>132,761,033</u>
CAPITAL ASSETS:			
Property and Equipment	453,560,129	520,697	454,080,826
Construction in Progress	3,033,986	-	3,033,986
	<u>456,594,115</u>	<u>520,697</u>	<u>457,114,812</u>
 Less: Accumulated Depreciation and Amortization	 <u>(256,440,025)</u>	 <u>(290,470)</u>	 <u>(256,730,495)</u>
 Total Capital Assets	 <u>200,154,090</u>	 <u>230,227</u>	 <u>200,384,317</u>
 INTANGIBLE ASSETS / GOODWILL - NET	 108,423	 304,993	 413,415
RESTRICTED ASSETS:			
Restricted Assets Held by Trustee	4,675,642	-	4,675,642
Restricted Assets Held in Endowment	6,224,654	-	6,224,654
Restricted TPC, LLC	557,915	-	557,915
Restricted MCH West Texas Services	2,008,439	-	2,008,439
Pension, Deferred Outflows of Resources	32,980,722	-	32,980,722
Assets whose use is Limited	-	26,437	26,437
 TOTAL ASSETS	 <u>\$ 363,736,994</u>	 <u>\$ 16,295,580</u>	 <u>\$ 380,032,574</u>
 <b>LIABILITIES AND FUND BALANCE</b>			
CURRENT LIABILITIES:			
Current Maturities of Long-Term Debt	\$ 4,566,659	\$ -	\$ 4,566,659
Self-Insurance Liability - Current Portion	3,587,777	-	3,587,777
Accounts Payable	28,181,909	5,762,934	33,944,843
Accrued Interest	308,026	-	308,026
Accrued Salaries and Wages	3,877,020	6,541,991	10,419,012
Accrued Compensated Absences	4,491,083	260,856	4,751,940
Due to Third Party Payors	1,013,661	-	1,013,661
Deferred Revenue	(495,344)	858,856	363,513
 Total Current Liabilities	 <u>45,530,793</u>	 <u>13,424,638</u>	 <u>58,955,430</u>
ACCRUED POST RETIREMENT BENEFITS	71,261,290	-	71,261,290
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	-	1,927,389
LONG-TERM DEBT - Less Current Maturities	49,705,187	-	49,705,187
 Total Liabilities	 <u>168,424,659</u>	 <u>13,424,638</u>	 <u>181,849,297</u>
 FUND BALANCE	 <u>195,312,335</u>	 <u>2,870,942</u>	 <u>198,183,277</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 363,736,994</u>	 <u>\$ 16,295,580</u>	 <u>\$ 380,032,574</u>

**ECTOR COUNTY HOSPITAL DISTRICT  
BALANCE SHEET - BLENDED  
OCTOBER 2017**

	CURRENT YEAR	PRIOR FISCAL YEAR END		CURRENT YEAR CHANGE
		HOSPITAL UNAUDITED	PRO CARE UNAUDITED	
<b>ASSETS</b>				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 31,702,389	\$ 28,731,391	\$ 3,182,405	\$ (211,407)
Investments	9,919,475	9,944,475	-	(25,000)
Patient Accounts Receivable - Gross	296,855,928	269,303,904	31,937,883	(4,385,859)
Less: 3rd Party Allowances	(127,461,376)	(111,292,583)	(19,277,473)	3,108,679
Bad Debt Allowance	(121,393,281)	(117,203,578)	(5,362,604)	1,172,901
Net Patient Accounts Receivable	48,001,271	40,807,743	7,297,806	(104,278)
Taxes Receivable	7,745,014	7,746,010	-	(996)
Accounts Receivable - Other	23,834,799	20,383,194	3,400,671	50,933
Inventories	7,225,794	6,963,047	239,016	23,730
Prepaid Expenses	4,332,290	4,012,509	345,688	(25,906)
Total Current Assets	132,761,033	118,588,371	14,465,586	(292,924)
CAPITAL ASSETS:				
Property and Equipment	454,080,826	453,018,152	517,888	544,786
Construction in Progress	3,033,986	3,311,747	-	(277,761)
	457,114,812	456,329,899	517,888	267,025
Less: Accumulated Depreciation and Amortization	(256,730,495)	(254,712,126)	(285,754)	(1,732,615)
Total Capital Assets	200,384,317	201,617,773	232,134	(1,465,590)
INTANGIBLE ASSETS / GOODWILL - NET	413,415	115,702	315,368	(17,654)
RESTRICTED ASSETS:				
Restricted Assets Held by Trustee	4,675,642	4,673,001	-	2,641
Restricted Assets Held in Endowment	6,224,654	6,224,654	-	-
Restricted Cerner Escrow	-	-	-	-
Restricted TPC, LLC	557,915	686,412	-	(128,497)
Restricted MCH West Texas Services	2,008,439	1,985,952	-	22,486
Pension, Deferred Outflows of Resources	32,980,722	32,980,722	-	-
Assets whose use is Limited	26,437	-	15,603	10,835
TOTAL ASSETS	<u>\$ 380,032,574</u>	<u>\$ 366,872,586</u>	<u>\$ 15,028,691</u>	<u>\$ (1,868,703)</u>
<b>LIABILITIES AND FUND BALANCE</b>				
CURRENT LIABILITIES:				
Current Maturities of Long-Term Debt	\$ 4,566,659	\$ 4,566,659	\$ -	\$ -
Self-Insurance Liability - Current Portion	3,587,777	3,587,777	-	-
Accounts Payable	33,944,843	28,620,850	5,605,329	(281,335)
Accrued Interest	308,026	49,802	-	258,224
Accrued Salaries and Wages	10,419,012	2,935,547	6,391,578	1,091,888
Accrued Compensated Absences	4,751,940	4,316,028	255,178	180,734
Due to Third Party Payors	1,013,661	1,158,950	-	(145,289)
Deferred Revenue	363,513	653,546	859,437	(1,149,471)
Total Current Liabilities	58,955,430	45,889,158	13,111,522	(45,250)
ACCRUED POST RETIREMENT BENEFITS	71,261,290	70,043,873	-	1,217,417
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	1,927,389	-	-
LONG-TERM DEBT - Less Current Maturities	49,705,187	49,963,873	-	(258,686)
Total Liabilities	181,849,297	167,824,294	13,111,522	913,481
FUND BALANCE	198,183,277	199,048,292	1,917,169	(2,782,185)
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 380,032,574</u>	<u>\$ 366,872,586</u>	<u>\$ 15,028,691</u>	<u>\$ (1,868,704)</u>

**ECTOR COUNTY HOSPITAL DISTRICT  
BLENDED OPERATIONS SUMMARY  
OCTOBER 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b><u>PATIENT REVENUE</u></b>										
Inpatient Revenue	\$ 50,570,579	\$ 49,988,172	1.2%	\$44,615,379	13.3%	\$ 50,570,579	\$ 49,988,172	1.2%	\$ 44,615,379	13.3%
Outpatient Revenue	55,785,623	55,826,530	-0.1%	49,474,775	12.8%	55,785,623	55,826,530	-0.1%	49,474,775	12.8%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 106,356,202</b>	<b>\$105,814,702</b>	<b>0.5%</b>	<b>\$94,090,154</b>	<b>13.0%</b>	<b>\$ 106,356,202</b>	<b>\$ 105,814,702</b>	<b>0.5%</b>	<b>\$ 94,090,154</b>	<b>13.0%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 86,730,619</b>	<b>\$ 84,867,206</b>	<b>2.2%</b>	<b>\$73,193,636</b>	<b>18.5%</b>	<b>\$ 86,730,619</b>	<b>\$ 84,867,206</b>	<b>2.2%</b>	<b>\$ 73,193,636</b>	<b>18.5%</b>
	<b>81.55%</b>	<b>80.20%</b>		<b>77.79%</b>		<b>81.55%</b>	<b>80.20%</b>		<b>77.79%</b>	
<b><u>OTHER PATIENT REVENUE</u></b>										
Medicaid Supplemental Payments	\$ 1,156,242	\$ 1,156,242	0.0%	\$ 297,632	288.5%	\$ 1,156,242	1,156,242	0.0%	\$ 297,632	288.5%
DSRIP	1,000,000	1,000,000	0.0%	1,000,000	0.0%	1,000,000	1,000,000	0.0%	1,000,000	0.0%
Medicare Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
<b>TOTAL OTHER PATIENT REVENUE</b>	<b>\$ 2,156,242</b>	<b>\$ 2,156,242</b>	<b>0.0%</b>	<b>\$ 1,297,632</b>	<b>66.2%</b>	<b>\$ 2,156,242</b>	<b>\$ 2,156,242</b>	<b>0.0%</b>	<b>\$ 1,297,632</b>	<b>66.2%</b>
<b>NET PATIENT REVENUE</b>	<b>\$ 21,781,826</b>	<b>\$ 23,103,739</b>	<b>-5.7%</b>	<b>\$22,194,150</b>	<b>-1.9%</b>	<b>\$ 21,781,826</b>	<b>\$ 23,103,739</b>	<b>-5.7%</b>	<b>\$ 22,194,150</b>	<b>-1.9%</b>
<b><u>OTHER REVENUE</u></b>										
Tax Revenue	\$ 5,053,619	\$ 4,517,497	11.9%	\$ 3,333,784	51.6%	\$ 5,053,619	\$ 4,517,497	11.9%	\$ 3,333,784	51.6%
Other Revenue	826,111	871,567	-5.2%	812,978	1.6%	826,111	871,567	-5.2%	812,978	1.6%
<b>TOTAL OTHER REVENUE</b>	<b>\$ 5,879,730</b>	<b>\$ 5,389,064</b>	<b>9.1%</b>	<b>\$ 4,146,762</b>	<b>41.8%</b>	<b>\$ 5,879,730</b>	<b>\$ 5,389,064</b>	<b>9.1%</b>	<b>\$ 4,146,762</b>	<b>41.8%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 27,661,555</b>	<b>\$ 28,492,803</b>	<b>-2.9%</b>	<b>\$26,340,912</b>	<b>5.0%</b>	<b>\$ 27,661,555</b>	<b>\$ 28,492,803</b>	<b>-2.9%</b>	<b>\$ 26,340,912</b>	<b>5.0%</b>
<b><u>OPERATING EXPENSES</u></b>										
Salaries and Wages	\$ 13,413,432	\$ 12,727,071	5.4%	\$ 12,931,703	3.7%	\$ 13,413,432	\$ 12,727,071	5.4%	\$ 12,931,703	3.7%
Benefits	3,697,611	3,738,103	-1.1%	3,535,175	4.6%	3,697,611	3,738,103	-1.1%	3,535,175	4.6%
Temporary Labor	1,012,052	993,214	1.9%	972,379	4.1%	1,012,052	993,214	1.9%	972,379	4.1%
Physician Fees	1,571,094	2,243,701	-30.0%	367,313	327.7%	1,571,094	2,243,701	-30.0%	367,313	327.7%
Texas Tech Support	-	-	0.0%	-	-	-	-	0.0%	-	-
Purchased Services	1,924,687	2,236,372	-13.9%	2,154,726	-10.7%	1,924,687	2,236,372	-13.9%	2,154,726	-10.7%
Supplies	5,153,220	4,701,355	9.6%	4,147,497	24.2%	5,153,220	4,701,355	9.6%	4,147,497	24.2%
Utilities	296,284	266,742	11.1%	299,013	-0.9%	296,284	266,742	11.1%	299,013	-0.9%
Repairs and Maintenance	911,802	1,237,727	-26.3%	1,047,735	-13.0%	911,802	1,237,727	-26.3%	1,047,735	-13.0%
Leases and Rent	127,230	130,544	-2.5%	127,143	0.1%	127,230	130,544	-2.5%	127,143	0.1%
Insurance	120,881	114,695	5.4%	107,898	12.0%	120,881	114,695	5.4%	107,898	12.0%
Interest Expense	276,217	276,217	0.0%	263,627	4.8%	276,217	276,217	0.0%	263,627	4.8%
ECHDA	24,353	45,325	-46.3%	38,375	-36.5%	24,353	45,325	-46.3%	38,375	-36.5%
Other Expense	208,698	245,403	-15.0%	200,166	4.3%	208,698	245,403	-15.0%	200,166	4.3%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 28,737,559</b>	<b>\$ 28,956,470</b>	<b>-0.8%</b>	<b>\$26,192,751</b>	<b>9.7%</b>	<b>\$ 28,737,559</b>	<b>\$ 28,956,470</b>	<b>-0.8%</b>	<b>\$ 26,192,751</b>	<b>9.7%</b>
Depreciation/Amortization	\$ 1,750,269	\$ 1,932,720	-9.4%	\$ 1,674,129	4.5%	\$ 1,750,269	\$ 1,932,720	-9.4%	\$ 1,674,991	4.5%
(Gain) Loss on Sale of Assets	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 30,487,828</b>	<b>\$ 30,889,190</b>	<b>-1.3%</b>	<b>\$27,866,880</b>	<b>9.4%</b>	<b>\$ 30,487,828</b>	<b>\$ 30,889,190</b>	<b>-1.3%</b>	<b>\$ 27,867,742</b>	<b>9.4%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (2,826,273)</b>	<b>\$ (2,396,387)</b>	<b>17.9%</b>	<b>\$ (1,525,968)</b>	<b>85.2%</b>	<b>\$ (2,826,273)</b>	<b>\$ (2,396,387)</b>	<b>17.9%</b>	<b>\$ (1,526,830)</b>	<b>85.1%</b>
Operating Margin	-10.22%	-8.41%	21.5%	-5.79%	76.4%	-10.22%	-8.41%	21.5%	-5.80%	76.3%
<b><u>NONOPERATING REVENUE/EXPENSE</u></b>										
Interest Income	\$ 26,120	\$ 24,051	8.6%	\$ 33,098	-21.1%	\$ 26,120	\$ 24,051	8.6%	\$ 33,098	-21.1%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Donations	923	-	-	1,950	-52.7%	923	-	-	1,950	-52.7%
Build America Bonds Subsidy	84,145	84,323	-0.2%	84,233	-0.1%	84,145	84,323	-0.2%	84,233	-0.1%
<b>CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY</b>	<b>\$ (2,715,086)</b>	<b>\$ (2,288,013)</b>	<b>18.7%</b>	<b>\$ (1,406,687)</b>	<b>93.0%</b>	<b>\$ (2,715,086)</b>	<b>\$ (2,288,013)</b>	<b>18.7%</b>	<b>\$ (1,407,549)</b>	<b>92.9%</b>
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ -	-	\$ -	\$ -	0.0%	\$ -	-
Investment in Subsidiaries	22,486	39,019	-42.4%	14,794	52.0%	22,486	39,019	-42.4%	14,794	52.0%
<b>CHANGE IN NET POSITION</b>	<b>\$ (2,692,600)</b>	<b>\$ (2,248,994)</b>	<b>19.7%</b>	<b>\$ (1,391,893)</b>	<b>93.4%</b>	<b>\$ (2,692,600)</b>	<b>\$ (2,248,994)</b>	<b>19.7%</b>	<b>\$ (1,392,756)</b>	<b>93.3%</b>
EBIDA	\$ (666,113)	\$ (40,056)	1563.0%	\$ 545,863	-222.0%	\$ (666,113)	\$ (40,056)	1563.0%	\$ 545,863	-222.0%

**ECTOR COUNTY HOSPITAL DISTRICT  
HOSPITAL OPERATIONS SUMMARY  
OCTOBER 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Inpatient Revenue	\$ 50,570,579	\$ 49,988,172	1.2%	\$ 44,615,379	13.3%	\$ 50,570,579	\$ 49,988,172	1.2%	\$ 44,615,379	13.3%
Outpatient Revenue	43,277,371	43,765,135	-1.1%	37,570,747	15.2%	43,277,371	43,765,135	-1.1%	37,570,747	15.2%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 93,847,950</b>	<b>\$ 93,753,307</b>	<b>0.1%</b>	<b>\$ 82,186,126</b>	<b>14.2%</b>	<b>\$ 93,847,950</b>	<b>\$ 93,753,307</b>	<b>0.1%</b>	<b>\$ 82,186,126</b>	<b>14.2%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 77,258,916</b>	<b>\$ 76,022,941</b>	<b>1.6%</b>	<b>\$ 64,451,367</b>	<b>19.9%</b>	<b>\$ 77,258,916</b>	<b>\$ 76,022,941</b>	<b>1.6%</b>	<b>\$ 64,451,367</b>	<b>19.9%</b>
	82.32%	81.09%		78.42%		82.32%	81.09%		78.42%	
<b>OTHER PATIENT REVENUE</b>										
Medicaid Supplemental Payments	\$ 281,242	\$ 281,242	0.0%	\$ (577,368)	-148.7%	\$ 281,242	\$ 281,242	0.0%	\$ (577,368)	-148.7%
DSRIP	1,000,000	1,000,000	0.0%	1,000,000	0.0%	1,000,000	1,000,000	0.0%	1,000,000	0.0%
Medicare Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
<b>TOTAL OTHER PATIENT REVENUE</b>	<b>\$ 1,281,242</b>	<b>\$ 1,281,242</b>	<b>0.0%</b>	<b>\$ 422,632</b>	<b>203.2%</b>	<b>\$ 1,281,242</b>	<b>\$ 1,281,242</b>	<b>0.0%</b>	<b>\$ 422,632</b>	<b>203.2%</b>
<b>NET PATIENT REVENUE</b>	<b>\$ 17,870,276</b>	<b>\$ 19,011,608</b>	<b>-6.0%</b>	<b>\$ 18,157,391</b>	<b>-1.6%</b>	<b>\$ 17,870,276</b>	<b>\$ 19,011,608</b>	<b>-6.0%</b>	<b>\$ 18,157,391</b>	<b>-1.6%</b>
<b>OTHER REVENUE</b>										
Tax Revenue	\$ 5,053,619	\$ 4,517,497	11.9%	\$ 3,333,784	51.6%	\$ 5,053,619	\$ 4,517,497	11.9%	\$ 3,333,784	51.6%
Other Revenue	679,620	734,947	-7.5%	667,318	1.8%	679,620	734,947	-7.5%	667,318	1.8%
<b>TOTAL OTHER REVENUE</b>	<b>\$ 5,733,238</b>	<b>\$ 5,252,444</b>	<b>9.2%</b>	<b>\$ 4,001,102</b>	<b>43.3%</b>	<b>\$ 5,733,238</b>	<b>\$ 5,252,444</b>	<b>9.2%</b>	<b>\$ 4,001,102</b>	<b>43.3%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 23,603,515</b>	<b>\$ 24,264,052</b>	<b>-2.7%</b>	<b>\$ 22,158,493</b>	<b>6.5%</b>	<b>\$ 23,603,515</b>	<b>\$ 24,264,052</b>	<b>-2.7%</b>	<b>\$ 22,158,493</b>	<b>6.5%</b>
<b>OPERATING EXPENSE</b>										
Salaries and Wages	\$ 9,242,460	\$ 8,533,037	8.3%	\$ 9,238,166	0.0%	\$ 9,242,460	\$ 8,533,037	8.3%	\$ 9,238,166	0.0%
Benefits	3,315,540	3,334,802	-0.6%	3,074,813	7.8%	3,315,540	3,334,802	-0.6%	3,074,813	7.8%
Temporary Labor	749,018	732,787	2.2%	730,581	2.5%	749,018	732,787	2.2%	730,581	2.5%
Physician Fees	1,388,710	2,076,272	-33.1%	78,455	1670.1%	1,388,710	2,076,272	-33.1%	78,455	1670.1%
Purchased Services	2,070,673	2,376,800	-12.9%	2,344,693	-11.7%	2,070,673	2,376,800	-12.9%	2,344,693	-11.7%
Supplies	4,985,010	4,558,402	9.4%	4,018,624	24.0%	4,985,010	4,558,402	9.4%	4,018,624	24.0%
Utilities	292,740	262,792	11.4%	296,461	-1.3%	292,740	262,792	11.4%	296,461	-1.3%
Repairs and Maintenance	908,880	1,236,415	-26.5%	1,047,415	-13.2%	908,880	1,236,415	-26.5%	1,047,415	-13.2%
Leases and Rentals	(59,428)	(56,638)	4.9%	(33,848)	75.6%	(59,428)	(56,638)	4.9%	(33,848)	75.6%
Insurance	79,408	64,092	23.9%	60,027	32.3%	79,408	64,092	23.9%	60,027	32.3%
Interest Expense	276,217	276,217	0.0%	263,627	4.8%	276,217	276,217	0.0%	263,627	4.8%
ECHDA	24,353	45,325	-46.3%	38,375	-36.5%	24,353	45,325	-46.3%	38,375	-36.5%
Other Expense	127,989	143,616	-10.9%	139,620	-8.3%	127,989	143,616	-10.9%	139,620	-8.3%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 23,401,570</b>	<b>\$ 23,583,921</b>	<b>-0.8%</b>	<b>\$ 21,297,009</b>	<b>9.9%</b>	<b>\$ 23,401,570</b>	<b>\$ 23,583,921</b>	<b>-0.8%</b>	<b>\$ 21,297,009</b>	<b>9.9%</b>
Depreciation/Amortization	\$ 1,724,098	\$ 1,906,115	-9.5%	\$ 1,645,986	4.7%	\$ 1,724,098	\$ 1,906,115	-9.5%	\$ 1,646,848	4.7%
(Gain)/Loss on Disposal of Assets	-	-	0.0%	-	0.0%	-	-	100.0%	-	0.0%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 25,125,668</b>	<b>\$ 25,490,036</b>	<b>-1.4%</b>	<b>\$ 22,942,995</b>	<b>9.5%</b>	<b>\$ 25,125,668</b>	<b>\$ 25,490,036</b>	<b>-1.4%</b>	<b>\$ 22,943,858</b>	<b>9.5%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (1,522,154)</b>	<b>\$ (1,225,983)</b>	<b>24.2%</b>	<b>\$ (784,502)</b>	<b>94.0%</b>	<b>\$ (1,522,154)</b>	<b>\$ (1,225,983)</b>	<b>24.2%</b>	<b>\$ (785,365)</b>	<b>93.8%</b>
Operating Margin	-6.45%	-5.05%	27.6%	-3.54%	82.1%	-6.45%	-5.05%	27.6%	-3.54%	81.9%
<b>NONOPERATING REVENUE/EXPENSE</b>										
Interest Income	\$ 26,120	\$ 24,051	8.6%	\$ 33,098	-21.1%	\$ 26,120	\$ 24,051	8.6%	\$ 33,098	-21.1%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	-	-	0.0%
Donations	923	-	-	1,950	-52.7%	923	-	-	1,950	-52.7%
Build America Bonds Subsidy	84,145	84,323	-0.2%	84,233	-0.1%	84,145	84,323	-0.2%	84,233	-0.1%
<b>CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTION</b>	<b>\$ (1,410,966)</b>	<b>\$ (1,117,609)</b>	<b>26.2%</b>	<b>\$ (665,221)</b>	<b>112.1%</b>	<b>\$ (1,410,966)</b>	<b>\$ (1,117,609)</b>	<b>26.2%</b>	<b>\$ (666,084)</b>	<b>111.8%</b>
Procure Capital Contribution	(2,257,892)	(1,081,826)	108.7%	(1,265,434)	78.4%	(2,257,892)	(1,081,826)	108.7%	(1,265,434)	78.4%
<b>CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY</b>	<b>\$ (3,668,859)</b>	<b>\$ (2,199,435)</b>	<b>66.8%</b>	<b>\$ (1,930,655)</b>	<b>90.0%</b>	<b>\$ (3,668,858)</b>	<b>\$ (2,199,435)</b>	<b>66.8%</b>	<b>\$ (1,931,517)</b>	<b>89.9%</b>
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
Investment in Subsidiaries	22,486	39,019	-42.4%	14,794	52.0%	22,486	39,019	-42.4%	14,794	52.0%
<b>CHANGE IN NET POSITION</b>	<b>\$ (3,646,372)</b>	<b>\$ (2,160,416)</b>	<b>68.8%</b>	<b>\$ (1,915,861)</b>	<b>90.3%</b>	<b>\$ (3,646,372)</b>	<b>\$ (2,160,416)</b>	<b>68.8%</b>	<b>\$ (1,916,724)</b>	<b>90.2%</b>
EBIDA	\$ (1,646,057)	\$ 21,916	-7610.7%	\$ (6,248)	26246.2%	\$ (1,646,056)	\$ 21,916	-7610.7%	\$ (6,248)	26246.2%

**ECTOR COUNTY HOSPITAL DISTRICT  
PROCARE OPERATIONS SUMMARY  
OCTOBER 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Outpatient Revenue	\$ 12,508,252	\$ 12,061,395	3.7%	\$ 11,904,028	5.1%	\$ 12,508,252	\$ 12,061,395	3.7%	\$ 11,904,028	5.1%
<b>TOTAL PATIENT REVENUE</b>	\$ 12,508,252	\$ 12,061,395	3.7%	\$ 11,904,028	5.1%	\$ 12,508,252	\$ 12,061,395	3.7%	\$ 11,904,028	5.1%
<b>TOTAL REVENUE DEDUCTIONS</b>	\$ 9,471,703	\$ 8,844,264	7.1%	\$ 8,742,269	8.3%	\$ 9,471,703	\$ 8,844,264	7.1%	\$ 8,742,269	8.3%
	75.72%	73.33%		73.44%		75.72%	73.33%		73.44%	
Medicaid Supplemental Payments	\$ 875,000	\$ 875,000	0.0%	\$ 875,000	0.0%	875,000	875,000	0.0%	\$ 875,000	0.0%
<b>NET PATIENT REVENUE</b>	\$ 3,911,549	\$ 4,092,130	-4.4%	\$ 4,036,759	-3.1%	\$ 3,911,549	\$ 4,092,130	-4.4%	\$ 4,036,759	-3.1%
<b>OTHER REVENUE</b>										
Other Income	\$ 146,491	\$ 136,620	7.2%	\$ 145,660	0.6%	\$ 146,491	\$ 136,620	7.2%	\$ 145,660	0.6%
<b>TOTAL OTHER REVENUE</b>										
<b>NET OPERATING REVENUE</b>	\$ 4,058,041	\$ 4,228,750	-4.0%	\$ 4,182,419	-3.0%	\$ 4,058,041	\$ 4,228,750	-4.0%	\$ 4,182,419	-3.0%
<b>OPERATING EXPENSE</b>										
Salaries and Wages	\$ 4,170,972	\$ 4,194,034	-0.5%	\$ 3,693,537	12.9%	\$ 4,170,972	\$ 4,194,034	-0.5%	\$ 3,693,537	12.9%
Benefits	382,071	403,301	-5.3%	460,363	-17.0%	382,071	403,301	-5.3%	460,363	-17.0%
Temporary Labor	263,034	260,427	1.0%	241,797	8.8%	263,034	260,427	1.0%	241,797	8.8%
Physician Fees	182,384	167,429	8.9%	288,858	-36.9%	182,384	167,429	8.9%	288,858	-36.9%
Purchased Services	(145,987)	(140,429)	4.0%	(189,967)	-23.2%	(145,987)	(140,429)	4.0%	(189,967)	-23.2%
Supplies	168,210	142,953	17.7%	128,872	30.5%	168,210	142,953	17.7%	128,872	30.5%
Utilities	3,544	3,950	-10.3%	2,552	38.8%	3,544	3,950	-10.3%	2,552	38.8%
Repairs and Maintenance	2,922	1,312	122.7%	320	812.0%	2,922	1,312	122.7%	320	812.0%
Leases and Rentals	186,658	187,182	-0.3%	160,991	15.9%	186,658	187,182	-0.3%	160,991	15.9%
Insurance	41,473	50,602	-18.0%	47,872	-13.4%	41,473	50,602	-18.0%	47,872	-13.4%
Other Expense	80,708	101,787	-20.7%	60,546	33.3%	80,708	101,787	-20.7%	60,546	33.3%
<b>TOTAL OPERATING EXPENSES</b>	\$ 5,335,989	\$ 5,372,549	-0.7%	\$ 4,895,742	9.0%	\$ 5,335,989	\$ 5,372,549	-0.7%	\$ 4,895,742	9.0%
Depreciation/Amortization	\$ 26,171	\$ 26,605	-1.6%	\$ 28,143	-7.0%	\$ 26,171	\$ 26,605	-1.6%	\$ 28,143	-7.0%
(Gain)/Loss on Sale of Assets	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
<b>TOTAL OPERATING COSTS</b>	\$ 5,362,160	\$ 5,399,154	-0.7%	\$ 4,923,885	8.9%	\$ 5,362,160	\$ 5,399,154	-0.7%	\$ 4,923,885	8.9%
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	\$ (1,304,119)	\$ (1,170,403)	11.4%	\$ (741,465)	75.9%	\$ (1,304,119)	\$ (1,170,403)	11.4%	\$ (741,465)	75.9%
Operating Margin	-32.14%	-27.68%	16.1%	-17.73%	81.3%	-32.14%	-27.68%	16.1%	-17.73%	81.3%
MCH Contribution	\$ 2,257,892	\$ 1,170,403	92.9%	\$ 1,265,434	78.4%	\$ 2,257,892	\$ 1,170,403	92.9%	\$ 1,265,434	78.4%
<b>CAPITAL CONTRIBUTION</b>	\$ 953,773	\$ -	-100.0%	\$ 523,968	82.0%	\$ 953,773	\$ -	-100.0%	\$ 523,968	82.0%
EBIDA	\$ 979,944	\$ 26,605	3583.3%	\$ 552,111	77.5%	\$ 979,944	\$ 26,605	3583.3%	\$ 552,111	77.5%

**MONTHLY STATISTICAL REPORT**

	CURRENT MONTH					YEAR TO DATE				
Total Office Visits	10,657	9,488	12.32%	8,965	18.87%	10,657	9,488	12.32%	8,965	18.87%
Total Hospital Visits	4,674	4,732	-1.23%	4,292	8.90%	4,674	4,732	-1.23%	4,292	8.90%
Total Procedures	59,771	50,395	18.61%	48,296	23.76%	59,771	50,395	18.61%	48,296	23.76%
Total Surgeries	855	787	8.64%	690	23.91%	855	787	8.64%	690	23.91%
Total Provider FTE's	84.2	90.5	-6.92%	82.8	1.69%	84.2	90.5	-6.92%	82.8	1.69%
Total Staff FTE's	125.9	133.9	-5.97%	111.7	12.71%	125.9	133.9	-5.97%	111.7	12.71%
Total Administrative FTE's	30.3	38.0	-20.26%	31.8	-4.72%	30.3	38.0	-20.26%	31.8	-4.72%
Total FTE's	240.4	262.4	-8.37%	226.3	6.23%	240.4	262.4	-8.37%	226.3	6.23%

**ECTOR COUNTY HOSPITAL DISTRICT  
CENTER FOR PRIMARY CARE CLEMENTS - OPERATIONS SUMMARY  
OCTOBER 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Outpatient Revenue	\$ 359,771	\$ 379,671	-5.2%	\$ 422,138	-14.8%	\$ 359,771	\$ 379,671	-5.2%	\$ 422,138	-14.8%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 359,771</b>	<b>\$ 379,671</b>	<b>-5.2%</b>	<b>\$ 422,138</b>	<b>-14.8%</b>	<b>\$ 359,771</b>	<b>\$ 379,671</b>	<b>-5.2%</b>	<b>\$ 422,138</b>	<b>-14.8%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>										
	\$ 332,915	\$ 248,468	34.0%	\$ 274,330	21.4%	\$ 332,915	\$ 248,468	34.0%	\$ 274,330	21.4%
	92.5%	65.4%		65.0%		92.5%	65.4%		65.0%	
<b>NET PATIENT REVENUE</b>	<b>\$ 26,856</b>	<b>\$ 131,203</b>	<b>-79.5%</b>	<b>\$ 147,809</b>	<b>-81.8%</b>	<b>\$ 26,856</b>	<b>\$ 131,203</b>	<b>-79.5%</b>	<b>\$ 147,809</b>	<b>-81.8%</b>
<b>OTHER REVENUE</b>										
FHC Other Revenue	\$ 10,595	\$ 8,802	0.0%	\$ -	0.0%	\$ 10,595	\$ 8,802	0.0%	\$ -	0.0%
<b>TOTAL OTHER REVENUE</b>	<b>\$ 10,595</b>	<b>\$ 8,802</b>	<b>20.4%</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 10,595</b>	<b>\$ 8,802</b>	<b>20.4%</b>	<b>\$ -</b>	<b>0.0%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 37,451</b>	<b>\$ 140,006</b>	<b>-73.3%</b>	<b>\$ 147,809</b>	<b>-74.7%</b>	<b>\$ 37,451</b>	<b>\$ 140,006</b>	<b>-73.3%</b>	<b>\$ 147,809</b>	<b>-74.7%</b>
<b>OPERATING EXPENSE</b>										
Salaries and Wages	\$ 46,618	\$ 29,700	57.0%	\$ 38,433	21.3%	\$ 46,618	\$ 29,700	57.0%	\$ 38,433	21.3%
Benefits	16,723	11,607	44.1%	12,792	30.7%	16,723	11,607	44.1%	12,792	30.7%
Physician Services	176,374	290,783	-39.3%	226,180	-22.0%	176,374	290,783	-39.3%	226,180	-22.0%
Cost of Drugs Sold	3,696	4,260	-13.2%	1,459	153.3%	3,696	4,260	-13.2%	1,459	153.3%
Supplies	6,531	47,831	-86.3%	10,266	-36.4%	6,531	47,831	-86.3%	10,266	-36.4%
Utilities	4,194	4,808	-12.8%	3,670	14.3%	4,194	4,808	-12.8%	3,670	14.3%
Repairs and Maintenance	2,991	2,667	12.2%	4,500	-33.5%	2,991	2,667	12.2%	4,500	-33.5%
Leases and Rentals	454	500	-9.2%	471	-3.7%	454	500	-9.2%	471	-3.7%
Other Expense	1,000	1,019	-1.9%	3,746	-73.3%	1,000	1,019	-1.9%	3,746	-73.3%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 258,581</b>	<b>\$ 393,176</b>	<b>-34.2%</b>	<b>\$ 301,519</b>	<b>-14.2%</b>	<b>\$ 258,581</b>	<b>\$ 393,176</b>	<b>-34.2%</b>	<b>\$ 301,519</b>	<b>-14.2%</b>
Depreciation/Amortization	\$ 5,319	\$ 5,563	-4.4%	\$ 5,336	-0.3%	\$ 5,319	\$ 5,563	-4.4%	\$ 5,336	-0.3%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 263,900</b>	<b>\$ 398,739</b>	<b>-33.8%</b>	<b>\$ 306,855</b>	<b>-14.0%</b>	<b>\$ 263,900</b>	<b>\$ 398,739</b>	<b>-33.8%</b>	<b>\$ 306,855</b>	<b>-14.0%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (226,449)</b>	<b>\$ (258,733)</b>	<b>-12.5%</b>	<b>\$ (159,046)</b>	<b>42.4%</b>	<b>\$ (226,449)</b>	<b>\$ (258,733)</b>	<b>-12.5%</b>	<b>\$ (159,046)</b>	<b>42.4%</b>
Operating Margin	-604.66%	-184.80%	227.2%	-107.60%	461.9%	-604.66%	-184.80%	227.2%	-107.60%	461.9%
<b>EBIDA</b>	<b>\$ (221,130)</b>	<b>\$ (253,171)</b>	<b>-12.7%</b>	<b>\$ (153,710)</b>	<b>43.9%</b>	<b>\$ (221,130)</b>	<b>\$ (253,171)</b>	<b>-12.7%</b>	<b>\$ (153,710)</b>	<b>43.9%</b>

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Medical Visits	956	963	-0.7%	1,410	-32.2%	956	963	-0.7%	1,410	-32.2%
Dental Visits	350	691	-49.3%	651	-46.2%	350	691	-49.3%	651	-46.2%
<b>Total Visits</b>	<b>1,306</b>	<b>1,654</b>	<b>-21.0%</b>	<b>2,061</b>	<b>-36.6%</b>	<b>1,306</b>	<b>1,654</b>	<b>-21.0%</b>	<b>2,061</b>	<b>-36.6%</b>
Average Revenue per Office Visit	275.48	229.55	20.0%	204.82	34.5%	275.48	229.55	20.0%	204.82	34.5%
Hospital FTE's (Salaries and Wages)	4.3	4.3	-1.0%	5.3	-19.3%	4.3	4.3	-1.0%	5.3	-19.3%
Clinic FTE's - (Physician Services)	20.2	21.9	-7.8%	23.7	-14.9%	20.2	21.9	-7.8%	23.7	-14.9%

**ECTOR COUNTY HOSPITAL DISTRICT  
CENTER FOR PRIMARY CARE WEST UNIVERSITY - OPERATIONS SUMMARY  
OCTOBER 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b><u>PATIENT REVENUE</u></b>										
Outpatient Revenue	\$ 283,208	\$ 262,573	7.9%	\$ 263,004	7.7%	\$ 283,208	\$ 262,573	7.9%	\$ 263,004	7.7%
<b>TOTAL PATIENT REVENUE</b>	\$ 283,208	\$ 262,573	7.9%	\$ 263,004	7.7%	\$ 283,208	\$ 262,573	7.9%	\$ 263,004	7.7%
<b>TOTAL REVENUE DEDUCTIONS</b>	\$ 253,149	\$ 148,757	70.2%	\$ 103,754	144.0%	\$ 253,149	\$ 148,757	70.2%	\$ 103,754	144.0%
	89.39%	56.65%		39.45%		89.39%	56.65%		39.45%	
<b>NET PATIENT REVENUE</b>	\$ 30,060	\$ 113,817	-73.6%	\$ 159,250	-81.1%	\$ 30,060	\$ 113,817	-73.6%	\$ 159,250	-81.1%
<b><u>OTHER REVENUE</u></b>										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
<b>TOTAL OTHER REVENUE</b>	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
<b>NET OPERATING REVENUE</b>	\$ 30,060	\$ 113,817	-73.6%	\$ 159,250	-81.1%	\$ 30,060	\$ 113,817	-73.6%	\$ 159,250	-81.1%
<b><u>OPERATING EXPENSE</u></b>										
Salaries and Wages	\$ 3,428	\$ 3,345	2.5%	\$ 3,100	10.6%	\$ 3,428	\$ 3,345	2.5%	\$ 3,100	10.6%
Benefits	1,230	1,307	-5.9%	1,032	19.2%	1,230	1,307	-5.9%	1,032	19.2%
Physician Services	103,226	159,007	-35.1%	154,815	-33.3%	103,226	159,007	-35.1%	154,815	-33.3%
Cost of Drugs Sold	2,902	2,027	43.2%	261	1013.5%	2,902	2,027	43.2%	261	1013.5%
Supplies	5,237	5,697	-8.1%	5,945	-11.9%	5,237	5,697	-8.1%	5,945	-11.9%
Utilities	1,988	2,126	-6.5%	2,750	-27.7%	1,988	2,126	-6.5%	2,750	-27.7%
Repairs and Maintenance	-	833	-100.0%	7,825	-100.0%	-	833	-100.0%	7,825	-100.0%
Other Expense	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
<b>TOTAL OPERATING EXPENSES</b>	\$ 118,011	\$ 174,341	-32.3%	\$ 175,726	-32.8%	\$ 118,011	\$ 174,341	-32.3%	\$ 175,726	-32.8%
Depreciation/Amortization	\$ 39,985	\$ 39,985	0.0%	\$ 41,241	-3.0%	\$ 39,985	\$ 39,985	0.0%	\$ 41,241	-3.0%
<b>TOTAL OPERATING COSTS</b>	\$ 157,996	\$ 214,326	-26.3%	\$ 216,967	-27.2%	\$ 157,996	\$ 214,326	-26.3%	\$ 216,967	-27.2%
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	\$ (127,936)	\$ (100,509)	27.3%	\$ (57,717)	121.7%	\$ (127,936)	\$ (100,509)	27.3%	\$ (57,717)	121.7%
Operating Margin	-425.61%	-88.31%	382.0%	-36.24%	1074.3%	-425.61%	-88.31%	382.0%	-36.24%	1074.3%
<b>EBIDA</b>	\$ (87,951)	\$ (60,525)	45.3%	\$ (16,476)	433.8%	\$ (87,951)	\$ (60,525)	45.3%	\$ (16,476)	433.8%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Medical Visits	594	725	-18.1%	793	-25.1%	594	725	-18.1%	793	-25.1%
Optometry Visits	330	271	21.8%	258	27.9%	330	271	21.8%	258	27.9%
Total Visits	924	996	-7.2%	1,051	-12.1%	924	996	-7.3%	1,051	-12.1%
Average Revenue per Office Visit	306.50	263.63	16.3%	250.24	22.5%	306.50	263.56	16.3%	250.24	22.5%
Hospital FTE's (Salaries and Wages)	1.0	1.0	3.3%	0.9	4.3%	1.0	1.0	3.3%	0.9	4.3%
Clinic FTE's - (Physician Services)	12.7	12.9	-1.6%	14.3	-11.3%	12.7	12.9	-1.6%	23.0	-44.9%

**ECTOR COUNTY HOSPITAL DISTRICT  
OCTOBER 2017**

**REVENUE BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%						
Medicare	\$ 36,614,729	39.0%	\$ 33,711,964	41.1%	\$ 36,614,729	39.0%	\$ 33,711,964	41.1%
Medicaid	7,938,638	8.5%	7,484,715	9.1%	7,938,638	8.5%	7,484,715	9.1%
Commercial	27,261,363	29.0%	23,184,968	28.2%	27,261,363	29.0%	23,184,968	28.2%
Self Pay	16,020,684	17.1%	11,118,903	13.5%	16,020,684	17.1%	11,118,903	13.5%
Other	6,012,536	6.4%	6,685,575	8.1%	6,012,536	6.4%	6,685,575	8.1%
<b>TOTAL</b>	<b>\$ 93,847,950</b>	<b>100.0%</b>	<b>\$ 82,186,126</b>	<b>100.0%</b>	<b>\$ 93,847,950</b>	<b>100.0%</b>	<b>\$ 82,186,126</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 6,570,998	37.8%	\$ 4,851,346	29.6%	\$ 6,570,998	37.9%	\$ 4,851,346	29.6%
Medicaid	1,262,351	7.3%	2,107,063	12.9%	1,262,351	7.3%	2,107,063	12.9%
Commercial	2,086,332	12.1%	7,051,722	43.1%	2,086,332	12.0%	7,051,722	43.1%
Self Pay	1,251,717	7.2%	1,244,447	7.6%	1,251,717	7.2%	1,244,447	7.6%
Other	6,184,441	35.6%	1,121,652	6.8%	6,184,441	35.6%	1,121,652	6.8%
<b>TOTAL</b>	<b>\$ 17,355,838</b>	<b>100.0%</b>	<b>\$ 16,376,230</b>	<b>100.0%</b>	<b>\$ 17,355,838</b>	<b>100.0%</b>	<b>\$ 16,376,230</b>	<b>100.0%</b>
TOTAL NET REVENUE	16,589,034		17,734,759		16,589,034		17,734,759	
% OF GROSS REVENUE	17.7%		21.6%		17.7%		21.6%	
VARIANCE	766,804		(1,358,529)		766,804		(1,358,529)	
% VARIANCE TO CASH COLLECTIONS	4.6%		-7.7%		4.6%		-7.7%	

**ECTOR COUNTY HOSPITAL DISTRICT  
FAMILY HEALTH CLINIC CLEMENTS  
OCTOBER 2017**

**REVENUE BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%						
Medicare	\$ 38,789	10.8%	\$ 53,259	12.6%	\$ 38,789	10.8%	\$ 53,259	12.6%
Medicaid	118,810	33.0%	119,793	28.4%	118,810	33.0%	119,793	28.4%
PHC	25,987	7.2%	137,558	32.6%	25,987	7.2%	137,558	32.6%
Commercial	62,516	17.4%	63,868	15.1%	62,516	17.4%	63,868	15.1%
Self Pay	113,668	31.6%	39,832	9.4%	113,668	31.6%	39,832	9.4%
Other	-	0.0%	7,828	1.9%	-	0.0%	7,828	1.9%
<b>TOTAL</b>	<b>\$ 359,771</b>	<b>100.0%</b>	<b>\$ 422,138</b>	<b>100.0%</b>	<b>\$ 359,771</b>	<b>100.0%</b>	<b>\$ 422,138</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 8,205	9.0%	\$ 13,266	11.6%	\$ 8,205	9.0%	\$ 13,266	11.6%
Medicaid	37,529	41.4%	36,101	31.7%	37,529	41.3%	36,101	31.7%
PHC	5,494	6.0%	19,446	17.0%	5,494	6.0%	19,446	17.0%
Commercial	17,535	19.2%	22,520	19.7%	17,535	19.2%	22,520	19.7%
Self Pay	22,345	24.4%	22,887	20.0%	22,345	24.5%	22,887	20.0%
Other	-	0.0%	-	0.0%	-	0.0%	-	0.0%
<b>TOTAL</b>	<b>\$ 91,108</b>	<b>100.0%</b>	<b>\$ 114,219</b>	<b>100.0%</b>	<b>\$ 91,108</b>	<b>100.0%</b>	<b>\$ 114,219</b>	<b>100.0%</b>
TOTAL NET REVENUE	26,856		147,809		26,856		147,809	
% OF GROSS REVENUE	7.5%		35.0%		7.5%		35.0%	
VARIANCE	64,252		(33,589)		64,252		(33,589)	
% VARIANCE TO CASH COLLECTIONS	239.2%		-22.7%		239.2%		-22.7%	

**ECTOR COUNTY HOSPITAL DISTRICT  
FAMILY HEALTH CLINIC WEST UNIVERSITY  
OCTOBER 2017**

**REVENUE BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%						
Medicare	\$ 41,070	14.5%	\$ 49,688	18.9%	\$ 41,070	14.5%	\$ 49,688	18.9%
Medicaid	120,575	42.5%	104,663	39.8%	120,575	42.5%	104,663	39.8%
PHC	13,515	4.8%	39,805	15.1%	13,515	4.8%	39,805	15.1%
Commercial	42,872	15.1%	39,994	15.2%	42,872	15.1%	39,994	15.2%
Self Pay	64,167	22.7%	21,237	8.1%	64,167	22.7%	21,237	8.1%
Other	1,010	0.4%	7,617	2.9%	1,010	0.4%	7,617	2.9%
<b>TOTAL</b>	<b>\$ 283,208</b>	<b>100.0%</b>	<b>\$ 263,004</b>	<b>100.0%</b>	<b>\$ 283,208</b>	<b>100.0%</b>	<b>\$ 263,004</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 3,249	8.9%	\$ 9,833	14.8%	\$ 3,249.02	8.9%	\$ 9,833	14.8%
Medicaid	16,783	46.2%	27,558	41.3%	16,782	46.2%	27,558	41.3%
PHC	1,213	3.3%	3,940	5.9%	1,213	3.3%	3,940	5.9%
Commercial	6,243	17.2%	14,140	21.2%	6,243	17.2%	14,140	21.2%
Self Pay	8,807	24.3%	11,131	16.7%	8,807	24.3%	11,131	16.7%
Other	22	0.1%	55	0.1%	22	0.1%	55	0.1%
<b>TOTAL</b>	<b>\$ 36,317</b>	<b>100.0%</b>	<b>\$ 66,656</b>	<b>100.0%</b>	<b>\$ 36,318</b>	<b>100.0%</b>	<b>\$ 66,656</b>	<b>100.0%</b>
TOTAL NET REVENUE	30,060		159,250		30,060		159,250	
% OF GROSS REVENUE	10.6%		60.6%		10.6%		60.6%	
VARIANCE	6,257		(92,594)		6,258		(92,594)	
% VARIANCE TO CASH COLLECTIONS	20.8%		-58.1%		20.8%		-58.1%	

**ECTOR COUNTY HOSPITAL DISTRICT  
SCHEDULE OF CASH AND INVESTMENTS - HOSPITAL ONLY  
OCTOBER 2017**

<u>Cash and Cash Equivalents</u>	<u>Frost</u>	<u>Hilltop</u>	<u>Total</u>
Operating	\$ 4,903,247	\$ -	\$ 4,903,247
Payroll	2,691	-	2,691
Worker's Comp Claims	8,466	-	8,466
UMR Group Medical	110,763	-	110,763
Flex Benefits	36,887	-	36,887
Mission Fitness	141,609	-	141,609
Petty Cash	9,420	-	9,420
Dispro	1,244,170	5,161,188	6,405,359
Debt Service	326,238	-	326,238
Tobacco Settlement	424	-	424
General Liability	-	2,898,889	2,898,889
Professional Liability	-	2,977,046	2,977,046
Funded Worker's Compensation	-	3,200,557	3,200,557
Funded Depreciation	-	3,215,709	3,215,709
Designated Funds	-	3,118,532	3,118,532
	<hr/>	<hr/>	<hr/>
Total Cash and Cash Equivalents	\$ 6,783,914	\$ 20,571,921	\$ <b>27,355,835</b>

<u>Investments</u>	<u>Other</u>	<u>Hilltop</u>	<u>Total</u>
Dispro	\$ -	\$ 2,000,000	\$ 2,000,000
Funded Depreciation	-	8,000,000	8,000,000
Designated Funds	90,510	(47,635)	42,875
Allowance for Change in Market Values	-	(123,400)	(123,400)
	<hr/>	<hr/>	<hr/>
Total Investments	\$ 90,510	\$ 9,828,965	\$ <b>9,919,475</b>
Total Unrestricted Cash and Investments			\$ <b>37,275,310</b>

<u>Restricted Assets</u>	<u>Reserves</u>	<u>Prosperity</u>	<u>Total</u>
Assets Held By Trustee - Bond Reserves	\$ 4,668,267	\$ -	\$ 4,668,267
Assets Held By Trustee - Debt Payment Reserves	7,375	-	7,375
Assets Held In Endowment	-	6,224,654	6,224,654
Escrow Account - Cerner Financing	-	-	-
Restricted TPC, LLC	557,915	-	557,915
Restricted MCH West Texas Services	2,008,439	-	2,008,439
Total Restricted Assets	<hr/>	<hr/>	<hr/>
	\$ 7,241,995	\$ 6,224,654	\$ <b>13,466,649</b>

Total Cash & Investments			<hr/> <hr/> <b>\$ 50,741,959</b>
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**ECTOR COUNTY HOSPITAL DISTRICT  
STATEMENT OF CASH FLOW  
OCTOBER 2017**

	<b>Hospital</b>	<b>Procure</b>	<b>Blended</b>
Cash Flows from Operating Activities and Nonoperating Revenue:			
Excess of Revenue over Expenses	\$ (3,646,372)	\$ 953,773	\$ (2,692,599)
Noncash Expenses:			
Depreciation and Amortization	1,735,178	15,091	1,750,269
Unrealized Gain/Loss on Investments	-	-	-
Accretion (Bonds)	-	-	-
Changes in Assets and Liabilities			
Patient Receivables, Net	425,155	(355,446)	69,709
Taxes Receivable/Deferred	(1,147,894)	(581)	(1,148,475)
Inventories, Prepaids and Other	(215,908)	251,259	35,352
Accounts Payable	(449,572)	157,605	(291,967)
Accrued Expenses	1,374,758	145,257	1,520,015
Due to Third Party Payors	(145,289)	-	(145,289)
Accrued Post Retirement Benefit Costs	1,217,417	-	1,217,417
Net Cash Provided by Operating Activities	\$ (852,528)	\$ 1,166,959	\$ 314,431
Cash Flows from Investing Activities:			
Investments	\$ 25,000	\$ -	\$ 25,000
Acquisition of Property and Equipment	22,943,347	(2,809)	22,940,538
Cerner Project Costs	(23,207,563)	-	(23,207,563)
Net Cash used by Investing Activities	\$ (239,216)	\$ (2,809)	\$ (242,025)
Cash Flows from Financing Activities:			
Net Repayment of Long-term Debt/Bond Issuance	\$ (258,686)	\$ -	\$ (258,686)
Net Cash used by Financing Activities	\$ (258,686)	\$ -	\$ (258,686)
Net Increase (Decrease) in Cash	\$ (1,350,430)	\$ 1,164,150	\$ (186,280)
Beginning Cash & Cash Equivalents @ 9/30/2017	\$ 42,172,913	\$ 3,182,405	\$ 45,355,318
Ending Cash & Cash Equivalents @ 10/31/2017	\$ 40,822,483	\$ 4,346,555	\$ 45,169,038
<b>Balance Sheet</b>			
Cash and Cash Equivalents	\$ 27,355,835	\$ 4,346,555	\$ 31,702,389
Restricted Assets	13,466,649	-	13,466,649
Ending Cash & Cash Equivalents @ 10/31/2017	\$ 40,822,483	\$ 4,346,555	\$ 45,169,038

**ECTOR COUNTY HOSPITAL DISTRICT**  
**TAX COLLECTIONS**  
**FISCAL 2018**

	<u>ACTUAL COLLECTIONS</u>	<u>BUDGETED COLLECTIONS</u>	<u>VARIANCE</u>	<u>PRIOR YEAR COLLECTIONS</u>	<u>VARIANCE</u>
<b><u>AD VALOREM</u></b>					
OCTOBER	\$ 176,093	\$ 1,300,000	\$ (1,123,907)	\$ 249,105	\$ (73,012)
TOTAL	<u>\$ 176,093</u>	<u>\$ 1,300,000</u>	<u>\$ (1,123,907)</u>	<u>\$ 249,105</u>	<u>\$ (73,012)</u>
<b><u>SALES</u></b>					
OCTOBER	\$ 3,753,619	\$ 3,217,497	\$ 536,122	\$ 2,339,047	\$ 1,414,571
TOTAL	<u>\$ 3,753,619</u>	<u>\$ 3,217,497</u>	<u>\$ 536,122</u>	<u>\$ 2,339,047</u>	<u>\$ 1,414,571</u>
TAX REVENUE	<u><u>\$ 3,929,711</u></u>	<u><u>\$ 4,517,497</u></u>	<u><u>\$ (587,785)</u></u>	<u><u>\$ 2,588,152</u></u>	<u><u>\$ 1,341,559</u></u>

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

<b>CASH ACTIVITY</b>	<b>TAX (IGT) ASSESSED</b>	<b>GOVERNMENT PAYOUT</b>	<b>BURDEN ALLEVIATION</b>	<b>NET INFLOW</b>
<b>DSH</b>				
1st Qtr	\$ 1,242,327	\$ 2,881,093		\$ 4,123,421
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>DSH TOTAL</b>	<b>\$ 1,242,327</b>	<b>\$ 2,881,093</b>		<b>\$ 4,123,421</b>
<b>UC</b>				
1st Qtr	\$ 555,750	\$ -		555,750
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>UC TOTAL</b>	<b>\$ 555,750</b>	<b>\$ -</b>		<b>\$ 555,750</b>
<b>Regional UPL (Community Benefit)</b>				
1st Qtr	\$ (3,062,308)	\$ -		\$ (3,062,308)
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>REGIONAL UPL TOTAL</b>	<b>\$ (3,062,308)</b>	<b>\$ -</b>		<b>\$ (3,062,308)</b>
<b>DSRIP</b>				
1st Qtr	\$ -	\$ -		\$ -
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>DSRIP UPL TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>
<b>MCH Cash Activity</b>	<b>\$ (1,264,231)</b>	<b>\$ 2,881,093</b>		<b>\$ 1,616,863</b>
<b>ProCare Cash Activity</b>			\$ 875,000	<b>\$ 875,000</b>
<b>Blended Cash Activity</b>	<b>\$ (1,264,231)</b>	<b>\$ 2,881,093</b>	<b>\$ 875,000</b>	<b>\$ 2,491,863</b>

**INCOME STATEMENT ACTIVITY:**

**FY 2018 Accrued / (Deferred) Adjustments:**

	<b>MCH</b>	<b>PROCARE</b>	<b>BLENDED</b>
DSH Accrual	\$ 327,099	\$ -	\$ 327,099
Uncompensated Care Accrual	744,443	-	744,443
Regional UPL Accrual	(790,299)	-	(790,299)
Nursing Home UPL	-	-	-
Regional UPL Benefit	-	875,000	875,000
<b>Medicaid Supplemental Payments</b>	<b>281,242</b>	<b>875,000</b>	<b>1,156,242</b>
DSRIP Accrual	1,000,000	-	1,000,000
<b>Total Adjustments</b>	<b>\$ 1,281,242</b>	<b>\$ 875,000</b>	<b>\$ 2,156,242</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
CONSTRUCTION IN PROGRESS - HOSPITAL ONLY  
AS OF OCTOBER 31, 2017**

	A	B	C	D	E=A+B+C+D	F	G=E+F	H	H-G
ITEM	CIP BALANCE AS OF 10/1/2017	OCTOBER "+" ADDITIONS	OCTOBER "-." ADDITIONS	OCTOBER TRANSFERS	CIP BALANCE AS OF 10/31/2017	ADD: AMOUNTS CAPITALIZED	PROJECT TOTAL	BUDGETED AMOUNT	UNDER/(OVER) BOARD APRVD/BUDGET
PLANT ROOF RENOVATION	\$ 55,600	\$ -	\$ -	\$ (55,600)	\$ -	\$ 55,600	\$ 55,600	\$ 49,000	\$ (6,600)
SKYBRIDGE ROOF RENOVATION	49,737	-	-	(49,737)	-	49,737	49,737	49,000	(737)
ED WAITING RENOVATION	1,050	525	-	-	1,575	-	1,575	20,000	18,425
<b>SUB-TOTAL</b>	<b>\$ 106,387</b>	<b>\$ 525</b>	<b>\$ -</b>	<b>\$ (105,337)</b>	<b>\$ 1,575</b>	<b>\$ 105,337</b>	<b>\$ 106,912</b>	<b>\$ 118,000</b>	<b>\$ 11,088</b>
<i>MINOR BUILDING IMPROVEMENT</i>									
FAMILY HEALTH CLINIC IMPROVEMENT	\$ 21,208	\$ -	\$ -	\$ -	\$ 21,208	\$ -	\$ 21,208	\$ 45,000	\$ 23,792
PBX - FLOORING REMEDIATION (MAIN HOSPITAL 1ST FLOOR)	13,030	-	-	-	13,030	-	13,030	45,000	31,970
PROCARE ENT	695,482	71,648	-	-	767,131	-	767,131	896,000	128,869
SUITE 401 WSMP	(21,674)	-	-	-	(21,674)	-	(21,674)	75,000	96,674
ONE DOCTORS PLACE	11,892	-	-	-	11,892	-	11,892	45,000	33,108
OR ROOF REPAIR	20,776	-	-	-	20,776	-	20,776	45,000	24,224
2ND FLOOR COMPLIANCE AREA	14,535	-	-	(14,535)	(0)	14,535	14,535	30,000	15,465
PROFESSIONAL BUILDING STORM DAMAGE	26,555	-	-	(26,555)	-	26,555	26,555	45,000	18,445
OR MED ROOM MODIFICATION	76,080	60	-	-	76,140	-	76,140	40,000	(36,140)
750 WEST 5TH FLOORING PROJECT	16,879	198	-	-	17,077	-	17,077	15,000	(2,077)
ANCILLARY STERILE STORAGE	4,443	2,485	-	-	6,928	-	6,928	25,000	18,072
GOLDER SITE SIGNAGE	3,983	-	-	-	3,983	-	3,983	20,000	16,018
<b>SUB-TOTAL</b>	<b>\$ 883,189</b>	<b>\$ 74,391</b>	<b>\$ -</b>	<b>\$ (41,090)</b>	<b>\$ 916,491</b>	<b>\$ 41,090</b>	<b>\$ 957,581</b>	<b>\$ 1,326,000</b>	<b>\$ 368,419</b>
<i>EQUIPMENT &amp; SOFTWARE PROJECTS - CIP INCOMPLETE</i>									
VARIOUS CAPITAL EXPENDITURE PROJECTS	\$ 2,322,170	\$ -	\$ (206,250)	\$ -	\$ 2,115,920	\$ -	\$ 2,115,920	\$ 2,500,000	\$ 384,080
<b>SUB-TOTAL</b>	<b>\$ 2,322,170</b>	<b>\$ -</b>	<b>\$ (206,250)</b>	<b>\$ -</b>	<b>\$ 2,115,920</b>	<b>\$ -</b>	<b>\$ 2,115,920</b>	<b>\$ 2,500,000</b>	<b>\$ 384,080</b>
<b>TOTAL CONSTRUCTION IN PROGRESS</b>	<b>\$ 3,311,746</b>	<b>\$ 74,916</b>	<b>\$ (206,250)</b>	<b>\$ (146,427)</b>	<b>\$ 3,033,986</b>	<b>\$ 146,427</b>	<b>\$ 3,180,412</b>	<b>\$ 3,944,000</b>	<b>\$ 763,588</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
CAPITAL PROJECT & EQUIPMENT EXPENDITURES  
OCTOBER 2017**

<u>DEPT</u>	<u>ITEM</u>	<u>CLASS</u>	<u>BOOKED AMOUNT</u>
<b>TRANSFERRED FROM CONSTRUCTION IN PROGRESS/RENOVATION PROJECTS</b>			
8510	PLANT ROOF RENOVATION	BUILDING	\$ 55,600
8540	SKYBRIDGE ROOF RENOVATION	BUILDING	49,737
9150	2ND FLOOR COMPLIANCE AREA	MAJOR MOVEABLE	14,535
8500	PROFESSIONAL BUILDING STORM DAMAGE	FIXED EQUIPMENT	26,555
<b>TOTAL PROJECT TRANSFERS</b>			<b>\$ 146,427</b>
<b>EQUIPMENT PURCHASES</b>			
	None		\$ -
<b>TOTAL EQUIPMENT PURCHASES</b>			<b>\$ -</b>
<b>TOTAL TRANSFERS FROM CIP/EQUIPMENT PURCHASES</b>			<b>\$ 146,427</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
FISCAL 2018 CAPITAL EQUIPMENT  
CONTINGENCY FUND  
OCTOBER 2017**

<b>MONTH/ YEAR</b>	<b>DESCRIPTION</b>	<b>DEPT NUMBER</b>	<b>BUDGETED AMOUNT</b>	<b>P.O AMOUNT</b>	<b>ACTUAL AMOUNT</b>	<b>TO/(FROM) CONTINGENCY</b>
	<b>Available funds from budget</b>		<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 600,000</b>
Oct-17	Clear-Lead Mobile X-Ray Barriers	7290	4,095	4,095	4,095	(4,095)
Oct-17	AVL Equipment	9080	4,119	4,119	4,187	(4,187)
			<b><u>\$ 608,214</u></b>	<b><u>\$ 8,214</u></b>	<b><u>\$ 8,282</u></b>	<b><u>\$ 591,718</u></b>

**ECTOR COUNTY HOSPITAL DISTRICT  
SUPPLEMENTAL SCHEDULE OF ACCOUNTS RECEIVABLE - OTHER  
OCTOBER 2017**

	<u>CURRENT YEAR</u>	<u>PRIOR YEAR</u>		<u>CURRENT YEAR CHANGE</u>
		<u>HOSPITAL AUDITED</u>	<u>PRO CARE AUDITED</u>	
AR DISPRO/UPL	\$ (1,311,667)	\$ -	\$ -	\$ (1,311,667)
AR UNCOMPENSATED CARE	2,012,700	712,507	-	1,300,193
AR DSRIP	7,930,062	6,930,062	-	1,000,000
AR NURSING HOME UPL	-	-	-	-
AR BAB REVENUE	168,287	84,142	-	84,145
AR PHYSICIAN GUARANTEES	774,129	652,652	-	121,476
AR ACCRUED INTEREST	144,562	129,868	-	14,693
AR OTHER:	6,491,995	4,221,685	3,400,671	(1,130,361)
Procure On-Call Fees	89,800	-	155,300	(65,500)
Procure A/R - FHC	325,095	-	339,398	(14,303)
Other Misc A/R	6,077,101	4,221,685	2,905,974	(1,050,558)
AR DUE FROM THIRD PARTY PAYOR	3,020,673	3,412,932	-	(392,259)
PROCARE-INTERCOMPANY RECEIVABLE	4,604,058	4,331,016	-	273,042
<b>TOTAL ACCOUNTS RECEIVABLE - OTHER</b>	<b>\$ 23,834,799</b>	<b>\$ 20,474,865</b>	<b>\$ 3,400,671</b>	<b>\$ (40,737)</b>
PROCARE-INTERCOMPANY LIABILITY	\$ (4,604,058)	\$ -	\$ (4,331,016)	\$ (273,042)

**ECTOR COUNTY HOSPITAL DISTRICT  
SUPPLEMENTAL SCHEDULE OF HOSPITAL TEMPORARY LABOR FTE'S  
OCTOBER 2017**

TEMPORARY LABOR DEPARTMENT	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	VAR	PRIOR PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	VAR	PRIOR PRIOR YR	PRIOR YR VAR
OPERATING ROOM	2.0	3.7	-47.0%	5.2	-62.3%	2.0	3.7	-47.0%	5.2	-62.3%
INTENSIVE CARE UNIT 2	1.8	1.1	62.6%	4.8	-62.3%	1.8	1.1	62.6%	4.8	-62.3%
CARDIOPULMONARY	1.6	-	0.0%	-	0.0%	1.6	-	0.0%	-	0.0%
NEO-NATAL INTENSIVE CARE	1.4	2.4	-40.2%	4.9	-70.9%	1.4	2.4	-40.2%	4.9	-70.9%
4 EAST	1.1	1.5	-26.3%	3.8	-71.0%	1.1	1.5	-26.3%	3.8	-71.0%
EMERGENCY DEPARTMENT	1.1	0.7	67.2%	2.5	-56.5%	1.1	0.7	67.2%	2.5	-56.5%
LABOR AND DELIVERY	1.0	2.0	-49.2%	3.6	-71.9%	1.0	2.0	-49.2%	3.6	-71.9%
PM&R - PHYSICAL	1.0	0.4	139.8%	-	0.0%	1.0	0.4	139.8%	-	0.0%
INPATIENT REHAB	1.0	0.7	33.0%	4.7	-79.8%	1.0	0.7	33.0%	4.7	-79.8%
PHARMACY DRUGS/I.V. SOLUTIONS	0.9	-	0.0%	-	0.0%	0.9	-	0.0%	-	0.0%
PM&R - OCCUPATIONAL	0.7	0.4	86.9%	1.2	-42.6%	0.7	0.4	86.9%	1.2	-42.6%
INTENSIVE CARE UNIT 4 (CCU)	0.4	1.5	-73.1%	7.4	-94.3%	0.4	1.5	-73.1%	7.4	-94.3%
TRAUMA SERVICE	0.2	-	0.0%	-	0.0%	0.2	-	0.0%	-	0.0%
5 WEST	0.1	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%
6 CENTRAL	0.1	1.1	-93.0%	4.4	-98.3%	0.1	1.1	-93.0%	4.4	-98.3%
7 CENTRAL	-	1.9	-100.0%	6.5	-100.0%	-	1.9	-100.0%	6.5	-100.0%
PERFORMANCE IMPROVEMENT (QA)	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
9 CENTRAL	-	1.0	-100.0%	2.5	-100.0%	-	1.0	-100.0%	2.5	-100.0%
8 CENTRAL	-	0.9	-100.0%	4.3	-100.0%	-	0.9	-100.0%	4.3	-100.0%
STERILE PROCESSING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
CHW - SPORTS MEDICINE	-	-	0.0%	2.8	-100.0%	-	-	0.0%	2.8	-100.0%
6 WEST	-	0.6	-100.0%	2.4	-100.0%	-	0.6	-100.0%	2.4	-100.0%
HUMAN RESOURCES	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
PATIENT ACCOUNTING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
4 CENTRAL	-	0.5	-100.0%	1.7	-100.0%	-	0.5	-100.0%	1.7	-100.0%
FINANCIAL ACCOUNTING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
5 CENTRAL	-	0.3	-100.0%	2.1	-100.0%	-	0.3	-100.0%	2.1	-100.0%
OP SURGERY	-	0.2	-100.0%	0.9	-100.0%	-	0.2	-100.0%	0.9	-100.0%
IMAGING - ULTRASOUND	-	0.1	-100.0%	-	0.0%	-	0.1	-100.0%	-	0.0%
CERNER	-	0.0	-100.0%	-	0.0%	-	0.0	-100.0%	-	0.0%
IMAGING - DIAGNOSTICS	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
ENGINEERING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
RECOVERY ROOM	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
LABORATORY - CHEMISTRY	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
LABORATORY - MICROBIOLOGY	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
LABORATORY - TRANFUSION SERVICES	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
PM&R - SPEECH	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
MEDICAL STAFF	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
<b>SUBTOTAL</b>	<b>14.4</b>	<b>20.9</b>	<b>-31.4%</b>	<b>65.8</b>	<b>-78.2%</b>	<b>14.4</b>	<b>20.9</b>	<b>-31.4%</b>	<b>65.8</b>	<b>-78.2%</b>
<b>TRANSITION LABOR</b>										
INTENSIVE CARE UNIT 4 (CCU)	9.4	5.6	68.1%	-	0.0%	9.4	5.6	68.1%	-	0.0%
7 CENTRAL	6.3	4.4	44.4%	-	0.0%	6.3	4.4	44.4%	-	0.0%
8 CENTRAL	3.9	2.7	42.9%	-	0.0%	3.9	2.7	42.9%	-	0.0%
INTENSIVE CARE UNIT 2	3.6	3.3	11.3%	-	0.0%	3.6	3.3	11.3%	-	0.0%
6 CENTRAL	3.5	2.9	21.0%	-	0.0%	3.5	2.9	21.0%	-	0.0%
NEO-NATAL INTENSIVE CARE	3.3	2.2	46.7%	-	0.0%	3.3	2.2	46.7%	-	0.0%
INPATIENT REHAB	3.2	2.2	48.7%	-	0.0%	3.2	2.2	48.7%	-	0.0%
LABORATORY - CHEMISTRY	2.5	1.2	118.8%	-	0.0%	2.5	1.2	118.8%	-	0.0%
EMERGENCY DEPARTMENT	2.5	2.0	22.4%	-	0.0%	2.5	2.0	22.4%	-	0.0%
4 EAST	2.3	2.5	-5.5%	-	0.0%	2.3	2.5	-5.5%	-	0.0%
OPERATING ROOM	1.7	0.7	154.1%	-	0.0%	1.7	0.7	154.1%	-	0.0%
5 CENTRAL	1.7	1.9	-13.7%	-	0.0%	1.7	1.9	-13.7%	-	0.0%
9 CENTRAL	1.3	2.3	-43.2%	-	0.0%	1.3	2.3	-43.2%	-	0.0%
LABORATORY - HEMATOLOGY	1.3	0.3	277.1%	-	0.0%	1.3	0.3	277.1%	-	0.0%
PM&R - PHYSICAL	1.1	-	0.0%	-	0.0%	1.1	-	0.0%	-	0.0%
4 CENTRAL	1.1	1.0	10.1%	-	0.0%	1.1	1.0	10.1%	-	0.0%
CHW - SPORTS MEDICINE	0.9	0.7	39.6%	-	0.0%	0.9	0.7	39.6%	-	0.0%
OP SURGERY	0.9	0.8	4.6%	-	0.0%	0.9	0.8	4.6%	-	0.0%
PM&R - OCCUPATIONAL	0.3	0.4	-26.6%	-	0.0%	0.3	0.4	-26.6%	-	0.0%
6 WEST	-	0.7	-100.0%	-	0.0%	-	0.7	-100.0%	-	0.0%
LABOR AND DELIVERY	-	0.5	-100.0%	-	0.0%	-	0.5	-100.0%	-	0.0%
CERNER	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
5 WEST	-	0.2	-100.0%	-	0.0%	-	0.2	-100.0%	-	0.0%
TRAUMA SERVICE	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
<b>SUBTOTAL</b>	<b>50.8</b>	<b>38.4</b>	<b>32.4%</b>	<b>-</b>	<b>0.0%</b>	<b>50.8</b>	<b>38.4</b>	<b>32.4%</b>	<b>-</b>	<b>0.0%</b>
<b>GRAND TOTAL</b>	<b>65.2</b>	<b>59.3</b>	<b>9.9%</b>	<b>65.8</b>	<b>-1.0%</b>	<b>65.2</b>	<b>59.3</b>	<b>9.9%</b>	<b>65.8</b>	<b>-1.0%</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
SUPPLEMENTAL SCHEDULE OF TEMPORARY LABOR, TRANSITION LABOR & PURCHASED SERVICES - HOSPITAL ONLY  
OCTOBER 2017**

	CURRENT MONTH						YEAR TO DATE					
	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR
ALL OTHER	\$ 164,086	\$ 159,925	\$ 4,161	2.6%	\$ 507,429	-67.7%	\$ 164,086	\$ 159,925	\$ 4,161	2.6%	\$ 507,429	-67.7%
<b>TOTAL TEMPORARY LABOR</b>	<b>\$ 164,086</b>	<b>\$ 159,925</b>	<b>\$ 4,161</b>	<b>2.6%</b>	<b>\$ 507,429</b>	<b>-67.7%</b>	<b>\$ 164,086</b>	<b>\$ 159,925</b>	<b>\$ 4,161</b>	<b>2.6%</b>	<b>\$ 507,429</b>	<b>-67.7%</b>
ICU4 TRANSITION LABOR	\$ 109,550	\$ 92,321	\$ 17,229	18.7%	\$ 131,727	-16.8%	\$ 109,550	\$ 92,321	\$ 17,229	18.7%	\$ 131,727	-16.8%
ALL OTHER	475,382	480,541	(5,159)	-1.1%	91,425	420.0%	475,382	480,541	(5,159)	-1.1%	91,425	420.0%
<b>TOTAL TRANSITION LABOR</b>	<b>\$ 584,932</b>	<b>\$ 572,862</b>	<b>\$ 12,070</b>	<b>2.1%</b>	<b>\$ 223,153</b>	<b>162.1%</b>	<b>\$ 584,932</b>	<b>\$ 572,862</b>	<b>\$ 12,070</b>	<b>2.1%</b>	<b>\$ 223,153</b>	<b>162.1%</b>
<b>GRAND TOTAL TEMPORARY LABOR</b>	<b>\$ 749,018</b>	<b>\$ 732,787</b>	<b>\$ 16,231</b>	<b>2.2%</b>	<b>\$ 730,581</b>	<b>2.5%</b>	<b>\$ 749,018</b>	<b>\$ 732,787</b>	<b>\$ 16,231</b>	<b>2.2%</b>	<b>\$ 730,581</b>	<b>2.5%</b>
HIM TRANS OTHER PURCH SVCS	\$ 805,738	\$ 78,797	\$ 726,941	922.5%	\$ (180,418)	-546.6%	\$ 805,738	\$ 78,797	\$ 726,941	922.5%	\$ (180,418)	-546.6%
ADM CONSULTANT FEES	79,307	32,583	46,724	143.4%	129,971	-39.0%	79,307	32,583	46,724	143.4%	129,971	-39.0%
HISTOLOGY SERVICES	58,810	28,355	30,455	107.4%	27,398	114.7%	58,810	28,355	30,455	107.4%	27,398	114.7%
PT ACCTS COLLECTION FEES	111,305	83,579	27,726	33.2%	52,322	112.7%	111,305	83,579	27,726	33.2%	52,322	112.7%
REF LAB ARUP PURCH SVCS	74,032	51,800	22,232	42.9%	51,842	42.8%	74,032	51,800	22,232	42.9%	51,842	42.8%
SERV EXC SURVEY SERVICES	55,767	46,667	9,100	19.5%	57,922	-3.7%	55,767	46,667	9,100	19.5%	57,922	-3.7%
PRIMARY CARE WEST OTHER PURCH SVCS	103,226	159,007	(55,781)	-35.1%	154,815	-33.3%	103,226	159,007	(55,781)	-35.1%	154,815	-33.3%
IT INFORMATION SOLUTIONS SVCS	85,786	152,134	(66,348)	-43.6%	269,467	-68.2%	85,786	152,134	(66,348)	-43.6%	269,467	-68.2%
FHC OTHER PURCH SVCS	173,624	288,783	(115,159)	-39.9%	224,980	-22.8%	173,624	288,783	(115,159)	-39.9%	224,980	-22.8%
ALL OTHERS	523,078	1,455,096	(932,018)	-64.1%	1,556,395	-66.4%	523,078	1,455,096	(932,018)	-64.1%	1,556,395	-66.4%
<b>TOTAL PURCHASED SERVICES</b>	<b>\$ 2,070,673</b>	<b>\$ 2,376,800</b>	<b>\$ (306,127)</b>	<b>-12.9%</b>	<b>\$ 2,344,693</b>	<b>-11.7%</b>	<b>\$ 2,070,673</b>	<b>\$ 2,376,800</b>	<b>\$ (306,127)</b>	<b>-12.9%</b>	<b>\$ 2,344,693</b>	<b>-11.7%</b>

Ector County Hospital District  
 Debt Service Coverage Calculation  
 OCTOBER 2017

**Average Annual Debt Service Requirements of 110%:**

	FYTD			Annualized
	ProCare	ECHD	Consolidated	Consolidated
Decrease in net position	953,773	(3,646,372)	(2,692,600)	(32,311,201)
Deficiency of revenues over expenses	953,773	(3,646,372)	(2,692,600)	(32,311,201)
Depreciation/amortization	26,171	1,724,098	1,750,269	21,003,229
Interest expense	-	276,217	276,217	3,314,609
(Gain) or loss on fixed assets	-	-	-	-
Unusual / infrequent / extraordinary items	-	-	-	-
Unrealized (gains) / losses on investments	-	-	-	-
Consolidated net revenues	979,944	(1,646,056)	(666,114)	(7,993,363)
GASB 68	-	1,217,696	1,217,696	14,612,352
Consolidated net revenues (without GASB 68)	979,944	(428,360)	551,582	6,618,989

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

1.) Average annual debt service of future maturities

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

OR

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

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

	Current FYTD		
Covenant Computation (with GASB 68)	-13.9%	(needs to be 110% or higher)	-166.9%
Covenant Computaiton (without GASB 68)	11.5%		138.2%



# Financial Presentation

For the Month Ended

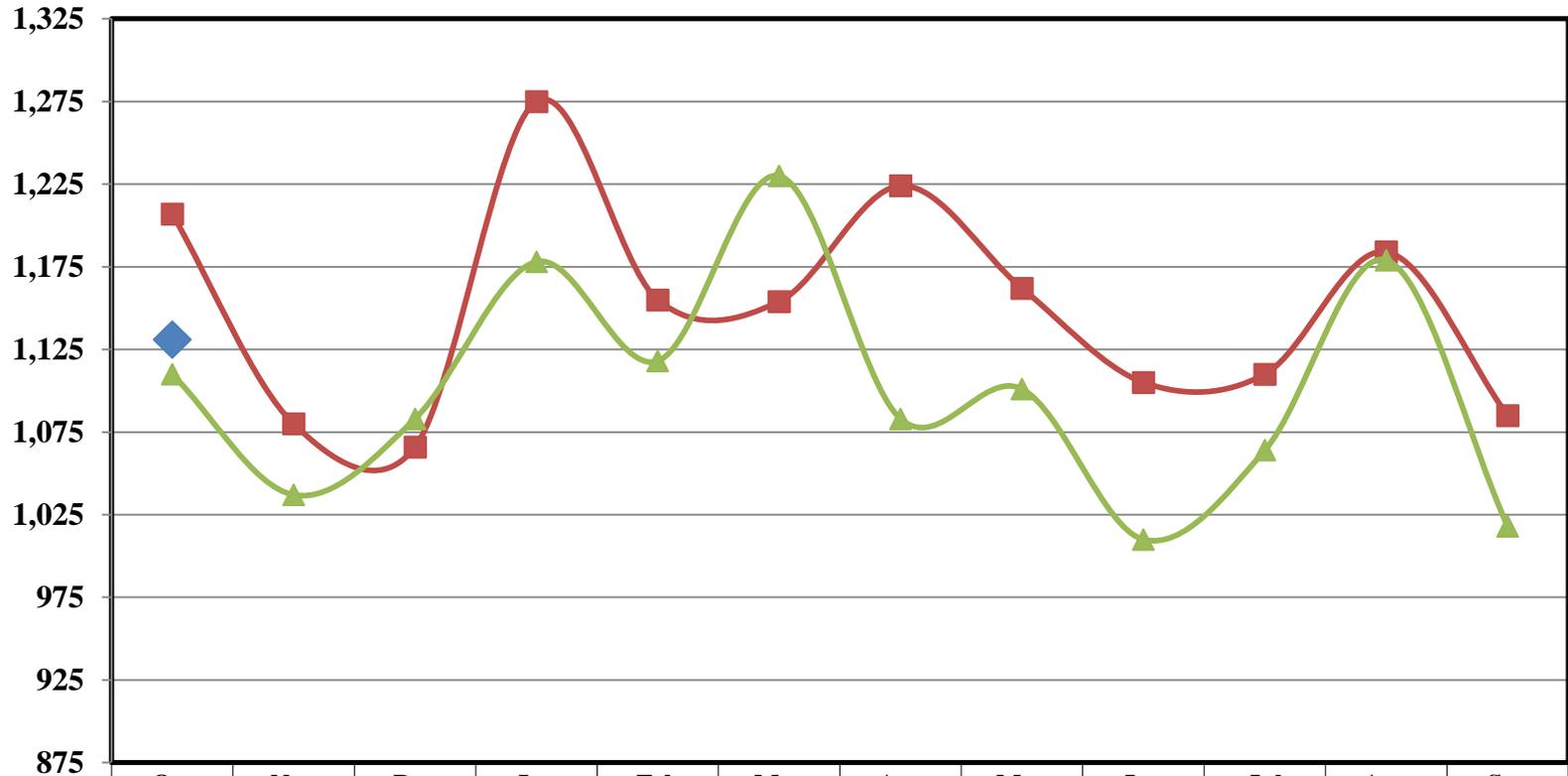
October 31, 2017

# Volume



# Admissions

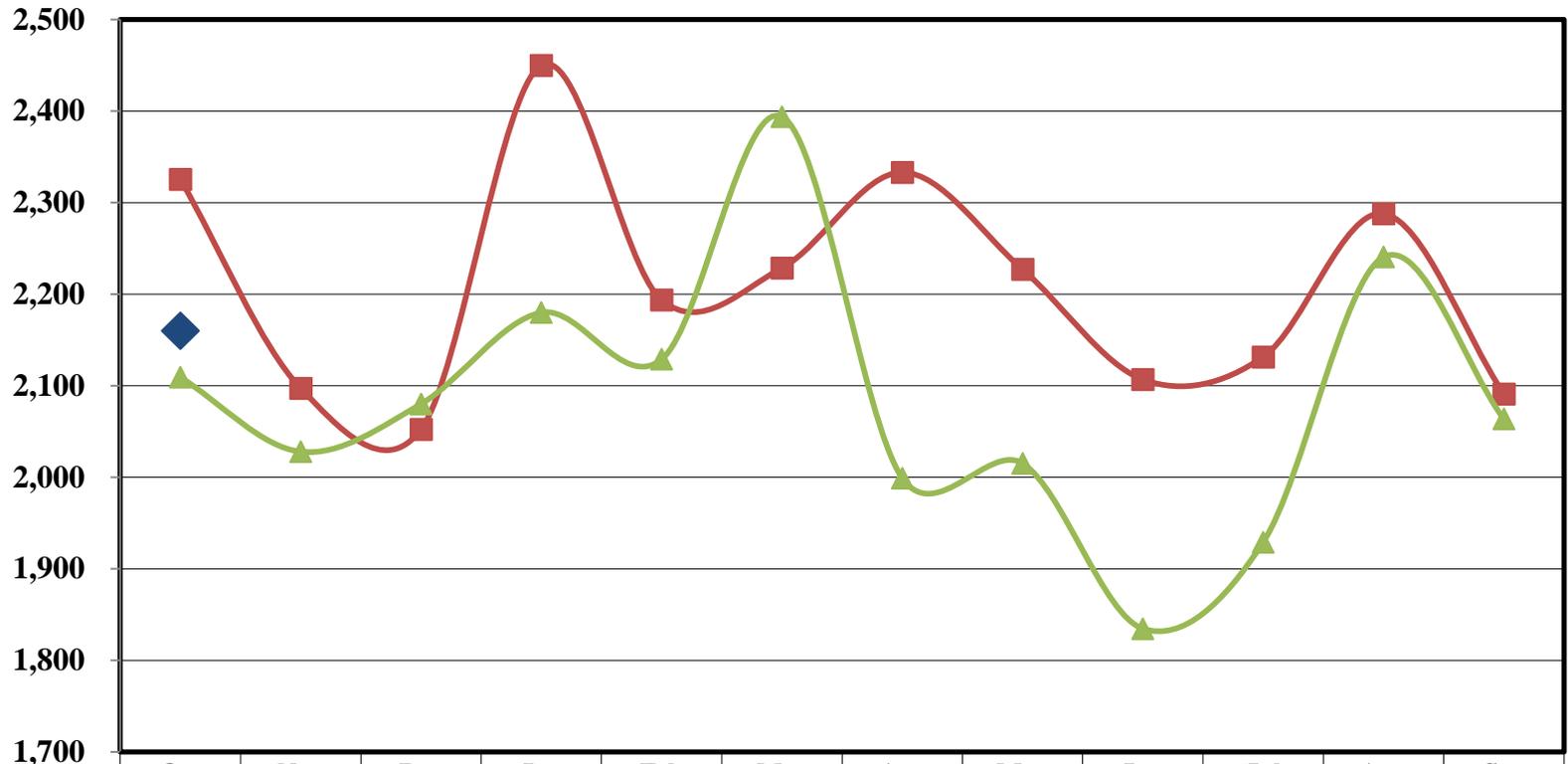
Total – Adults and NICU



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2018	1,131											
<span style="color: red;">■</span> FY 2018 Budget	1,207	1,080	1,066	1,275	1,155	1,154	1,224	1,162	1,105	1,110	1,184	1,085
<span style="color: green;">▲</span> FY 2017	1,110	1,037	1,083	1,178	1,118	1,230	1,083	1,101	1,010	1,064	1,179	1,018

# Adjusted Admissions

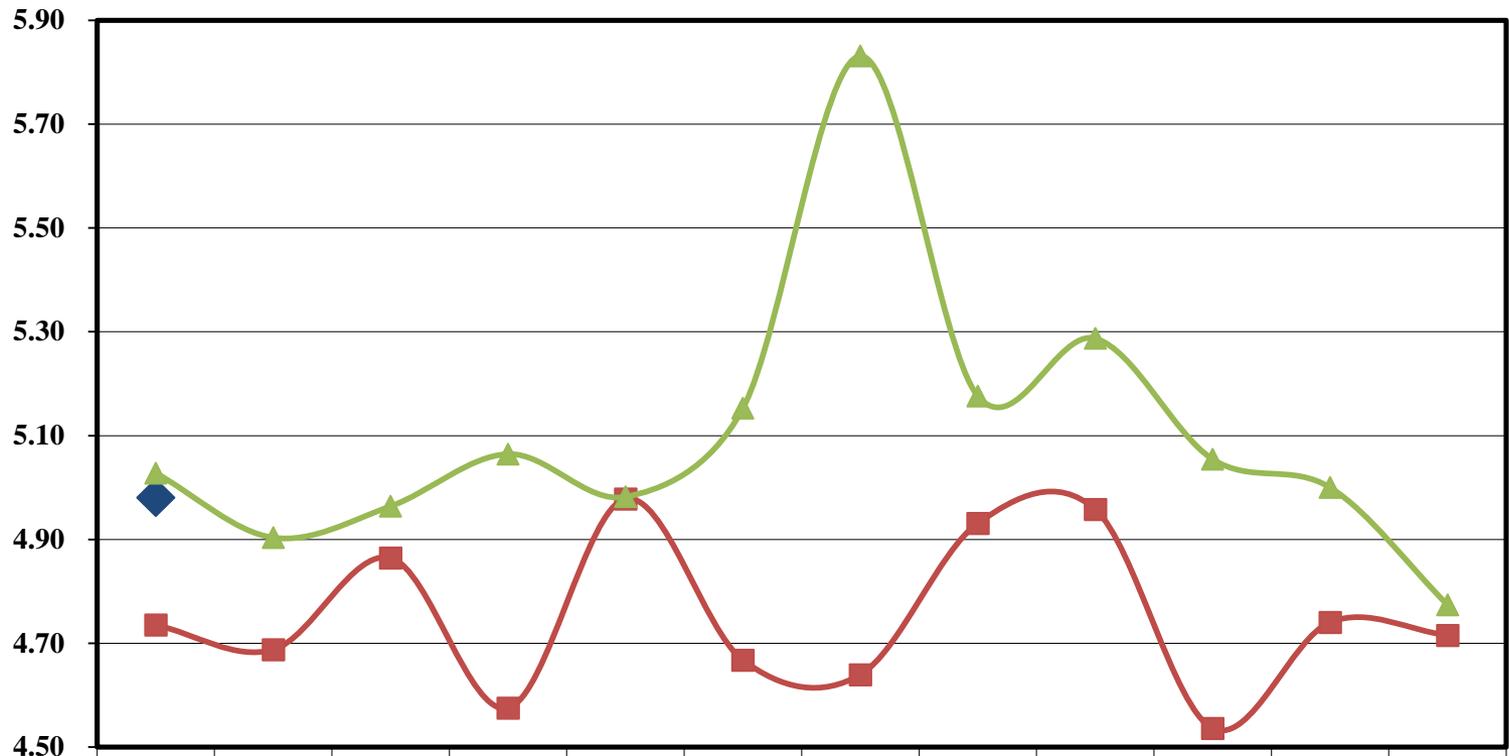
Including Acute & Rehab Unit



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

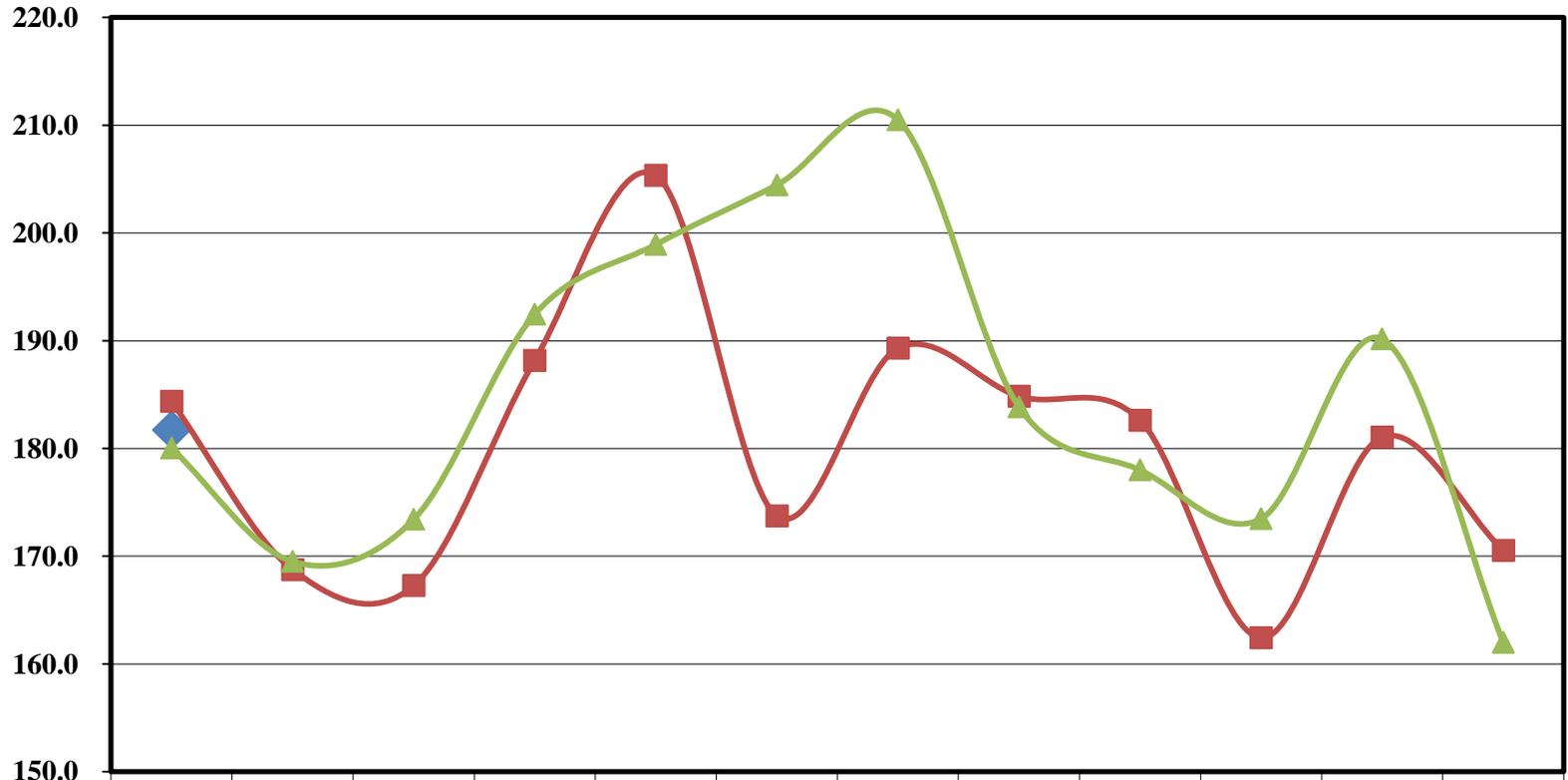
# Average Length of Stay

Total – Adults and NICU



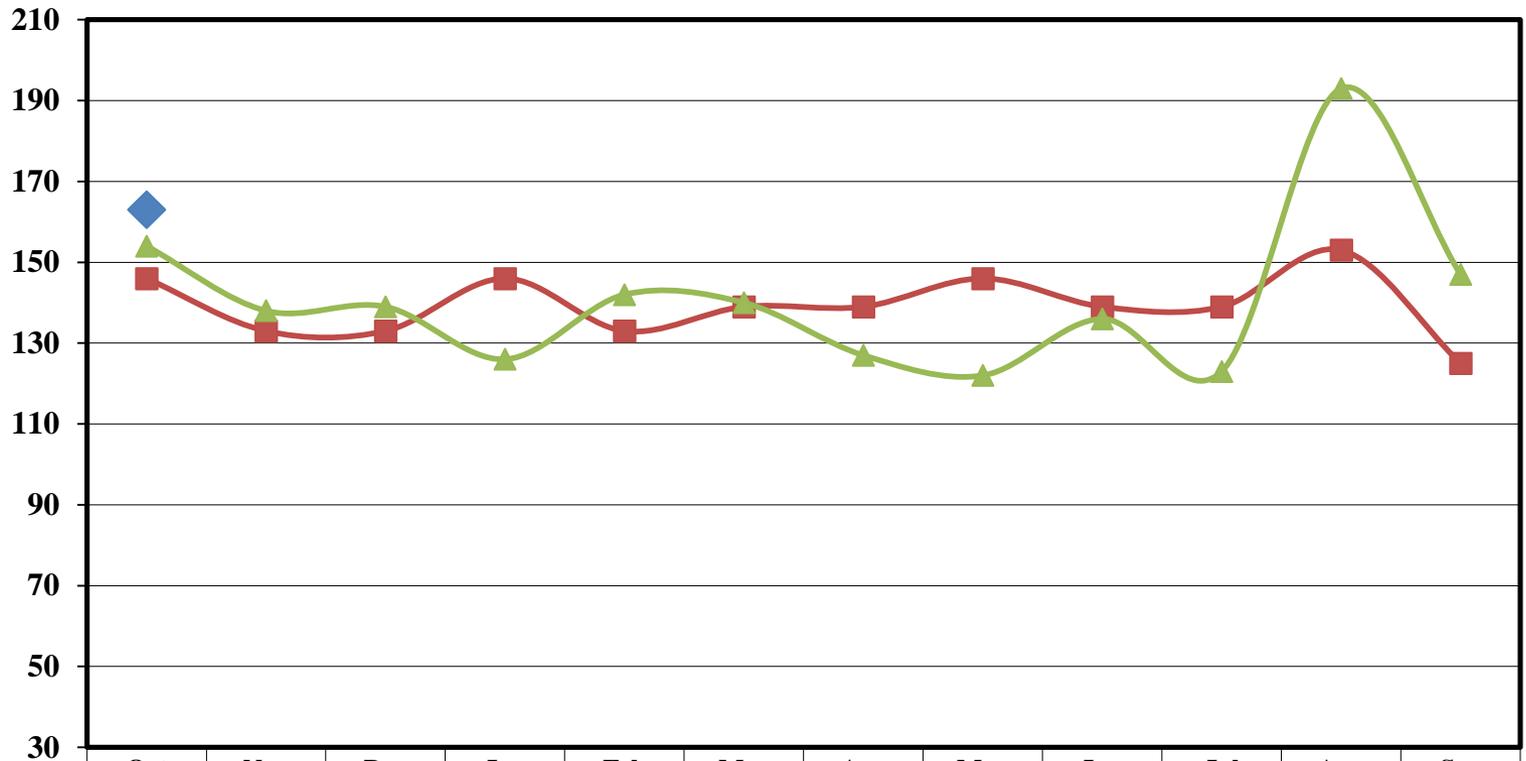
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	4.98											
■ FY 2018 Budget	4.74	4.69	4.86	4.58	4.98	4.67	4.64	4.93	4.96	4.54	4.74	4.72
▲ FY 2017	5.03	4.90	4.96	5.06	4.98	5.15	5.83	5.18	5.29	5.05	5.00	4.77

# Average Daily Census



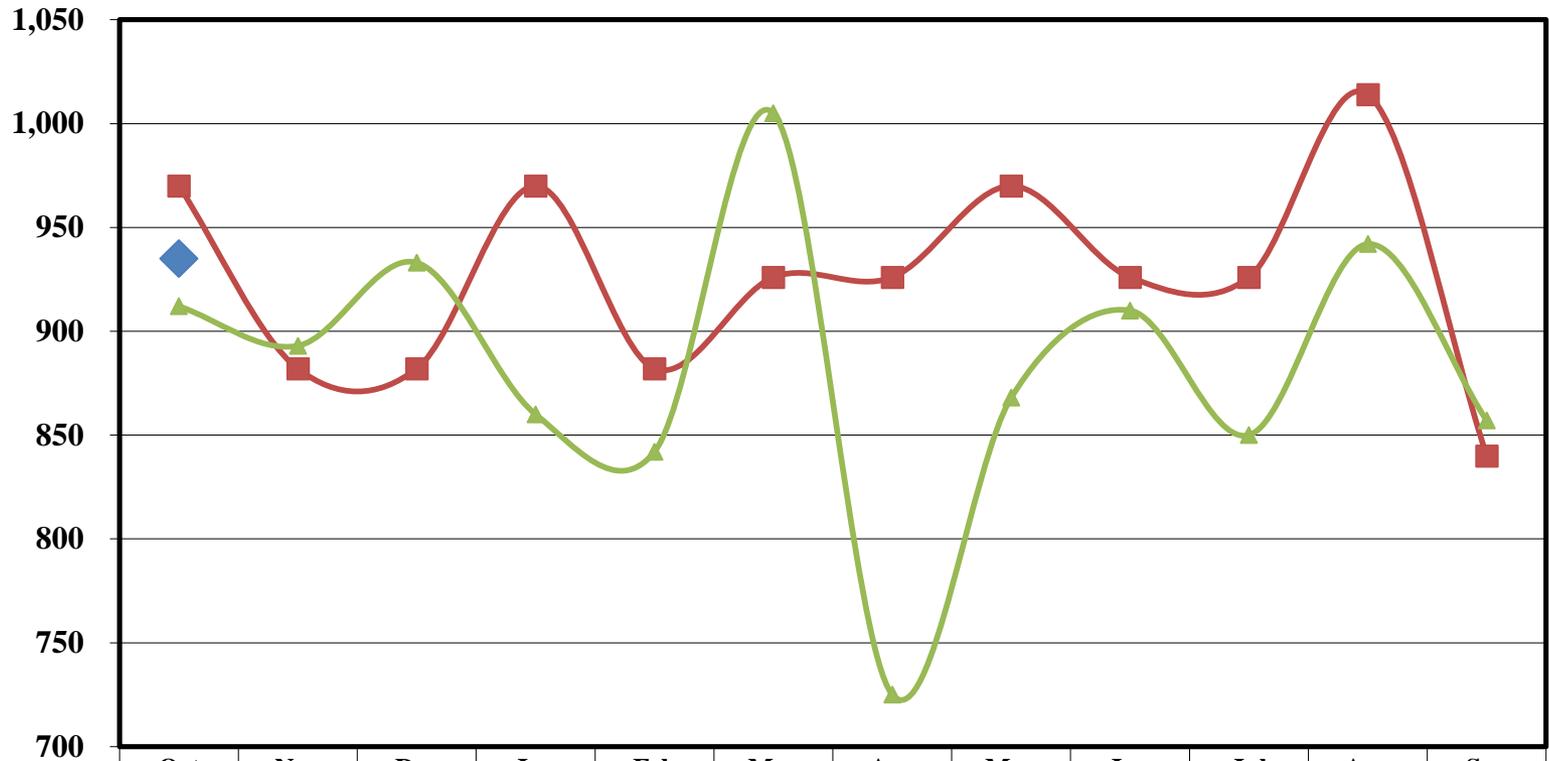
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	181.7											
■ FY 2018 Budget	184.4	168.8	167.3	188.2	205.4	173.8	189.3	184.8	182.6	162.4	181.1	170.5
▲ FY 2017	180.0	169.5	173.4	192.5	198.9	204.5	210.5	183.8	178.0	173.5	190.2	162.0

# Deliveries



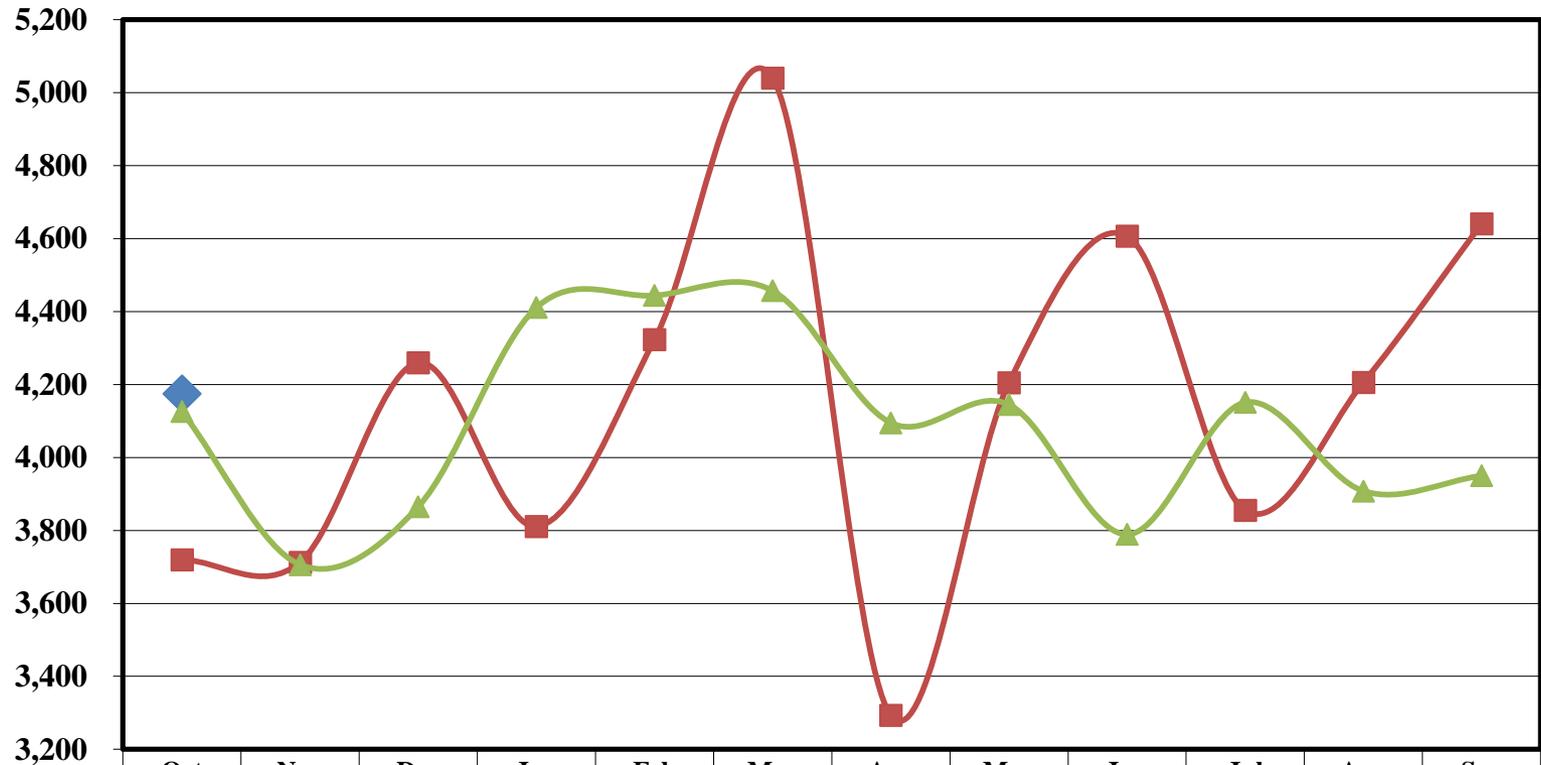
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>FY 2018</b>	<b>163</b>											
<b>FY 2018 Budget</b>	<b>146</b>	<b>133</b>	<b>133</b>	<b>146</b>	<b>133</b>	<b>139</b>	<b>139</b>	<b>146</b>	<b>139</b>	<b>139</b>	<b>153</b>	<b>125</b>
<b>FY 2017</b>	<b>154</b>	<b>138</b>	<b>139</b>	<b>126</b>	<b>142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

# Total Surgical Cases



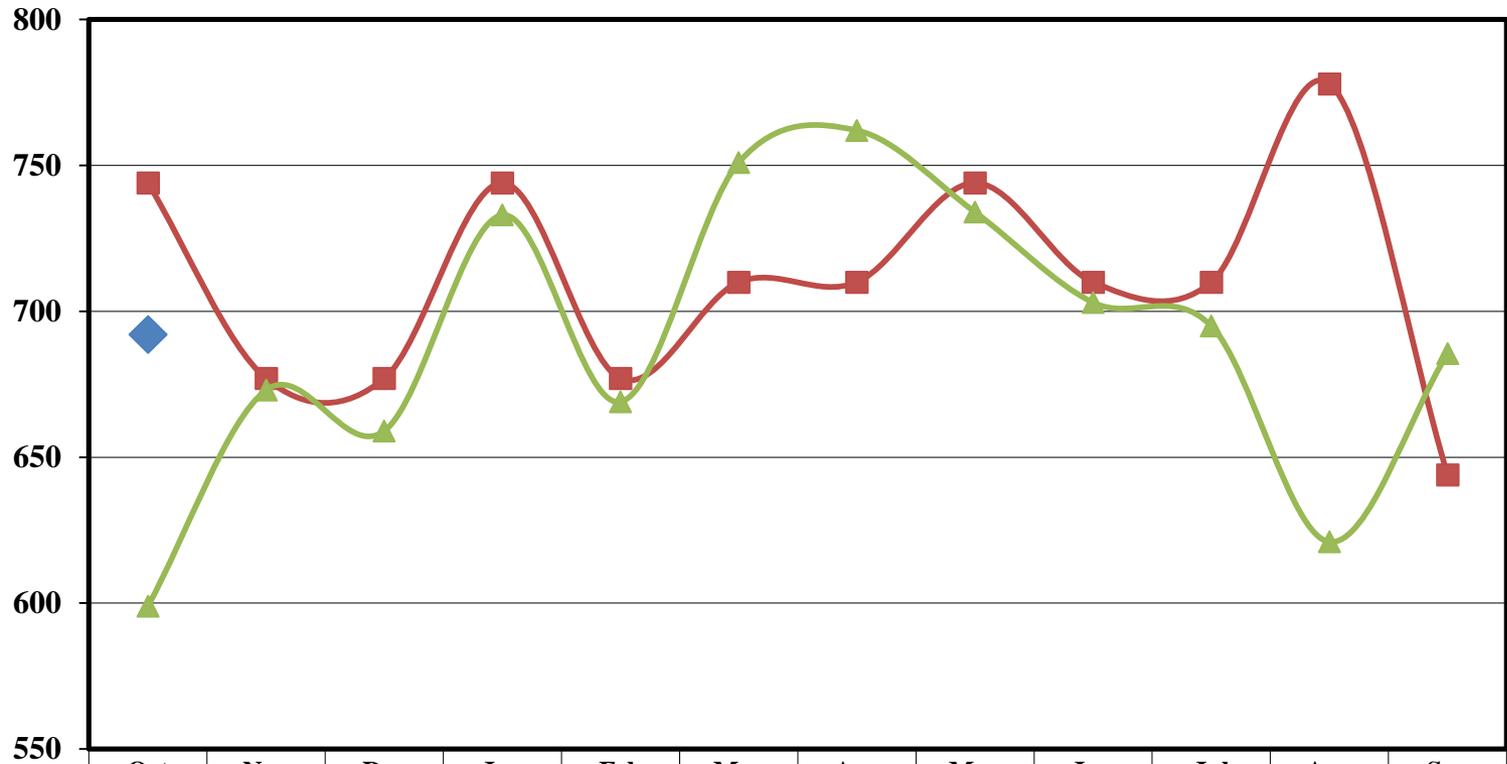
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2018	935											
<span style="color: red;">■</span> FY 2018 Budget	970	882	882	970	882	926	926	970	926	926	1,014	840
<span style="color: green;">▲</span> FY 2017	912	893	933	860	842	1,005	725	868	910	850	942	857

# Emergency Room Visits



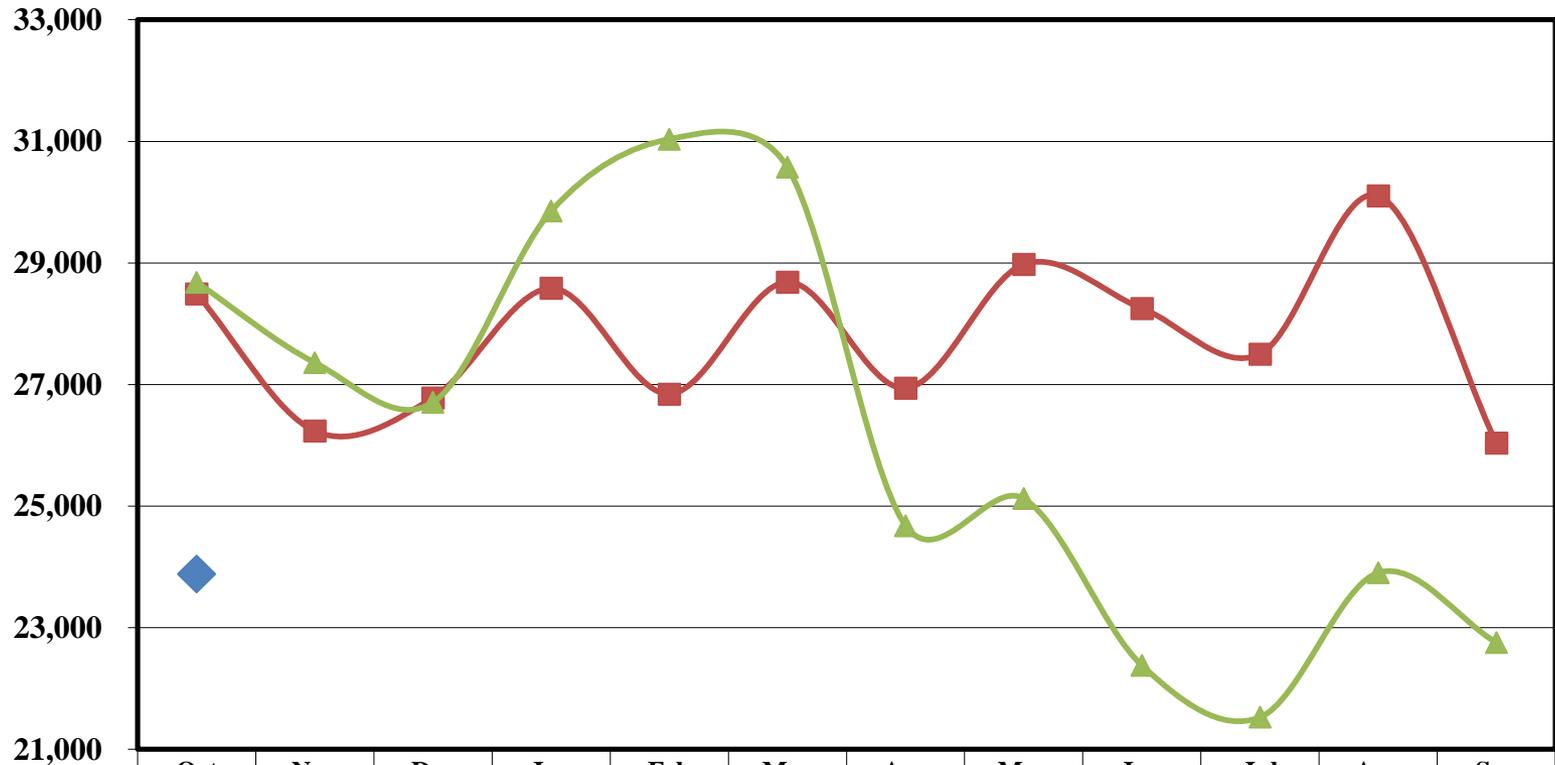
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2018	4,175											
<span style="color: red;">■</span> FY 2018 Budget	3,720	3,713	4,260	3,811	4,323	5,040	3,293	4,205	4,607	3,855	4,206	4,641
<span style="color: green;">▲</span> FY 2017	4,126	3,706	3,865	4,411	4,444	4,457	4,095	4,145	3,789	4,151	3,908	3,950

# Observation Days



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>FY 2018</b>	<b>692</b>											
<b>FY 2018 Budget</b>	<b>744</b>	<b>677</b>	<b>677</b>	<b>744</b>	<b>677</b>	<b>710</b>	<b>710</b>	<b>744</b>	<b>710</b>	<b>710</b>	<b>778</b>	<b>644</b>
<b>FY 2017</b>	<b>599</b>	<b>673</b>	<b>659</b>	<b>733</b>	<b>669</b>	<b>751</b>	<b>762</b>	<b>734</b>	<b>703</b>	<b>695</b>	<b>621</b>	<b>686</b>

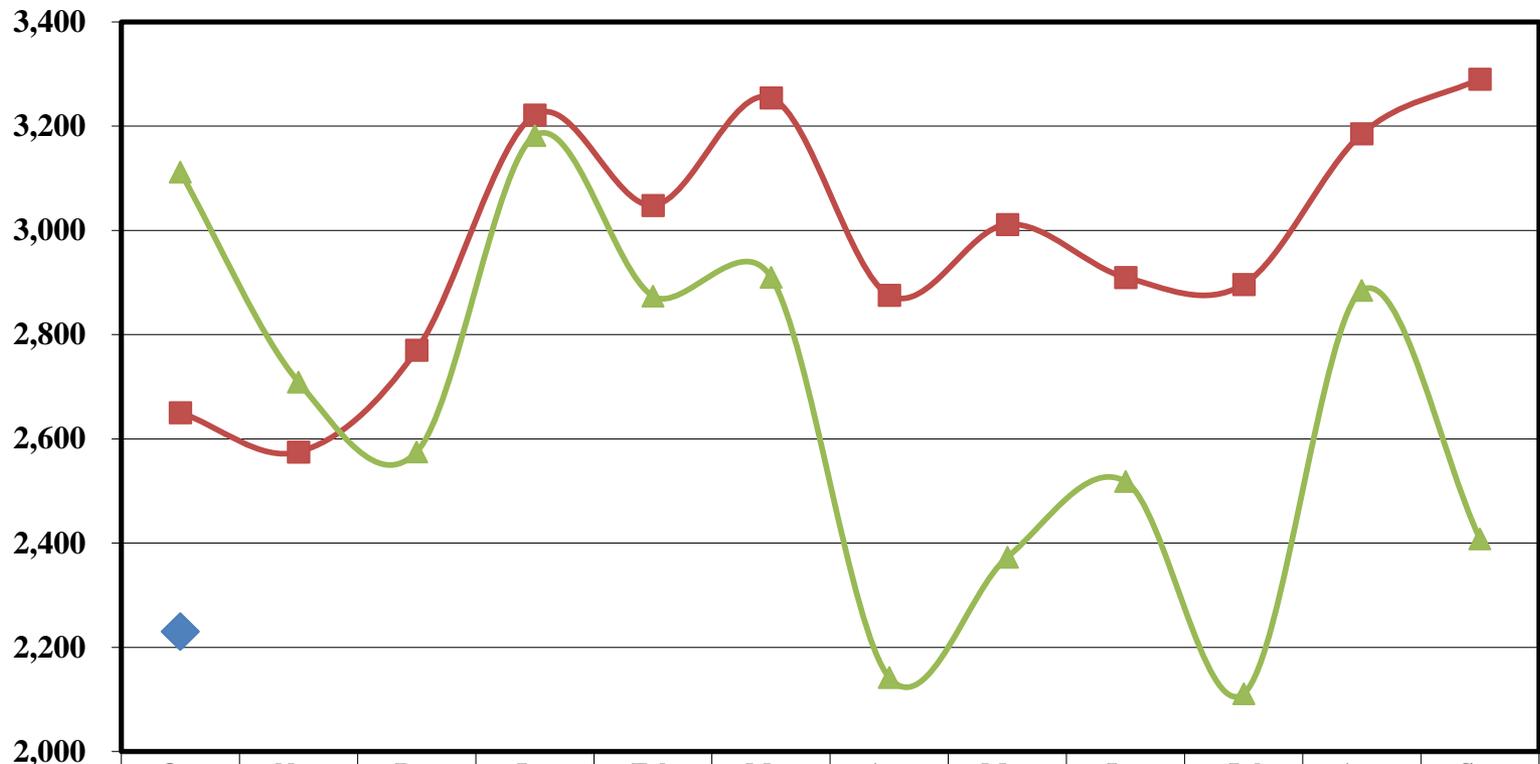
# Total Outpatient Occasions of Service



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	23,881											
■ FY 2018 Budget	28,493	26,235	26,782	28,584	26,845	28,687	26,940	28,978	28,254	27,502	30,105	26,037
▲ FY 2017	28,681	27,360	26,707	29,852	31,036	30,575	24,678	25,123	22,380	21,528	23,904	22,755

# Center for Primary Care Total Visits

(FQHC - Clements & West University)

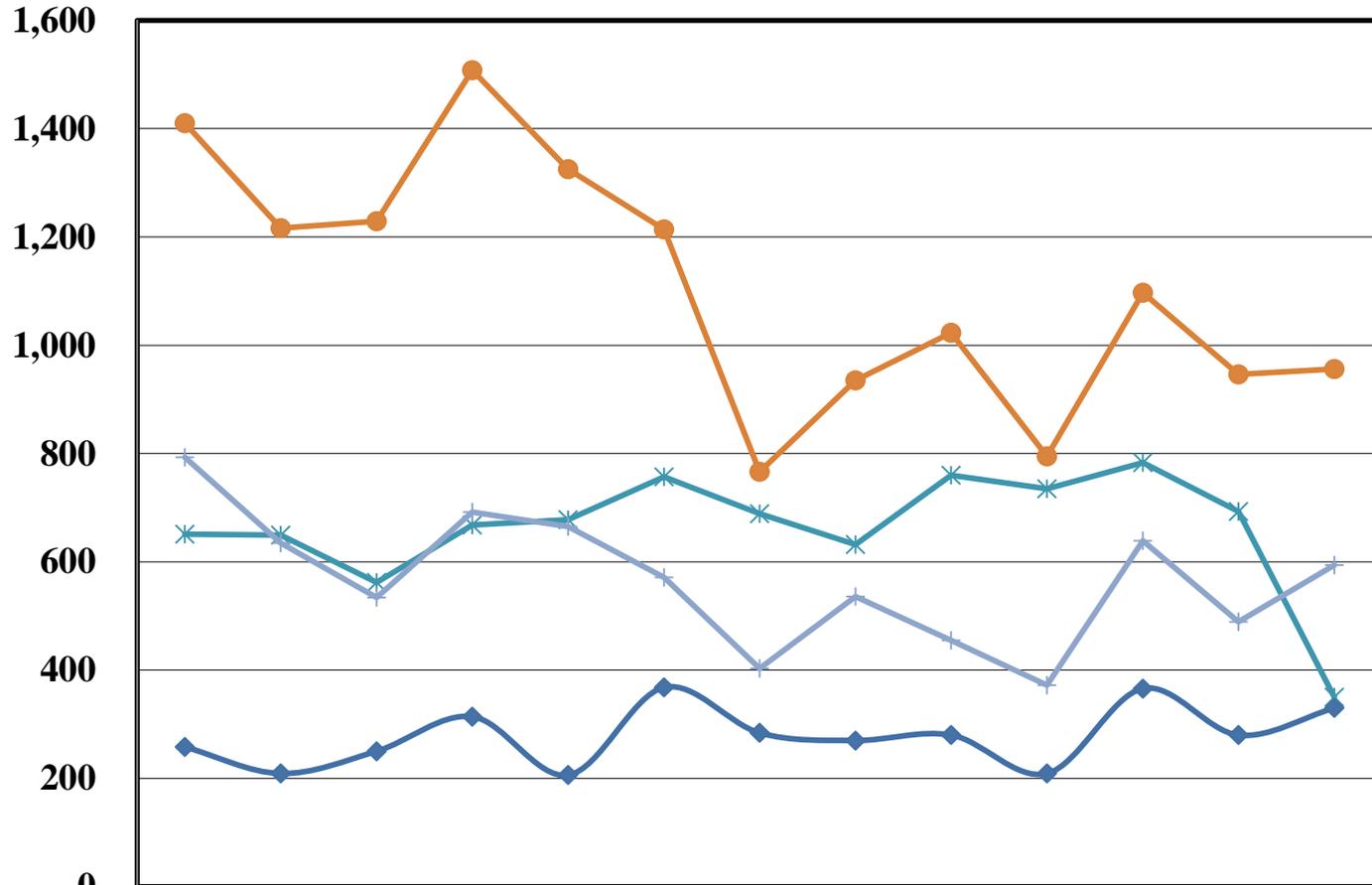


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2018	2,230											
<span style="color: red;">■</span> FY 2018 Budget	2,650	2,575	2,771	3,222	3,048	3,254	2,876	3,012	2,910	2,897	3,185	3,291
<span style="color: green;">▲</span> FY 2017	3,112	2,709	2,575	3,182	2,874	2,910	2,142	2,373	2,518	2,111	2,885	2,408

# Center for Primary Care Visits

(FQHC - Clements and West University)

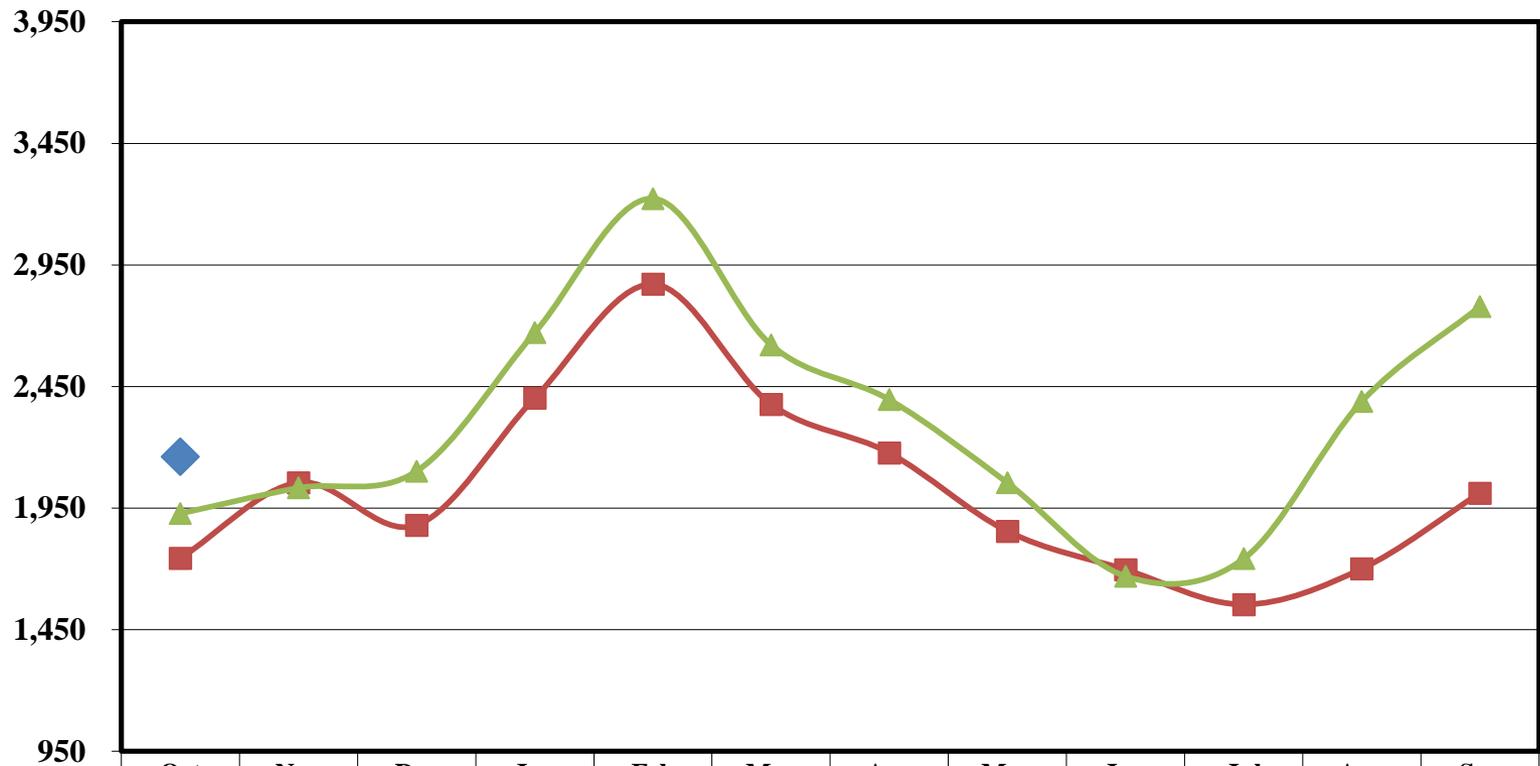
Thirteen Month Trending



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Clements Dental	651	649	562	668	678	757	689	632	760	735	783	693	350
Clements Medical	1,410	1,216	1,229	1,508	1,325	1,214	766	935	1,023	795	1,097	946	956
W. University Medical	793	635	534	692	665	571	403	536	455	372	639	489	594
W. University Optometry	258	209	250	314	206	368	284	270	280	209	366	280	330

# Urgent Care Visits

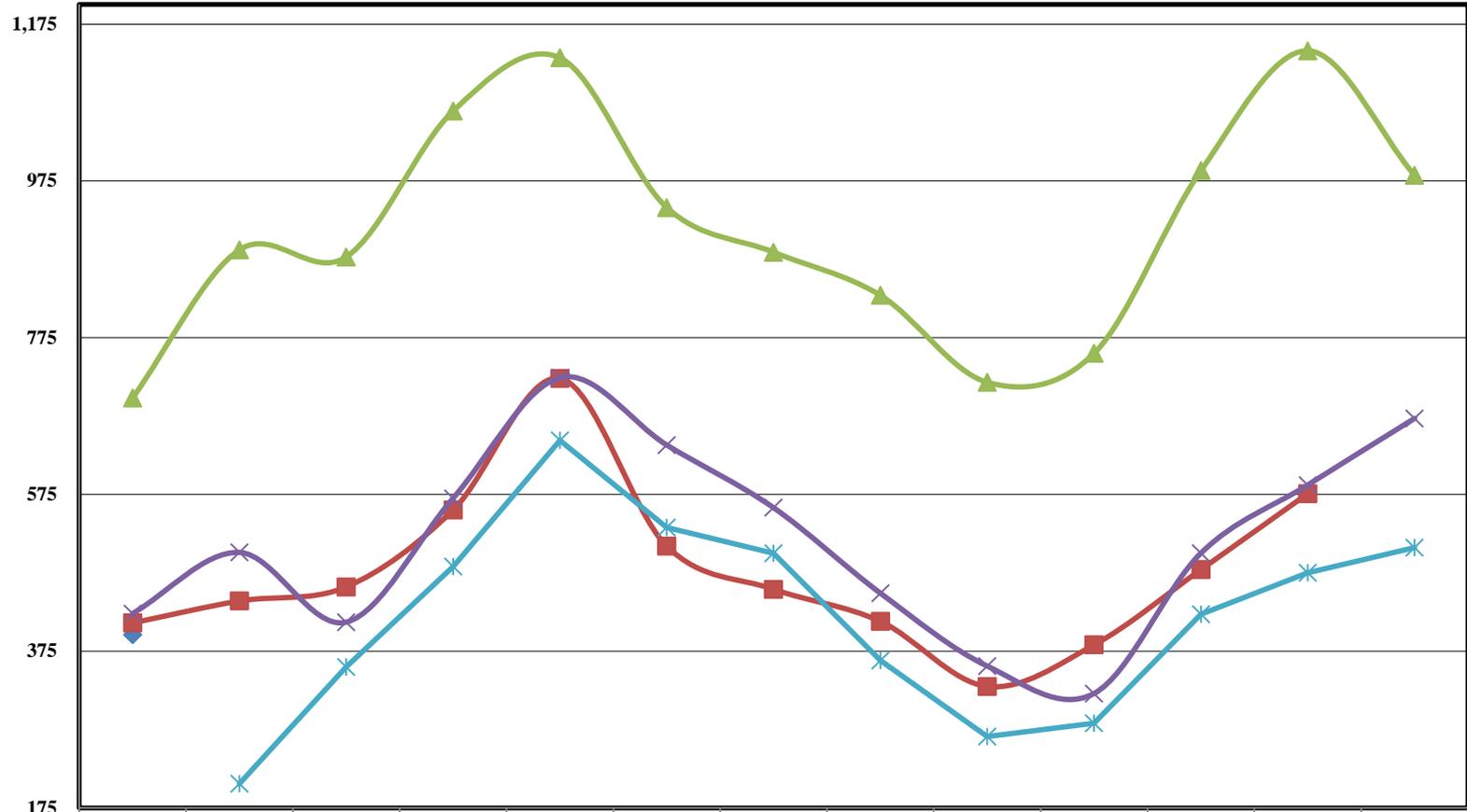
(Health and Wellness, Golder, JBS Clinic, West University & 42<sup>nd</sup> Street)



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

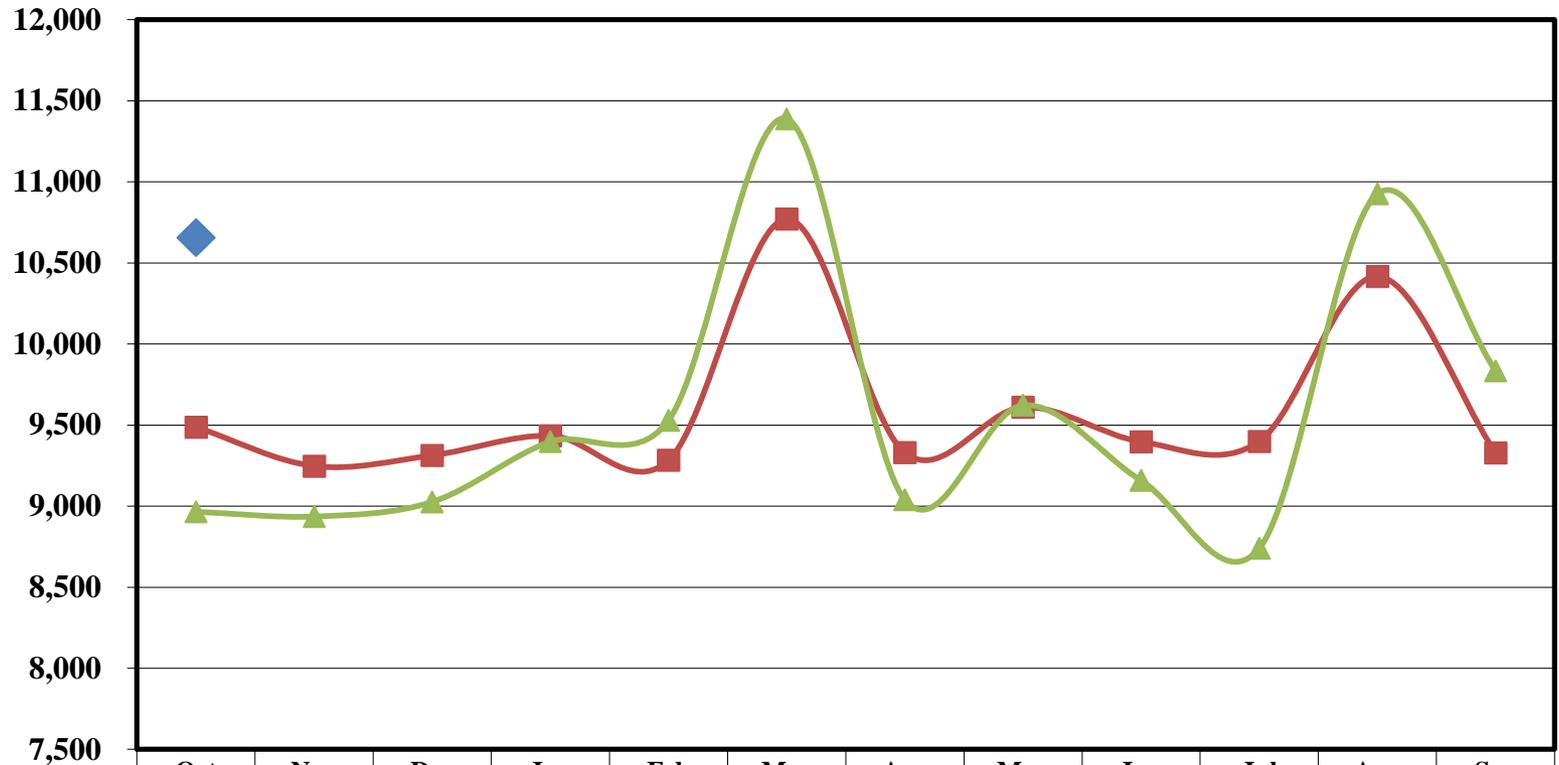
# Urgent Care Visits

(Health and Wellness, Golder, JBS Clinic, West University & 42<sup>nd</sup> Street)  
Thirteen Month Trending



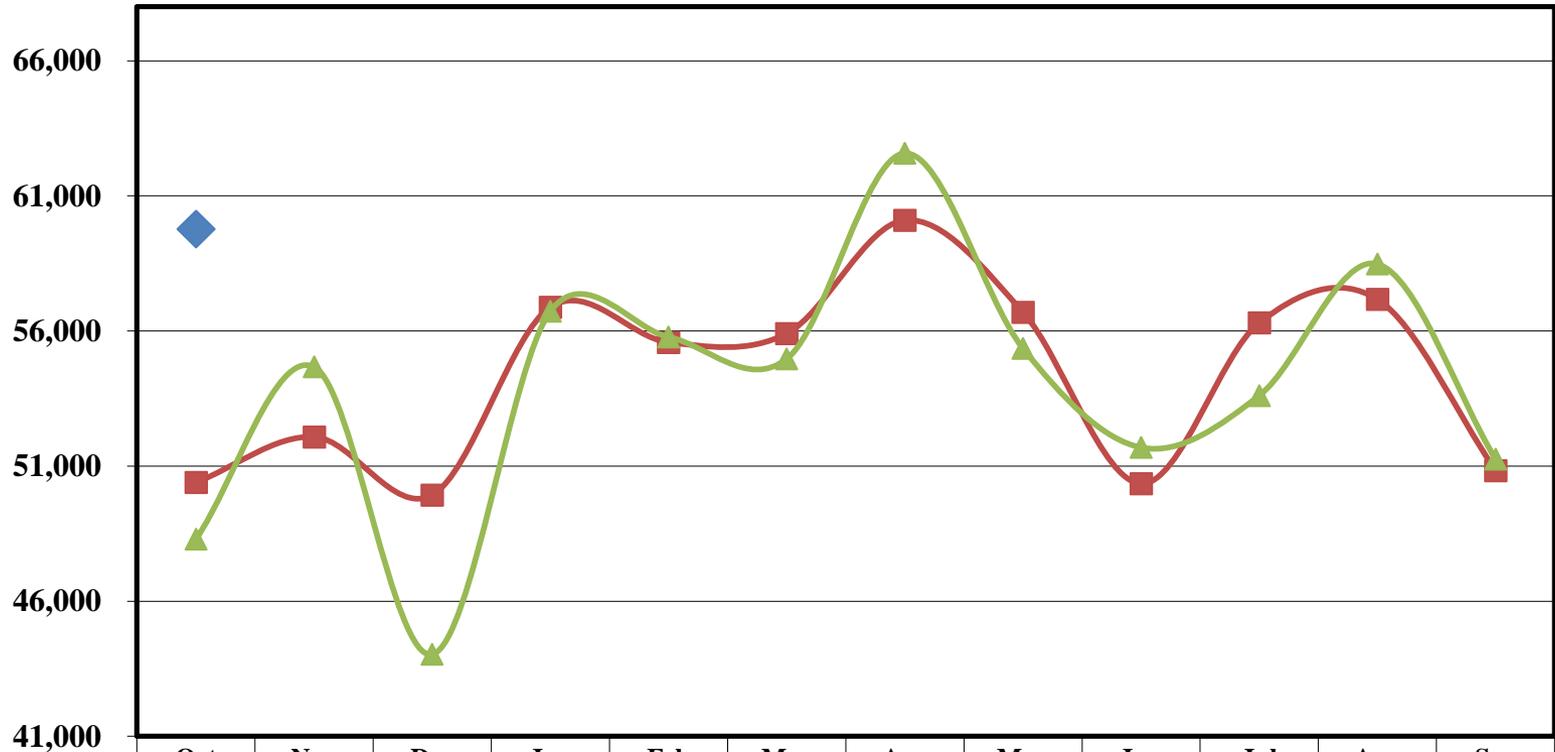
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Health & Wellness	396												
Golder	411	439	457	555	723	509	454	413	330	383	479	576	
JBS Clinic	698	887	878	1,064	1,132	941	884	829	718	755	988	1,141	982
West University	423	501	412	570	724	638	558	449	356	321	500	587	672
42nd Street		206	355	483	644	533	500	363	266	283	422	475	507

# Total ProCare Office Visits



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

# Total ProCare Procedures



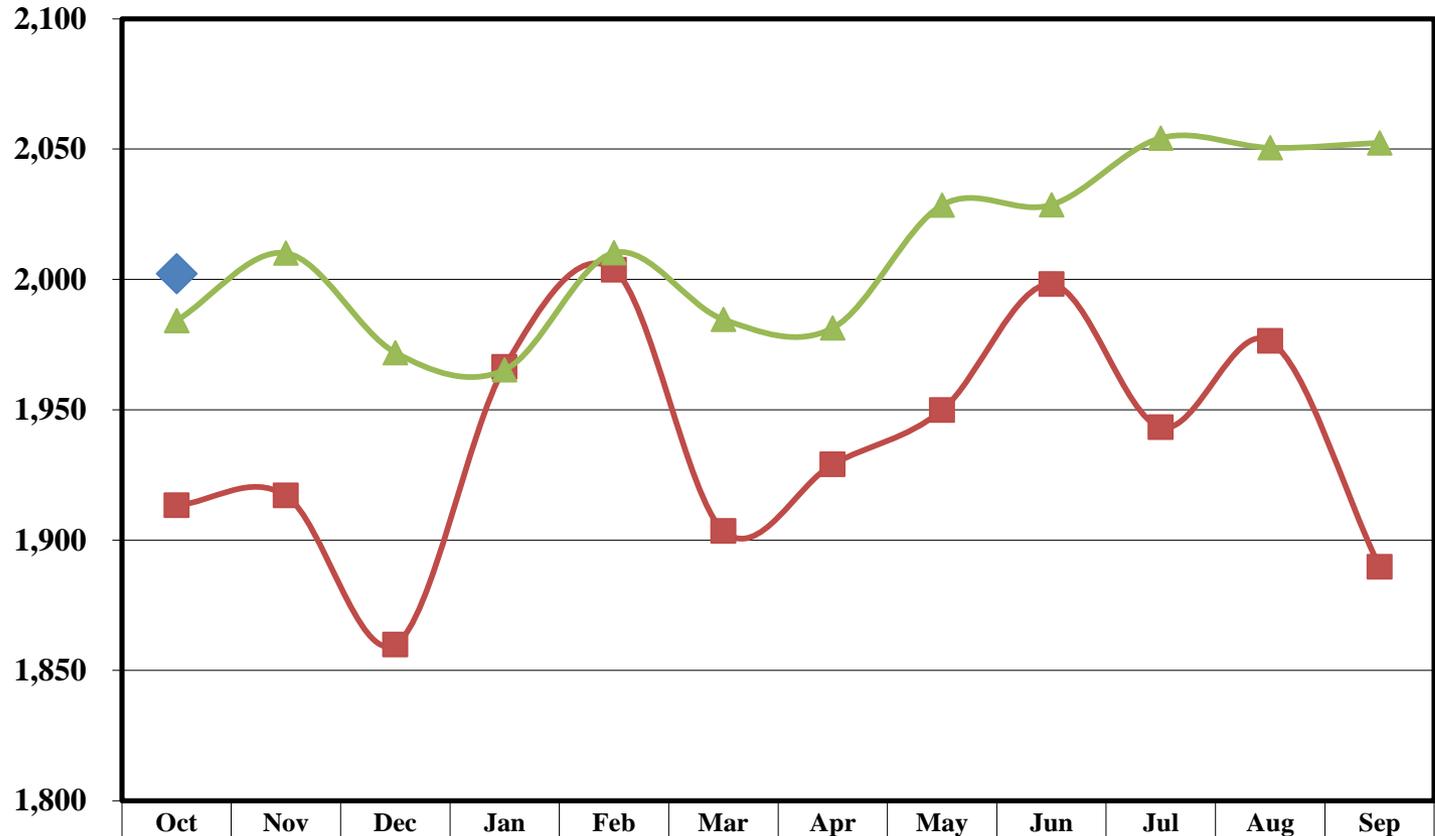
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	59,771											
■ FY 2018 Budget	50,395	52,081	49,933	56,886	55,583	55,907	60,100	56,695	50,350	56,304	57,171	50,838
▲ FY 2017	48,296	54,671	44,033	56,732	55,777	54,967	62,578	55,355	51,688	53,610	58,478	51,254

# Staffing



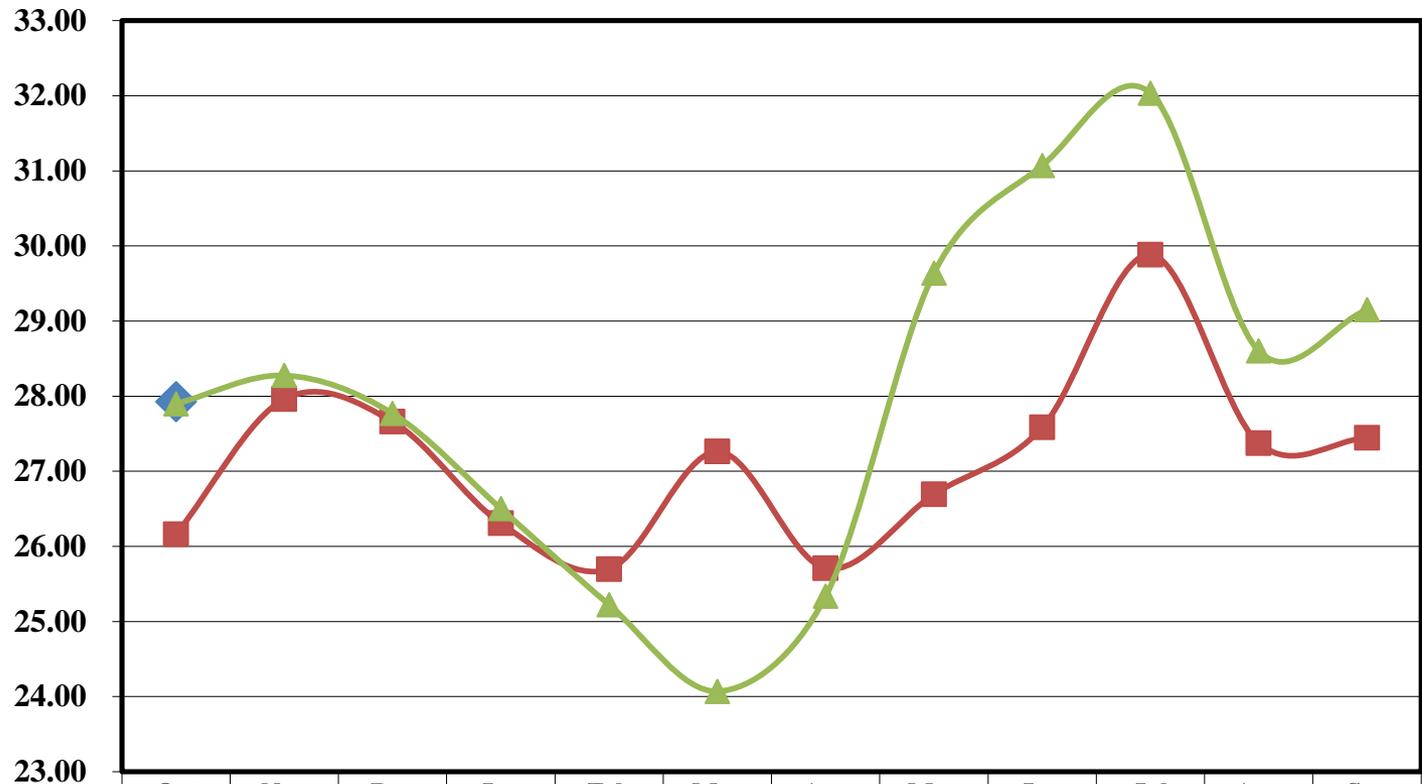
# Blended FTE's

Including Contract Labor and Management Services



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

# Paid Hours per Adjusted Patient Day (Blended)



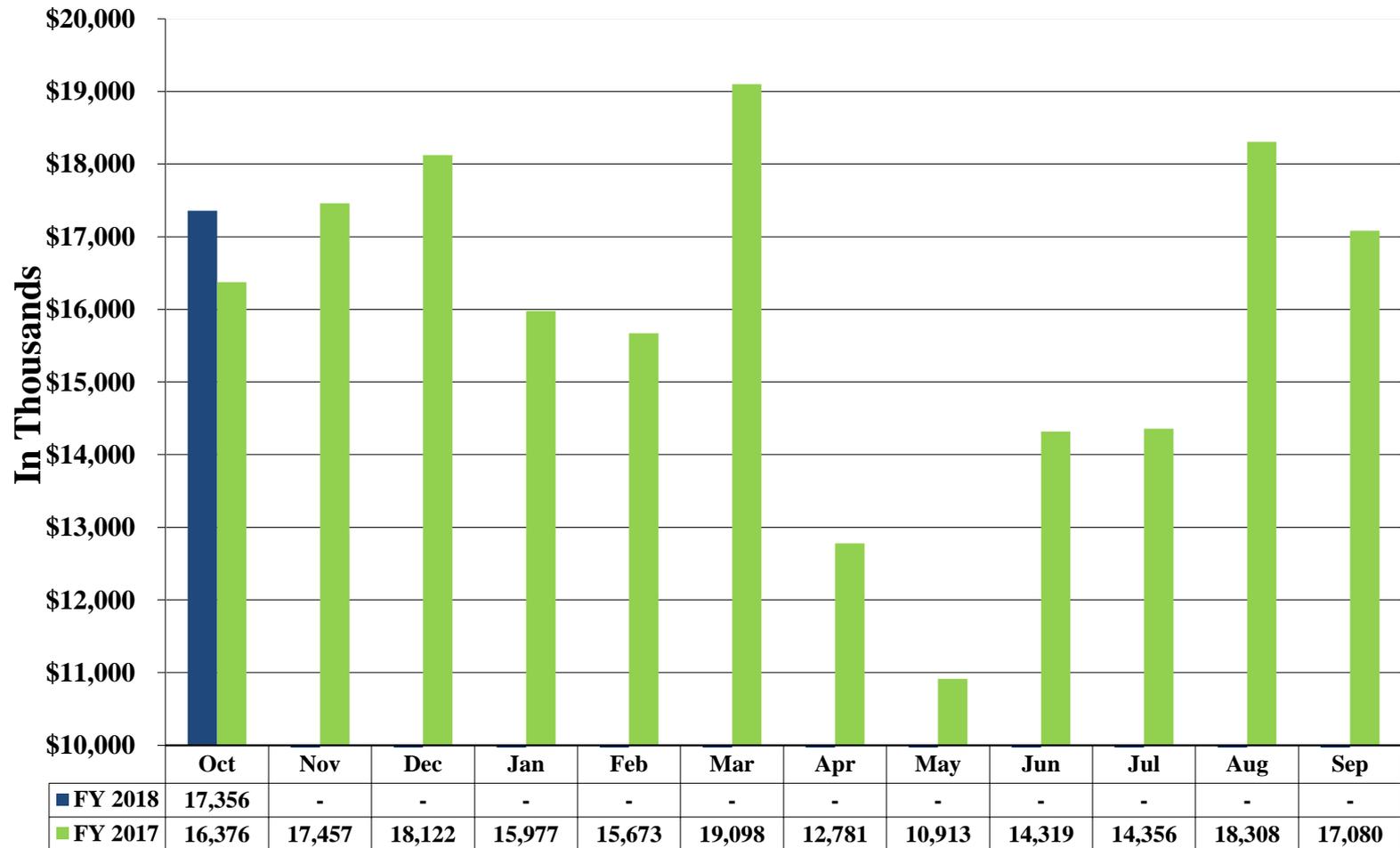
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2018	27.93											
<span style="color: red;">■</span> FY 2018 Budget	26.16	27.96	27.66	26.31	25.70	27.26	25.71	26.69	27.58	29.88	27.37	27.44
<span style="color: green;">▲</span> FY 2017	27.90	28.28	27.77	26.50	25.22	24.07	25.34	29.64	31.07	32.03	28.60	29.15

# Accounts Receivable

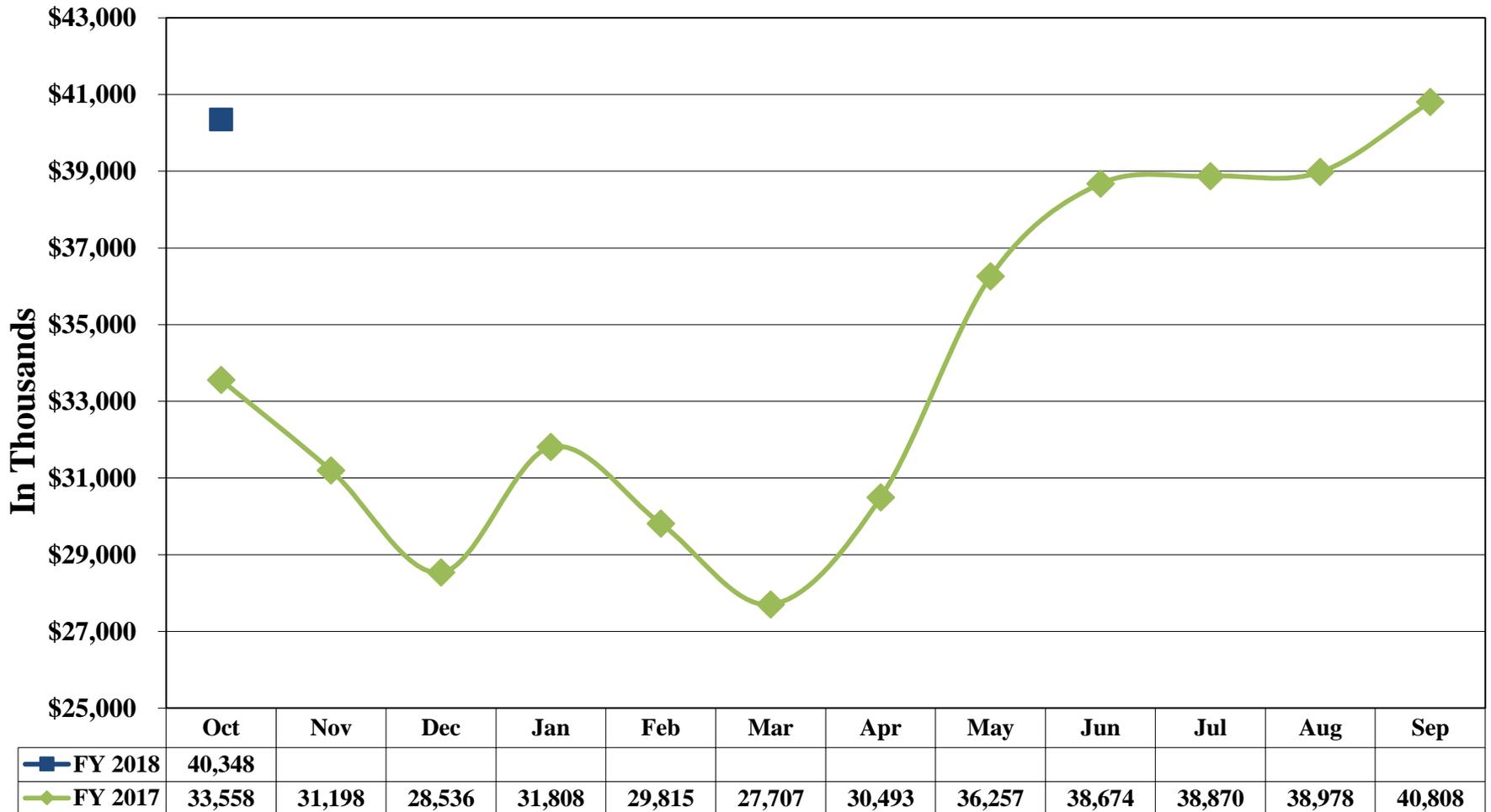


# AR Cash Receipts

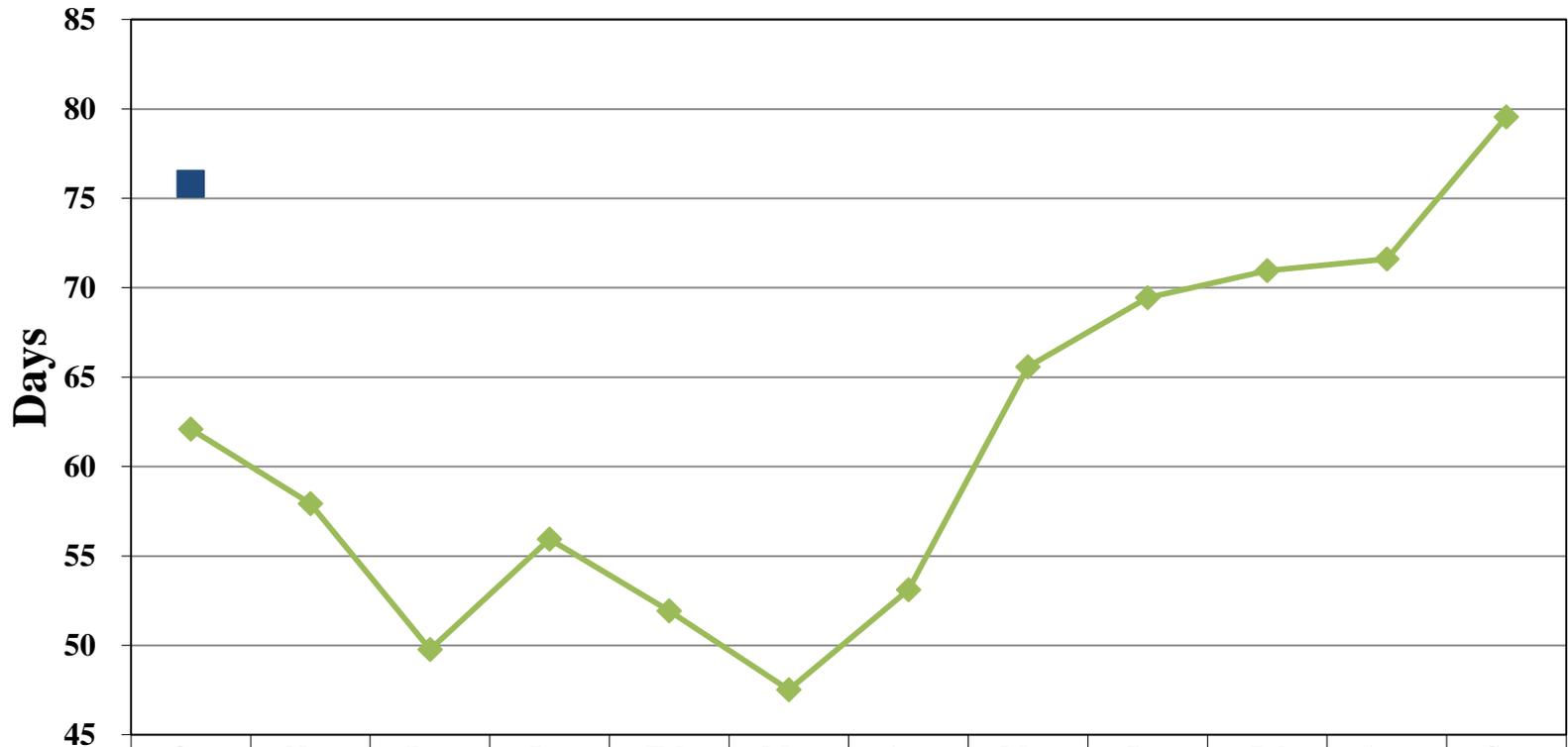
Compared to Prior Year



# Accounts Receivable - Net



# Net Days in Accounts Receivable – Rolling 3 Month

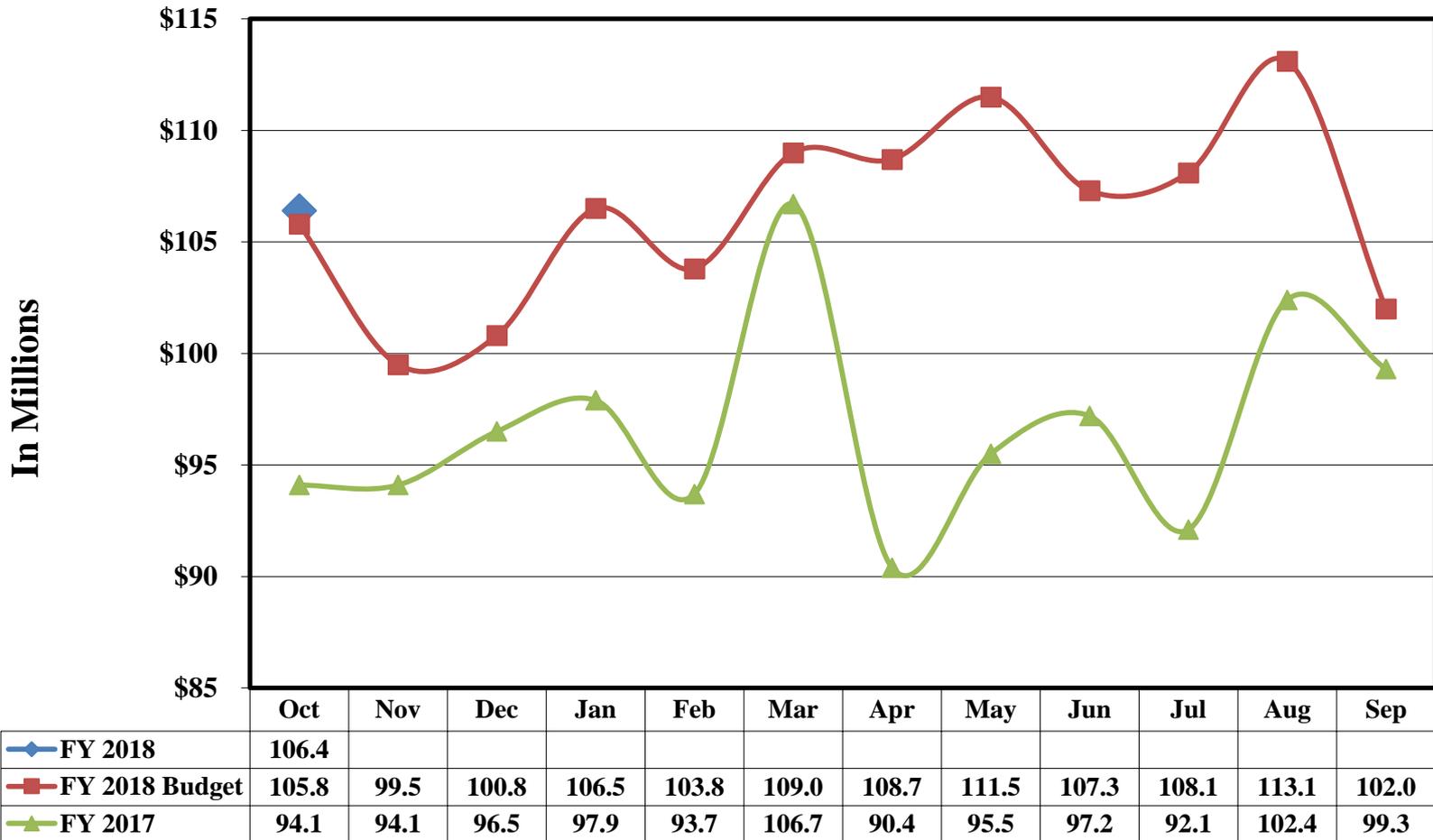


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>■ FY 2018</b>	75.8		-									
<b>◆ FY 2017</b>	62.1	57.9	49.8	55.9	51.9	47.5	53.1	65.6	69.4	71.0	71.6	79.6

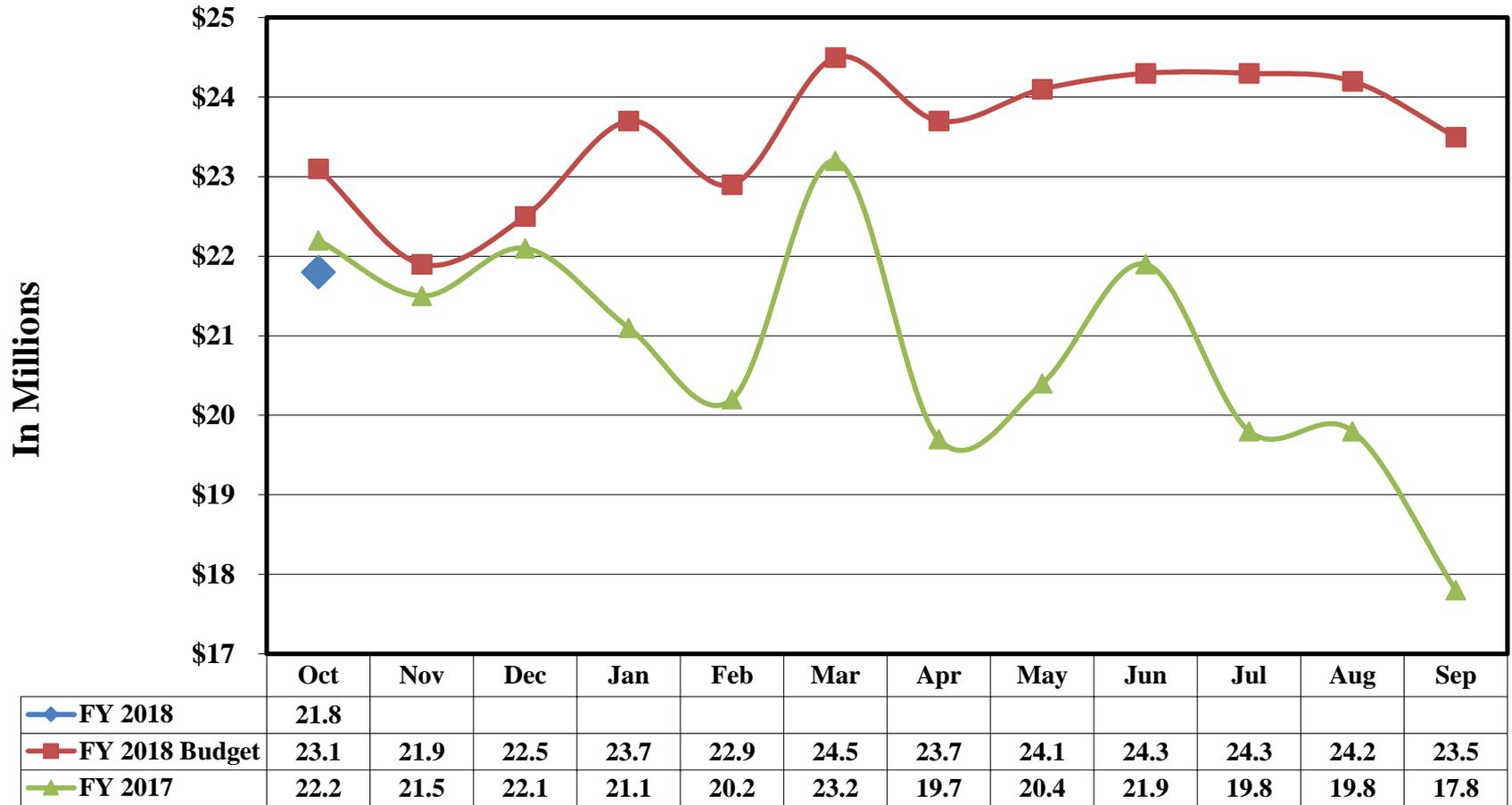
# Revenues & Revenue Deductions



# Total Patient Revenues (Blended)

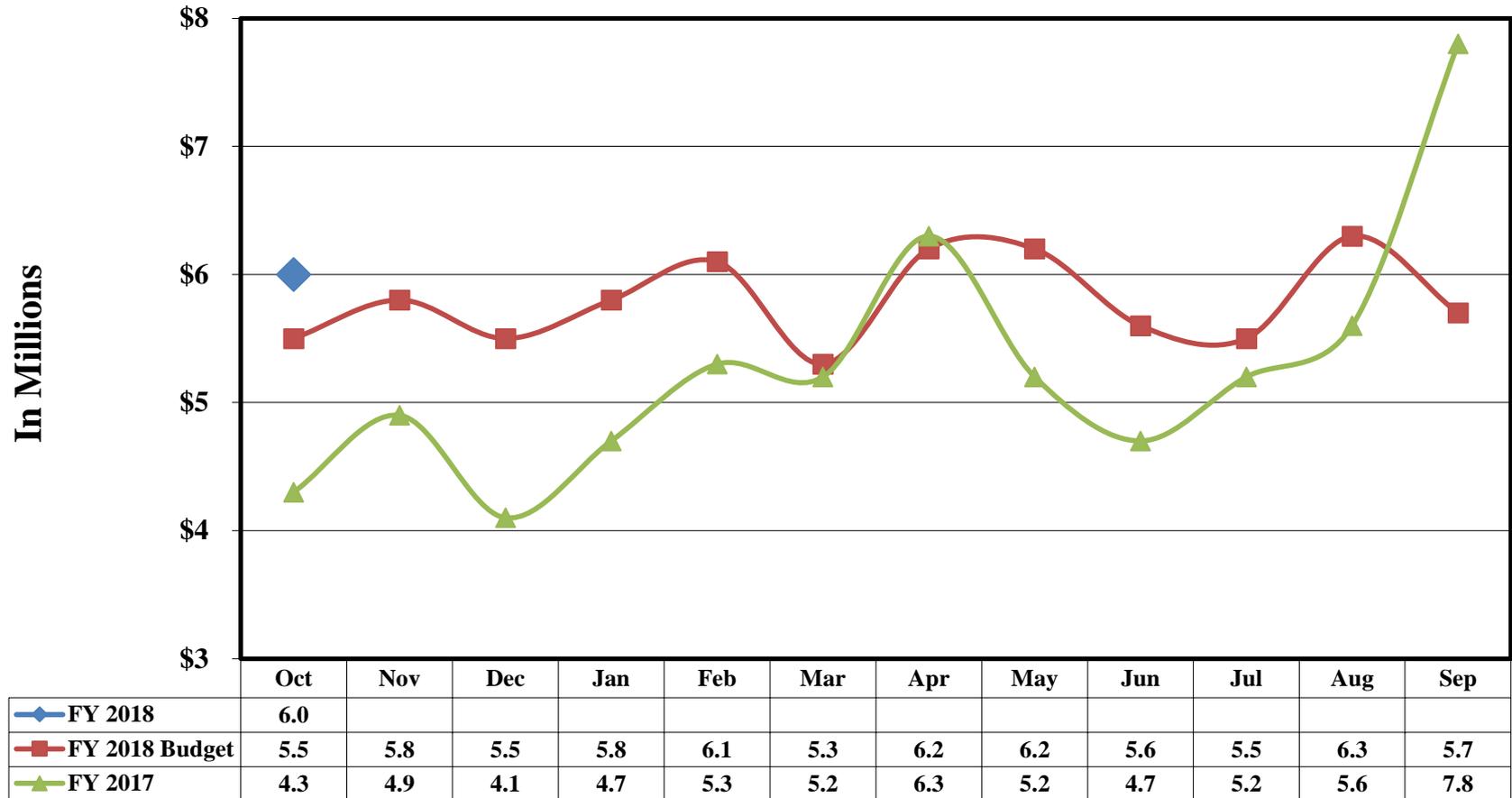


# Net Patient Revenues (Blended)

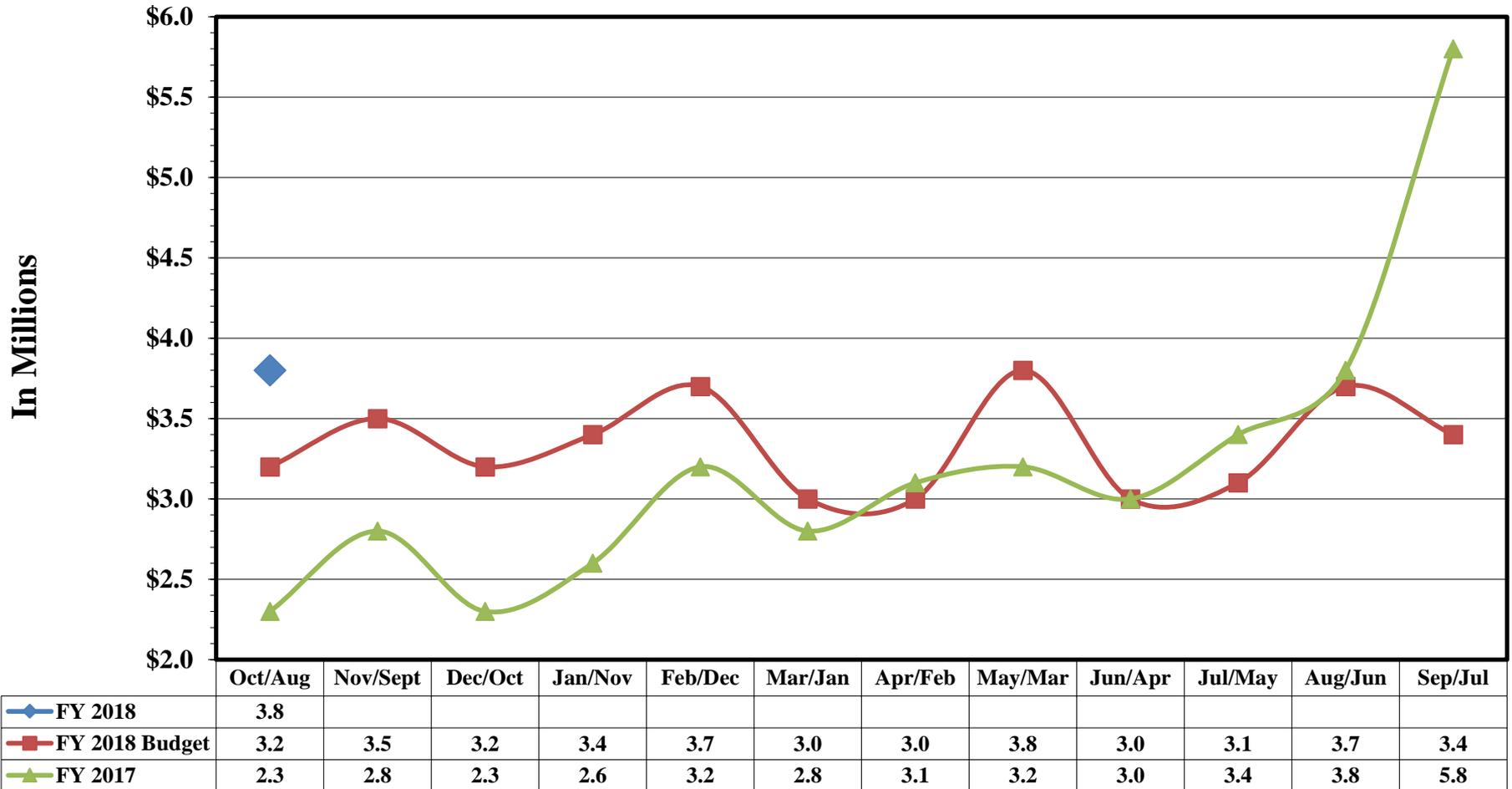


# Other Revenue - Blended

Including Tax Receipts, Interest & Other Operating Income



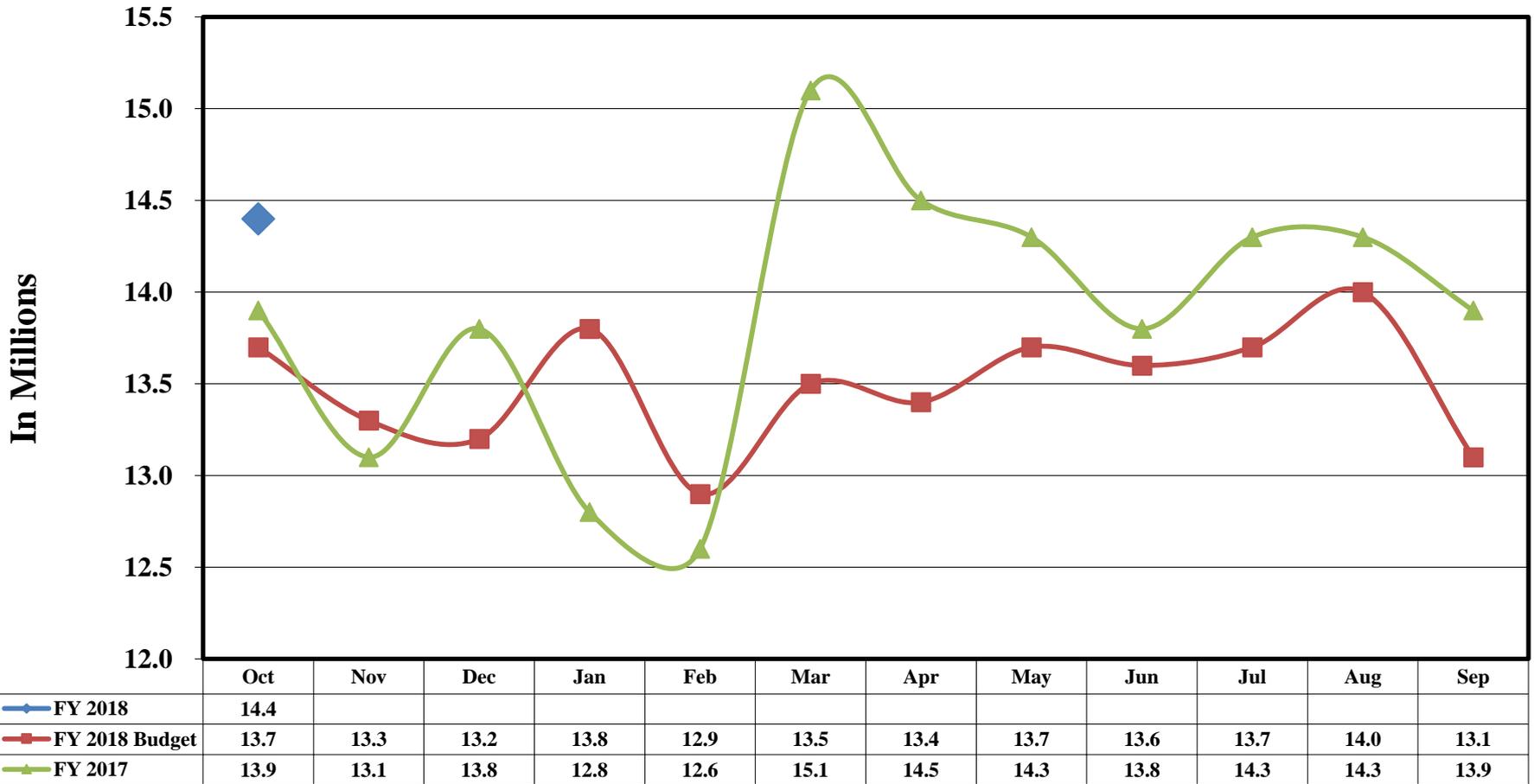
# Sales Tax Receipts



# Operating Expenses

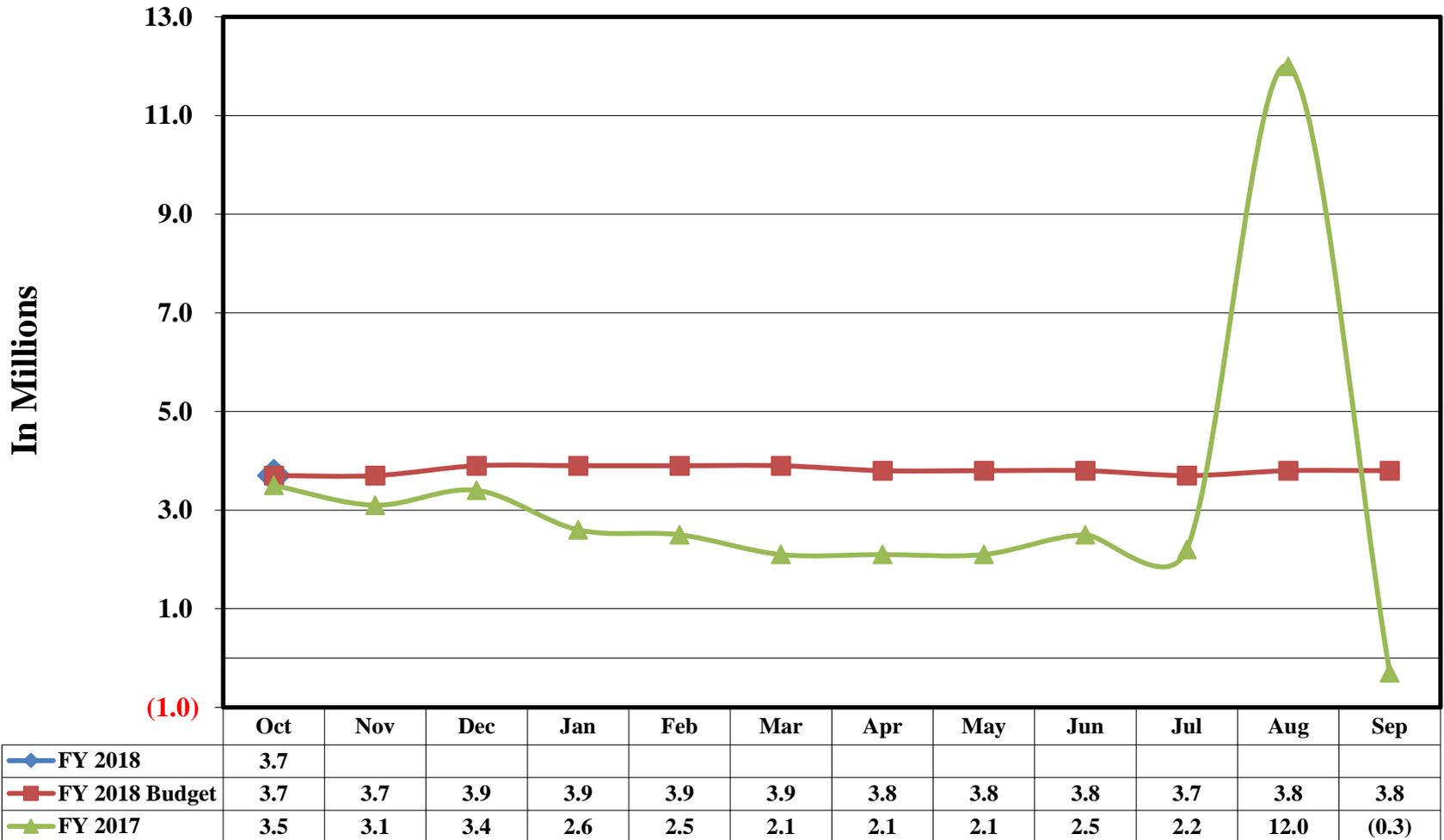


# Salaries, Wages & Contract Labor (Blended)

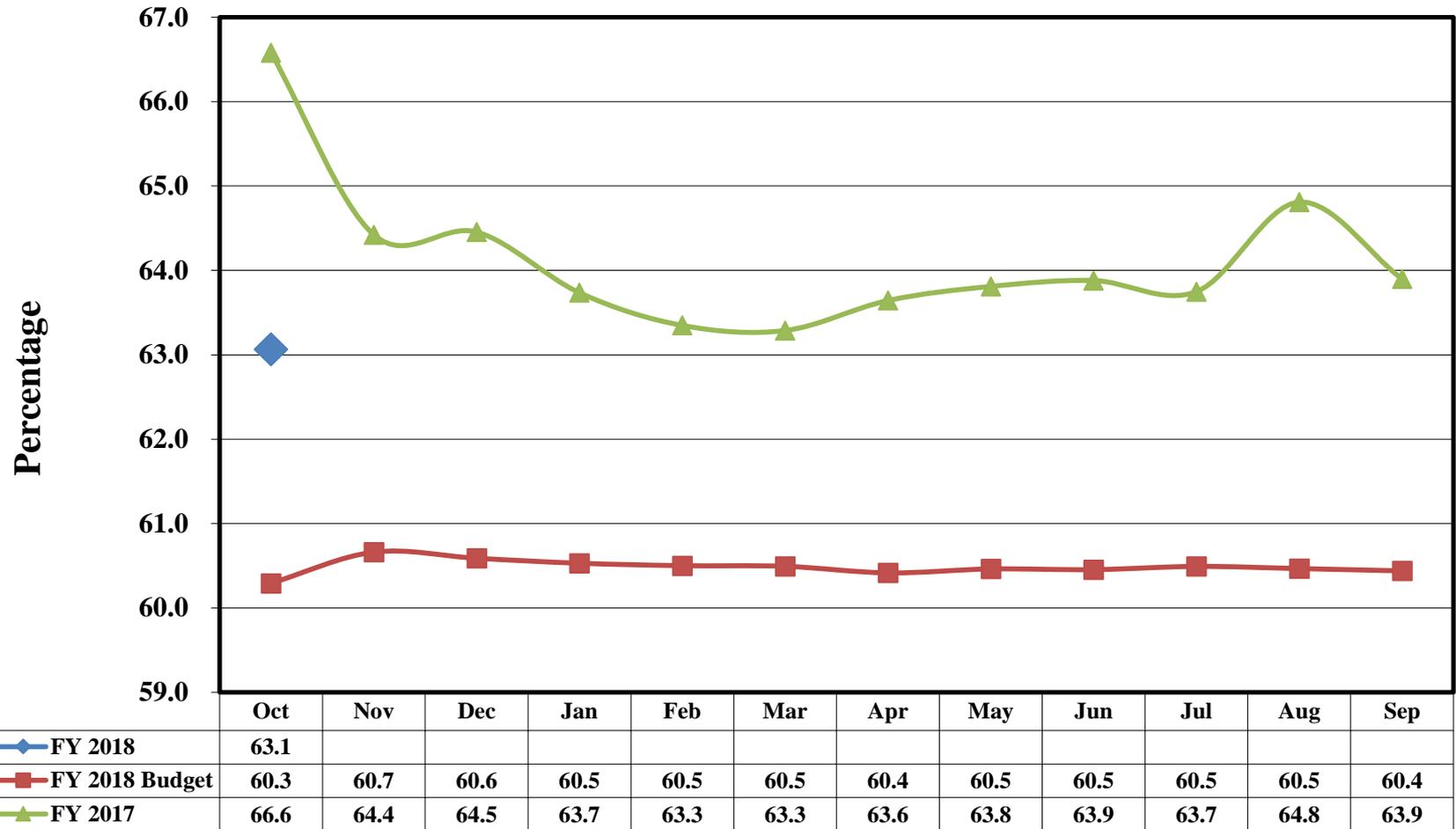


# Employee Benefit Expense

## (Blended)

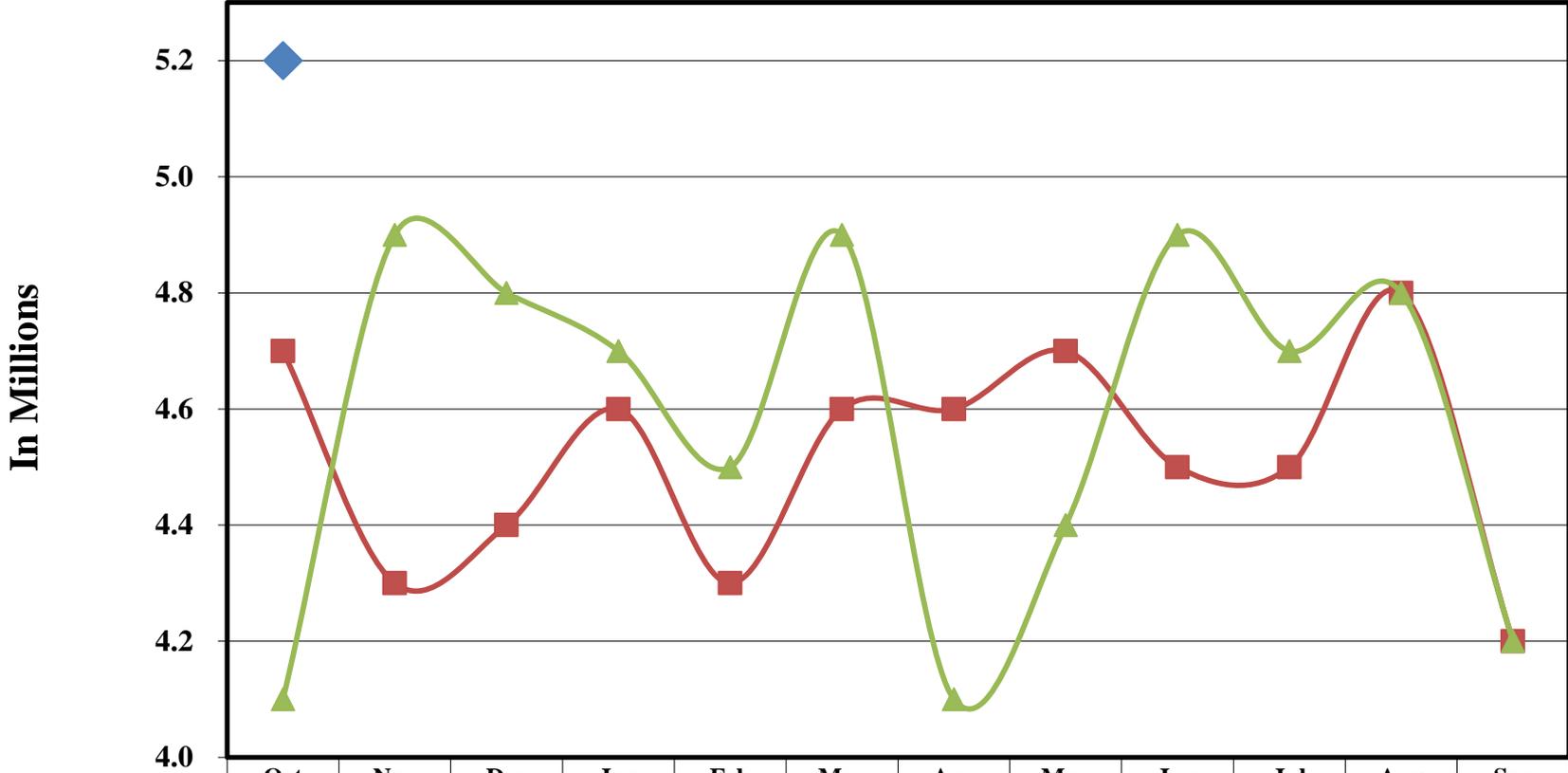


# Salaries, Wages, Benefits, and Temp Labor as a % of Total Operating Expense Year-to-Date (Blended)



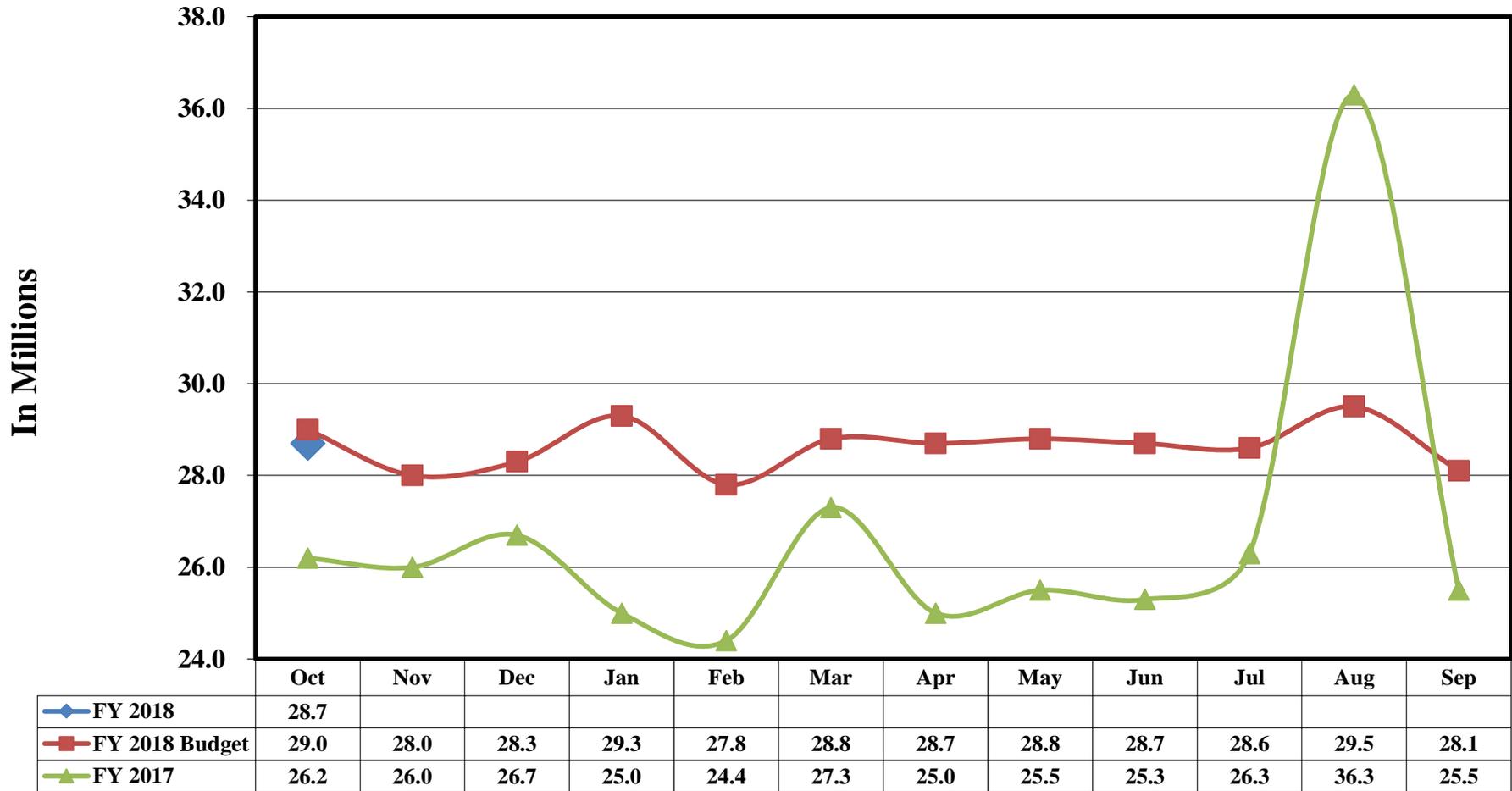
# Supply Expense

(Blended)



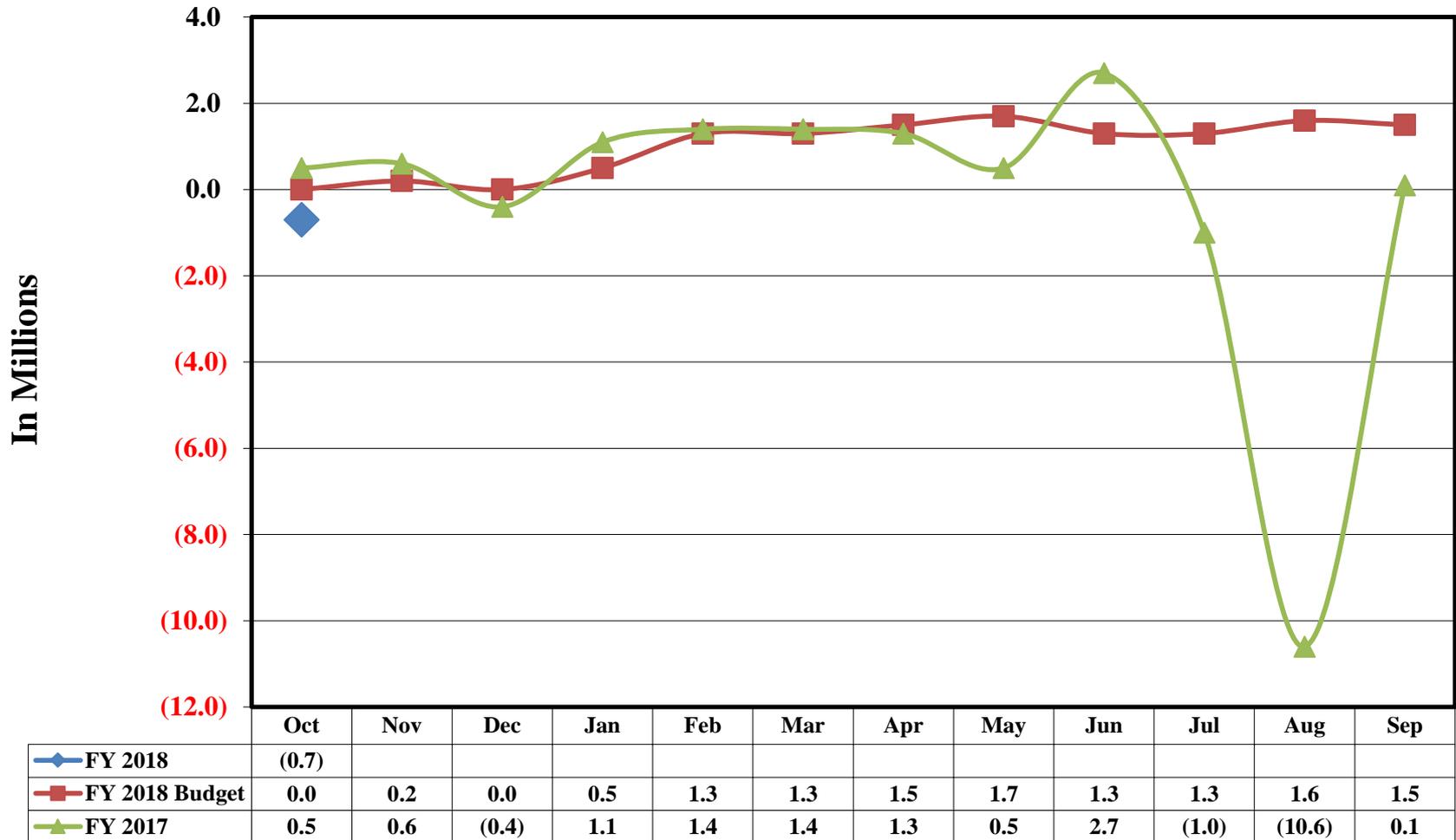
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>FY 2018</b>	5.2											
<b>FY 2018 Budget</b>	4.7	4.3	4.4	4.6	4.3	4.6	4.6	4.7	4.5	4.5	4.8	4.2
<b>FY 2017</b>	4.1	4.9	4.8	4.7	4.5	4.9	4.1	4.4	4.9	4.7	4.8	4.2

# Total Operating Expense (Blended)



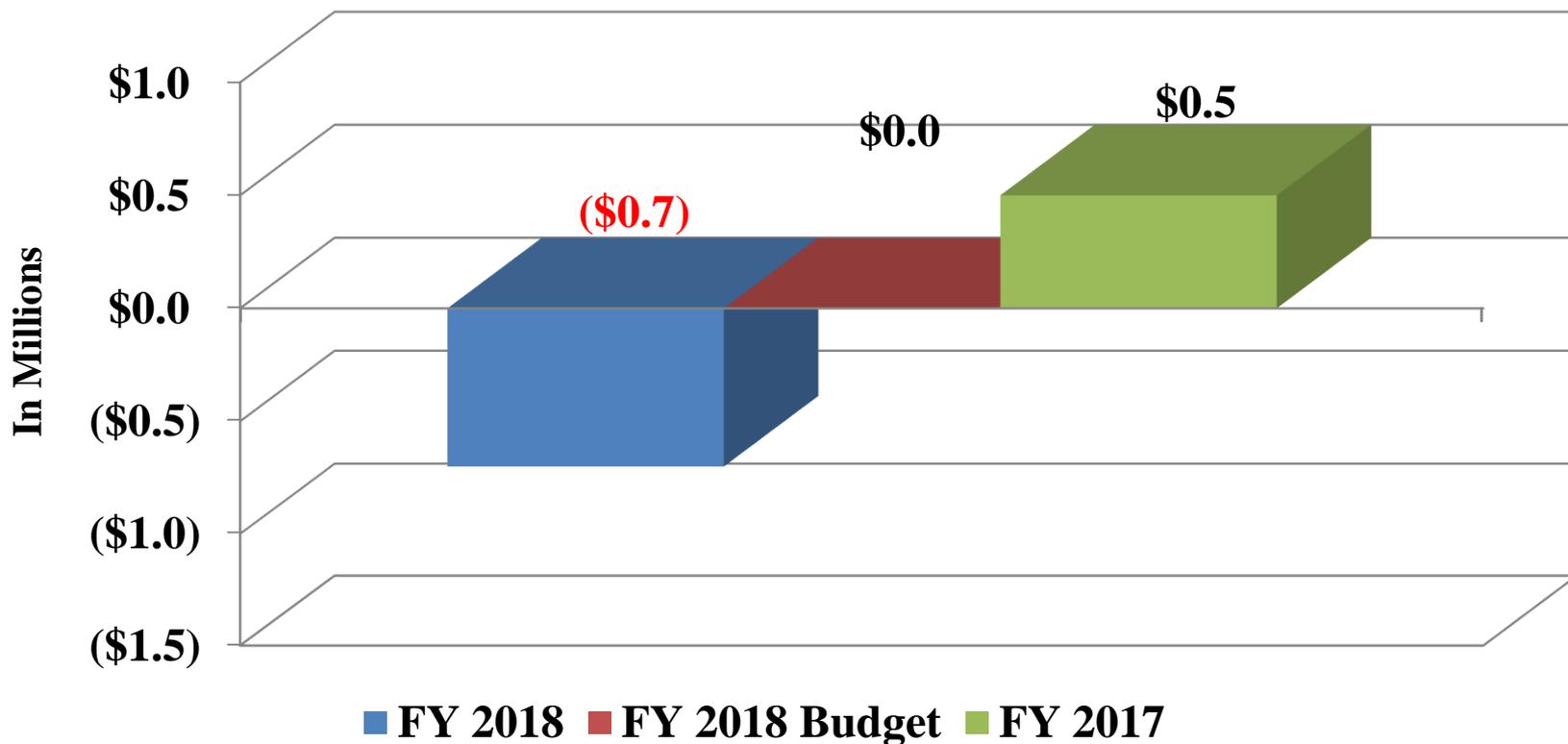
# Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations



# Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations – Year to Date







December 5, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**

Medical Staff and Allied Health Professionals Staff Applicants

**Statement of Pertinent Facts:**

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

**Medical Staff:**

Applicant	Department	Specialty/Privileges	Group	Dates
*Aljarvi, Mohammed MD	Pediatrics	Pediatrics	Covenant Medical Group	11/07/2017 – 10/06/2018
*Ayyagari, Krishna MD	Medicine	Critical Care	MCH ProCare	11/07/2017 – 10/06/2018
Dickens, Jessie MD	Surgery	Orthopedic Surgery	Midland TX Ortho Group	11/07/2017 – 10/06/2018
Geatrakas, Christina MD	Radiology	Teleradiology	VRAD	11/07/2017 – 10/06/2018
Risinger, Brian MD	Radiology	Teleradiology	VRAD	11/07/2017 – 10/06/2018

**Allied Health:**

Applicant	Department	Specialty/Privileges	Group	Sponsoring Physician(s)	Dates
*Jackie, Lehr NP	OB/GYN	Nurse Practitioner	MCH ProCare	Avelino Garcia, MD	11/07/2017 – 10/06/2019

\*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  
/TL



December 5, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**

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

**Statement of Pertinent Facts:**

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

**Medical Staff:**

<b>Applicant</b>	<b>Department</b>	<b>Staff Category</b>	<b>Specialty/Pri vileges</b>	<b>Group</b>	<b>Dates</b>
Abijay, Joseph, MD	Medicine	Active	Neurology		01/01/2018 – 12/31/2019
Adams, Joel, MD	Medicine	Active	Pulmonary		01/01/2018 – 12/31/2019
Aderinboye, Omolara, MD	Pediatrics	Associate	Pediatric Hospitalist	Comphealth	02/01/2018 – 01/31/2019
Adimoolam, Venkata, MD	Medicine	Active	Gastroenterology		01/01/2018 – 12/31/2019
Agusala, Madhava, MD	Cardiology	Active	Cardiology		01/01/2018 – 12/31/2019
Akins, Robin, MD	Radiology	Courtesy	Oncology	Texas Oncology	02/01/2018 – 01/31/2019
Amaram, Sudhir, MD	Cardiology	Active	Cardiology	ProCare	01/01/2018 – 12/31/2019
Angirekula, Manohar, MD	Cardiology	Active	Cardiology	ProCare	01/01/2018 – 12/31/2019
Azarov, Nikolay, MD	Medicine	Active	Critical Care	ProCare	01/01/2018 – 12/31/2019
Bare, Sudhir, MD	Medicine	Active	Internal Medicine	ProCare	01/01/2018 – 12/31/2019
Barry, Floyd, MD	Pediatrics	Associate	Pediatric Hospitalist	Comphealth	02/01/2018 – 01/31/2019
Boccalandro, Fernando, MD	Cardiology	Active	Cardiology	ProCare	01/01/2018 – 12/31/2019
Borra, Renuka, MD	Medicine	Active	Oncology	Texas Oncology	01/01/2018 – 12/31/2019
Brown, Carl, DO	Medicine	Active	Neurology		01/01/2018 – 12/31/2019
Burks, James, MD	Medicine	Active	Endocrinology	Texas Tech	01/01/2018 – 12/31/2019
Carter, Bonnie, MD	Family Medicine	Associate	Family Medicine	ProCare	02/01/2018 – 01/31/2019
Chappell, Robert	Medicine	Active	Dermatology		01/01/2018 – 12/31/2019
Dasari, Vivekanand, MD	Pediatrics	Associate to Active	Pediatrics		02/01/2018 – 01/31/2020
Davis, William, MD	Medicine	Active	Internal Medicine	Texas Tech	01/01/2018 – 12/31/2019
Doran, John, MD	Medicine	Courtesy	Internal Medicine		01/01/2018 – 12/31/2019
George, Timothy, MD	Medicine	Active	Oncology	Texas Oncology	01/01/2018 – 12/31/2019
Ghanta, Amaranath, MD	Medicine	Active	Pulmonary		01/01/2018 – 12/31/2019
Gibbons, Ronald, MD	Medicine	Active	Nephrology		01/01/2018 – 12/31/2019
Gil, Juan, MD	Medicine	Active	Internal Medicine	ProCare	01/01/2018 – 12/31/2019
Glass, Darren, MD	Surgery	Associate	General Surgery		02/01/2018 – 01/31/2019
Godey, Sreedevi, MD	Medicine	Active	Internal Medicine	ProCare	01/01/2018 – 12/31/2019

Gurru, Manohar, MD	Medicine	Courtesy	Neurology		01/01/2018 – 12/31/2019
Gutta, Rajesh, DDS	Surgery	Active	Oral Maxillofacial		02/01/2018 – 01/31/2020
Hyson, Morton, MD	Medicine	Associate	Intraoperative Neuromonitoring		02/01/2018 – 01/31/2019
Jain, Shailesh, MD	Medicine	Courtesy	Psychiatry	Texas Tech	01/01/2018 – 12/31/2019
Jinadu, Babatunde, MD	Pediatrics	Active	Pediatrics	Texas Tech	02/01/2018 – 01/31/2020
Khandelwal, Pankaj, MD	Medicine	Active	Oncology	Texas Oncology	01/01/2018 -12/31/2019
Kim, Nam, MD	Cardiology	Active	Cardiology		01/01/2018 – 12/31/2019
Kodityal, Anjaiah, MD	Medicine	Active	Pulmonary		01/01/2018 – 12/31/2019
Kolluru, Ramachandra, MD	Cardiology	Active	Cardiology		01/01/2018 – 12/31/2019
Kurra, Usha, MD	Medicine	Active to Courtesy	Internal Medicine		01/01/2018 – 12/31/2018
Loveman, Donald, MD	Medicine	Active	Internal Medicine	Texas Tech	01/01/2018 -12/31/2019
Mangat, Manmeet, MD	Medicine	Affiliate	Oncology	Texas Oncology	01/01/2018 – 12/31/2019
Medi, Ravi, MD	Medicine	Affiliate	Psychiatry		01/01/2018 – 12/31/2019
Mocherla, Satish, MD	Medicine	Active	Infectious Disease		01/01/2018 -12/31/2019
Naidu, Jayaram, MD	Medicine	Active	Internal Medicine		01/01/2018 – 12/31/2019
Naidu, Raja, MD	Cardiology	Active	Cardiology		01/01/2018 – 12/31/2019
Nargunan, Varuna, MD	Medicine	Active	Endocrinology	ProCare	01/01/2018 – 12/31/2019
Neerukonda, Shanti, MD	Cardiology	Active	Cardiology		01/01/2018 – 12/31/2019
Nur, Adriana, MD	Medicine	Active	Internal Medicine	ProCare	01/01/2018 – 12/31/2019
O’Hearn, Daniel, MD	Medicine		Internal Medicine	ProCare	
Oliver, Larry, MD	Medicine	Active to Courtesy	Nephrology		01/01/2018 – 12/31/2018
Oracion, Renato, MD	Medicine	Affiliate	Dermatology		01/01/2018 – 12/31/2019
Oud, Lavi, MD	Medicine	Active	Critical Care	Texas Tech	01/01/2018 – 12/31/2019
Panganamamula, Madhu, MD	Medicine	Active to Courtesy	Internal Medicine		01/01/2018 – 12/31/2019
Patel, Pankaj, MD	Cardiology	Active	Cardiology		01/01/2018 – 12/31/2019
Patel, Rajesh, MD	Medicine	Active	Internal Medicine		01/01/2018 – 12/31/2019
Pirzada, Faisal, MD	Medicine	Active to Affiliate	Internal Medicine		01/01/2018 – 12/31/2019
Prasad, Suresh, MD	Medicine	Affiliate	Internal Medicine		01/01/2018 – 12/31/2019
Raghuprasad, Puthalath, MD	Medicine	Affiliate	Allergy/Immunology		01/01/2018 -12/31/2019
Rao, Vivek, MD	Medicine	Active to Courtesy	Allergy/Immunology		01/01/2018 – 12/31/2019
Rastogi, Ashutosh, MD	Medicine	Courtesy	Oncology		01/01/2018 – 12/31/2018
Reddy, Anand, MD	Medicine	Active	Nephrology		01/01/2018 – 12/31/2019
Spellman, Craig, DO	Medicine	Active	Endocrinology	Texas Tech	01/01/2018 – 12/31/2019
Turnbow, Benjamin, MD	Surgery	Associate to Active	Orthopedic Trauma	Acute Surgical	02/01/2018 -01/31/2020
Vemulapalli, Syam, MD	Medicine	Active	Gastroenterology		01/01/2018 – 12/31/2019
Watkins, David MD	Medicine	Courtesy	Oncology	Texas Oncology	01/01/2018– 12/31/2018
Webb, Heather, MD	Radiology	Telemedicine	Telemedicine/Electro monitoring		01/01/2018 – 12/31/2020
Wells, Peter, MD	Cardiology	Active	Electrophysiology		01/01/2018 – 12/31/2019
Wolinsky, Joel, MD	Medicine	Associate	Neurology		02/01/2018 -01/31/2019
Wong, Kendall, MD	Medicine	Active	Internal Medicine		01/01/2018 – 12/31/2019
Zafar, Muhammad, MD	Medicine	Associate	Psychiatry	Texas Tech	02/01/2018 -01/31/2019
Zagrodzky, Jason, MD	Cardiology	Active	Electrophysiology		01/01/2018 – 12/31/2019



**Allied Health Professionals:**

Applicant	Department	Specialty/P rivileges	Group	Sponsoring Physician(s)	Dates
Baumgardner, Samuel, PA	Surgery	Physician Assistant		Dr. Kirit Patel	02/01/2018 – 01/31/2020
Carrens, Lynnette, WHNP	OB/GYN	Womens Health Nurse Practitioner		Dr. Pill Raja	02/01/2018 – 01/31/2020
Graham, Catherine, NP	Family Medicine	Nurse Practitioner	ProCare	Dr. Eduardo Salcedo, Dr. Mandeep Othee	02/01/2018 – 01/31/2020
Ott, Kayla, PA	Surgery	Physician Assistant		Dr. Michael Dragun, Dr. Aaron Stike, Dr. John Staub, Dr. Jonathan Nelson	02/01/2018 – 01/31/2020

**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  
/TL



December 5, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**  
Change in Clinical Privileges

**Statement of Pertinent Facts:**

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

**Change in Clinical Privileges:**

Staff Member	Department	Privilege
Adams, Joel, MD	Medicine	DELETE: Abdominal paracentesis; Endocervical culture; General Lumbar Puncture; PAP smear; Punch Biopsy; Gram stains of sputum, interpretation of; Peripheral blood smear technique/interpretation; Urine analysis, including microscopic; Vaginal discharge, KOH and wet prep examinations; Moderate Sedation, administer; Pulmonary Artery Catheterization (PAC); Arterial/pulmonary artery balloon flotation catheters, placement of; Bronchoalveolar lavage; Bronchogram; Catheter placement for endobronchial brachytherapy; Central Venous Catheterization; Emergency cardioversion; Endobronchial biopsy; Exercise ECG Testing; Flexible Fiberoptic Bronchoscopy; Fluoroscopy; Lung parenchyma, transthoracic needle aspiration of; Needle biopsy (Wang); Peripheral/central venous line insertion, including: Swan-Ganz catheterization; Pleural biopsy, including: - percutaneous; Protected brush biopsy, endoscopic; Transbronchial biopsy; Transtracheal aspiration; Moderate sedation, administer
Bare, Sudhir, MD	Medicine	ADD: Neurological disorders (common), diagnose and manage or refer to specialist; Arterial Line Placement
Mocherla, Satish, MD	Medicine	DELETE: General Lumbar Puncture; Moderate Sedation, administer
Webb, Heather, MD	Telemedicine	ADD: Computed Tomography (CT)

**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  
/TL



December 5, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

Item to be considered:

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

**Statement of Pertinent Facts:**

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

**Resignation/ Lapse of Privileges:**

<b>Staff Member</b>	<b>Staff Category</b>	<b>Department</b>	<b>Effective Date</b>	<b>Action</b>
Gallinghouse, Gerald, MD	Associate	Cardiology	10/20/2017	Resigned
LaValle, Dayna, PA	AHP	Emergency Medicine	11/1/2017	Resigned
O’Hearn, Daniel, MD	Active	Medicine	08/09/2017	Resigned
Reynolds, Lizabeth, MD	Telemedicine	Radiology	10/17/2017	Resigned
Vemuru, Ravikumar, MD	Active	Medicine	12/31/2017	Lapse in Privileges
Gonzalez Mendoza, Yarines NP	AHP	Medicine	08/31/2017	Resigned

Advice, Opinions, Recommendations and Motion:

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

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



December 5, 2017

**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:**

<b>Staff Member</b>	<b>Department</b>	<b>Category</b>
Dasari, Vivikanda, MD	Pediatrics	Associate to Active
Kurra,Usha, MD	Internal Medicine	Active to Courtesy
Oliver, Larry, MD	Nephrology	Active to Courtesy
Turnbow, Benjamin, MD	Surgery	Associate to Active
Pamganamamula, Madhu MD	Medicine	Active to Courtesy
Pirzada, Faisal MD	Medicine	Active to Affiliate
Rao, Vivek MD	Medicine	Active to Courtesy
Floyd, Barry MD	Pediatrics	1 year extension of provisional status
Hoang, Vivian MD	Medicine	1 year extension of provisional status
Hyson, Morton MD	Medicine	1 year extension of provisional status
Steinber, Lon MD	Medicine	Removal of provisional status
Wolinsky, Joel MD	Medicine	Removal of provisional status
Wondimegnehu, Nebiyu MD	Medicine	1 year extension of provisional status
Baumguardner, Samuel PA	Surgery	Removal of provisional status
Cooks, Thomas MD	Surgery	Removal of provisional status
Tolia, Nalin MD	Surgery	Active to Honorary
Rosenthal, Jon MD	Emergency Medicine	Removal of provisional status
Adams, Scott MD	Radiology	Removal of provisional status
Gutierrez, Jennifer, MD	Radiology	Removal of provisional status
Oner, Banu MD	Radiology	Removal of provisional status
Reynolds, Lizabeth MD	Radiology	Removal of provisional status



**Change in Credentialing Date:**

<b>Staff Member</b>	<b>Department</b>	<b>Dates</b>
Braatz, Timothy, MD	Radiology	02/01/2017 – 01/31/2019
Brown, Justin, DPM	Surgery	02/01/2017 – 01/31/2019

**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.

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



December 5, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**

Medical Staff Bylaws/ Policies / Privilege Criteria

**Statement of Pertinent Facts:**

The Medical Executive Committee and the Joint Conference Committee recommend approval of the following changes in the Bylaws.

- Bylaws Amendment : Telemedicine Staff 3.6-1

**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 bylaws amendment.

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



December 5, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**

Capital Equipment Request (CER's)

**Statement of Pertinent Facts:**

The Medical Executive Committee and the Joint Conference Committee recommend approval of the following CER's.

- CER 7260-18-02 Acquisition of Portable X-Ray Unit
- CER 7420-18-01 Cardiopulmonary / Platinum Elite DX
- CER 7460-18/02 Wound Care / ISO Flex Mattress Replacement
- CER 6850-18-01 Emergency Department/ Stretcher Replacement

**Advice, Opinions, Recommendations and Motion:**

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

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

### 3.6 TELEMEDICINE STAFF

#### 3.6-1 COMPOSITION

The Telemedicine Staff shall consist of those physicians who (i) engage in the practice of medicine by the use of physician-patient email or electronic means other than telephone or telefacsimile and (ii) whose specialty is limited to radiology, pathology, psychiatry, electrodiagnostics, and other services as necessary to support the NICU Program. A member of the Telemedicine Staff must be a physician who (i) is duly licensed to practice medicine in the State of Texas, and is in good standing with the Texas Medical Board, or (ii) possesses a special purpose license in good standing issued by the Texas Medical Board and limited to the specialty or specialization upon which the license was granted.

**MEMORANDUM**

TO: Ector County Hospital District Board of Directors  
FROM: Robbi Banks, Vice President  
SUBJECT: MCHS-1068  
DATE: December 5, 2017

Objective/Background:

I come before you today to present policy changes that require the ECHD Board of Director's approval. In the past, policy MCH-1068 Abuse and Harassment was only applicable to Medical Center Hospital (MCH) employees or contracted personnel, or by a health care provider with clinical or allied health professional privileges at MCHS or other MCHS facility or by other persons. It is our recommendation that the policy be revised to encompass Medical Center Health System.

**MCHS-1068 Summary**

Medical Center Health System which is comprised of Ector County Hospital District / Medical Center Hospital (MCH) and MCH Professional Care, Inc. (ProCare) is committed to providing a work environment where employees and contracted personnel are treated courteously and respectfully. Harassment and abuse will not be tolerated. MCHS-1068 is the policy that was developed in 2002 that that is used to identify and address instances of alleged verbal or physical abuse or harassment of MCHS employees or contracted personnel by other MCHS employees or contracted personnel, or by a health care provider with clinical or allied health professional privileges at MCHS or other MCHS facility or by other persons.

MCHS-1068 applies to all employees of Medical Center Health System (MCHS), all contracted personnel of MCHS, all persons with clinical privileges at MCHS or other MCHS facility, all persons with allied health professional privileges at MCHS or other MCHS facility, all vendors to and contractors with Medical Center Health System, and all other persons who have contact with MCHS employees or contracted personnel during working hours at MCHS or other MCHS facility. This policy, however, does not apply to patients.

MCHS-1068 provides examples of verbal and physical abuse and how such complaints of abuse and harassment will be investigated for all persons that fall under the scope of the policy. MCHS does not take abuse and harassment complaints lightly and any violations of MCHS-1068 may result in disciplinary action up to and including termination of employment, loss of contracted personnel status, loss of vendor's or contractor's privileges and loss of, suspension of, or restrictions on clinical or allied health professional privileges.

## ADMINISTRATION

### POLICY MEMORANDUM

POLICY TITLE:	ABUSE AND HARASSMENT
POLICY NUMBER:	MCHS-1068
TJC FUNCTION AREA:	Leadership
POLICY APPLICABLE TO:	All MCHS Employees, Volunteer, & Credentialed Providers
POLICY EFFECTIVE DATE:	9/1/02
POLICY REVIEWED:	11/15/05; 10/17/06, 7/09; 8/13/10, 8/14; 10/06/2017
POLICY REVISED:	12/05; 10/17/06, 7/09; 10/06/2017

ALTERNATE WORD SEARCH: physician abuse, abuse, safety, zero tolerance, abuse of nurses, nurse abuse

#### POLICY STATEMENT:

The Medical Center Health System (MCHS), which is comprised of Ector County Hospital District / Medical Center Hospital (MCH) and MCH Professional Care, Inc. (ProCare) is committed to providing a work environment where employees and contracted personnel are treated courteously and respectfully. Harassment and abuse will not be tolerated. The purpose of this Policy is to identify and address instances of alleged verbal or physical abuse or harassment of MCHS employees or contracted personnel by other MCHS employees or contracted personnel, or by a health care provider with clinical or allied health professional privileges at MCHS or other MCHS facility or by other persons.

#### PROCEDURE:

##### 1. SCOPE

- a) This policy applies to (a) all employees of Medical Center Health System (MCHS); (b) all contracted personnel of MCHS; (c) all persons with clinical privileges at MCHS or other MCHS facility; (d) all persons with allied health professional privileges at MCHS or other MCHS facility; (e) all vendors to and contractors with Medical Center Health System; and (f) all other persons who have contact with MCHS employees or contracted personnel during working hours at MCHS or other MCHS facility. This policy, however, does not apply to patients.

## 2. PROHIBITION

- a) Verbal or physical abuse or harassment of MCHS employees or contracted personnel by any person described in Paragraph 1 above is prohibited. Violation of this policy may result in disciplinary action up to and including termination of employment, loss of contracted personnel status, loss of vendor's or contractor's privileges and loss of, suspension of, or restrictions on clinical or allied health professional privileges.

## 3. WHAT IS ABUSE OR HARASSMENT

- a) Examples of verbal or physical abuse or harassment include but are not limited to:
  - i) Sexual harassment, which is defined and addressed in Policy Number MCH-3015.
  - ii) Workplace violence or threats of violence, which are addressed in Policy Number MCH-4015.
  - iii) Acts, conduct or language (written or oral) of persons with clinical or allied health professional privileges at Medical Center Health System or other MCHS facility proscribed by the Bylaws of the Board of Directors of MCHS or by the Bylaws of the Medical Staff of Medical Center Hospital.
  - iv) Threatening, berating, intimidating, or abusive language directed at or in the presence of District employees or contracted personnel.
  - v) Degrading, demeaning or belittling comments or language directed at MCHS employees or contracted personnel.
  - vi) Profanity or similar offensive or foul language while speaking with, in the presence of, or directed at MCHS employees or contracted personnel.
  - vii) Physical contact with or physical conduct directed at MCHS employees or contracted personnel which is threatening, degrading or demeaning.
  - viii) Demeaning, belittling, or inappropriate entries or comments written or drawn in patient medical records concerning the care of the quality of care being provided by MCHS employees or contracted personnel.
  - ix) Yelling, screaming or tirades directed at MCHS employees or contracted personnel not reasonably required or necessary for the proper health care of a patient.
  - x) Non-constructive criticism addressed to MCHS employees or contracted personnel in such a way as to intimidate, belittle or imply stupidity or incompetence.
  - xi) Any conduct or language (written or oral) which creates or reasonably could create an intimidating, hostile or offensive working environment for a MCHS employee or contracted personnel, considering the type of conduct or language, the severity or pervasiveness of the conduct or language, whether the conduct or language was offensive or intimidating

to the employee or contracted personnel, whether the conduct or language would have been offensive or intimidating to a reasonable person situated as the employee or contracted personnel, and the circumstances surrounding the conduct or language.

- b) This listing of examples of verbal or physical abuse or harassment is not meant to be and is not exclusive. There may be other inappropriate or unacceptable conduct or language within the prohibition of this policy.

#### **4. REPORTING**

##### **a) Complaints About Employees, Contracted Personnel, Vendors and Others.**

- i) Any employee or contracted personnel who believes that he or she has been or is being subjected to prohibited abuse or harassment by another employee or contracted personnel or by a vendor or other person (not including persons with clinical or allied health professional privileges) should politely but firmly request the offender to stop the offensive conduct.
- ii) If an employee or contracted personnel is uncomfortable with requesting the offender to stop or if the employee feels the offender may cause problems in the future because of the request or if the abuse or harassment continues after requesting that it stop, then the employee or contracted personnel should promptly complain to the Vice President, of Human Resources. Employees or contracted personnel who make such a complaint may be asked to make or complete a written statement of the facts and circumstances involved. If the offending party is the Vice President, Human Resources, then the employee or contracted personnel should complain to the President, Chief Executive Officer.
- iii) All complaints shall be confidential and released only on a need-to-know basis.
- iv) The Vice President, Human Resources (or the CEO) shall promptly cause the complaint to be reasonably investigated and may actively participate in such investigation. The investigation may include interviewing the parties involved, interviewing potential witnesses or other persons and obtaining documentary material and information. Outside investigators and attorneys may be utilized.
- v) Appropriate disciplinary action will be recommended and/or taken. Appropriate remedial or corrective measures reasonably calculated to end any abuse or harassment may be taken. This may include, but is not limited to termination of employment, loss of contracted status, exclusion of vendors and contractors from MCHS facilities and/or loss of or restrictions on rights to sell or to contract with MCHS, exclusion of others from MCHS facilities and prohibiting contact with MCHS employees or contracted personnel during working hours.

##### **b) Complaints About Persons With Privileges**

- i) Any employee or contracted personnel who believes that he or she has been or is being subjected to prohibited abuse or harassment by a person

with clinical or allied health professional privileges should politely but firmly request the offender to stop the offensive conduct.

- ii) If a employee or contracted personnel is uncomfortable with requesting the offender to stop or if the employee or contracted personnel feels the offender may cause problems in the future because of the request or if the abuse or harassment continues after requesting that it stop, then the employee or contracted personnel should promptly complain to his or her unit or department director. Such complaint may be oral or written.
- iii) All complaints shall be kept confidential and released only on a need-to-know basis.
- iv) The unit manager, department director or division director shall refer such complaint to the Chief Medical Officer and, for information purposes, to the Executive Team Member who has supervision over the employee's or contracted personnel's department or unit.
- v) The Chief Medical Officer shall proceed with any of the following:
  - Cause the complaint to be investigated. He or she may actively participate in such investigation. The investigation may include interviewing any party or parties involved, interviewing potential witnesses or other persons and obtaining documentary material and information. Outside investigators and attorneys may be used.
  - Refer the complaint and any investigation to the Chief of Staff and with the Chief of Staff decide what further action, if any, is appropriate or necessary. Such further action may include, but is not limited to, (i) an investigation of the complaint as outlined in subparagraph 4(a) above; (ii) meeting with the person who is the subject of the complaint to obtain such person's response and/or to advise such person that such conduct or language is inconsistent with the standards of MCHS or other MCHS facility and/or to warn such person of the consequences of further similar conduct or language and that this policy prohibits retaliation; or (iii) filing a formal complaint under the Bylaws of the Medical Staff or under the Bylaws of the Board of Directors.
  - Request that the President/CEO file a complaint under the Bylaws of the Medical Staff or the Bylaws of the Board of Directors.
  - With the Chief of Staff, present the matter to the Medical Executive Committee for further advice or for further proceeding; provided, however, the identity of the complaining or reporting party shall not be disclosed to the Medical Executive Committee until such time as a formal complaint is filed under the Bylaws of the Medical Staff.
  - Take such action as the Chief Medical Officer in his or her discretion deems appropriate or advisable.
- vi) The Executive Team Member to whom the complaint was referred shall be advised by the Chief Medical Officer or Chief of Staff of any action taken and may consult or counsel with the complaining party.

**c) Complaints of Violence**

- i) Reports or complaints of conduct prohibited by Policy Number MCH-4015, entitled "Violence Free Workplace," shall be made, investigated and handled as provided in that policy unless such conduct is also prohibited by this policy in which event a complaint may be made, investigated and handled as provided in either policy or both policies.

**d) Retaliation**

- i) No reprisals or retaliatory action shall be taken or threatened against any employee or contracted personnel who makes a complaint of abuse or harassment. Any such action or threatened action shall be a violation of this policy.

**5. Education**

- a) The Vice President, Human Resources shall implement appropriate educational programs to orient, from time to time, all existing and new employees and contracted personnel with this policy and the complaint mechanism. The Chief of Staff, or his or her designees, shall implement appropriate educational programs to orient from time to time, all existing and new persons with clinical or allied health professional privileges with this policy. At a minimum, this policy:
  - i) will be distributed and discussed during new employee orientation
  - ii) will be presented annually during in-service training
  - iii) will be made a part of the Employee Handbook
  - iv) will be made available to all contracted personnel
  - v) will be made available to appropriate vendors and contractors and other persons and entities as determined by the Director of Materials Management, the Vice President, Human Resources and members of the hospital's Executive Team
  - vi) will be given to each new person who acquires clinical privileges at MCHS, with written acknowledgement of receipt thereof delivered to the medical staff office. A copy will be mailed at reappointment time by the medical staff office, certified mail, return receipt requested, to all persons with clinical privileges at MCHS to the business address of each such person as shown in the records of the medical staff office. Each person will sign acknowledgement and understanding of this policy.
  - vii) will be given to each new person who acquires allied health professional privileges at MCHS, with written acknowledgement of receipt thereof delivered to the medical staff office. A copy will be mailed at reappointment time by the medical staff office, certified mail, return receipt requested, to all persons with allied health professional privileges at MCHS to the business address of each such person as shown in the records of the medical staff office. Each person will sign acknowledgement and understanding of this policy.

AUTHOR'S SIGNATURE	
	Robbi Banks, Vice President, Human Resources
AUTHORIZING SIGNATURE(S)	
	Mary Thompson, President ECHD Board of Directors
	William W. Webster President, Chief Executive Officer
END OF POLICY	

## MEMORANDUM

TO: Ector County Hospital District Board of Directors  
FROM: Robbi Banks, Vice President  
SUBJECT: HCC Stop Loss Agreement  
DATE: December 5, 2017

### Estimated Annualized Cost:

\$565,755.00 based on current enrollment

### Budget Reference:

FY2018 Employee Benefits Budget – Stop Loss Health Plan

### Objective/Background:

In order to limit Medical Center Hospital's exposure to exceptionally high medical claims incurred by individuals covered by the Employee Medical Plan, MCH purchases a reinsurance policy for each plan year. MCH's reinsurance policy provides protection from medical claims exceeding \$350,000 during the plan year for each person covered by the medical plan. In plan years 2014-2017 our loss ratio for our stop loss plan was 270%.

Requests for quotes were sent to ten stop loss insurers. Seven insurers declined to quote and three insurers returned proposals. QBE returned a proposal with a 39% increase and PACE returned a proposal with a 50% increase.

Our current carrier, HCC, is offering a renewal with a 10% increase in premiums over the 2017 rates. During the budget process it was anticipated that we would have a 10% increase based upon our current contract renewal terms and we budgeted the increase. In 2019, HCC is ensuring that our rates will not increase more than a 30%. In addition, they have not identified any lasers for the 2018 or 2019 plan years. This is not a two year contract, it is only a maximum renewal guarantee for MCHS should our plan continue to experience unfavorably.

MCHS also evaluated the possibility of increasing the stop loss deductible from \$350k to \$400k. However, MCHS the savings of increasing the stop loss premiums would only save \$135,435 in premiums and based upon our past plan experience and plan size, it is not recommended that we increase the stop loss deductible.

After reviewing the options offered to MCHS through HCC, it is recommend that the Board approve the renewal with HCC for stop loss coverage. Once the Board provided the approval, the application will be drafted and reviewed by legal prior to obtaining signature.



**TOKIO MARINE**  
**HCC**

# **Medical Stop Loss Proposal For Ector County Hospital District dba Medical Center Hospital**

Presented by  
**Lockton 2011 - Dallas**

Underwritten by  
**Kathryn Klen**

Carrier  
**HCC Life Insurance Company**

Tokio Marine HCC - Stop Loss Group  
5601 Granite Parkway, 11th Floor  
Plano, TX 75024  
(214) 387-5400

Visit us online at [www.tmhcc.com](http://www.tmhcc.com)

Underwriter	<b>Klen, Kathryn</b>	Proposal	<b>11/01/2017</b>	Proposal No	<b>1</b>
Group	<b>Ector County Hospital District dba Medical Center Hospital</b>	Valid Thru Date	<b>01/10/2018</b>	Expiration Date	<b>12/31/2018</b>
Carrier	<b>HCC Life Insurance Company</b>	Effective Date	<b>01/01/2018</b>		

**INDIVIDUAL STOP LOSS COVERAGE**

		Option 1	Option 2	Option 3
Coverages		<b>Medical, Rx Card</b>	<b>Medical, Rx Card</b>	<b>Medical, Rx Card</b>
Contract Type		<b>Paid</b>	<b>Paid</b>	<b>Paid</b>
Annual Specific Deductible per Individual		<b>350,000</b>	<b>375,000</b>	<b>400,000</b>
Lifetime Reimbursement	<b>Unlimited</b>			
Maximum Contract Period Reimbursement		<b>Unlimited</b>	<b>Unlimited</b>	<b>Unlimited</b>
Inpatient Mental & Nervous	<b>365 Days</b>			
Quoted Rate Per Month	<u>Enrollment</u>			
Single	<b>611</b>	<b>15.86</b>	<b>14.65</b>	<b>12.03</b>
Family	<b>685</b>	<b>54.68</b>	<b>50.79</b>	<b>41.62</b>
Estimated Annual Premium		<b>565,755</b>	<b>524,908</b>	<b>430,320</b>
Quoted Rate(s) includes Commissions of		<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>
Estimated Annual Liability		<b>139,150</b>	<b>139,150</b>	<b>139,150</b>

**OVERALL COST SUMMARY**

	Option 1	Option 2	Option 3
Total Annual Fixed Costs	<b>565,755</b>	<b>524,908</b>	<b>430,320</b>
Specific Variable	<b>139,150</b>	<b>139,150</b>	<b>139,150</b>
Maximum Annual Liability	<b>704,905</b>	<b>664,058</b>	<b>569,470</b>

## PROPOSAL QUALIFICATIONS AND CONTINGENCIES

Quoted terms and conditions are subject to possible revision based upon receipt and review of the following items:

- Paid claims experience to the effective date including monthly enrollment figures.
- Updated shock loss information to the date HCC Life Insurance Company has been notified that the proposal has been accepted by the group. Shock loss information should include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of \$ 175,000, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pending or denied for any reason. Please refer to our Trigger Diagnosis Disclosure List, which provides examples of some, but not all, types of shock losses.
- We will accept final shock loss disclosure no earlier than 30 days prior to the effective date.
- Please see the attached exhibit for plan document assumptions and requirements.
- Should a large claim(s), (non-reoccurring and/or ongoing) become known and the initial date of service is prior to the date of written acceptance by HCC Life Insurance Company , we reserve the right to re-underwrite the case.
- In the event there is a greater than 10% change in enrollment between the submitted initial enrollment data and the final enrollment data, rates and factors may be recalculated.
- Minimum participation level of 75% of all eligible employees is required.
- Our proposal includes Simultaneous Funding on Specific reimbursements.
- Rates and Factors are calculated with the plan anniversary date and the Policy effective date as the same date, should the plan anniversary date and the stop loss policy effective date be different we reserve the right to modify our rates, factors and terms of coverage to accommodate for additional liabilities incurred by the plan due to state and/or federal mandates during the stop loss contract period.
- **Quote rated with retirees not covered. Quote rated with 5 COBRAs being covered based on the census information provided.**
- **Ground Up - 65% accumulation and reimbursement at 100% of the reduced accumulated eligible charges incurred in Medical Center Hospital. The Domestic Reimbursement % is applied to Existing Contracted PPO rates. In facility (domestic) expenses are defined as any hospital inpatient, hospital outpatient, clinic, or staff physician charges incurred in a facility that is a parent, subsidiary or affiliate of the Policyholder. Ground up shall mean all eligible Covered Expenses.**
- **Fixed Split Funded Arrangement - The Split Funded Corridor Option quoted is the fixed set corridor which is NOT subject to year end recalculation for enrollment variances.**
- **Quote Rated with the following UR Vendors: eQHealth Solutions, .**
- **Quote Rated with the following Cost Containment Programs(s): Aetna Signature Administrators.**
- The CAP percentage will be finalized after 20 months of experience is complete and the group will be placed in one of three tiers, as negotiated.

**PROPOSAL QUALIFICATIONS AND CONTINGENCIES**

Initial the selected proposal option:

	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>
Specific			
Aggregate	N/A	N/A	N/A

The Premium and Aggregate Deductibles are based on the data submitted. Any inaccurate or incomplete data submitted may require changes at final underwriting. We will not be bound by any typographical errors or omissions contained herein.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
 Agent of Record or Administrator

This proposal expires if applications are not requested before the valid through date.

## Plan Document Assumptions

This proposal for stop loss coverage assumes the Plan Sponsor's plan document includes certain standard clauses, exclusions and limitations. These exclusions and limitations include, but are not limited to the following:

1. **Eligibility, Effective Date, and Enrollment Date** provisions, which include definitions of eligible employees (including definitions of full-time and part-time), dependents, and retirees, if applicable.
2. **Termination Provisions** which clearly define when eligibility and benefits cease. The Termination Provisions should include specific wording regarding extension of coverage (also known as "extension of active service") during a period of inactive service due to disability, layoff or leave of absence. The plan should include COBRA wording consistent with federal requirements.
3. **Transplant** benefit wording that identifies any benefits applicable to the donor (particularly the non-participating donor), the recipient, organ procurement, and any covered transportation, lodging and companion charges.
4. The Plan is expected to contain provisions that preserve its ability to seek a right of recovery, to recover funds via subrogation, to enforce coordination of benefit clauses with other plans and where able, to be secondary to Medicare and other public programs (subject to the Plan's compliance with Medicare Secondary Payer rules).
5. Exclude expenses resulting from losses which are due to any act of war, whether declared or not.
6. Exclude expenses for any injury or illness arising out of or in the course of any occupation or employment for wage or profit.
7. Exclude expenses related to Alternative Treatment, except when deemed both medically necessary and cost effective when compared to a normal course of treatment.
8. All HCC Life policies contain an Experimental and Investigative definition and exclusion along with coverage requirements for clinical trials that complies with the Affordable Care Act (ACA).

ECTOR COUNTY HOSPITAL DISTRICT

RESOLUTION approving the First Amendment to the Indenture of Trust and Security Agreement; authorizing the execution of documents and instruments necessary or convenient to carry out the First Amendment to the Indenture of Trust and Security Agreement; and other provisions in connection therewith

WHEREAS, the Ector County Hospital District (the “*District*”) has been created and organized as a political subdivision of the State of Texas pursuant to Article IX, Section 9 of the Constitution of the State of Texas and Chapter 1024, Special District Local Laws Code, as amended (collectively, hereinafter referred to as the “*Enabling Act*”);

WHEREAS, the District, pursuant to a resolution of the board of directors, dated May 11, 2010 (the “*Bond Resolution*”) has authorized and issued its Hospital Revenue Bonds (Medical Center Hospital) Taxable Series 2010B (Build America Bonds – Direct Payment) (the “*Series 2010B Bonds*”);

WHEREAS, the District currently has \$44,654,000 of the Series 2010B Bonds outstanding under that certain Indenture of Trust and Security Agreement, dated as of June 1, 2010 (the “*Indenture*”);

WHEREAS, the District has previously covenanted that it will maintain Consolidated Net Revenues not less than 110% of the Average Annual Debt Service Requirements (the “*Coverage Ratio*”) as set forth in *Section 10.11(A)* of the Indenture;

WHEREAS, reporting under the Governmental Accounting Standards Board (“*GASB*”) Statement 68 regarding pension expense (“*GASB 68*”) went into effect starting with the financial statements of District for the fiscal year ended September 30, 2015;

WHEREAS, the GASB 68 implementation has had a negative effect on the Coverage Ratio due to such factors as assumption changes and investment performance that have resulted in significant difference between reported expenses and actual cash outlays of the District and reporting under GASB Statement 75 regarding other postemployment benefit plans (“*GASB 75*”) will be in effect starting with the financial statements of Issuer for fiscal year 2018;

WHEREAS, the GASB 68 and GASB 75 implementation has or will have a negative effect on the Coverage Ratio due to factors such as assumption changes and investment performance being included as components of employee benefit expense, resulting in significant difference between reported expenses and actuarially required cash contributions of the District;

WHEREAS, the District has determined that it is in the best interest of the District to enter into the First Amendment to the Indenture of Trust and Security Agreement (the “*Amendment*”) to amend its definition of Net Revenues to adjust the calculation to take into account the effects of Governmental Accounting Standards Board (“*GASB*”) statement 68 and GASB statement 75;

WHEREAS, there have be presented to the Board of Directors of the District (the “*Board*”) a form of the Amendment which comprises a part of this Resolution; and

WHEREAS, the majority of holders of the Series 2010B Bonds has agreed to the Amendment conditioned upon: (i) an amendment fee of \$39,551, plus legal expenses (collectively, the “*Amendment Fee*”) and (ii) incorporating a new liquidity covenant, and quarterly investment calls with all bondholders.

WHEREAS, the District finds the form and substance of the Amendment to be satisfactory and proper and finds the recitals with regard to the District specified above to be true, correct and complete and hereby determines to proceed with the execution of the Agreement, the execution of such documents, certificates, instruments and the taking of such other actions as may be necessary and appropriate in connection therewith.

THEREFORE, BE IT RESOLVED BY THE ECTOR COUNTY HOSPITAL DISTRICT THAT:

Section 1. All of the above recitals are found and determined to be true and correct and incorporated into the body of this Resolution as if repeated in their entirety.

Section 2. The forms, terms and provisions of the Amendment, in substantially the form and substance presented to the Board and its counsel, is hereby authorized and approved; and each of the President, the Vice President, the Chief Executive Officer or the Chief Financial Officer of the District is hereby severally authorized and directed to execute and deliver the final Amendment in the name and on behalf of the District, with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by such officer’s execution thereof, and the Secretary and any Assistant Secretary of the District is hereby severally authorized to attest and affix the District’s seal to the Amendment, but such attestation and seal shall not be required for the due execution and delivery thereof.

Section 3. The officers, employees and agents of the District, and each of them, shall be and each is expressly and severally authorized, empowered and directed from time to time to do and perform all acts and things and to execute, acknowledge and deliver in the name and under the corporate seal, if applicable, and on behalf of the District all documents, certificates, notices, instruments and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution, as well as the terms and provisions of the Amendment and other agreements hereby authorized and approved, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such document, certificate, notice, financing statement, termination statement, instrument or other paper.

Section 4. The Board recognizes that an Amendment Fee to the Bondholders will be made simultaneous to execution of the Amendment.

Section 5. If any section, paragraph, clause, or provision of the Resolution shall be held to invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution. In case any obligation of the District authorized or established by this Resolution is held to be in

violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the District to the fullest extent permitted by law.

Section 6. This Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

*[Remainder of page intentionally left blank]*

Adopted this \_\_\_\_\_, 2017.

ECTOR COUNTY HOSPITAL DISTRICT

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

(SEAL)

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**ECTOR COUNTY HOSPITAL DISTRICT**  
and  
**WELLS FARGO BANK, NATIONAL ASSOCIATION**  
as Trustee

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**FIRST AMENDMENT  
TO  
INDENTURE OF TRUST  
AND  
SECURITY AGREEMENT**

Dated as of December \_\_, 2017

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**HOSPITAL REVENUE BONDS**

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THIS FIRST AMENDMENT TO INDENTURE OF TRUST AND SECURITY AGREEMENT (this "**First Amendment**"), dated as of December \_\_, 2017, between the Ector County Hospital District (the "**Issuer**," which term includes any successor under the within defined Indenture) and Wells Fargo Bank, National Association, a national banking association, as trustee (the "**Trustee**," which term includes any successor under the Indenture),

WITNESSETH:

WHEREAS, the Issuer and the Trustee entered into that certain Indenture of Trust and Security Agreement, dated as of June 1, 2010 (the "**Indenture**");

WHEREAS, the Issuer currently has the following revenue bonds outstanding under the Indenture: Hospital Revenue Bonds (Medical Center Hospital) Taxable Series 2010B (Build America Bonds – Direct Payment) in the aggregate amount of \$44,654,000 (the "**Outstanding Bonds**");

WHEREAS, the Issuer has previously covenanted that it will maintain Consolidated Net Revenues not less than 110% of the Average Annual Debt Service Requirements (the "**Coverage Ratio**") as set forth in *Section 10.11(A)* of the Indenture;

WHEREAS, reporting under the Governmental Accounting Standards Board ("**GASB**") Statement 68 regarding pension expense ("**GASB 68**") went into effect starting with the financial statements of Issuer for the Fiscal Year ended September 30, 2015;

WHEREAS, the GASB 68 implementation has had a negative effect on the Coverage Ratio due to such factors as assumption changes and investment performance that have resulted in significant difference between reported expenses and actual cash outlays of the Issuer and reporting under GASB Statement 75 regarding other postemployment benefit plans ("**GASB 75**") will be in effect starting with the financial statements of Issuer for fiscal 2018;

WHEREAS, the GASB 68 and GASB 75 implementation has or will have a negative effect on the Coverage Ratio due to factors such as assumption changes and investment performance being included as components of employee benefit expense, resulting in significant difference between reported expenses and actuarially required cash contributions of the Issuer;

WHEREAS, the Issuer would like to amend its Coverage Ratio calculation to exclude unusual, infrequent or extraordinary non-cash items, including non-cash items relating to GASB 68 and GASB 75;

WHEREAS, the Trustee, as directed by the holders of the Outstanding Bonds, and in consideration for entering into such an amendment, has requested the addition of certain liquidity and reporting covenants, as described herein;

WHEREAS, pursuant to Section 9.02 of the Indenture, the holders of not less than a majority in principal amount of the Outstanding Bonds have consented and directed the Trustee to enter into this First Amendment;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Issuer and the Trustee hereby agree as follows:

## ARTICLE ONE

### DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.01 Definitions. For all purposes of this First Amendment, *except* as otherwise expressly provided or *unless* the context otherwise requires:

A. All references in this instrument to designated “*Articles*,” “*Sections*,” “*Exhibits*,” and other subdivisions are to the designated Articles, Sections, Exhibits, and other subdivisions of the Indenture.

B. The words “*herein*,” “*hereof*,” and “*hereunder*” and other words of similar import refer to this First Amendment as a whole and not to any particular Article, Section, Exhibit, or other subdivision.

C. All terms used in this First Amendment that are defined in the Indenture have the same meanings in this First Amendment that are assigned to such terms in the Indenture.

D. All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for shall be made in accordance with general accepted accounting principles.

Section 1.02 Indenture to Remain in Effect. Except as otherwise explicitly provided herein, the Indenture shall remain in full force and effect

Section 1.03 Authority. This First Amendment is executed and delivered pursuant to the Enabling Act and the Indenture.

Section 1.04 Effect of Headings, Table of Contents, and Exhibits. The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction or terms hereof.

Section 1.05 Successors and Assigns. All covenants and agreements in this First Amendment by the Issuer shall bind its successors and assigns, whether so expressed or not.

Section 1.06 Severability Clause. In case any provision in this First Amendment or any application thereof shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby.

Section 1.07 Benefits of First Amendment. Nothing in this First Amendment, neither express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any separate trustee or co-trustee appointed under *Section 7.12* of the Indenture, and any Holder, any benefit or any legal or equitable right, remedy, or claim under this First Amendment or the Indenture.

Section 1.08 Governing Law. This First Amendment shall be construed in accordance with and governed by the laws of the State of Texas and the federal laws of the United States of America.

Section 1.09 Concerning the Trustee. The recitals contained in this First Amendment shall be taken as the statements of the Issuer, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this First Amendment.

## ARTICLE TWO

### AMENDMENTS

Section 2.01 Definition of Days' Cash on Hand. Section 1.01 of the Indenture is hereby amended to add the following definition:

**"Days' Cash on Hand"** means, as of the date of calculation, the amount determined by dividing (a) the amount of unrestricted cash and investments, including internally designated funds, on such date by (b) the quotient obtained by dividing expenses (including interest on indebtedness net of BAB Direct Subsidy, but excluding provisions for bad debt amortization, depreciation or any other non-cash expenses) as derived from the annual financial statements delivered pursuant to the Indenture, by 365.

Section 2.02 Definition of Net Revenues. The definition of "Net Revenues" in *Section 1.01* of the Indenture is hereby amended and replaced in its entirety as follows (the amendments are bolded and italicized):

**"Net Revenues"** of any Person for any period means the amount of excess (or deficit) of revenues over expenses of such Person for such period determined in accordance with generally accepted accounting principles plus amounts which have been deducted for or to make provision for:

- (1) interest on Debt,
- (2) amortization of Debt discount,
- (3) property retirement, depreciation, depletion, amortization and obsolescence, and
- (4) operating and maintenance expenses of such Person payable from ad valorem tax revenues and local sales and use tax revenue,

The calculation of Net Revenues shall also include, to the extent not already included above, any subsidy payment received directly from the United States Department of Treasury provided for in the federal American Recovery and Reinvestment Act of 2009, and in accordance with guidance in the Internal Revenue Service's Notice 2009-26 or similar law adopted after the American Recovery and Reinvestment Act of 2009.

The calculation of Net Revenues, however, shall exclude from revenues or expenses (i) any gain or loss attributable to the sale, exchange, or other disposition of assets not in the ordinary course of business, (ii) any unusual, infrequent, or extraordinary accounting items, (iii) unrealized gains and losses on investments including, without limitation, losses from other temporary declines in investments, (iv) ad valorem tax revenue and local sales and use tax revenue budgeted to the payment of debt service on obligations of such Person payable from ad valorem taxes and sales and use taxes, and (v) ***unusual, infrequent or extraordinary non-cash components of employee benefit expense relating to Governmental Accounting Standards Board Statements 68 and 75.***"

Section 2.03 Liquidity Covenant.

A. The Issuer covenants and agrees that, as part of its annual financial statements, an Authorized Officer of the Issuer will calculate the Days' Cash on Hand of the Issuer as of the end of each Fiscal Year (each, a "**Testing Date**"), and deliver a copy of such calculation to the Persons to whom such annual financial statements are required to be delivered under section 10.24 of the Indenture.

B. The Issuer covenants and agrees to conduct its business so that on each Testing Date the Issuer shall have no less than: (i) 50 Days' Cash on Hand as of the Fiscal Year ending in 2018; (ii) 60 Days' Cash on Hand as of the Fiscal Year ending in 2019; (iii) 80 Days' Cash on Hand as of the Fiscal Year ending in 2020; and (iv) 100 Days' Cash on Hand as of each Fiscal Year end thereafter (the "**Liquidity Requirement**"). The covenant set forth in this Section 2.03(B) is referred to herein as the "Liquidity Covenant."

C. If the number of Days' Cash on Hand as of any Testing Date is less than the Liquidity Requirement, the Issuer shall engage a Management Consultant within 180 days after the close of such Fiscal Year to make, and the Issuer shall implement, recommended changes, permitted under then existing state and federal laws and regulations, with respect to the rates, fees and charges of the Issuer and the Issuer's methods of operation and other factors affecting its financial condition in order to increase the number of Days' Cash on Hand to the Liquidity Requirement for future periods. A copy of the Management Consultant's report and recommendations, if any, shall be provided to the Trustee within 60 days after the date the Management Consultant is engaged. If the Issuer takes all action necessary to comply with the procedures set forth in this section, the Issuer's failure to comply with the Liquidity Covenant shall not constitute an Event of Default. Notwithstanding the foregoing, it shall be an Event of Default if either (i) the Days' Cash on Hand on any Testing Date is less than 80% of the applicable Liquidity Requirement or (ii) the Issuer fails to meet the Liquidity Requirement for two consecutive Fiscal Years.

Section 2.04 Investor Calls. At least once per quarter for the calendar years ending 2017, 2018, 2019 and 2020, and at least once per calendar year thereafter, the Issuer shall hold a call with the holders of the Series 2010 Bonds to discuss the Issuer's financial condition and results and other matters of interest to the holders of the Series 2010 Bonds. Notwithstanding the foregoing, the Issuer shall hold such calls more frequently at the holder's request as long as such request is reasonable.

## ARTICLE THREE

### ADDITIONAL MATTERS

Section 3.01 Reaffirmation of Agreements in Indenture. The Issuer hereby reaffirms its agreements contained in the Indenture, except to the extent such agreements are modified as provided in this First Amendment.

*[Remainder of page intentionally left blank]*

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Indenture of Trust and Security Agreement to be duly executed and delivered, all as of the day and year first above written.

ECTOR COUNTY HOSPITAL DISTRICT

By: \_\_\_\_\_  
Title: President

WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Trustee

By: \_\_\_\_\_  
Title: Assistant Vice President