



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

JANUARY 9, 2018 – 5:30 p.m.

AGENDA

- I. CALL TO ORDER.....Mary Thompson, President**
- II. INVOCATION.....Chaplain Farrell Ard**
- III. PLEDGE OF ALLEGIANCE Mary Thompson**
- IV. MISSION/VISION/VALUES OF MEDICAL CENTER HEALTH SYSTEM ..Mary Thompson, p. 3**
- V. 2017 EMPLOYEES OF THE YEARRick Napper**
 - Dr. H.E. Hestand Humanitarian Award: Jesus (Jesse) Dominguez, Service Coordinator, Cath Lab
 - Florence Nightingale Award: Albino Gelera, Advanced Nurse Practitioner, Palliative Care
 - Chaplain Jimmy Wilson Service Excellence Award: Lisa Enriquez, Benefits Coordinator, Human Resources
- VI. JANUARY 2018 EMPLOYEES OF THE MONTH.....Rick Napper**
 - Clinical: Yolanda Munoz, Vascular Surgery Medical Assistant, Pharmacy
 - Non-Clinical: Joe McBride, Sr. Financial System Analyst, Information Technology
 - Nurse: Donna Sitchon, Clinical RN, Neo Natal ICU
- VII. REVIEW OF MINUTESMary Thompson, p. 4-16**

Regular Meeting – December 5, 2017
- VIII. COMMITTEE REPORTS**
 - A. Finance CommitteeDavid Dunn, p. 17-83**
 - 1. Financials for two months ended November 30, 2017
 - 2. CER: PremierConnect Budgeting and Financial Reporting Solution
 - B. Executive Committee Mary Thompson**

Appointment of Investment Officer
- IX. TTUHSC AT THE PERMIAN BASIN REPORT..... Gary Ventolini, M.D.**

- X. **NEW COMMITTEE ASSIGNMENT**Rick Napper
- XI. **REPLACEMENT COMMITTEE MEMBER FOR BYLAWS COMMITTEE AND MCH/TECH COORDINATING COMMITTEE** Mary Thompson
- XII. **INTERLOCAL AGREEMENT/REQUEST TO SELL PROPERTY**Don Hallmark, p. 84-88
- XIII. **PRESIDENT/CHIEF EXECUTIVE OFFICER’S REPORT**.....Rick Napper
 - A. **President/Chief Executive Officer Transition Update**Rick Napper, p. 89-103
 - B. **Investment Policy Annual Review and Approval**Robert Abernethy, p. 104-114
 - C. **MRO Release of Information (ROI) Online® Agreement** Marva Rothmeier, p. 115-130

XIV. 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, including litigation update on *Chauncie Davis v. MCH*; *Elisha Washington v. MCH*; *John Presley v. MCH*, et al. and any potential/contemplated litigation claims, (2) Deliberate and discuss the purchase, exchange, lease, or value of real property pursuant to Section 551.072 of the Texas Government Code, (3) Provide an update on the employment of a Chief Medical Officer and Vice President of Strategy and Business Development pursuant to Section 551.074 of the Texas Government Code, (4) Update on negotiation for health care product lines and services, pursuant to Section 551.085 of the Texas Government Code.

- XV. **ADJOURNMENT** Mary Thompson

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

MISSION

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

VISION

MCHS will be the premier source for health and wellness.

VALUES

I-ntegrity

C-ustomer centered

A-ccountability

R-espect

E-xcellence

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

DECEMBER 5, 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
Ben Quiroz

MEMBERS ABSENT:

Richard Herrera

OTHERS PRESENT:

William Webster, President/Chief Executive Officer
Tony Ruiz, Senior Vice President/Chief Operating Officer
Robert Abernethy, Interim Sr. V.P./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
John O'Hearn, Vice President, Chief Strategy Officer
Dr. Greg Shipkey, Chief of Staff
Ron Griffin, Vice President/Chief Legal Counsel
Jan Ramos, ECHD Board Secretary
Dr. Moss Hampton, 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

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

V. DECEMBER 2017 EMPLOYEES OF THE MONTH

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

- 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

Regular Meeting – November 7, 2017

Special Meeting – November 16, 2017

David Dunn moved and Mary Lou Anderson seconded the motion to accept the minutes of the Regular ECHD Board meeting held November 7, 2017 and the Special Meeting held November 16, 2017 as presented. The motion carried.

VII. COMMITTEE REPORTS

A. Finance Committee

1. Financials for one month ended October 31, 2017.

David Dunn moved and Bryn Dodd seconded the motion to approve the financial report for the period ended October 31, 2017, as recommended to the ECHD Board of Directors by the Finance Committee. The motion carried.

2. CERs

- a. Portable X-Ray Unit

The Department of Radiology requested approval to purchase two Shimadzu Mobile Dart Evolution MX7k portable x-ray units for a total cost of \$279,800. This acquisition will replace a 10 year old Shimadzu Mobile Dart installed in June 2007 and an 8 year old Shimadzu Mobile Dart installed in January 2009.

David Dunn moved and Ben Quiroz seconded the motion to approve the CER: Portable X-Ray Unit as recommended to the ECHD Board of Directors by the Finance Committee. The motion carried.

- b. Server Replacements

Information Technology requested approval to purchase twelve (12) servers that will replace thirty-four (34) existing servers, each over five years old. This will increase necessary computing power to add additional virtual computers and will cost \$141,300.00.

David Dunn moved and Bryn Dodd seconded the motion to approve the CER: Server Replacements as recommended to the ECHD Board of Directors by the Finance Committee. The motion carried.

c. Emergency Department Stretchers

The Emergency Department requested approval to acquire 27 Stryker Prime Wheel stretchers, replacing 27 existing stretchers, for a total of \$202,985.64.

David Dunn moved and Mary Lou Anderson seconded the motion to approve the CER: Acquisition of 27 Stryker Prime Wheel Stretchers as recommended to the ECHD Board of Directors by the Finance Committee. The motion carried.

d. Inpatient Bed Mattress Replacement

The hospital requested approval to purchase 118 Stryker IsoFlex LAL mattresses for a total cost of \$408,376.00. These will replace 118 medical grade mattresses currently in use that range from 10 to 13 years old.

David Dunn moved and Ben Quiroz seconded the motion to approve the CER: Inpatient Bed Mattress Replacement as recommended to the ECHD Board of Directors by the Finance Committee. The motion carried.

B. Joint Conference Committee

Due to scheduling conflicts, there was no Joint Conference Committee meeting in December 2017. Dr. Greg Shipkey, Chief of Staff, presented the following Medical Staff Recommendations that were approved by the Medical Executive Committee:

1. Medical Staff or AHP Initial Appointment/Reappointment

Medical Staff

Applicant	Department	Specialty/ Privileges	Group	Comments
* Chen, Aaron, MD	Emergency Medicine	Emergency Medicine	BEPO	12/05/2017 – 12/04/2018
Dent, Marenda, DO	Family Medicine	Family Medicine	Texas Tech	12/05/2017 – 12/04/2018
Wiltse, Peter, DO	Surgery	General Surgery	Acute Surgical	12/05/2017 – 12/04/2018

Allied Health Professional (AHP) Staff Applicants

Applicant	Department	Specialty/ Privileges	Group	Sponsoring Physician(s)	Comments
*Ackerman, Christopher, FNP	Emergency Medicine	Nurse Practitioner	BEPO	Dr. Gregory Shipkey	12/05/2017 – 12/04/2019
*DePeralta -- Novicio, Ma Ellen, FNP	Medicine	Nurse Practitioner		Dr. Ronald Gibbons	12/05/2017 – 12/04/2019
*Kubic, Yulia, CRNA	Anesthesia	CRNA	ProCare	Dr. Meghana Gillala	12/05/2017 – 12/04/2019
*Morrison, Keith, CRNA	Anesthesia	CRNA	ProCare	Dr. Meghana Gillala	12/05/2017 – 12/04/2019

**Please grant temporary privileges*

Reappointment of the Medical Staff and Allied Health Professional Staff

Medical Staff/Or Allied Health Professional Staff

Applicant	Department	Staff Category	Specialty/ Privileges	Group	Dates
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
Guru, 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

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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
Pamganamamula, 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/Electromonitoring		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

Blank **Staff Category** column signifies no change

Allied Health Professionals

Applicant	Department	Specialty/ Privileges	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

Blank Staff Category column signifies no change

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

Clinical/ Additional 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)

3. Change in Medical Staff or AHP Staff Status

Resignation / Lapse of Privileges

Staff Member	Staff Category	Department	Effective Date	Action
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

4. Change in Medical Staff or AHP Staff Category

Staff Category Changes

Staff Member	Department	Category
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
Panganamamula, 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
Baumgardner, 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:

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

Leave of Absence

None Presented

5. Medical Staff Bylaws/Policy/Privilege Criteria

Bylaws Amendment: Telemedicine Staff 3.6-1

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 tele-facsimile and (ii) whose specialty is limited to radiology, pathology, psychiatry, electro-diagnostics, 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.

David Dunn moved and Mary Lou Anderson seconded the motion to approve the Medical Staff recommendations (Items VIII. B. 1-5) as presented. The motion carried.

C. Executive Committee

Mary Thompson reported that at a Special Meeting held on November 16, 2017, the ECHD Board of Directors appointed Rick Napper as the next President/Chief Executive Officer of the Ector County Hospital District. The appointment was 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 this Board.

On December 1, 2017, the Executive Committee convened and approved the following terms and conditions of employment for Mr. Napper as President and CEO:

- 1) At-will employee with a start date of December 18, 2017
- 2) Annual base salary of \$535,000
- 3) Relocation expenses of \$25,000 to be paid on the 1st day of employment
- 4) Standard benefits provided to all executive level employees, waiving the initial 90 day Personal Paid Leave use requirement
- 5) 1 year severance agreement approved by Legal Counsel

David Dunn moved and Mary Lou Anderson seconded the motion to ratify the actions of the Executive Committee. The motion carried.

VIII. TTUHSC AT THE PERMIAN BASIN REPORT

TTUHSC President Dr. Tedd Mitchell and TTUHSC Executive Vice President and Provost Dr. Steven Berk made presentations to Mr. Webster recognizing him for his 17 years at Medical Center Health System. No action was taken.

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

Renee Earls, President/Chief Executive Officer and Roy Gillean, Chairman of the Board of the Odessa Chamber of Commerce, spoke of Mr. Webster's involvement with the chamber and how he helped establish excellent healthcare so people can stay in Odessa to get the healthcare they need. The chamber made a donation to the Medical Center Health System Foundation in Mr. Webster's name.

X. PRESIDENT/CHIEF EXECUTIVE OFFICERS REPORT

A. Policy MCHS-1068 Abuse and Harassment

Robbi Banks, Vice President Human Resources, presented the policy MCHS-1068 Abuse and Harassment. This policy was previously only applicable to Medical Center Hospital (MCHS) employees or contracted personnel, or to a health care provider with clinical or allied health professional privileges at MCHS or other MCHS facility or by other persons. The recommendation was that the policy be revised to encompass Medical Center Health System.

David Dunn moved and Bryn Dodd seconded the motion to approve the policy MCHS-1068 Abuse and Harassment as presented. The motion carried.

B. HCC Group Medical Stop Loss Agreement Renewal

Robbi Banks, Vice President Human Resources, presented the HCC Group Medical Stop Loss Agreement Renewal. This reinsurance policy limits Medical Center Hospital's exposure to exceptionally high medical claims incurred by individuals covered by the Employee Medical Plan and provides protection from medical claims exceeding \$350,000 during the plan year for each person covered by the medical plan. After reviewing the options offered to MCHS through HCC, it was recommended that the Board approve the renewal with HCC for stop loss coverage.

David Dunn moved and Ben Quiroz seconded the motion to approve the HCC Group Medical Stop Loss Agreement Renewal as presented. The motion carried.

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, Vice President, Chief Legal Counsel, discussed, explained, and then presented the following resolution:

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.

Adopted this _____, 2017.

ECTOR COUNTY HOSPITAL DISTRICT

President

Attest:

Secretary

David Dunn moved and Ben Quiroz seconded the motion to approve the resolution as presented. The motion carried.

XI. 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 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.

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, William Webster, Robert Abernethy, Ron Griffin, Robbi Banks, Jacqui Gore, John O'Hearn, 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, William Webster, Robert Abernethy, Ron Griffin, and Jan Ramos.

Executive Session began at 6:27 pm.
Executive Session ended at 7:56 p.m.

No action was taken during Executive Session.

XII. MCH PROCARE PROVIDER AGREEMENTS

Julian Beseril presented one (1) MCH ProCare provider agreement as follows:

Christopher Petr, M.D. 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 upon licensing and privileging in August or September 2018.

David Dunn moved and Mary Lou Anderson seconded the motion to approve the MCH ProCare Provider agreement with Christopher Petr, M.D., as presented. The motion carried by a vote of 4-2 with Bryn Dodd and Don Hallmark voting against the motion.


XIII. CERNER AGREEMENT

David Dunn moved and Bryn Dodd seconded the motion to table the Cerner Agreement. The motion carried.

XIV. ADJOURNMENT

There being no further business to come before the Board, Mary Thompson adjourned the meeting at 7:58 p.m.

Respectfully Submitted,



Jan Ramos, Secretary
Ector County Hospital District Board of Directors



DATE: January 5, 2018

TO: Board of Directors
Ector County Hospital District

FROM: Robert Abernethy
Senior Vice President and Chief Financial Officer

Subject: Financial Report for the month ended November 30, 2017

Attached are the Financial Statements for the month ended November 30, 2017 and a high level summary of the months activity.

Operating Results - Hospital Operations:

For the month ended November, earnings before interest depreciation and amortization (EBIDA) was a surplus of \$245K comparing favorably to the budget of \$206K by 19.0%. Inpatient (I/P) revenue was above budget by \$1.3M driven by increased LOS, deliveries, surgeries, and associated ancillary tests as compared to budget. Outpatient (O/P) revenue was below budget by \$0.1M due to decreased Cath Lab volumes. Net Patient Revenue was \$0.6M or 3.6% above the budget of \$17.8M due to increased cash collections. Net operating revenue was \$0.8M, or 3.5%, above budget due to an increase in sales tax receipts, and improved cash collections.

Operating expenses for the month were over budget by \$601K due to unfavorable salaries, wages, and contract labor by \$492K caused by missed staffing targets. Supplies expense was also over budget by \$417K due primarily to increased LOS. Favorable repairs and maintenance expenses by \$252K helped to partially offset the unfavorable variances. For the two months ended November, EBIDA is <\$1.4M> or -715.8% compared to the budget of \$0.2M.

Operating Results - ProCare (501a) Operations:

For the month of November the net loss from operations before capital contributions was \$1.4M compared to a budgeted loss of \$1.1M. Net operating revenue was below budget by \$412K due to weaker cash collections associated with the MCH¹ conversion. Total operating costs were below budget by \$141K. The favorable variance was caused by a salaries \$175K that were partially offset by increased supplies of \$39K. After MCH capital contributions of \$1.0M for the month and \$3.3M YTD, ProCare showed a negative contribution of \$343K for the month, and a positive contribution of \$586K YTD.

Operating Results - Family Health Center Operations:

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

- Clements: \$152K loss compared to a budgeted loss of \$182K. Net revenue was unfavorable by \$54K due to closure of dental services in November. Operating costs were \$83K favorable to budget due decreased physician services used from ProCare.
- West University: \$136K loss compared to a budgeted loss of \$87K. Net revenue was unfavorable by \$96K due to decreased cash collections and was partially offset by \$43K in favorable operating costs related to decreased physician utilization.

Blended Operating Results - Ector County Hospital District:

For the month of November EBIDA was <\$98K> compared to a budget of <\$11K> that was created by an accumulation of the variances previously described. On a YTD basis, EBIDA was <\$765K> vs. budgeted <\$51K>.

Volume:

Total admissions for the month 1,063 or 1.6% below budget and 2.5% above last year. YTD admissions were 2,194 or 4.1% below budget and 2.2% above last year. Patient days for the month were 5,196 or 2.6% above budget and 2.2% above last year. YTD patient days were 10,829, or 0.5% above budget and 1.5% above last year. Due to the preceding, total average length of stay (ALOS) was 4.9 for the month and YTD. Observation days were above budget by 8.3% and above prior year by 8.9%. YTD observation days were above budget by 0.3% above budget and above prior year by 12.0%

Emergency room visits for the month 4,277 resulting in an increase compared to budget of 15.2% and an increase as compared to last year of 15.4%. YTD emergency room visits were 8,452 resulting in an increase compared to budget of 13.7% and an increase to prior year of 7.9%. Total O/P occasions of service for the month were 12.9% below budget for the month and 16.5% below last year that was caused by a change in counting methodology between Cerner and McKesson. Cerner is counting an O/P occasion of service by registrations and McKesson counted O/P occasions of services by visits. We are currently in the process of building a report to count actual O/P visits in order to report comparable stats.

Revenues:

I/P revenues were above budget for the month by \$1.3M due to increased patient days and deliveries and the resulting IP ancillary services. O/P revenues were below budget for the month by \$98K as a result of decreased OP volumes in Cath Lab. Total patient revenue was above budget by \$1.2M, or 1.4%, and total revenue deductions were \$0.3M below budget. DSRIP revenue was also negatively impacted due to a payback of \$227K overpayment. This resulted in increased net patient revenue by \$0.6M compared to budget.

Operating Expenses:

Total operating expenses for the month were 2.6% above budget. Major unfavorable variances include salaries and wages by \$427K, contract labor by \$66K and supplies by \$417K, that were partially offset by favorable repairs and maintenance of \$252K. Salaries, wages, and contract labor unfavorable variance was caused by missed staffing targets in multiple departments. Unfavorable supplies expense was caused by increased cost of drugs of \$91K, increased cost of blood by \$61K, increased raw food by \$32K, as well as numerous individually smaller variances. Favorable repairs variance was caused by lower than anticipated facility repairs in the month.

**ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
NOVEMBER 2017**

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
Hospital InPatient Admissions										
Acute / Adult	1,034	1,053	-1.8%	1,000	3.4%	2,138	2,230	-4.1%	2,074	3.1%
Neonatal ICU (NICU)	29	27	7.4%	37	-21.6%	56	57	-1.8%	73	-23.3%
Total Admissions	1,063	1,080	-1.6%	1,037	2.5%	2,194	2,287	-4.1%	2,147	2.2%
Patient Days										
Adult & Pediatric	3,801	3,835	-0.9%	3,906	-2.7%	8,119	8,170	-0.6%	8,297	-2.1%
ICU	437	423	3.3%	354	23.4%	827	888	-6.9%	767	7.8%
CCU	393	383	2.6%	326	20.6%	770	804	-4.2%	670	14.9%
NICU	565	422	34.0%	499	13.2%	1,113	916	21.4%	932	19.4%
Total Patient Days	5,196	5,063	2.6%	5,085	2.2%	10,829	10,778	0.5%	10,666	1.5%
Observation (Obs) Days	733	677	8.3%	673	8.9%	1,425	1,421	0.3%	1,272	12.0%
Nursery Days	248	214	15.9%	215	15.3%	493	450	9.6%	470	4.9%
Total Occupied Beds / Bassinets	6,177	5,954	3.7%	5,973	3.4%	12,747	12,649	0.8%	12,408	2.7%
Average Length of Stay (ALOS)										
Acute / Adult & Pediatric	4.48	4.41	1.6%	4.59	-2.3%	4.54	4.42	2.8%	4.69	-3.2%
NICU	19.48	15.62	24.7%	13.49	44.5%	19.88	16.08	23.6%	12.77	55.7%
Total ALOS	4.89	4.69	4.3%	4.90	-0.3%	4.94	4.71	4.7%	4.97	-0.6%
Average Daily Census	173.2	168.8	2.6%	169.5	2.2%	177.5	176.7	0.5%	174.9	1.5%
Hospital Case Mix Index (CMI)	1.5733	1.4657	7.3%	1.5446	1.9%	1.5196	1.4657	3.7%	1.4091	7.8%
Medicare										
Admissions	397	403	-1.5%	393	1.0%	858	896	-4.2%	825	4.0%
Patient Days	1,986	3,307	-39.9%	2,418	-17.9%	4,471	7,216	-38.0%	4,796	-6.8%
Average Length of Stay	5.00	8.21	-39.0%	6.15	-18.7%	5.21	8.05	-35.3%	5.81	-10.4%
Case Mix Index	1.6206			1.7943	-9.7%	1.6334			1.7111	-4.5%
Medicaid										
Admissions	127	129	-1.6%	123	3.3%	261	272	-4.0%	293	-10.9%
Patient Days	666	649	2.6%	700	-4.9%	1,416	1,410	0.4%	1,384	2.3%
Average Length of Stay	5.24	5.03	4.2%	5.69	-7.9%	5.43	5.18	4.7%	4.72	14.9%
Case Mix Index	1.3181			1.0055	31.1%	1.1845			0.8939	32.5%
Commercial										
Admissions	285	290	-1.7%	279	2.2%	588	613	-4.1%	539	9.1%
Patient Days	1,407	1,371	2.6%	1,328	5.9%	2,775	2,759	0.6%	2,515	10.3%
Average Length of Stay	4.94	4.73	4.4%	4.76	3.7%	4.72	4.50	4.9%	4.67	1.1%
Case Mix Index	1.7435			1.4741	18.3%	1.6121			1.4522	11.0%
Self Pay										
Admissions	229	233	-1.7%	183	25.1%	426	443	-3.8%	375	13.6%
Patient Days	1,035	1,008	2.7%	1,082	-4.3%	1,912	1,898	0.7%	2,120	-9.8%
Average Length of Stay	4.52	4.33	4.5%	5.91	-23.6%	4.49	4.28	4.8%	5.65	-20.6%
Case Mix Index	1.3750			1.5549	-11.6%	1.3170			1.2295	7.1%
All Other										
Admissions	25	25	0.0%	59	-57.6%	61	63	-3.2%	115	-47.0%
Patient Days	102	99	3.0%	231	-55.8%	255	254	0.4%	528	-51.7%
Average Length of Stay	4.08	3.96	3.0%	3.92	4.2%	4.18	4.03	3.7%	4.59	-9.0%
Case Mix Index	1.9798			1.9214	3.0%	1.7242			1.6795	2.7%
Radiology										
InPatient	4,289	3,338	28.5%	3,409	25.8%	8,351	7,010	19.1%	7,011	19.1%
OutPatient	8,046	6,754	19.1%	7,069	13.8%	16,731	14,183	18.0%	14,529	15.2%
Cath Lab										
InPatient	293	398	-26.4%	253	15.8%	643	836	-23.1%	574	12.0%
OutPatient	241	418	-42.3%	329	-26.7%	604	878	-31.2%	659	-8.3%
Laboratory										
InPatient	64,445	54,559	18.1%	54,212	18.9%	131,788	114,574	15.0%	110,698	19.1%
OutPatient	47,310	40,024	18.2%	34,127	38.6%	99,530	84,051	18.4%	68,828	44.6%
NonPatient	5,928	2,170	173.2%	8,056	-26.4%	7,885	4,557	73.0%	15,848	-50.2%
Other										
Deliveries	158	133	19.0%	138	14.5%	321	279	15.1%	292	9.9%
Surgical Cases										
InPatient	319	298	7.0%	321	-0.6%	647	626	3.4%	652	-0.8%
OutPatient	586	584	0.3%	572	2.4%	1,193	1,226	-2.7%	1,153	3.5%
Total Surgical Cases	905	882	2.6%	893	1.3%	1,840	1,852	-0.6%	1,805	1.9%
GI Procedures (Endo)										
InPatient	96	101	-5.0%	68	41.2%	187	212	-11.8%	160	16.9%
OutPatient	267	243	9.9%	286	-6.6%	567	510	11.2%	508	11.6%
Total GI Procedures	363	344	5.5%	354	2.5%	754	722	4.4%	668	12.9%

**ECTOR COUNTY HOSPITAL DISTRICT
MONTHLY STATISTICAL REPORT
NOVEMBER 2017**

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
OutPatient (O/P)										
Emergency Room Visits	4,277	3,713	15.2%	3,706	15.4%	8,452	7,433	13.7%	7,832	7.9%
Observation Days	733	677	8.3%	673	8.9%	1,425	1,421	0.3%	1,272	12.0%
Other O/P Occasions of Service	17,829	21,845	-18.4%	22,981	-22.4%	36,843	45,874	-19.7%	46,937	-21.5%
Total O/P Occasions of Svc.	22,839	26,235	-12.9%	27,360	-16.5%	46,720	54,728	-14.6%	56,041	-16.6%
Hospital Operations										
Manhours Paid	282,312	258,613	9.2%	273,480	3.2%	567,839	524,673	8.2%	556,613	2.0%
FTE's	1,646.8	1,508.6	9.2%	1,595.3	3.2%	1,629.0	1,505.2	8.2%	1,596.8	2.0%
Adjusted Patient Days	9,663	9,548	1.2%	9,557	1.1%	20,116	20,267	-0.7%	19,838	1.4%
Hours / Adjusted Patient Day	29.22	27.09	7.9%	28.62	2.1%	28.23	25.89	9.0%	28.06	0.6%
Occupancy - Actual Beds	49.6%	48.4%	2.6%	48.6%	2.2%	50.9%	50.6%	0.5%	50.1%	1.5%
FTE's / Adjusted Occupied Bed	5.1	4.7	7.9%	5.0	2.1%	4.9	4.5	9.0%	4.9	0.6%
InPatient Rehab Unit										
Admissions	23	33	-30.3%	42	-45.2%	56	66	-15.2%	77	-27.3%
Patient Days	380	405	-6.2%	459	-17.2%	786	810	-3.0%	852	-7.7%
Average Length of Stay	16.5	12.3	34.6%	10.9	51.2%	14.0	12.3	14.4%	11.1	26.8%
Manhours Paid	5,644	5,694	-0.9%	6,519	-13.4%	11,500	11,803	-2.6%	12,442	-7.6%
FTE's	32.9	33.2	-0.9%	38.0	-13.4%	33.0	33.9	-2.6%	35.7	-7.6%
Center for Primary Care - Clements										
Total Medical Visits	914	894	2.2%	1,216	-24.8%	1,870	1,857	0.7%	2,626	-28.8%
Total Dental Visits	-	682	-100.0%	649	-100.0%	350	1,373	-74.5%	1,300	-73.1%
Manhours Paid	560	744	-24.8%	893	-37.3%	1,321	1,513	-12.7%	1,836	-28.1%
FTE's	3.3	4.3	-24.8%	5.2	-37.3%	3.8	4.3	-12.7%	5.3	-28.1%
Center for Primary Care - West University										
Total Medical Visits	641	780	-17.8%	635	0.9%	1,235	1,505	-18.0%	1,428	-13.5%
Total Optometry	263	219	20.1%	209	25.8%	593	490	20.9%	467	27.0%
Manhours Paid	168	163	3.0%	164	2.7%	342	332	3.1%	331	3.5%
FTE's	1.0	1.0	3.0%	1.0	2.7%	1.0	1.0	3.1%	0.9	3.5%
Total ECHD Operations										
Total Admissions	1,086	1,113	-2.4%	1,079	0.6%	2,250	2,353	-4.4%	2,224	1.2%
Total Patient Days	5,576	5,468	2.0%	5,544	0.6%	11,615	11,588	0.2%	11,518	0.8%
Total Patient and Obs Days	6,309	6,145	2.7%	6,217	1.5%	13,040	13,009	0.2%	12,790	2.0%
Total FTE's	1,684.0	1,547.1	8.8%	1,639.5	2.7%	1,666.8	1,544.4	7.9%	1,638.8	1.7%
FTE's / Adjusted Occupied Bed	4.9	4.5	8.2%	4.7	3.2%	4.7	4.3	9.2%	4.7	1.0%
Total Adjusted Patient Days	10,369	10,311	0.6%	10,420	-0.5%	21,576	21,790	-1.0%	21,428	0.7%
Hours / Adjusted Patient Day	27.84	25.72	8.2%	26.97	3.2%	26.93	24.70	9.0%	26.66	1.0%
Outpatient Factor	1.8596	1.8858	-1.4%	1.8794	-1.1%	1.8577	1.8805	-1.2%	1.8604	-0.1%
Blended O/P Factor	2.1600	2.1495	0.5%	2.1982	-1.7%	2.1307	2.1325	-0.1%	2.1526	-1.0%
Total Adjusted Admissions	2,020	2,097	-3.7%	2,028	-0.4%	4,180	4,423	-5.5%	4,137	1.0%
Hours / Adjusted Admisssion	142.94	126.46	13.0%	138.59	3.1%	139.01	121.71	14.2%	138.06	0.7%
FTE's - Hospital Contract	69.6	55.7	25.1%	63.8	9.2%	67.4	57.5	17.1%	64.8	3.9%
FTE's - Mgmt Services	49.9	49.9	0.1%	52.8	-5.4%	48.1	49.9	-3.5%	53.4	-9.9%
Total FTE's (including Contract)	1,803.6	1,652.6	9.1%	1,756.1	2.7%	1,782.3	1,651.8	7.9%	1,757.0	1.4%
Total FTE'S per Adjusted Occupied Bed (including Contract)	5.2	4.8	8.5%	5.1	3.2%	5.0	4.6	9.1%	5.0	0.7%
Urgent Care Visits										
Health & Wellness	-	-	0.0%	-	0.0%	-	-	0.0%	396	-100.0%
Golder	-	-	0.0%	439	-100.0%	-	-	0.0%	850	-100.0%
JBS Clinic	998	936	6.6%	887	12.5%	1,980	1,680	17.9%	1,585	24.9%
West University	654	591	10.7%	501	30.5%	1,326	1,097	20.9%	924	43.5%
42nd Street	575	528	8.9%	206	179.1%	1,082	1,022	5.9%	206	425.2%
Total Urgent Care Visits	2,227	2,055	8.4%	2,033	9.5%	4,388	3,799	15.5%	3,961	10.8%
Wal-Mart Clinic Visits										
East Clinic	446	355	25.6%	294	51.7%	851	673	26.4%	558	52.5%
West Clinic	361	220	64.1%	174	107.5%	652	391	66.8%	314	107.6%
Total Wal-Mart Visits	807	575	40.3%	468	72.4%	1,503	1,064	41.3%	872	72.4%

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

	<u>HOSPITAL</u>	<u>PRO CARE</u>	<u>ECTOR COUNTY HOSPITAL DISTRICT</u>
ASSETS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 24,590,630	\$ 3,892,225	\$ 28,482,855
Investments	9,878,975	-	9,878,975
Patient Accounts Receivable - Gross	261,519,509	40,122,348	301,641,857
Less: 3rd Party Allowances	(102,241,759)	(22,514,415)	(124,756,174)
Bad Debt Allowance	<u>(120,914,163)</u>	<u>(10,080,283)</u>	<u>(130,994,445)</u>
Net Patient Accounts Receivable	38,363,587	7,527,651	45,891,238
Taxes Receivable	7,741,014	-	7,741,014
Accounts Receivable - Other	27,729,781	2,451,395	30,181,176
Inventories	6,977,297	266,183	7,243,480
Prepaid Expenses	<u>3,874,178</u>	<u>170,421</u>	<u>4,044,599</u>
Total Current Assets	<u>119,155,463</u>	<u>14,307,874</u>	<u>133,463,337</u>
CAPITAL ASSETS:			
Property and Equipment	453,453,626	520,697	453,974,323
Construction in Progress	<u>3,278,197</u>	<u>-</u>	<u>3,278,197</u>
	456,731,824	520,697	457,252,521
Less: Accumulated Depreciation and Amortization	<u>(257,998,126)</u>	<u>(294,855)</u>	<u>(258,292,981)</u>
Total Capital Assets	<u>198,733,698</u>	<u>225,842</u>	<u>198,959,540</u>
INTANGIBLE ASSETS / GOODWILL - NET	101,144	294,617	395,761
RESTRICTED ASSETS:			
Restricted Assets Held by Trustee	4,677,895	-	4,677,895
Restricted Assets Held in Endowment	6,224,654	-	6,224,654
Restricted TPC, LLC	557,915	-	557,915
Restricted MCH West Texas Services	2,024,381	-	2,024,381
Pension, Deferred Outflows of Resources	32,980,722	-	32,980,722
Assets whose use is Limited	<u>-</u>	<u>21,017</u>	<u>21,017</u>
TOTAL ASSETS	<u>\$ 364,455,871</u>	<u>\$ 14,849,350</u>	<u>\$ 379,305,220</u>
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES:			
Current Maturities of Long-Term Debt	\$ 4,637,900	\$ -	\$ 4,637,900
Self-Insurance Liability - Current Portion	3,587,777	-	3,587,777
Accounts Payable	31,065,024	6,546,583	37,611,607
Accrued Interest	566,249	-	566,249
Accrued Salaries and Wages	3,658,344	4,742,810	8,401,154
Accrued Compensated Absences	4,187,110	197,819	4,384,928
Due to Third Party Payors	1,013,661	-	1,013,661
Deferred Revenue	<u>(1,253,412)</u>	<u>858,614</u>	<u>(394,798)</u>
Total Current Liabilities	<u>47,462,653</u>	<u>12,345,825</u>	<u>59,808,479</u>
ACCRUED POST RETIREMENT BENEFITS	72,478,986	-	72,478,986
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	-	1,927,389
LONG-TERM DEBT - Less Current Maturities	49,374,766	-	49,374,766
Total Liabilities	<u>171,243,794</u>	<u>12,345,825</u>	<u>183,589,619</u>
FUND BALANCE	<u>193,212,077</u>	<u>2,503,525</u>	<u>195,715,601</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 364,455,871</u>	<u>\$ 14,849,350</u>	<u>\$ 379,305,220</u>

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

	CURRENT YEAR	PRIOR FISCAL YEAR END		CURRENT YEAR CHANGE
		HOSPITAL UNAUDITED	PRO CARE UNAUDITED	
ASSETS				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 28,482,855	\$ 28,731,391	\$ 3,182,405	\$ (3,430,941)
Investments	9,878,975	9,944,475	-	(65,500)
Patient Accounts Receivable - Gross	301,641,857	269,269,335	31,937,883	434,640
Less: 3rd Party Allowances	(124,756,174)	(111,292,583)	(19,277,473)	5,813,881
Bad Debt Allowance	<u>(130,994,445)</u>	<u>(117,203,578)</u>	<u>(5,362,604)</u>	<u>(8,428,264)</u>
Net Patient Accounts Receivable	45,891,238	40,773,174	7,297,806	(2,179,742)
Taxes Receivable	7,741,014	7,746,010	-	(4,996)
Accounts Receivable - Other	30,181,176	20,848,767	3,400,671	5,931,738
Inventories	7,243,480	6,963,047	239,016	41,416
Prepaid Expenses	<u>4,044,599</u>	<u>4,004,947</u>	<u>345,688</u>	<u>(306,036)</u>
Total Current Assets	<u>133,463,337</u>	<u>119,011,812</u>	<u>14,465,586</u>	<u>(14,061)</u>
CAPITAL ASSETS:				
Property and Equipment	453,974,323	452,939,678	517,888	516,757
Construction in Progress	<u>3,278,197</u>	<u>3,407,537</u>	<u>-</u>	<u>(129,340)</u>
	457,252,521	456,347,215	517,888	387,418
Less: Accumulated Depreciation and Amortization	<u>(258,292,981)</u>	<u>(254,542,327)</u>	<u>(285,754)</u>	<u>(3,464,899)</u>
Total Capital Assets	<u>198,959,540</u>	<u>201,804,888</u>	<u>232,134</u>	<u>(3,077,482)</u>
INTANGIBLE ASSETS / GOODWILL - NET	395,761	115,702	315,368	(35,309)
RESTRICTED ASSETS:				
Restricted Assets Held by Trustee	4,677,895	4,673,001	-	4,894
Restricted Assets Held in Endowment	6,224,654	6,224,654	-	-
Restricted Cerner Escrow	-	-	-	-
Restricted TPC, LLC	557,915	557,915	-	-
Restricted MCH West Texas Services	2,024,381	1,985,952	-	38,428
Pension, Deferred Outflows of Resources	32,980,722	32,980,722	-	-
Assets whose use is Limited	<u>21,017</u>	<u>-</u>	<u>15,603</u>	<u>5,414</u>
TOTAL ASSETS	<u>\$ 379,305,220</u>	<u>\$ 367,354,645</u>	<u>\$ 15,028,691</u>	<u>\$ (3,078,116)</u>
LIABILITIES AND FUND BALANCE				
CURRENT LIABILITIES:				
Current Maturities of Long-Term Debt	\$ 4,637,900	\$ 4,637,900	\$ -	\$ -
Self-Insurance Liability - Current Portion	3,587,777	3,587,777	-	-
Accounts Payable	37,611,607	29,536,057	5,605,329	2,470,222
Accrued Interest	566,249	49,802	-	516,447
Accrued Salaries and Wages	8,401,154	2,935,542	6,391,578	(925,966)
Accrued Compensated Absences	4,384,928	4,316,028	255,178	(186,277)
Due to Third Party Payors	1,013,661	1,158,950	-	(145,289)
Deferred Revenue	<u>(394,798)</u>	<u>653,546</u>	<u>859,437</u>	<u>(1,907,782)</u>
Total Current Liabilities	<u>59,808,479</u>	<u>46,875,601</u>	<u>13,111,522</u>	<u>(178,644)</u>
ACCRUED POST RETIREMENT BENEFITS	72,478,986	70,043,873	-	2,435,113
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	1,927,389	-	-
LONG-TERM DEBT - Less Current Maturities	49,374,766	49,892,633	-	(517,868)
Total Liabilities	<u>183,589,619</u>	<u>168,739,496</u>	<u>13,111,522</u>	<u>1,738,601</u>
FUND BALANCE	<u>195,715,601</u>	<u>198,615,149</u>	<u>1,917,169</u>	<u>(4,816,717)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 379,305,220</u>	<u>\$ 367,354,645</u>	<u>\$ 15,028,691</u>	<u>\$ (3,078,116)</u>

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<u>PATIENT REVENUE</u>										
Inpatient Revenue	\$ 47,602,101	\$ 46,307,319	2.8%	\$ 42,811,672	11.2%	\$ 98,172,680	\$ 96,295,491	1.9%	\$ 87,427,051	12.3%
Outpatient Revenue	55,218,752	53,232,552	3.7%	51,296,545	7.6%	111,004,374	109,059,082	1.8%	100,771,320	10.2%
TOTAL PATIENT REVENUE	\$ 102,820,852	\$ 99,539,871	3.3%	\$94,108,217	9.3%	\$ 209,177,054	\$ 205,354,573	1.9%	\$ 188,198,371	11.1%
<u>DEDUCTIONS FROM REVENUE</u>										
Contractual Adjustments	\$ 66,181,949	\$ 58,765,639	12.6%	\$ 56,798,159	16.5%	\$ 136,066,482	\$ 121,194,061	12.3%	\$ 111,520,914	22.0%
Policy Adjustments	1,602,883	6,444,717	-75.1%	6,320,785	-74.6%	11,627,840	13,334,107	-12.8%	11,949,260	-2.7%
Uninsured Discount	5,764,984	3,176,985	81.5%	3,321,552	73.6%	11,250,779	6,560,893	71.5%	5,483,040	105.2%
Indigent	398,057	2,158,566	-81.6%	2,779,860	-85.7%	686,818	4,455,371	-84.6%	4,373,289	-84.3%
Provision for Bad Debts	8,688,363	9,248,161	-6.1%	4,654,695	86.7%	9,734,936	19,116,842	-49.1%	13,742,184	-29.2%
TOTAL REVENUE DEDUCTIONS	\$ 82,636,236	\$ 79,794,068	3.6%	\$ 73,875,052	11.9%	\$ 169,366,855	\$ 164,661,274	2.9%	\$ 147,068,687	15.2%
	80.37%	80.16%		78.50%		80.97%	80.18%		78.15%	
<u>OTHER PATIENT REVENUE</u>										
Medicaid Supplemental Payments	\$ 1,156,242	\$ 1,156,242	0.0%	\$ 297,632	288.5%	\$ 2,312,485	2,312,485	0.0%	\$ 595,264	288.5%
DSRIP	773,262	1,000,000	-22.7%	1,000,000	-22.7%	1,773,262	2,000,000	-11.3%	2,000,000	-11.3%
TOTAL OTHER PATIENT REVENUE	\$ 1,929,504	\$ 2,156,242	-10.5%	\$ 1,297,632	48.7%	\$ 4,085,747	\$ 4,312,485	-5.3%	\$ 2,595,264	57.4%
NET PATIENT REVENUE	\$ 22,114,121	\$ 21,902,045	1.0%	\$ 21,530,797	2.7%	\$ 43,895,946	\$ 45,005,784	-2.5%	\$ 43,724,948	0.4%
<u>OTHER REVENUE</u>										
Tax Revenue	\$ 5,077,148	\$ 4,777,235	6.3%	\$ 3,833,793	32.4%	\$ 10,130,766	\$ 9,294,732	9.0%	\$ 7,167,577	41.3%
Other Revenue	757,650	874,799	-13.4%	921,787	-17.8%	1,583,761	1,746,367	-9.3%	1,734,765	-8.7%
TOTAL OTHER REVENUE	\$ 5,834,797	\$ 5,652,035	3.2%	\$ 4,755,581	22.7%	\$ 11,714,527	\$ 11,041,099	6.1%	\$ 8,902,343	31.6%
NET OPERATING REVENUE	\$ 27,948,918	\$ 27,554,080	1.4%	\$ 26,286,378	6.3%	\$ 55,610,474	\$ 56,046,883	-0.8%	\$ 52,627,290	5.7%
<u>OPERATING EXPENSES</u>										
Salaries and Wages	\$ 12,678,985	\$ 12,427,193	2.0%	\$ 12,244,179	3.6%	\$ 26,092,416	\$ 25,154,264	3.7%	\$ 25,175,882	3.6%
Benefits	3,715,264	3,749,114	-0.9%	3,086,630	20.4%	7,412,874	7,487,217	-1.0%	6,621,805	11.9%
Temporary Labor	1,025,932	908,397	12.9%	822,789	24.7%	2,037,984	1,901,611	7.2%	1,795,168	13.5%
Physician Fees	2,251,382	2,240,487	0.5%	365,572	515.9%	3,822,476	4,484,188	-14.8%	732,885	421.6%
Purchased Services	2,126,341	2,102,872	1.1%	2,395,618	-11.2%	4,051,027	4,339,244	-6.6%	4,550,344	-11.0%
Supplies	4,745,080	4,289,233	10.6%	4,912,470	-3.4%	9,898,300	8,990,588	10.1%	9,059,966	9.3%
Utilities	321,225	330,946	-2.9%	367,153	-12.5%	617,509	597,688	3.3%	666,166	-7.3%
Repairs and Maintenance	910,304	1,163,596	-21.8%	917,896	-0.8%	1,822,106	2,401,324	-24.1%	1,965,631	-7.3%
Leases and Rent	109,084	133,651	-18.4%	272,374	-60.0%	236,314	264,195	-10.6%	399,517	-40.9%
Insurance	126,837	114,892	10.4%	122,124	3.9%	247,718	229,587	7.9%	230,023	7.7%
Interest Expense	275,722	275,722	0.0%	263,627	4.6%	551,939	551,939	0.0%	527,255	4.7%
ECHDA	24,703	44,092	-44.0%	28,860	-14.4%	49,057	89,417	-45.1%	67,234	-27.0%
Other Expense	137,026	208,093	-34.2%	152,789	-10.3%	345,723	453,496	-23.8%	352,955	-2.0%
TOTAL OPERATING EXPENSES	\$ 28,447,884	\$ 27,988,288	1.6%	\$ 25,952,080	9.6%	\$ 57,185,444	\$ 56,944,758	0.4%	\$ 52,144,832	9.7%
Depreciation/Amortization	\$ 1,749,939	\$ 1,910,993	-8.4%	\$ 1,638,120	6.8%	\$ 3,500,208	\$ 3,843,713	-8.9%	\$ 3,313,973	5.6%
(Gain) Loss on Sale of Assets	(452)	-	0.0%	-	0.0%	(452)	-	0.0%	-	0.0%
TOTAL OPERATING COSTS	\$ 30,197,372	\$ 29,899,281	1.0%	\$ 27,590,200	9.4%	\$ 60,685,200	\$ 60,788,471	-0.2%	\$ 55,458,805	9.4%
NET GAIN (LOSS) FROM OPERATIONS	\$ (2,248,454)	\$ (2,345,202)	-4.1%	\$ (1,303,822)	72.5%	\$ (5,074,727)	\$ (4,741,588)	7.0%	\$ (2,831,515)	79.2%
Operating Margin	-8.04%	-8.51%	-5.5%	-4.96%	62.2%	-9.13%	-8.46%	7.9%	-5.38%	69.6%
<u>NONOPERATING REVENUE/EXPENSE</u>										
Interest Income	\$ 23,983	\$ 24,498	-2.1%	\$ 31,920	-24.9%	\$ 50,103	\$ 48,549	3.2%	\$ 65,018	-22.9%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	-	-	-
Donations	-	-	-	4,625	-100.0%	923	-	-	6,575	-86.0%
Build America Bonds Subsidy	84,413	84,323	0.1%	84,233	0.2%	168,558	168,646	-0.1%	168,465	0.1%
CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY	\$ (2,140,057)	\$ (2,236,381)	-4.3%	\$ (1,183,045)	80.9%	\$ (4,855,143)	\$ (4,524,394)	7.3%	\$ (2,591,456)	87.4%
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ (140,650)	-100.0%	\$ -	\$ -	0.0%	\$ (140,650)	-100.0%
Investment in Subsidiaries	15,940	39,019	-59.1%	(1,266)	-1358.8%	38,426	78,039	-50.8%	13,527	184.1%
CHANGE IN NET POSITION	\$ (2,124,118)	\$ (2,197,362)	-3.3%	\$ (1,324,961)	60.3%	\$ (4,816,717)	\$ (4,446,355)	8.3%	\$ (2,718,579)	77.2%
EBIDA	\$ (98,457)	\$ (10,647)	824.7%	\$ 576,786	-117.1%	\$ (764,570)	\$ (50,703)	1407.9%	\$ 1,122,649	-168.1%

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Inpatient Revenue	\$ 47,602,101	\$ 46,307,319	2.8%	\$ 42,811,672	11.2%	\$ 98,172,680	\$ 96,295,491	1.9%	\$ 87,427,051	12.3%
Outpatient Revenue	40,920,891	41,018,952	-0.2%	37,649,524	8.7%	84,198,262	84,784,087	-0.7%	75,220,271	11.9%
TOTAL PATIENT REVENUE	\$ 88,522,992	\$ 87,326,271	1.4%	\$ 80,461,196	10.0%	\$ 182,370,942	\$ 181,079,578	0.7%	\$ 162,647,322	12.1%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 57,889,632	\$ 51,229,378	13.0%	\$ 47,847,505	21.0%	\$ 120,144,790	\$ 106,237,788	13.1%	\$ 94,817,515	26.7%
Policy Adjustments	1,209,416	6,159,041	-80.4%	6,285,700	-80.8%	10,934,228	12,772,415	-14.4%	12,021,036	-9.0%
Uninsured Discount	5,738,892	2,871,810	99.8%	2,842,892	101.9%	11,042,336	5,955,464	85.4%	4,374,418	152.4%
Indigent Care	368,358	1,952,244	-81.1%	2,631,464	-86.0%	544,797	4,048,499	-86.5%	4,044,921	-86.5%
Provision for Bad Debts	5,929,889	8,587,755	-30.9%	4,217,767	40.6%	5,728,951	17,809,002	-67.8%	13,018,807	-56.0%
TOTAL REVENUE DEDUCTIONS	\$ 71,136,187	\$ 70,800,227	0.5%	\$ 63,825,329	11.5%	\$ 148,395,103	\$ 146,823,168	1.1%	\$ 128,276,696	15.7%
	80.36%	81.08%		79.32%		81.37%	81.08%		78.87%	
OTHER PATIENT REVENUE										
Medicaid Supplemental Payments	\$ 281,242	\$ 281,242	0.0%	\$ (577,368)	-148.7%	\$ 562,485	\$ 562,485	0.0%	\$ (1,154,736)	-148.7%
DSRIP	773,262	1,000,000	-22.7%	1,000,000	-22.7%	1,773,262	2,000,000	-11.3%	2,000,000	-11.3%
Medicare Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OTHER PATIENT REVENUE	\$ 1,054,504	\$ 1,281,242	-17.7%	\$ 422,632	149.5%	\$ 2,335,747	\$ 2,562,485	-8.8%	\$ 845,264	176.3%
NET PATIENT REVENUE	\$ 18,441,309	\$ 17,807,286	3.6%	\$ 17,058,499	8.1%	\$ 36,311,585	\$ 36,818,895	-1.4%	\$ 35,215,890	3.1%
OTHER REVENUE										
Tax Revenue	\$ 5,077,148	\$ 4,777,235	6.3%	\$ 3,833,793	32.4%	\$ 10,130,766	\$ 9,294,732	9.0%	\$ 7,167,577	41.3%
Other Revenue	621,408	748,839	-17.0%	778,239	-20.2%	1,301,028	1,483,787	-12.3%	1,445,556	-10.0%
TOTAL OTHER REVENUE	\$ 5,698,556	\$ 5,526,075	3.1%	\$ 4,612,032	23.6%	\$ 11,431,794	\$ 10,778,519	6.1%	\$ 8,613,134	32.7%
NET OPERATING REVENUE	\$ 24,139,865	\$ 23,333,361	3.5%	\$ 21,670,530	11.4%	\$ 47,743,379	\$ 47,597,414	0.3%	\$ 43,829,023	8.9%
OPERATING EXPENSE										
Salaries and Wages	\$ 8,694,549	\$ 8,267,575	5.2%	\$ 8,756,337	-0.7%	\$ 17,937,009	\$ 16,800,612	6.8%	\$ 17,994,503	-0.3%
Benefits	3,336,952	3,351,085	-0.4%	2,664,355	25.2%	6,652,492	6,685,887	-0.5%	5,739,168	15.9%
Temporary Labor	733,584	668,082	9.8%	640,381	14.6%	1,482,602	1,400,869	5.8%	1,370,962	8.1%
Physician Fees	2,102,911	2,076,520	1.3%	86,856	2321.2%	3,491,621	4,152,793	-15.9%	165,311	2012.2%
Purchased Services	2,236,360	2,207,061	1.3%	2,361,778	-5.3%	4,307,034	4,583,861	-6.0%	4,706,472	-8.5%
Supplies	4,577,245	4,160,013	10.0%	4,764,060	-3.9%	9,562,255	8,718,415	9.7%	8,782,684	8.9%
Utilities	317,658	327,161	-2.9%	360,832	-12.0%	610,398	589,953	3.5%	657,292	-7.1%
Repairs and Maintenance	910,304	1,162,284	-21.7%	916,561	-0.7%	1,819,184	2,398,700	-24.2%	1,963,976	-7.4%
Leases and Rentals	(85,096)	(54,081)	57.3%	(34,930)	143.6%	(144,524)	(110,719)	30.5%	(68,778)	110.1%
Insurance	78,645	64,092	22.7%	75,040	4.8%	158,052	128,185	23.3%	135,067	17.0%
Interest Expense	275,722	275,722	0.0%	263,627	4.6%	551,939	551,939	0.0%	527,255	4.7%
ECHDA	24,703	44,092	-44.0%	28,860	-14.4%	49,057	89,417	-45.1%	67,234	-27.0%
Other Expense	81,352	134,271	-39.4%	77,542	4.9%	209,341	277,887	-24.7%	217,162	-3.6%
TOTAL OPERATING EXPENSES	\$ 23,284,890	\$ 22,683,876	2.6%	\$ 20,961,299	11.1%	\$ 46,686,460	\$ 46,267,797	0.9%	\$ 42,258,308	10.5%
Depreciation/Amortization	\$ 1,725,624	\$ 1,884,413	-8.4%	\$ 1,609,977	7.2%	\$ 3,449,722	\$ 3,790,528	-9.0%	\$ 3,257,688	5.9%
(Gain)/Loss on Disposal of Assets	(452)	-	0.0%	-	0.0%	(452)	-	100.0%	-	0.0%
TOTAL OPERATING COSTS	\$ 25,010,662	\$ 24,568,289	1.8%	\$ 22,571,275	10.8%	\$ 50,135,731	\$ 50,058,325	0.2%	\$ 45,515,995	10.1%
NET GAIN (LOSS) FROM OPERATIONS	\$ (870,198)	\$ (1,234,928)	-29.5%	\$ (900,745)	-3.4%	\$ (2,392,351)	\$ (2,460,911)	-2.8%	\$ (1,686,972)	41.8%
Operating Margin	-3.60%	-5.29%	-31.9%	-4.16%	-13.3%	-5.01%	-5.17%	-3.1%	-3.85%	30.2%
NONOPERATING REVENUE/EXPENSE										
Interest Income	\$ 23,983	\$ 24,498	-2.1%	\$ 31,920	-24.9%	\$ 50,103	\$ 48,549	3.2%	\$ 65,018	-22.9%
Tobacco Settlement	-	-	0.0%	-	0.0%	-	-	-	-	0.0%
Donations	-	-	-	4,625	-100.0%	923	-	-	6,575	-86.0%
Build America Bonds Subsidy	84,413	84,323	0.1%	84,233	0.2%	168,558	168,646	-0.1%	168,465	0.1%
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTION	\$ (761,801)	\$ (1,126,108)	-32.4%	\$ (779,968)	-2.3%	\$ (2,172,768)	\$ (2,243,717)	-3.2%	\$ (1,446,914)	50.2%
Procure Capital Contribution	(1,010,839)	(867,394)	16.5%	(1,013,477)	-0.3%	(3,268,730)	(1,949,220)	67.7%	(2,278,911)	43.4%
CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY	\$ (1,772,640)	\$ (1,993,502)	-11.1%	\$ (1,793,445)	-1.2%	\$ (5,441,498)	\$ (4,192,937)	29.8%	\$ (3,725,824)	46.0%
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ (140,650)	-100.0%	\$ -	\$ -	0.0%	\$ (140,650)	-100.0%
Investment in Subsidiaries	15,940	39,019	-59.1%	(1,266)	-1358.8%	38,426	78,039	-50.8%	13,527	184.1%
CHANGE IN NET POSITION	\$ (1,756,700)	\$ (1,954,482)	-10.1%	\$ (1,935,361)	-9.2%	\$ (5,403,072)	\$ (4,114,898)	31.3%	\$ (3,852,947)	40.2%
EBIDA	\$ 244,645	\$ 205,653	19.0%	\$ (61,757)	-496.1%	\$ (1,401,411)	\$ 227,569	-715.8%	\$ (68,005)	1960.8%

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 14,297,861	\$ 12,213,600	17.1%	\$ 13,647,021	4.8%	\$ 26,806,113	\$ 24,274,994	10.4%	\$ 25,551,050	4.9%
TOTAL PATIENT REVENUE	\$ 14,297,861	\$ 12,213,600	17.1%	\$ 13,647,021	4.8%	\$ 26,806,113	\$ 24,274,994	10.4%	\$ 25,551,050	4.9%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 8,292,317	\$ 7,536,261	10.0%	\$ 8,950,654	-7.4%	\$ 15,921,691	\$ 14,956,272	6.5%	\$ 16,703,400	-4.7%
Policy Adjustments	393,466	285,677	37.7%	35,085	1021.5%	693,612	561,693	23.5%	(71,775)	-1066.4%
Uninsured Discount	26,092	305,175	-91.5%	478,660	-94.5%	208,443	605,428	-65.6%	1,108,622	-81.2%
Indigent	29,699	206,322	-85.6%	148,396	-80.0%	142,020	406,872	-65.1%	328,368	-56.7%
Provision for Bad Debts	2,758,475	660,406	317.7%	436,928	531.3%	4,005,985	1,307,840	206.3%	723,377	453.8%
TOTAL REVENUE DEDUCTIONS	\$ 11,500,049	\$ 8,993,841	27.9%	\$ 10,049,722	14.4%	\$ 20,971,752	\$ 17,838,105	17.6%	\$ 18,791,992	11.6%
	80.43%	73.64%		73.64%		78.23%	73.48%		73.55%	
Medicaid Supplemental Payments	\$ 875,000	\$ 875,000	0.0%	\$ 875,000	0.0%	1,750,000	1,750,000	0.0%	\$ 1,750,000	0.0%
NET PATIENT REVENUE	\$ 3,672,812	\$ 4,094,758	-10.3%	\$ 4,472,299	-17.9%	\$ 7,584,361	\$ 8,186,889	-7.4%	\$ 8,509,058	-10.9%
OTHER REVENUE										
Other Income	\$ 136,242	\$ 125,960	8.2%	\$ 143,549	-5.1%	\$ 282,733	\$ 262,580	7.7%	\$ 289,209	-2.2%
TOTAL OTHER REVENUE										
NET OPERATING REVENUE	\$ 3,809,054	\$ 4,220,718	-9.8%	\$ 4,615,848	-17.5%	\$ 7,867,094	\$ 8,449,469	-6.9%	\$ 8,798,267	-10.6%
OPERATING EXPENSE										
Salaries and Wages	\$ 3,984,435	\$ 4,159,618	-4.2%	\$ 3,487,842	14.2%	\$ 8,155,407	\$ 8,353,652	-2.4%	\$ 7,181,379	13.6%
Benefits	378,311	398,030	-5.0%	422,275	-10.4%	760,382	801,330	-5.1%	882,637	-13.9%
Temporary Labor	292,348	240,315	21.7%	182,409	60.3%	555,382	500,743	10.9%	424,206	30.9%
Physician Fees	148,471	163,966	-9.5%	278,716	-46.7%	330,855	331,395	-0.2%	567,574	-41.7%
Purchased Services	(110,020)	(104,188)	5.6%	33,839	-425.1%	(256,006)	(244,617)	4.7%	(156,128)	64.0%
Supplies	167,834	129,220	29.9%	148,410	13.1%	336,045	272,173	23.5%	277,282	21.2%
Utilities	3,567	3,785	-5.7%	6,322	-43.6%	7,111	7,735	-8.1%	8,874	-19.9%
Repairs and Maintenance	-	1,312	-100.0%	1,335	-100.0%	2,922	2,624	11.4%	1,655	76.6%
Leases and Rentals	194,180	187,732	3.4%	307,304	-36.8%	380,838	374,914	1.6%	468,295	-18.7%
Insurance	48,193	50,800	-5.1%	47,084	2.4%	89,665	101,402	-11.6%	94,956	-5.6%
Other Expense	55,674	73,822	-24.6%	75,247	-26.0%	136,382	175,609	-22.3%	135,794	0.4%
TOTAL OPERATING EXPENSES	\$ 5,162,994	\$ 5,304,412	-2.7%	\$ 4,990,782	3.5%	\$ 10,498,983	\$ 10,676,961	-1.7%	\$ 9,886,524	6.2%
Depreciation/Amortization	\$ 24,316	\$ 26,580	-8.5%	\$ 28,143	-13.6%	\$ 50,487	\$ 53,185	-5.1%	\$ 56,286	-10.3%
(Gain)/Loss on Sale of Assets	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING COSTS	\$ 5,187,310	\$ 5,330,992	-2.7%	\$ 5,018,925	3.4%	\$ 10,549,470	\$ 10,730,146	-1.7%	\$ 9,942,809	6.1%
NET GAIN (LOSS) FROM OPERATIONS	\$ (1,378,256)	\$ (1,110,273)	24.1%	\$ (403,077)	241.9%	\$ (2,682,376)	\$ (2,280,677)	17.6%	\$ (1,144,543)	134.4%
Operating Margin	-36.18%	-26.31%	37.6%	-8.73%	314.4%	-34.10%	-26.99%	26.3%	-13.01%	162.1%
MCH Contribution	\$ 1,010,839	\$ 1,110,273	-9.0%	\$ 1,013,477	-0.3%	\$ 3,268,731	\$ 2,280,677	43.3%	\$ 2,278,911	43.4%
CAPITAL CONTRIBUTION	\$ (367,418)	\$ -	-100.0%	\$ 610,400	-160.2%	\$ 586,355	\$ -	-100.0%	\$ 1,134,368	-48.3%
EBIDA	\$ (343,102)	\$ 26,580	-1390.8%	\$ 638,543	-153.7%	\$ 636,842	\$ 53,185	1097.4%	\$ 1,190,654	-46.5%

MONTHLY STATISTICAL REPORT

	CURRENT MONTH					YEAR TO DATE				
Total Office Visits	9,997	9,247	8.11%	8,936	11.87%	20,654	18,735	10.24%	17,901	15.38%
Total Hospital Visits	4,610	4,903	-5.98%	4,267	8.04%	9,284	9,635	-3.64%	8,559	8.47%
Total Procedures	62,133	52,081	19.30%	54,671	13.65%	121,904	102,476	18.96%	102,967	18.39%
Total Surgeries	812	773	5.05%	889	-8.66%	1,667	1,560	6.86%	1,579	5.57%
Total Provider FTE's	88.5	92.5	-4.33%	88.2	0.34%	86.3	92.5	-6.71%	81.3	6.15%
Total Staff FTE's	134.4	133.9	0.37%	129.9	3.46%	130.1	133.9	-2.84%	109.6	18.70%
Total Administrative FTE's	31.3	38.0	-17.63%	35.9	-12.81%	30.8	38.0	-18.95%	36.0	-14.44%
Total FTE's	254.2	264.4	-3.86%	254.0	0.08%	247.2	264.4	-6.51%	226.9	8.95%

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 217,693	\$ 361,766	-39.8%	\$ 232,708	-6.5%	\$ 577,464	\$ 741,437	-22.1%	\$ 654,847	-11.8%
TOTAL PATIENT REVENUE	\$ 217,693	\$ 361,766	-39.8%	\$ 232,708	-6.5%	\$ 577,464	\$ 741,437	-22.1%	\$ 654,847	-11.8%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 21,955	\$ 144,896	-84.8%	\$ 162,706	-86.5%	\$ 59,837	\$ 300,480	-80.1%	\$ 354,548	-83.1%
Self Pay Adjustments	(3,735)	943	-496.3%	(24,710)	-84.9%	(7,249)	1,955	-470.9%	(14,727)	-50.8%
Bad Debts	113,834	85,560	33.0%	(47,335)	-340.5%	412,381	177,431	132.4%	25,170	1538.4%
TOTAL REVENUE DEDUCTIONS	\$ 132,053	\$ 231,398	-42.9%	\$ 90,661	45.7%	\$ 464,968	\$ 479,866	-3.1%	\$ 364,991	27.4%
	60.7%	64.0%		39.0%		80.5%	64.7%		55.7%	
NET PATIENT REVENUE	\$ 85,640	\$ 130,368	-34.3%	\$ 142,047	-39.7%	\$ 112,496	\$ 261,571	-57.0%	\$ 289,856	-61.2%
OTHER REVENUE										
FHC Other Revenue	\$ -	\$ 8,802	0.0%	\$ -	0.0%	\$ 10,595	\$ 17,605	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ 8,802	-100.0%	\$ -	0.0%	\$ 10,595	\$ 17,605	-39.8%	\$ -	0.0%
NET OPERATING REVENUE	\$ 85,640	\$ 139,170	-38.5%	\$ 142,047	-39.7%	\$ 123,091	\$ 279,176	-55.9%	\$ 289,856	-57.5%
OPERATING EXPENSE										
Salaries and Wages	\$ 24,562	\$ 28,742	-14.5%	\$ 33,092	-25.8%	\$ 71,180	\$ 58,443	21.8%	\$ 71,525	-0.5%
Benefits	9,427	11,650	-19.1%	10,069	-6.4%	26,399	23,258	13.5%	22,812	15.7%
Physician Services	177,445	254,736	-30.3%	154,191	15.1%	353,819	545,519	-35.1%	380,372	-7.0%
Cost of Drugs Sold	5,845	4,057	44.1%	2,593	125.4%	9,541	8,317	14.7%	4,052	135.5%
Supplies	4,782	7,539	-36.6%	12,104	-60.5%	11,314	55,370	-79.6%	22,370	-49.4%
Utilities	4,189	4,783	-12.4%	11,723	-64.3%	8,383	9,591	-12.6%	15,393	-45.5%
Repairs and Maintenance	4,703	2,667	76.3%	1,843	155.2%	7,694	5,334	44.2%	6,343	21.3%
Leases and Rentals	477	500	-4.6%	477	0.0%	931	1,000	-6.9%	948	-1.8%
Other Expense	1,000	1,019	-1.9%	(1,068)	-193.7%	2,000	2,038	-1.9%	2,679	-25.3%
TOTAL OPERATING EXPENSES	\$ 232,430	\$ 315,693	-26.4%	\$ 225,023	3.3%	\$ 491,260	\$ 708,870	-30.7%	\$ 526,493	-6.7%
Depreciation/Amortization	\$ 5,319	\$ 5,392	-1.4%	\$ 5,336	-0.3%	\$ 10,638	\$ 10,954	-2.9%	\$ 10,671	-0.3%
TOTAL OPERATING COSTS	\$ 237,749	\$ 321,084	-26.0%	\$ 230,359	3.2%	\$ 501,898	\$ 719,824	-30.3%	\$ 537,165	-6.6%
NET GAIN (LOSS) FROM OPERATIONS	\$ (152,109)	\$ (181,914)	-16.4%	\$ (88,312)	72.2%	\$ (378,807)	\$ (440,648)	-14.0%	\$ (247,309)	53.2%
Operating Margin	-177.61%	-130.71%	35.9%	-62.17%	185.7%	-307.75%	-157.84%	95.0%	-85.32%	260.7%
EBIDA	\$ (146,790)	\$ (176,522)	-16.8%	\$ (82,976)	76.9%	\$ (368,170)	\$ (429,694)	-14.3%	\$ (236,638)	55.6%

	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	914	894	2.2%	1,216	-24.8%	1,870	1,857	0.7%	2,626	-28.8%
Dental Visits	-	682	-100.0%	649	-100.0%	350	1,373	-74.5%	1,300	-73.1%
Total Visits	914	1,576	-42.0%	1,865	-51.0%	2,220	3,230	-31.3%	3,926	-43.5%
Average Revenue per Office Visit	238.18	229.55	3.8%	124.78	90.9%	260.12	229.55	13.3%	166.80	55.9%
Hospital FTE's (Salaries and Wages)	3.3	4.3	-24.8%	5.2	-37.3%	3.8	4.3	-12.7%	5.3	-28.1%
Clinic FTE's - (Physician Services)	20.8	21.9	-4.8%	24.0	-13.4%	20.5	21.9	-6.4%	23.9	-14.2%

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
PATIENT REVENUE										
Outpatient Revenue	\$ 197,165	\$ 263,411	-25.1%	\$ 175,737	12.2%	\$ 480,373	\$ 525,985	-8.7%	\$ 438,741	9.5%
TOTAL PATIENT REVENUE	\$ 197,165	\$ 263,411	-25.1%	\$ 175,737	12.2%	\$ 480,373	\$ 525,985	-8.7%	\$ 438,741	9.5%
DEDUCTIONS FROM REVENUE										
Contractual Adjustments	\$ 13,569	\$ 91,435	-85.2%	\$ 6,521	108.1%	\$ 33,845	\$ 189,614	-82.2%	\$ 78,247	-56.7%
Self Pay Adjustments	978	15,239	-93.6%	(1,034)	-194.7%	2,745	31,602	-91.3%	2,382	15.3%
Bad Debts	154,001	31,864	383.3%	141,103	9.1%	385,106	66,078	482.8%	169,716	126.9%
TOTAL REVENUE DEDUCTIONS	\$ 168,548	\$ 138,537	21.7%	\$ 146,590	15.0%	\$ 421,697	\$ 287,294	46.8%	\$ 250,345	68.4%
	85.49%	52.59%		83.41%		87.79%	54.62%		57.06%	
NET PATIENT REVENUE	\$ 28,617	\$ 124,874	-77.1%	\$ 29,146	-1.8%	\$ 58,676	\$ 238,691	-75.4%	\$ 188,396	-68.9%
OTHER REVENUE										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
TOTAL OTHER REVENUE	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
NET OPERATING REVENUE	\$ 28,617	\$ 124,874	-77.1%	\$ 29,146	-1.8%	\$ 58,676	\$ 238,691	-75.4%	\$ 188,396	-68.9%
OPERATING EXPENSE										
Salaries and Wages	\$ 3,306	\$ 3,237	2.1%	\$ 3,142	5.2%	\$ 6,734	\$ 6,581	2.3%	\$ 6,241	7.9%
Benefits	1,269	1,312	-3.3%	956	32.7%	2,498	2,619	-4.6%	1,991	25.5%
Physician Services	113,611	156,580	-27.4%	105,181	8.0%	216,837	315,587	-31.3%	259,995	-16.6%
Cost of Drugs Sold	5	2,033	-99.8%	79	-93.5%	2,907	4,059	-28.4%	339	756.9%
Supplies	4,642	5,714	-18.8%	3,105	49.5%	9,879	11,411	-13.4%	9,050	9.2%
Utilities	2,157	2,127	1.4%	2,694	-20.0%	4,144	4,253	-2.6%	5,444	-23.9%
Repairs and Maintenance	-	833	-100.0%	(3,471)	-100.0%	-	1,667	-100.0%	4,353	-100.0%
Other Expense	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
TOTAL OPERATING EXPENSES	\$ 124,990	\$ 171,836	-27.3%	\$ 111,685	11.9%	\$ 243,000	\$ 346,177	-29.8%	\$ 287,414	-15.5%
Depreciation/Amortization	\$ 39,985	\$ 39,985	0.0%	\$ 41,241	-3.0%	\$ 79,969	\$ 79,969	0.0%	\$ 82,482	-3.0%
TOTAL OPERATING COSTS	\$ 164,974	\$ 211,820	-22.1%	\$ 152,926	7.9%	\$ 322,969	\$ 426,146	-24.2%	\$ 369,896	-12.7%
NET GAIN (LOSS) FROM OPERATIONS	\$ (136,357)	\$ (86,946)	56.8%	\$ (123,780)	10.2%	\$ (264,292)	\$ (187,456)	41.0%	\$ (181,500)	45.6%
Operating Margin	-476.50%	-69.63%	584.4%	-424.68%	12.2%	-450.42%	-78.53%	473.5%	-96.34%	367.5%
EBIDA	\$ (96,373)	\$ (46,962)	105.2%	\$ (82,539)	16.8%	\$ (184,323)	\$ (107,487)	71.5%	\$ (99,018)	86.2%

	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	641	780	-17.8%	635	0.9%	1,235	1,505	-18.0%	1,428	-13.5%
Optometry Visits	263	219	20.1%	209	25.8%	593	490	20.9%	467	27.0%
Total Visits	904	999	-9.5%	844	7.1%	1,828	1,996	-8.4%	1,895	-3.5%
Average Revenue per Office Visit	218.10	263.68	-17.3%	208.22	4.7%	262.79	263.56	-0.3%	231.53	13.5%
Hospital FTE's (Salaries and Wages)	1.0	1.0	3.0%	1.0	2.7%	1.0	1.0	3.1%	0.9	3.5%
Clinic FTE's - (Physician Services)	15.2	12.9	18.5%	14.1	8.0%	13.9	12.9	8.2%	18.1	-23.1%

**ECTOR COUNTY HOSPITAL DISTRICT
NOVEMBER 2017**

REVENUE BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 32,068,091	36.2%	\$ 32,387,436	40.3%	\$ 68,686,204	37.6%	\$ 66,551,931	40.9%
Medicaid	7,911,443	8.9%	6,878,266	8.5%	15,849,501	8.7%	14,780,227	9.1%
Commercial	27,403,925	31.0%	23,417,127	29.1%	54,662,972	30.0%	46,611,834	28.7%
Self Pay	16,223,429	18.3%	11,584,327	14.4%	32,242,589	17.7%	21,502,829	13.2%
Other	4,916,104	5.6%	6,194,040	7.7%	10,929,675	6.0%	13,200,501	8.1%
TOTAL	\$ 88,522,992	100.0%	\$ 80,461,196	100.0%	\$ 182,370,942	100.0%	\$ 162,647,322	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 7,673,378	39.9%	\$ 5,444,187	31.2%	\$ 14,244,762	38.9%	\$ 10,295,533	30.4%
Medicaid	1,832,994	9.5%	1,419,611	8.1%	3,095,772	8.5%	3,526,674	10.4%
Commercial	7,762,795	40.4%	7,946,690	45.5%	9,854,480	26.9%	14,998,412	44.4%
Self Pay	1,267,503	6.6%	1,395,151	8.0%	2,519,102	6.9%	2,639,598	7.8%
Other	689,907	3.6%	1,251,246	7.2%	6,868,298	18.8%	2,372,898	7.0%
TOTAL	\$ 19,226,576	100.0%	\$ 17,456,885	100.0%	\$ 36,582,414	100.0%	\$ 33,833,115	100.0%
TOTAL NET REVENUE	17,386,805		16,635,867		33,975,839		34,370,626	
% OF GROSS REVENUE	19.6%		20.7%		18.6%		21.1%	
VARIANCE	1,839,771		821,018		2,606,575		(537,511)	
% VARIANCE TO CASH COLLECTIONS	10.6%		4.9%		7.7%		-1.6%	

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

REVENUE BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 26,482	12.2%	\$ 22,016	9.5%	\$ 65,840	11.4%	\$ 73,358	11.2%
Medicaid	75,814	34.8%	65,217	28.0%	195,365	33.8%	184,795	28.2%
PHC	425	0.2%	82,406	35.3%	23,522	4.1%	221,680	33.9%
Commercial	44,632	20.5%	33,457	14.4%	108,434	18.8%	96,869	14.8%
Self Pay	69,033	31.7%	22,021	9.5%	182,749	31.6%	61,870	9.4%
Other	1,308	0.6%	7,592	3.3%	1,555	0.3%	16,275	2.5%
TOTAL	\$ 217,693	100.0%	\$ 232,708	100.0%	\$ 577,464	100.0%	\$ 654,847	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 886	2.6%	\$ 14,644	9.2%	\$ 9,097	7.3%	\$ 27,917	10.2%
Medicaid	6,274	18.6%	94,702	59.6%	43,830	35.1%	130,721	47.9%
PHC	40	0.1%	16,123	10.2%	5,537	4.4%	35,589	13.0%
Commercial	10,563	31.2%	15,831	10.0%	28,116	22.5%	38,379	14.1%
Self Pay	15,975	47.3%	17,480	11.0%	38,344	30.7%	40,393	14.8%
Other	78	0.2%	48	0.0%	-	0.0%	48	0.0%
TOTAL	\$ 33,816	100.0%	\$ 158,828	100.0%	\$ 124,923	100.0%	\$ 273,047	100.0%
TOTAL NET REVENUE	85,640		142,047		112,496		289,856	
% OF GROSS REVENUE	39.3%		61.0%		19.5%		44.3%	
VARIANCE	(51,824)		16,781		12,427		(16,808)	
% VARIANCE TO CASH COLLECTIONS	-60.5%		11.8%		11.0%		-5.8%	

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

REVENUE BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 32,697	16.6%	\$ 30,575	17.4%	\$ 74,379	15.5%	\$ 80,014	18.2%
Medicaid	84,970	43.0%	71,091	40.5%	205,698	42.8%	175,863	40.1%
PHC	7,601	3.9%	29,836	17.0%	20,846	4.3%	69,947	15.9%
Commercial	33,336	16.9%	21,911	12.5%	76,727	16.0%	61,451	14.0%
Self Pay	37,791	19.2%	14,968	8.5%	100,932	21.0%	36,279	8.3%
Other	771	0.4%	7,356	4.2%	1,791	0.4%	15,187	3.5%
TOTAL	\$ 197,165	100.0%	\$ 175,737	100.0%	\$ 480,373	100.0%	\$ 438,741	100.0%

PAYMENTS BY PAYOR

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 837	2.8%	\$ 4,629	12.3%	\$ 4,086.40	6.2%	\$ 14,462	13.9%
Medicaid	11,258	37.9%	11,876	31.6%	28,041	42.4%	39,433	37.8%
PHC	1,202	4.1%	3,383	9.0%	2,415	3.7%	7,323	7.0%
Commercial	6,395	21.6%	9,108	24.2%	12,638	19.2%	23,248	22.3%
Self Pay	9,933	33.5%	8,618	22.9%	18,740	28.4%	19,749	18.9%
Other	30	0.1%	10	0.0%	52	0.1%	65	0.1%
TOTAL	\$ 29,656	100.0%	\$ 37,624	100.0%	\$ 65,973	100.0%	\$ 104,280	100.0%
TOTAL NET REVENUE	28,617		29,146		58,676		188,396	
% OF GROSS REVENUE	14.5%		16.6%		12.2%		42.9%	
VARIANCE	1,039		8,478		7,297		(84,116)	
% VARIANCE TO CASH COLLECTIONS	3.6%		29.1%		12.4%		-44.6%	

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

<u>Cash and Cash Equivalents</u>	<u>Frost</u>	<u>Hilltop</u>	<u>Total</u>
Operating	\$ 3,122,795	\$ -	\$ 3,122,795
Payroll	2,691	-	2,691
Worker's Comp Claims	11,247	-	11,247
UMR Group Medical	110,904	-	110,904
Flex Benefits	3,922	-	3,922
Mission Fitness	171,191	-	171,191
Petty Cash	9,420	-	9,420
Dispro	1,613	5,161,502	5,163,115
Debt Service	584,168	-	584,168
Tobacco Settlement	424	-	424
General Liability	-	2,898,889	2,898,889
Professional Liability	-	2,976,758	2,976,758
Funded Worker's Compensation	-	3,200,557	3,200,557
Funded Depreciation	-	3,216,018	3,216,018
Designated Funds	-	3,118,532	3,118,532
	<hr/>	<hr/>	<hr/>
Total Cash and Cash Equivalents	\$ 4,018,375	\$ 20,572,255	\$ 24,590,630

<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	42,875	-	42,875
Allowance for Change in Market Values	-	(163,900)	(163,900)
	<hr/>	<hr/>	<hr/>
Total Investments	\$ 42,875	\$ 9,836,100	\$ 9,878,975
Total Unrestricted Cash and Investments			\$ 34,469,605

<u>Restricted Assets</u>	<u>Reserves</u>	<u>Prosperity</u>	<u>Total</u>
Assets Held By Trustee - Bond Reserves	\$ 4,670,516	\$ -	\$ 4,670,516
Assets Held By Trustee - Debt Payment Reserves	7,378	-	7,378
Assets Held In Endowment	-	6,224,654	6,224,654
Restricted TPC, LLC	557,915	-	557,915
Restricted MCH West Texas Services	2,024,381	-	2,024,381
Total Restricted Assets	<hr/>	<hr/>	<hr/>
	\$ 7,260,190	\$ 6,224,654	\$ 13,484,844

Total Cash & Investments			\$ 47,954,449
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**ECTOR COUNTY HOSPITAL DISTRICT
STATEMENT OF CASH FLOW
NOVEMBER 2017**

	Hospital	Procure	Blended
Cash Flows from Operating Activities and Nonoperating Revenue:			
Excess of Revenue over Expenses	\$ (5,403,072)	\$ 586,355	\$ (4,816,716)
Noncash Expenses:			
Depreciation and Amortization	3,470,356	29,852	3,500,208
Unrealized Gain/Loss on Investments	-	-	-
Accretion (Bonds)	-	-	-
Changes in Assets and Liabilities			
Patient Receivables, Net	2,409,587	(229,844)	2,179,742
Taxes Receivable/Deferred	(1,901,962)	(823)	(1,902,785)
Inventories, Prepays and Other	(6,764,495)	1,097,377	(5,667,118)
Accounts Payable	1,528,968	941,254	2,470,222
Accrued Expenses	1,110,331	(1,711,541)	(601,210)
Due to Third Party Payors	(145,289)	-	(145,289)
Accrued Post Retirement Benefit Costs	2,435,113	-	2,435,113
	<hr/>	<hr/>	<hr/>
Net Cash Provided by Operating Activities	\$ (3,260,463)	\$ 712,629	\$ (2,547,834)
Cash Flows from Investing Activities:			
Investments	\$ 65,500	\$ -	\$ 65,500
Acquisition of Property and Equipment	(497,803)	(2,809)	(500,612)
Cerner Project Costs	113,195	-	113,195
	<hr/>	<hr/>	<hr/>
Net Cash used by Investing Activities	\$ (319,108)	\$ (2,809)	\$ (321,918)
Cash Flows from Financing Activities:			
Net Repayment of Long-term Debt/Bond Issuance	\$ (517,868)	\$ -	\$ (517,868)
	<hr/>	<hr/>	<hr/>
Net Cash used by Financing Activities	\$ (517,868)	\$ -	\$ (517,868)
	<hr/>	<hr/>	<hr/>
Net Increase (Decrease) in Cash	\$ (4,097,439)	\$ 709,820	\$ (3,387,619)
Beginning Cash & Cash Equivalents @ 9/30/2017	\$ 42,172,913	\$ 3,182,405	\$ 45,355,318
Ending Cash & Cash Equivalents @ 11/30/2017	<hr/>	<hr/>	<hr/>
	\$ 38,075,474	\$ 3,892,225	\$ 41,967,699
<hr/>			
Balance Sheet			
Cash and Cash Equivalents	\$ 24,590,630	\$ 3,892,225	\$ 28,482,855
Restricted Assets	13,484,844	-	13,484,844
	<hr/>	<hr/>	<hr/>
Ending Cash & Cash Equivalents @ 11/30/2017	\$ 38,075,474	\$ 3,892,225	\$ 41,967,699

ECTOR COUNTY HOSPITAL DISTRICT
TAX COLLECTIONS
FISCAL 2018

	<u>ACTUAL COLLECTIONS</u>	<u>BUDGETED COLLECTIONS</u>	<u>VARIANCE</u>	<u>PRIOR YEAR COLLECTIONS</u>	<u>VARIANCE</u>
<u>AD VALOREM</u>					
OCTOBER	\$ 276,462	\$ 1,300,000	\$ (1,023,538)	\$ 249,105	\$ 27,357
NOVEMBER	584,006	1,300,000	(715,994)	924,056	(340,049)
SUB TOTAL	<u>860,468</u>	<u>2,600,000</u>	<u>(1,739,532)</u>	<u>1,173,161</u>	<u>(312,693)</u>
ACCRUAL	-	-	-	-	-
TOTAL	<u>\$ 860,468</u>	<u>\$ 2,600,000</u>	<u>\$ (1,739,532)</u>	<u>\$ 1,173,161</u>	<u>\$ (312,693)</u>
<u>SALES</u>					
OCTOBER	\$ 3,753,619	\$ 3,217,497	\$ 536,122	\$ 2,339,047	\$ 1,414,571
NOVEMBER	3,777,148	3,477,235	299,912	2,839,057	938,091
SUB TOTAL	<u>7,530,766</u>	<u>6,694,732</u>	<u>836,034</u>	<u>5,178,104</u>	<u>2,352,662</u>
ACCRUAL	-	-	-	-	-
TOTAL	<u>\$ 7,530,766</u>	<u>\$ 6,694,732</u>	<u>\$ 836,034</u>	<u>\$ 5,178,104</u>	<u>\$ 2,352,662</u>
TAX REVENUE	<u><u>\$ 8,391,234</u></u>	<u><u>\$ 9,294,732</u></u>	<u><u>\$ (903,498)</u></u>	<u><u>\$ 6,351,265</u></u>	<u><u>\$ 2,039,969</u></u>

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

CASH ACTIVITY	TAX (IGT) ASSESSED	GOVERNMENT PAYOUT	BURDEN ALLEVIATION	NET INFLOW
DSH				
1st Qtr	\$ (2,484,655)	\$ 7,030,444		\$ 4,545,789
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
DSH TOTAL	\$ (2,484,655)	\$ 7,030,444		\$ 4,545,789
UC				
1st Qtr	\$ (555,750)	\$ -		(555,750)
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
UC TOTAL	\$ (555,750)	\$ -		\$ (555,750)
Regional UPL (Community Benefit)				
1st Qtr	\$ (3,062,308)	\$ -		\$ (3,062,308)
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
REGIONAL UPL TOTAL	\$ (3,062,308)	\$ -		\$ (3,062,308)
DSRIP				
1st Qtr	\$ (7,327,897)	\$ -		\$ (7,327,897)
2nd Qtr	-	-		-
3rd Qtr	-	-		-
4th Qtr	-	-		-
DSRIP UPL TOTAL	\$ (7,327,897)	\$ -		\$ (7,327,897)
MCH Cash Activity	\$ (13,430,610)	\$ 7,030,444		\$ (6,400,167)
ProCare Cash Activity			\$ 1,750,000	\$ 1,750,000
Blended Cash Activity	\$ (13,430,610)	\$ 7,030,444	\$ 1,750,000	\$ (4,650,167)

INCOME STATEMENT ACTIVITY:

FY 2018 Accrued / (Deferred) Adjustments:

	MCH	PROCARE	BLENDED
DSH Accrual	\$ 654,198	\$ -	\$ 654,198
Uncompensated Care Accrual	1,488,886	-	1,488,886
Regional UPL Accrual	(1,580,599)	-	(1,580,599)
Nursing Home UPL	-	-	-
Regional UPL Benefit	-	1,750,000	1,750,000
Medicaid Supplemental Payments	562,485	1,750,000	2,312,485
DSRIP Accrual	1,773,262	-	1,773,262
Total Adjustments	\$ 2,335,747	\$ 1,750,000	\$ 4,085,747

**ECTOR COUNTY HOSPITAL DISTRICT
CONSTRUCTION IN PROGRESS - HOSPITAL ONLY
AS OF NOVEMBER 30, 2017**

	A	B	C	D	E=A+B+C+D	F	G=E+F	H	H-G
ITEM	CIP BALANCE AS OF 11/1/2017	NOVEMBER "+" ADDITIONS	NOVEMBER "-." ADDITIONS	NOVEMBER TRANSFERS	CIP BALANCE AS OF 11/30/2017	ADD: AMOUNTS CAPITALIZED	PROJECT TOTAL	BUDGETED AMOUNT	UNDER/(OVER) BOARD APRVD/BUDGET
ED WAITING RENOVATION	\$ 1,575	\$ -	\$ -	\$ -	\$ 1,575	\$ -	\$ 1,575	\$ 20,000	\$ 18,425
SUB-TOTAL	\$ 1,575	\$ -	\$ -	\$ -	\$ 1,575	\$ -	\$ 1,575	\$ 20,000	\$ 18,425
<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	767,131	129,654	-	-	896,785	-	896,785	896,000	(785)
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
OR MED ROOM MODIFICATION	76,140	4,115	-	-	80,255	-	80,255	40,000	(40,255)
750 WEST 5TH FLOORING PROJECT	17,077	-	(20)	-	17,057	-	17,057	15,000	(2,057)
ANCILLARY STERILE STORAGE	6,928	4,204	-	-	11,132	-	11,132	25,000	13,868
GOLDER SITE SIGNAGE	3,983	-	-	-	3,983	-	3,983	20,000	16,018
PHARMACY CLEAN ROOM	-	556	-	-	556	-	556	25,000	24,444
SUB-TOTAL	\$ 916,491	\$ 138,529	\$ (20)	\$ -	\$ 1,055,000	\$ -	\$ 1,055,000	\$ 1,276,000	\$ 221,000
<i>EQUIPMENT & SOFTWARE PROJECTS - CIP INCOMPLETE</i>									
VARIOUS CAPITAL EXPENDITURE PROJECTS	\$ 2,115,920	\$ 105,702	\$ -	\$ -	\$ 2,221,622	\$ -	\$ 2,221,622	\$ 2,500,000	\$ 278,378
SUB-TOTAL	\$ 2,115,920	\$ 105,702	\$ -	\$ -	\$ 2,221,622	\$ -	\$ 2,221,622	\$ 2,500,000	\$ 278,378
TOTAL CONSTRUCTION IN PROGRESS	\$ 3,033,986	\$ 244,231	\$ (20)	\$ -	\$ 3,278,197	\$ -	\$ 3,278,197	\$ 3,796,000	\$ 517,803

ECTOR COUNTY HOSPITAL DISTRICT
CAPITAL PROJECT & EQUIPMENT EXPENDITURES
NOVEMBER 2017

<u>DEPT</u>	<u>ITEM</u>	<u>CLASS</u>	<u>BOOKED AMOUNT</u>
TRANSFERRED FROM CONSTRUCTION IN PROGRESS/RENOVATION PROJECTS			
None			\$ -
TOTAL PROJECT TRANSFERS			\$ -
EQUIPMENT PURCHASES			
None			\$ -
TOTAL EQUIPMENT PURCHASES			\$ -
TOTAL TRANSFERS FROM CIP/EQUIPMENT PURCHASES			\$ -

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

MONTH/ YEAR	DESCRIPTION	DEPT NUMBER	BUDGETED AMOUNT	P.O AMOUNT	ACTUAL AMOUNT	TO/(FROM) CONTINGENCY
	Available funds from budget		\$ 600,000	\$ -	\$ -	\$ 600,000
Oct-17	Clear-Lead Mobile X-Ray Barriers	7290	-	-	4,095	(4,095)
Oct-17	AVL Equipment	9080	-	-	4,187	(4,187)
Nov-17	Dell Workstation	9070	-	-	2,799	(2,799)
Nov-17	Powermics	9070	-	-	11,500	(11,500)
Nov-17	Software	9070	-	-	3,375	(3,375)
			\$ 600,000	\$ -	\$ 25,956	\$ 574,044

**ECTOR COUNTY HOSPITAL DISTRICT
SUPPLEMENTAL SCHEDULE OF ACCOUNTS RECEIVABLE - OTHER
NOVEMBER 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	\$ (3,891,591)	\$ -	\$ -	\$ (3,891,591)
AR UNCOMPENSATED CARE	2,757,143	712,507	-	2,044,636
AR DSRIP	16,257,959	6,930,062	-	9,327,897
AR NURSING HOME UPL	-	-	-	-
AR BAB REVENUE	252,701	84,142	-	168,558
AR PHYSICIAN GUARANTEES	793,539	652,652	-	140,887
AR ACCRUED INTEREST	158,781	129,868	-	28,912
AR OTHER:	5,690,827	4,221,685	3,400,671	(1,931,529)
Procure On-Call Fees	162,800	-	155,300	7,500
Procure A/R - FHC	290,949	-	339,398	(48,449)
Other Misc A/R	5,237,078	4,221,685	2,905,974	(1,890,580)
AR DUE FROM THIRD PARTY PAYOR	3,316,548	3,786,834	-	(470,285)
PROCARE-INTERCOMPANY RECEIVABLE	4,845,269	4,331,016	-	514,253
TOTAL ACCOUNTS RECEIVABLE - OTHER	\$ 30,181,176	\$ 20,848,767	\$ 3,400,671	\$ 5,931,738
PROCARE-INTERCOMPANY LIABILITY	\$ (4,845,269)	\$ -	\$ (4,331,016)	\$ (514,253)

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

TEMPORARY LABOR DEPARTMENT	CURRENT MONTH					YEAR TO DATE						
	ACTUAL	BUDGET			PRIOR		ACTUAL	BUDGET			PRIOR	
		BUDGET	VAR	PRIOR YR	YR VAR	BUDGET		VAR	PRIOR YR	YR VAR		
OPERATING ROOM	2.5	3.5	-28.1%	3.7	-31.8%	2.2	3.6	-38.0%	4.5	-49.9%		
INTENSIVE CARE UNIT 2	2.2	1.0	109.1%	2.0	8.2%	2.0	1.1	84.8%	3.4	-41.9%		
CARDIOPULMONARY	2.0	-	0.0%	-	0.0%	1.8	-	0.0%	-	0.0%		
NEO-NATAL INTENSIVE CARE	1.3	2.1	-37.3%	4.7	-71.8%	1.4	2.2	-38.9%	4.8	-71.3%		
4 EAST	0.9	1.4	-32.5%	3.1	-70.1%	1.0	1.4	-29.2%	3.5	-70.6%		
EMERGENCY DEPARTMENT	1.0	0.8	31.9%	1.7	-42.1%	1.1	0.7	48.6%	2.1	-50.8%		
LABOR AND DELIVERY	2.6	2.0	31.4%	3.9	-33.4%	1.8	2.0	-9.6%	3.8	-52.1%		
PM&R - PHYSICAL	0.8	0.4	105.0%	-	0.0%	0.9	0.4	123.2%	-	0.0%		
INPATIENT REHAB	1.1	0.7	68.1%	4.8	-76.3%	1.0	0.7	49.8%	4.8	-78.1%		
PHARMACY DRUGS/I.V. SOLUTIONS	1.1	-	0.0%	-	0.0%	1.0	-	0.0%	-	0.0%		
PM&R - OCCUPATIONAL	0.6	0.3	66.0%	1.3	-56.0%	0.6	0.3	76.9%	1.2	-49.5%		
INTENSIVE CARE UNIT 4 (CCU)	-	1.5	-100.0%	2.2	-100.0%	0.2	1.5	-85.9%	4.8	-95.6%		
TRAUMA SERVICE	1.4	-	0.0%	-	0.0%	0.8	-	0.0%	-	0.0%		
5 WEST	-	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%		
6 Central	-	1.0	-100.0%	2.1	-100.0%	0.0	1.0	-96.3%	3.3	-98.8%		
7 CENTRAL	-	1.8	-100.0%	5.6	-100.0%	-	1.8	-100.0%	6.0	-100.0%		
PERFORMANCE IMPROVEMENT (QA)	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%		
9 CENTRAL	-	0.9	-100.0%	4.0	-100.0%	-	0.9	-100.0%	3.2	-100.0%		
8 CENTRAL	-	0.8	-100.0%	1.1	-100.0%	-	0.8	-100.0%	2.7	-100.0%		
STERILE PROCESSING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%		
CHW - SPORTS MEDICINE	-	-	0.0%	2.0	-100.0%	-	-	0.0%	2.4	-100.0%		
6 West	-	0.6	-100.0%	1.5	-100.0%	-	0.6	-100.0%	1.9	-100.0%		
HUMAN RESOURCES	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%		
PATIENT ACCOUNTING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%		
4 CENTRAL	-	0.4	-100.0%	1.2	-100.0%	-	0.5	-100.0%	1.5	-100.0%		
FINANCIAL ACCOUNTING	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%		
5 CENTRAL	-	0.3	-100.0%	-	0.0%	-	0.3	-100.0%	1.1	-100.0%		
OP SURGERY	-	0.2	-100.0%	-	0.0%	-	0.2	-100.0%	0.5	-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	0.9	-	0.0%	-	0.0%	0.4	-	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%		
SUBTOTAL	18.4	19.6	-6.1%	44.8	-58.8%	16.4	20.3	-19.4%	55.5	-70.5%		
TRANSITION LABOR												
INTENSIVE CARE UNIT 4 (CCU)	11.2	5.2	114.7%	6.3	77.1%	10.3	5.4	90.3%	3.1	229.4%		
7 CENTRAL	5.8	4.0	45.4%	1.2	402.8%	6.1	4.2	44.9%	0.6	963.7%		
8 CENTRAL	3.7	2.5	45.4%	2.2	67.1%	3.8	2.6	44.1%	1.1	251.7%		
INTENSIVE CARE UNIT 2	3.6	3.1	17.8%	2.2	65.9%	3.6	3.2	14.4%	1.1	238.2%		
6 Central	3.6	2.7	33.0%	2.1	73.5%	3.5	2.8	26.7%	1.0	251.1%		
NEO-NATAL INTENSIVE CARE	3.5	2.0	80.4%	-	0.0%	3.4	2.1	62.2%	-	0.0%		
INPATIENT REHAB	3.3	2.0	60.5%	-	0.0%	3.2	2.1	54.3%	-	0.0%		
LABORATORY - CHEMISTRY	1.3	1.1	22.6%	-	0.0%	1.9	1.1	73.0%	-	0.0%		
EMERGENCY DEPARTMENT	2.0	2.4	-15.8%	0.6	234.2%	2.2	2.2	2.3%	0.3	671.7%		
4 EAST	2.8	2.3	20.8%	-	0.0%	2.6	2.4	6.9%	-	0.0%		
OPERATING ROOM	2.4	0.6	276.4%	1.1	108.2%	2.0	0.7	212.3%	0.6	262.8%		
5 CENTRAL	1.9	1.8	8.3%	2.3	-16.9%	1.8	1.9	-3.3%	1.1	57.8%		
9 CENTRAL	0.3	2.1	-85.6%	-	0.0%	0.8	2.2	-63.1%	-	0.0%		
LABORATORY - HEMATOLOGY	1.3	0.3	297.0%	-	0.0%	1.3	0.3	286.6%	-	0.0%		
PM&R - PHYSICAL	0.9	-	0.0%	-	0.0%	1.0	-	0.0%	-	0.0%		
4 CENTRAL	1.0	0.9	15.7%	-	0.0%	1.0	0.9	12.7%	-	0.0%		
CHW - SPORTS MEDICINE	0.9	0.6	47.8%	-	0.0%	0.9	0.7	43.5%	-	0.0%		
OP SURGERY	1.1	0.8	42.9%	1.1	5.9%	1.0	0.8	22.9%	0.5	91.1%		
PM&R - OCCUPATIONAL	0.2	0.4	-39.7%	-	0.0%	0.3	0.4	-32.8%	-	0.0%		
6 West	0.1	0.7	-78.0%	-	0.0%	0.1	0.7	-89.7%	-	0.0%		
LABOR AND DELIVERY	0.1	0.5	-68.9%	-	0.0%	0.1	0.5	-84.7%	-	0.0%		
CERNER	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%		
5 WEST	-	0.1	-100.0%	-	0.0%	-	0.1	-100.0%	-	0.0%		
TRAUMA SERVICE	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%		
SUBTOTAL	51.2	36.0	42.1%	19.0	169.1%	51.0	37.2	37.0%	9.4	445.1%		
GRAND TOTAL	69.6	55.7	25.1%	63.8	9.2%	67.4	57.5	17.1%	64.8	3.9%		

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

	CURRENT MONTH						YEAR TO DATE					
	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR
OR TEMPORARY LABOR	\$ 28,972	\$ 46,091	\$ (17,120)	-37.1%	\$ 51,847	-44.1%	\$ 51,779	\$ 96,791	\$ (45,012)	-46.5%	\$ 120,467	-57.0%
ALL OTHER	\$ 162,373	\$ 103,082	\$ 59,291	57.5%	\$ 399,995	-59.4%	\$ 303,651	\$ 212,307	\$ 91,344	43.0%	\$ 838,803	-63.8%
TOTAL TEMPORARY LABOR	\$ 191,344	\$ 149,173	\$ 42,171	28.3%	\$ 451,842	-57.7%	\$ 355,431	\$ 309,098	\$ 46,332	15.0%	\$ 959,270	-62.9%
ICU4 TRANSITION LABOR	\$ 126,748	\$ 84,066	\$ 42,682	50.8%	\$ 38,649	227.9%	\$ 236,298	\$ 176,387	\$ 59,911	34.0%	\$ 170,377	38.7%
8C TRANSITION LABOR	37,930	32,459	5,472	16.9%	23,957	58.3%	82,793	68,966	13,828	20.0%	36,781	125.1%
REHAB TRANSITION LABOR	39,387	29,798	9,589	32.2%	-	100.0%	78,475	62,281	16,193	26.0%	-	100.0%
ICU2 TRANSITION LABOR	37,332	47,554	(10,222)	-21.5%	9,372	298.3%	76,535	99,808	(23,273)	-23.3%	42,662	79.4%
4E TRANSITION LABOR	29,818	42,709	(12,891)	-30.2%	-	100.0%	55,871	90,460	(34,589)	-38.2%	-	100.0%
ALL OTHER	271,023	282,322	(11,298)	-4.0%	116,560	132.5%	597,199	593,867	3,332	0.6%	161,872	268.9%
TOTAL TRANSITION LABOR	\$ 542,240	\$ 518,908	\$ 23,332	4.5%	\$ 188,539	187.6%	\$ 1,127,172	\$ 1,091,770	\$ 35,401	3.2%	\$ 411,692	173.8%
GRAND TOTAL TEMPORARY LABOR	\$ 733,584	\$ 668,082	\$ 65,502	9.8%	\$ 640,381	14.6%	\$ 1,482,602	\$ 1,400,869	\$ 81,734	5.8%	\$ 1,370,962	8.1%
SERV EXC SURVEY SERVICES	\$ 109,570	\$ 46,667	\$ 62,903	134.8%	\$ 54,042	102.8%	\$ 165,337	\$ 93,333	\$ 72,003	77.1%	\$ 111,964	47.7%
CERNER OTHER PURCH SVCS	95,429	54,145	41,284	76.2%	50,139	90.3%	177,409	108,290	69,119	63.8%	163,933	8.2%
PT ACCTS COLLECTION FEES	101,531	74,384	27,147	36.5%	100,353	1.2%	212,836	157,962	54,874	34.7%	152,675	39.4%
CARDIOVASCULAR SERVICES	51,095	12,500	38,595	308.8%	42,250	20.9%	76,095	25,000	51,095	204.4%	39,090	94.7%
PI FEES (TRANSITION NURSE PROGRAM)	48,995	22,904	26,091	113.9%	47,759	2.6%	95,673	45,808	49,866	108.9%	76,452	25.1%
OR FEES (PERFUSION SERVICES)	41,339	8,878	32,461	365.7%	10,927	278.3%	59,071	13,593	45,478	334.6%	16,731	253.1%
PRO OTHER PURCH SVCS	25,724	6,965	18,759	269.3%	6,965	269.3%	55,360	15,545	39,814	256.1%	15,545	256.1%
ADM CONSULTANT FEES	24,625	32,583	(7,959)	-24.4%	18,421	33.7%	103,932	65,167	38,765	59.5%	148,393	-30.0%
UC-CPC 42ND STREET PURCH SVCS-OTHER	56,803	35,645	21,158	59.4%	35,480	60.1%	104,352	68,994	35,357	51.2%	35,480	194.1%
HISTOLOGY SERVICES	35,940	36,869	(928)	-2.5%	35,625	0.9%	94,750	65,223	29,527	45.3%	63,023	50.3%
ADM CONTRACT STRYKER	33,330	19,604	13,727	70.0%	6,417	419.4%	70,859	41,631	29,229	70.2%	26,704	165.4%
COMM REL MEDIA PLACEMENT	48,657	58,500	(9,843)	-16.8%	52,877	-8.0%	95,978	117,000	(21,022)	-18.0%	134,737	-28.8%
HK SVC CONTRACT PURCH SVC	49,007	70,951	(21,945)	-30.9%	63,760	-23.1%	119,510	148,998	(29,487)	-19.8%	99,930	19.6%
HIM CODING SERVICES	67,495	87,399	(19,905)	-22.8%	72,440	-6.8%	106,299	199,931	(93,632)	-46.8%	165,711	-35.9%
PRIMARY CARE WEST OTHER PURCH SVCS	113,611	156,580	(42,969)	-27.4%	105,181	8.0%	216,837	315,587	(98,750)	-31.3%	259,995	-16.6%
FHC OTHER PURCH SVCS	176,545	252,736	(76,191)	-30.1%	152,616	15.7%	350,169	541,519	(191,350)	-35.3%	377,597	-7.3%
ALL OTHERS	1,156,665	1,229,752	(73,087)	-5.9%	1,506,527	-23.2%	2,202,567	2,560,280	(357,713)	-14.0%	2,818,513	-21.9%
TOTAL PURCHASED SERVICES	\$ 2,236,360	\$ 2,207,061	\$ 29,300	1.3%	\$ 2,361,778	-5.3%	\$ 4,307,034	\$ 4,583,861	\$ (276,827)	-6.0%	\$ 4,706,472	-8.5%

Ector County Hospital District
 Debt Service Coverage Calculation
 NOVEMBER 2017

Average Annual Debt Service Requirements of 110%:

	FYTD			Annualized Consolidated
	ProCare	ECHD	Consolidated	
Decrease in net position	586,355	(5,403,072)	(4,816,717)	(28,900,305)
Deficiency of revenues over expenses	586,355	(5,403,072)	(4,816,717)	(28,900,305)
Depreciation/amortization	50,487	3,449,722	3,500,208	21,001,250
Interest expense	-	551,939	551,939	3,311,634
(Gain) or loss on fixed assets	-	(452)	(452)	(2,709)
Unusual / infrequent / extraordinary items	-	-	-	-
Unrealized (gains) / losses on investments	-	-	-	-
Consolidated net revenues	636,842	(1,401,863)	(765,022)	(4,590,130)
GASB 68	-	1,217,696	1,217,696	14,612,352
Consolidated net revenues (without GASB 68)	636,842	(184,167)	452,674	10,022,222

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)	-16.0%	(needs to be 110% or higher)	-95.9%
Covenant Computaiton (without GASB 68)	9.5%		209.3%

**ECTOR COUNTY HOSPITAL DISTRICT
BLENDED RATIO ANALYSIS
NOVEMBER 30, 2017**

		YTD NOVEMBER 2018	2016 S&P Comparison **	YTD September 2017	YTD September 2016	YTD September 2015
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Statement of Operations:

Salaries & Benefits/Net Pt Rev (%)	↑	76.3	55.7	75.6	69.1	68.6
Bad Debt Exp/Total Operating Revenue (%)	↓	31.6	N/A	32.0	34.6	33.4
Maximum Debt Service Coverage (x)	↑	5.2	2.7	1.6	7.1	7.9
Maximum Debt Service/Total Operating Revenue (%)	↓	1.4	N/A	1.5	1.7	1.8
Interest Coverage (x) ¹						
EBITDA Margin (%) ¹	↑	5.8	8.8	1.9	7.2	12.6
Operating Margin (%)	↑	-1.8	1.2	-6.9	-0.7	0.7
Profit Margin (%)	↑	-1.4	2.3	-5.6	-1.2	3.6

Balance Sheet:

Average Age Net Fixed Assets (years)	↓	12.3	12.8	12.7	11.7	9.9
Cushion Ratio (x)	↓	10.1	13.4	11.3	22.4	25.5
Days' Cash on Hand	↓	40.9	167.3	50.8	120.2	143.9
Days in Accounts Receivable	↑	63.6	44.1	57.5	53.6	54.6
Cash Flow/Total Liabilities (%)	↑	8.8	11.3	1.7	9.4	22.6
Unrestricted Cash/Long-Term Debt (%)	↓	77.7	140.3	89.2	177.7	193.1
Long-Term Debt/Capitalization (%)	↑	21.3	38.3	21.0	18.0	18.6
Payment Period (days)	↓	60.0	N/A	65.5	57.9	51.0

Other Ratios:

Inventory Turnover ²	↓	10.0	17.0	10.5	12.0	12.2
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****National medians based on Standard and Poors U.S. Not-For Profit Health Care Stand-Alone Ratios**

Note 1: EBITDA - Earnings before interest, taxes, depreciation, and amortization

Note 2: Inventory Turnover - this ratio is not reported by Standard & Poor's, Moodys or Fitch. The median of 17 was obtained by contacting several like size facilities within the VHA-SW group resulting in a range of 15 to 18.



Financial Presentation

For the Month Ended

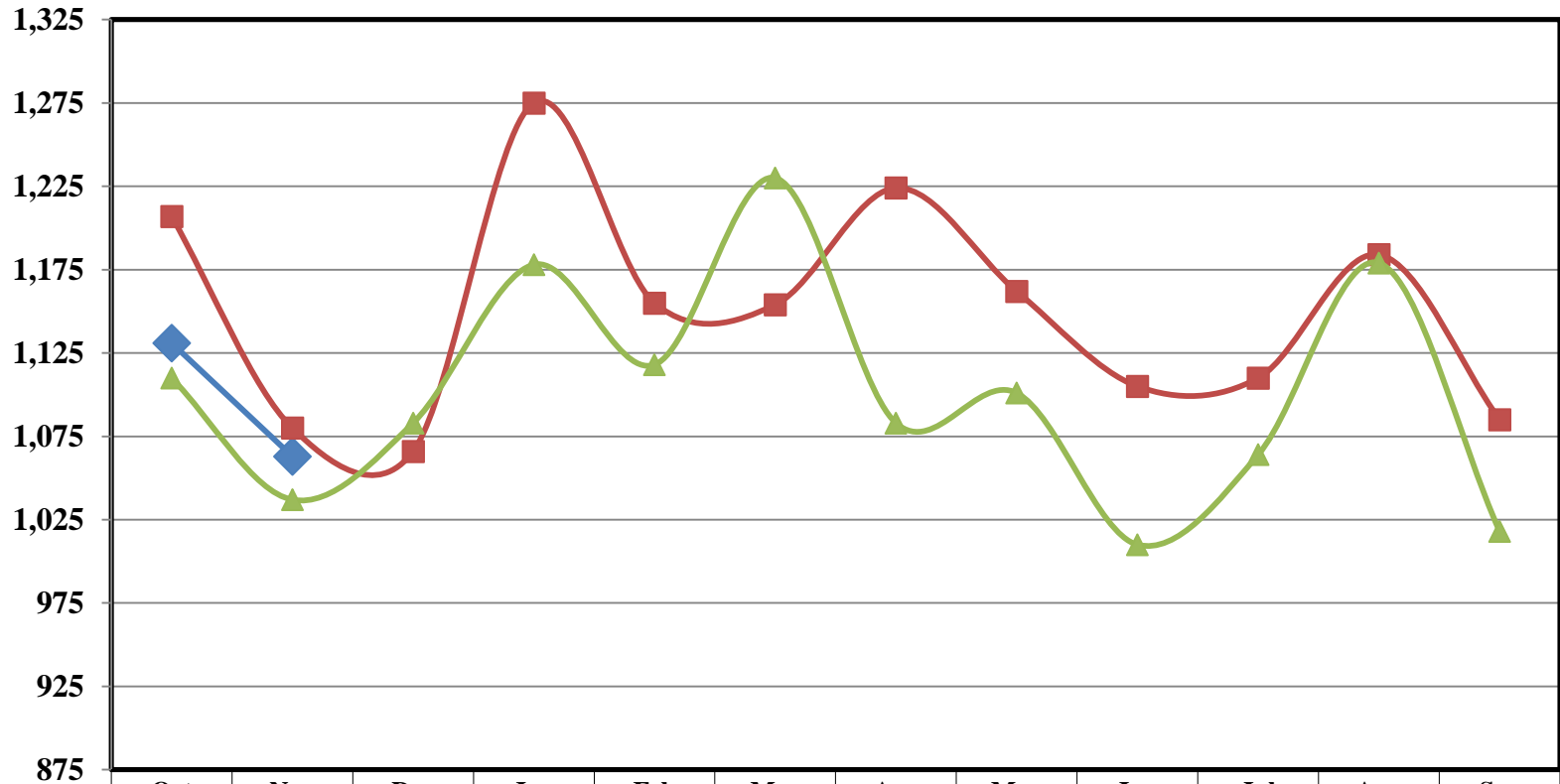
November 30, 2017

Volume



Admissions

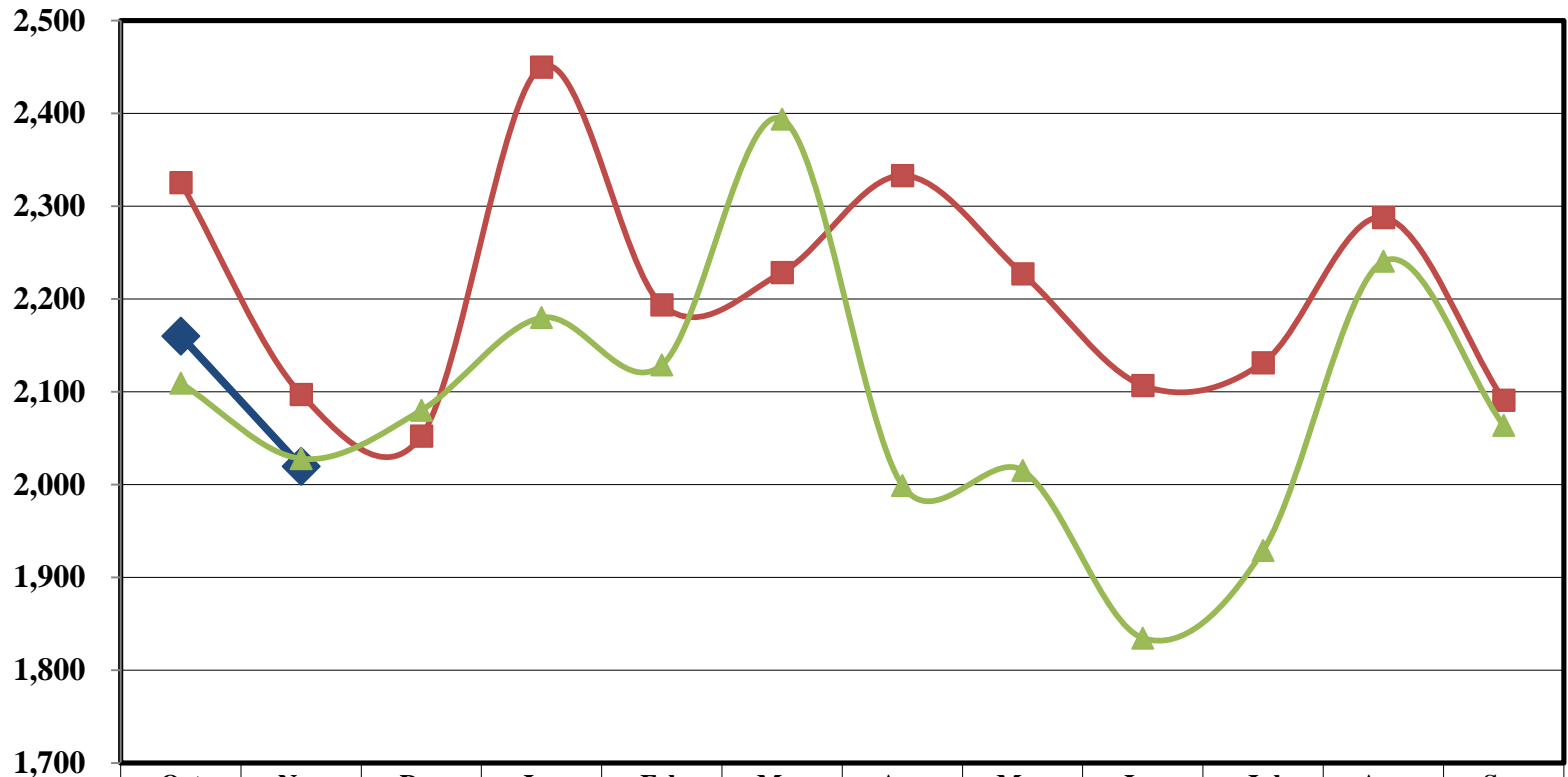
Total – Adults and NICU



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

Adjusted Admissions

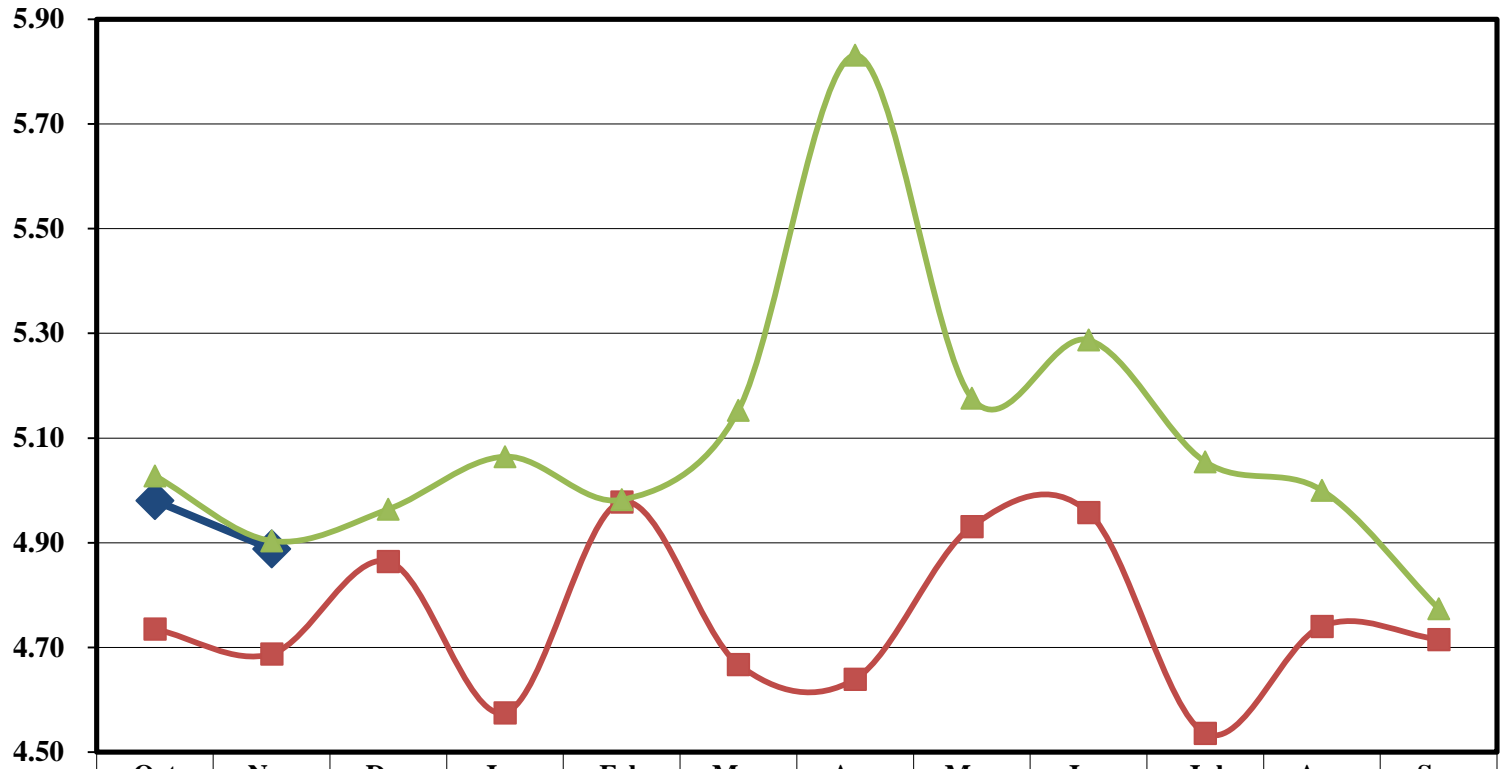
Including Acute & Rehab Unit



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

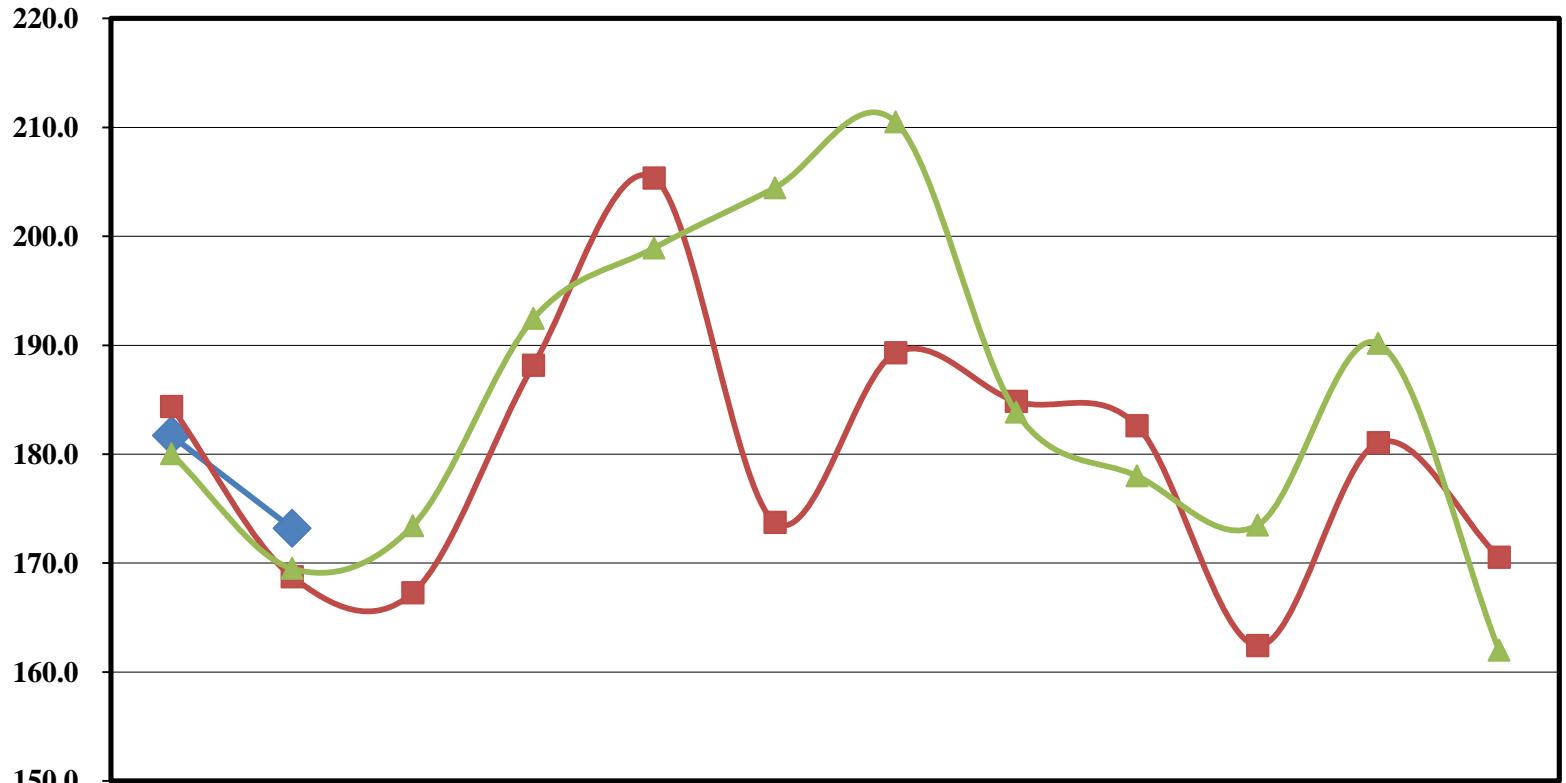
Average Length of Stay

Total – Adults and NICU



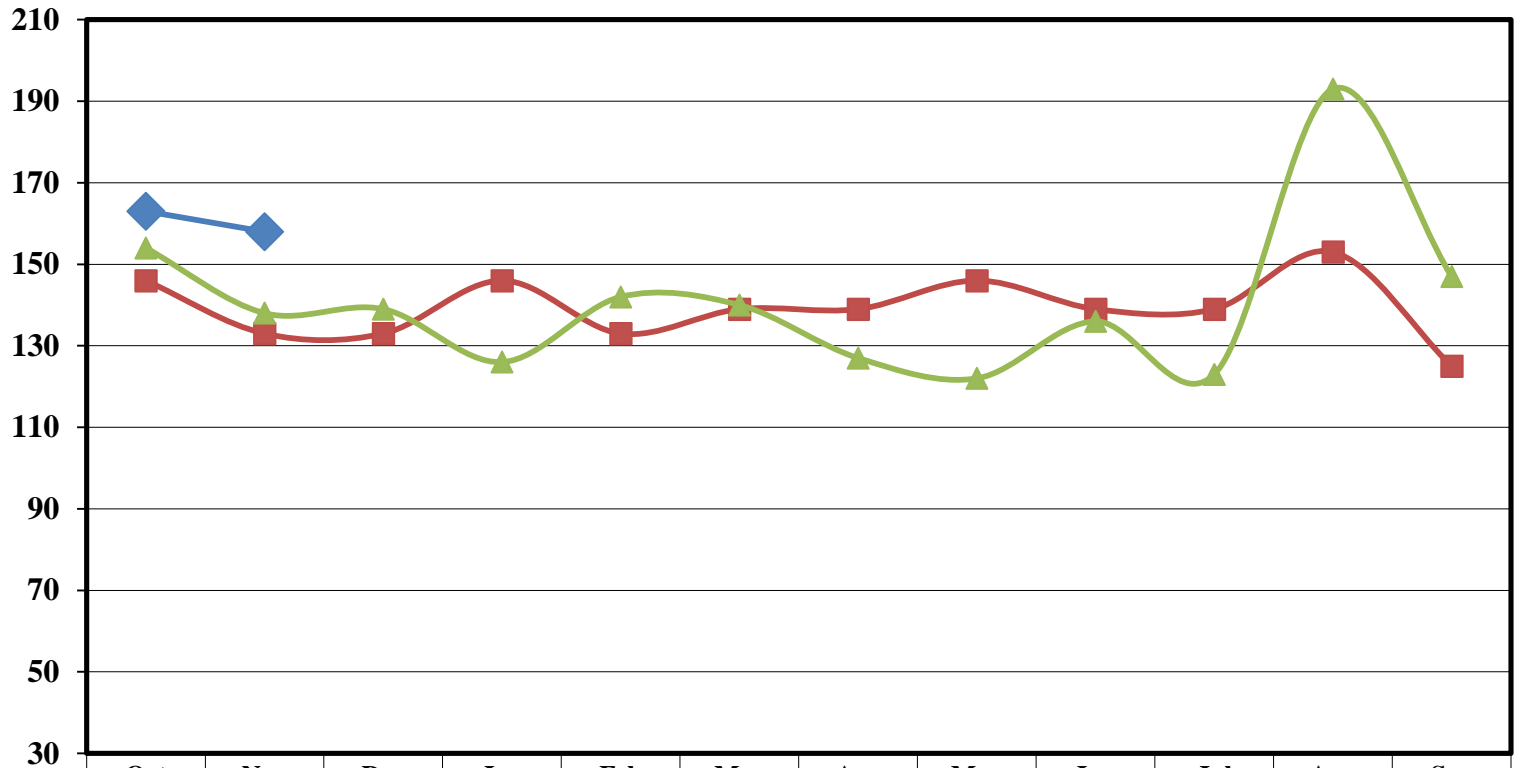
◆ FY 2018	4.98	4.89										
■ FY 2018 Budget	4.74	4.69	4.86	4.58	4.98	4.67	4.64	4.93	4.96	4.54	4.74	4.72
▲ FY 2017	5.03	4.90	4.96	5.06	4.98	5.15	5.83	5.18	5.29	5.05	5.00	4.77

Average Daily Census



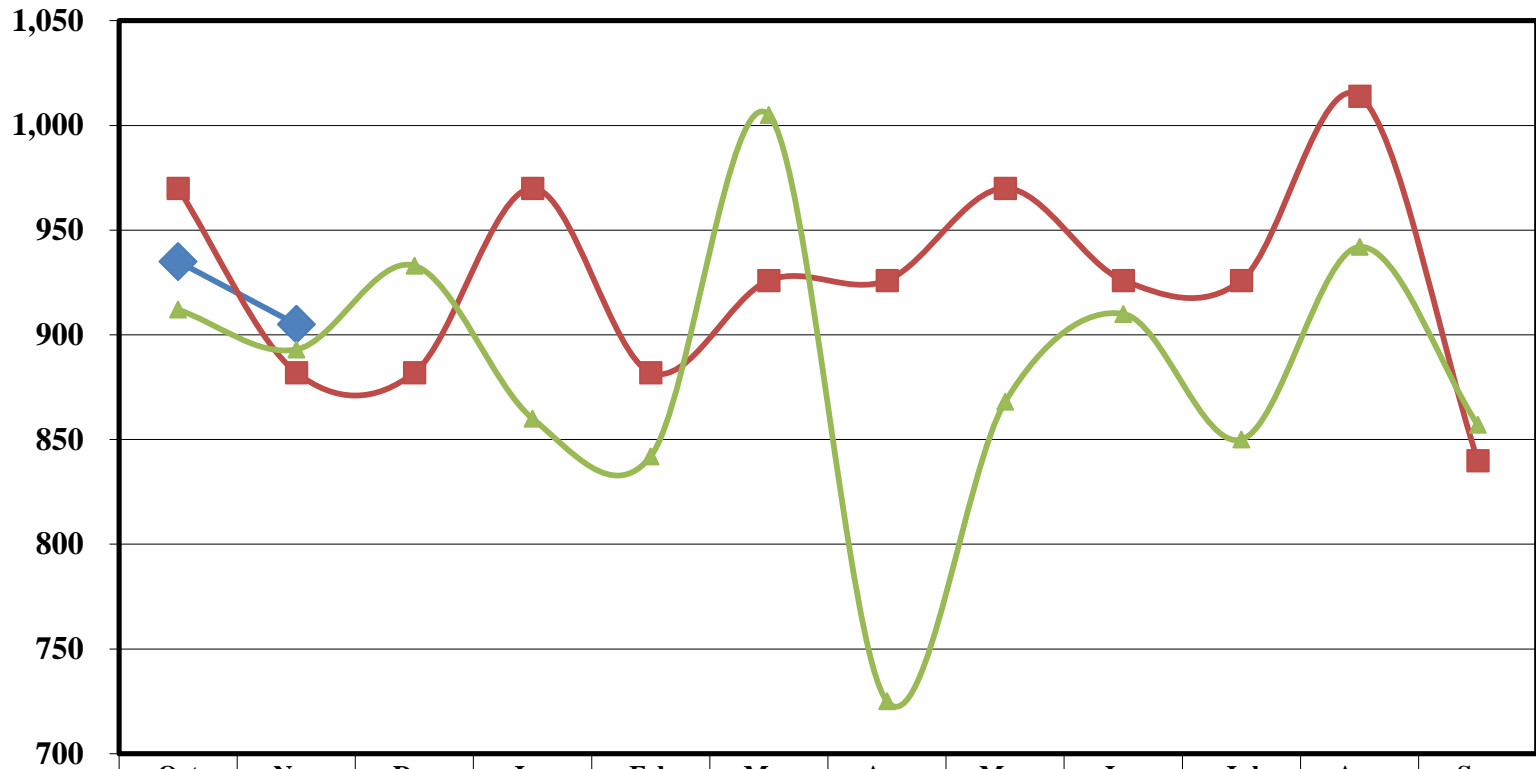
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	181.7	173.2										
■ FY 2018 Budget	184.4	168.8	167.3	188.2	205.4	173.8	189.3	184.8	182.6	162.4	181.1	170.5
▲ FY 2017	180.0	169.5	173.4	192.5	198.9	204.5	210.5	183.8	178.0	173.5	190.2	162.0

Deliveries



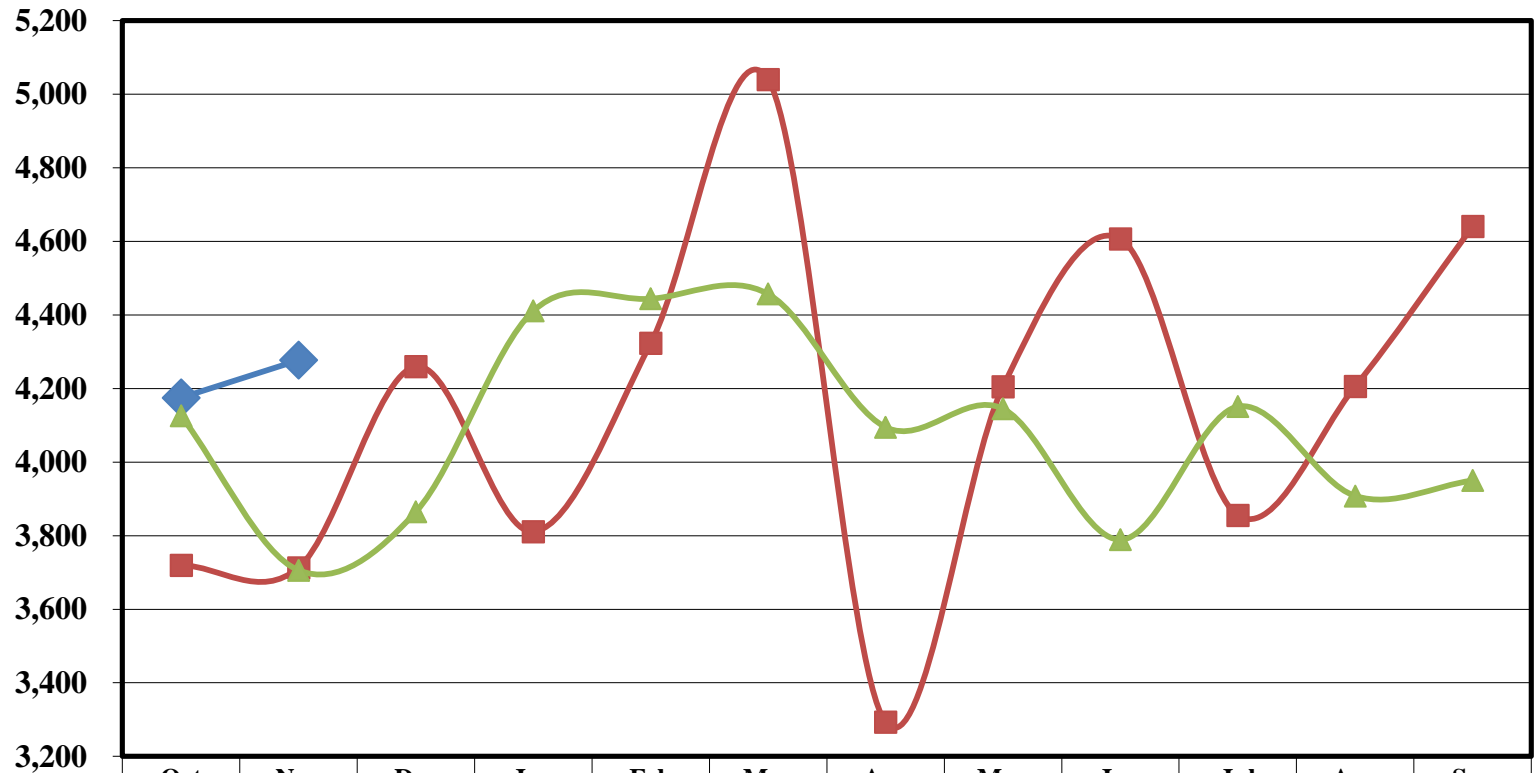
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	163	158										
FY 2018 Budget	146	133	133	146	133	139	139	146	139	139	153	125
FY 2017	154	138	139	126	142	140	127	122	136	123	193	147

Total Surgical Cases



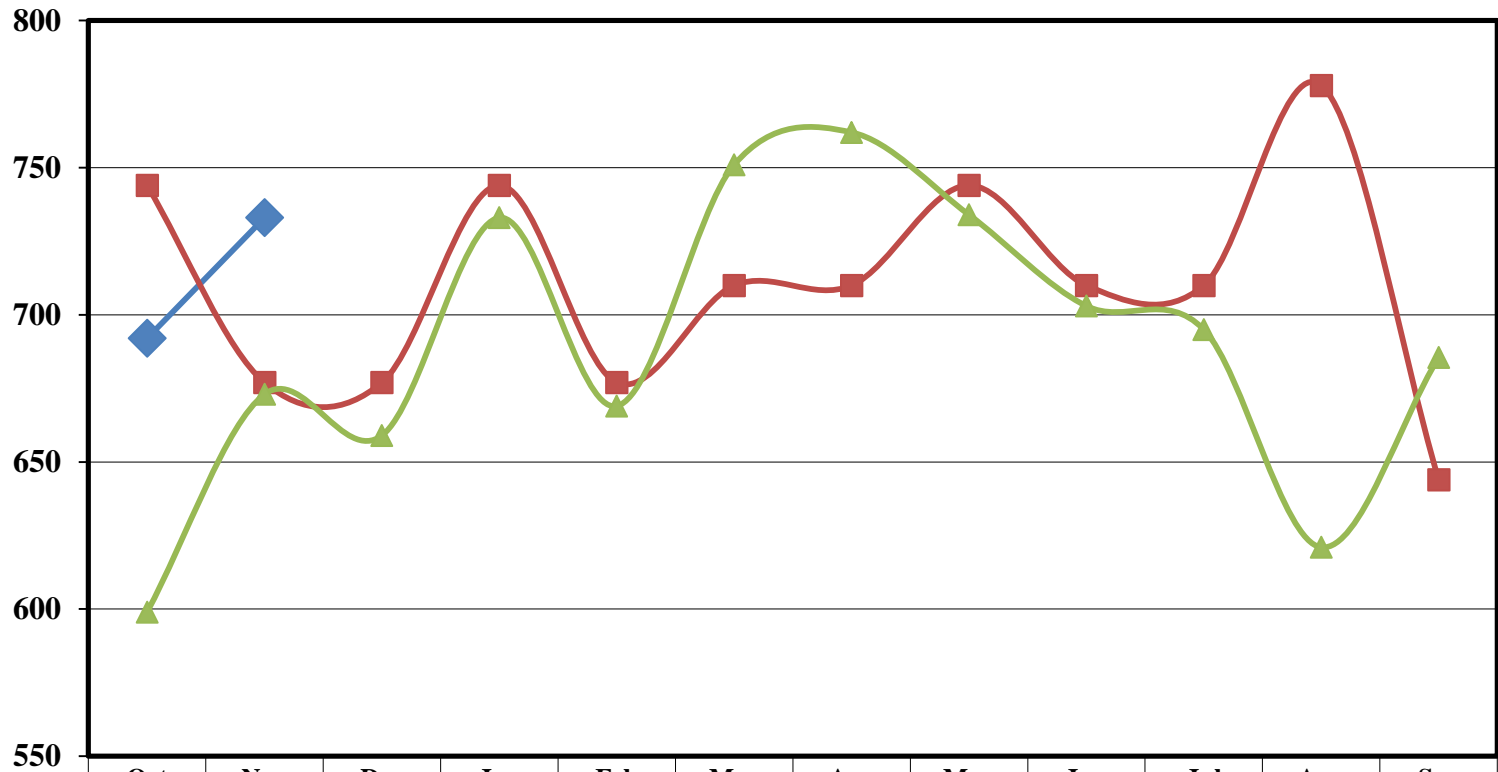
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	935	905										
■ FY 2018 Budget	970	882	882	970	882	926	926	970	926	926	1,014	840
▲ FY 2017	912	893	933	860	842	1,005	725	868	910	850	942	857

Emergency Room Visits



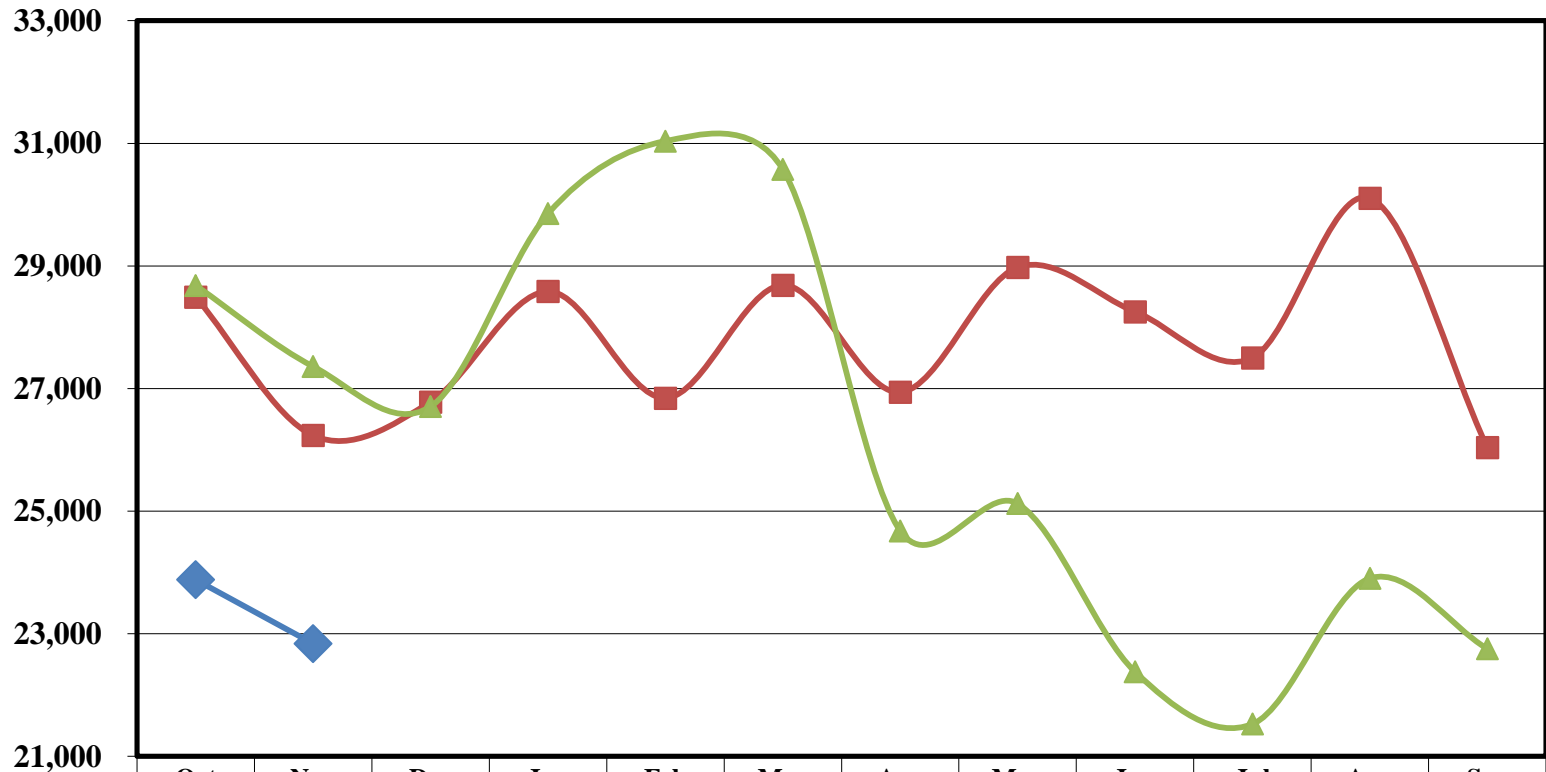
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	4,175	4,277										
■ FY 2018 Budget	3,720	3,713	4,260	3,811	4,323	5,040	3,293	4,205	4,607	3,855	4,206	4,641
▲ FY 2017	4,126	3,706	3,865	4,411	4,444	4,457	4,095	4,145	3,789	4,151	3,908	3,950

Observation Days



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

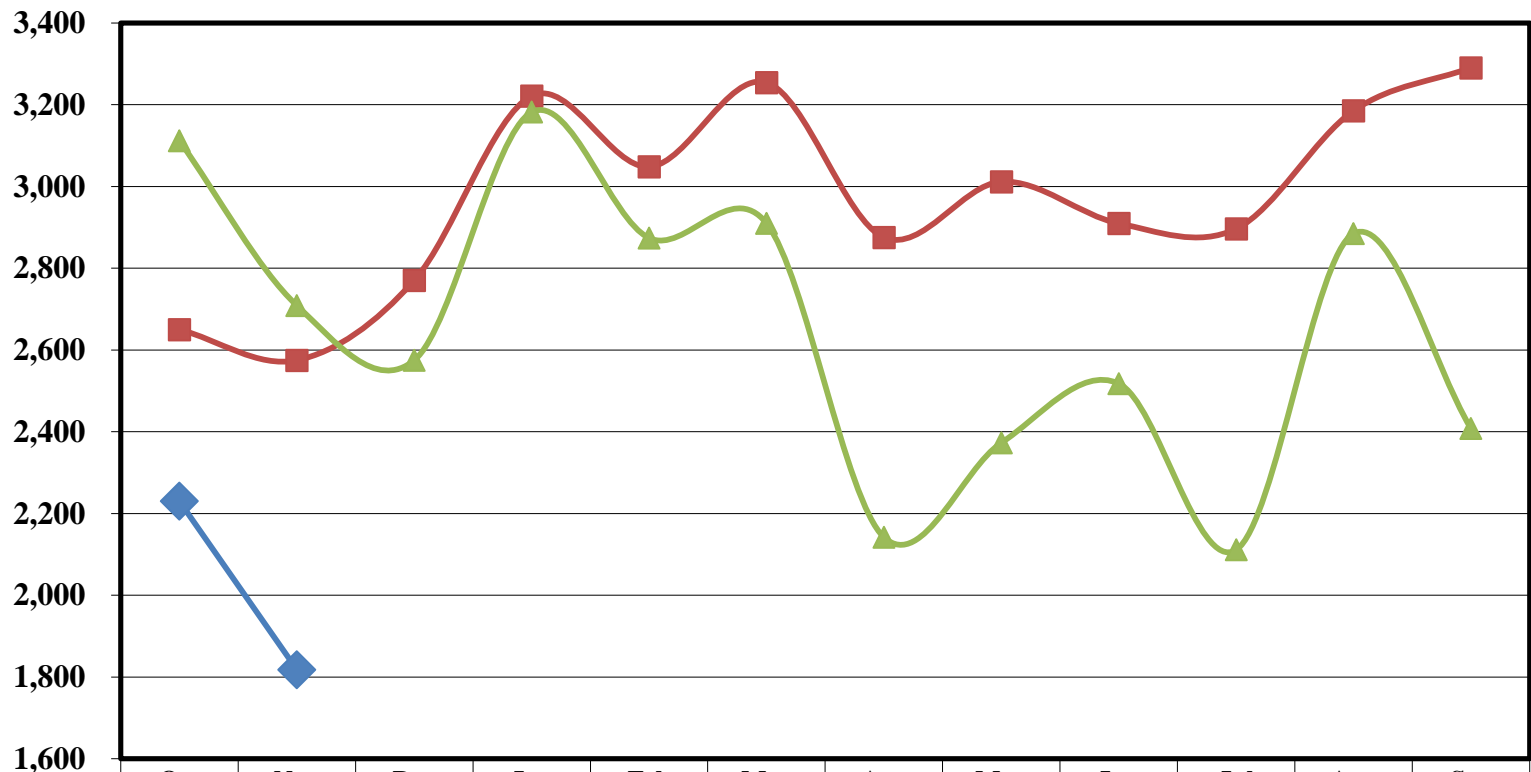
Total Outpatient Occasions of Service



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	23,881	22,839										
■ 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)

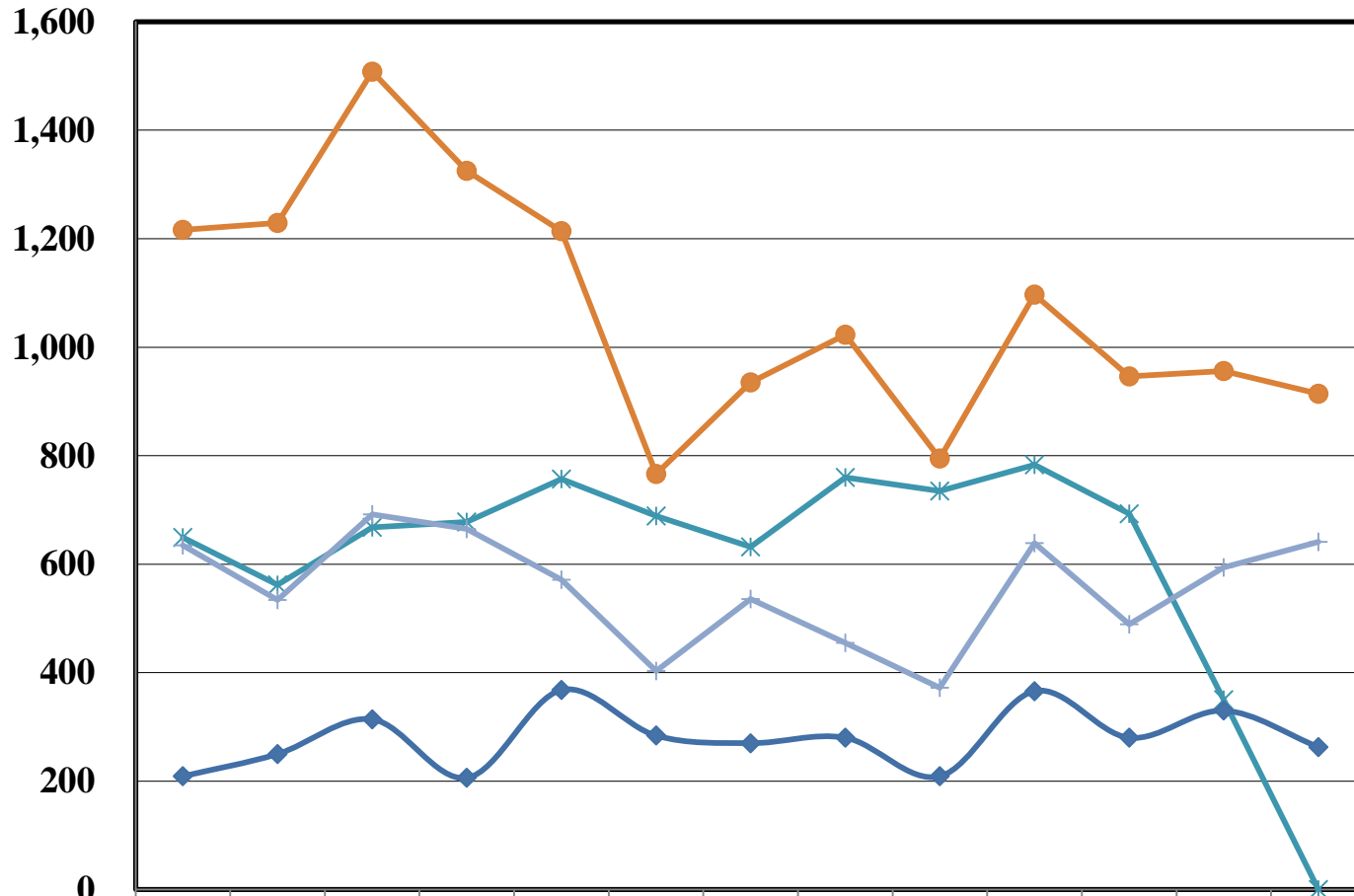


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	2,230	1,818										
■ FY 2018 Budget	2,650	2,575	2,771	3,222	3,048	3,254	2,876	3,012	2,910	2,897	3,185	3,291
▲ FY 2017	3,112	2,709	2,575	3,182	2,874	2,910	2,142	2,373	2,518	2,111	2,885	2,408

Center for Primary Care Visits

(FQHC - Clements and West University)

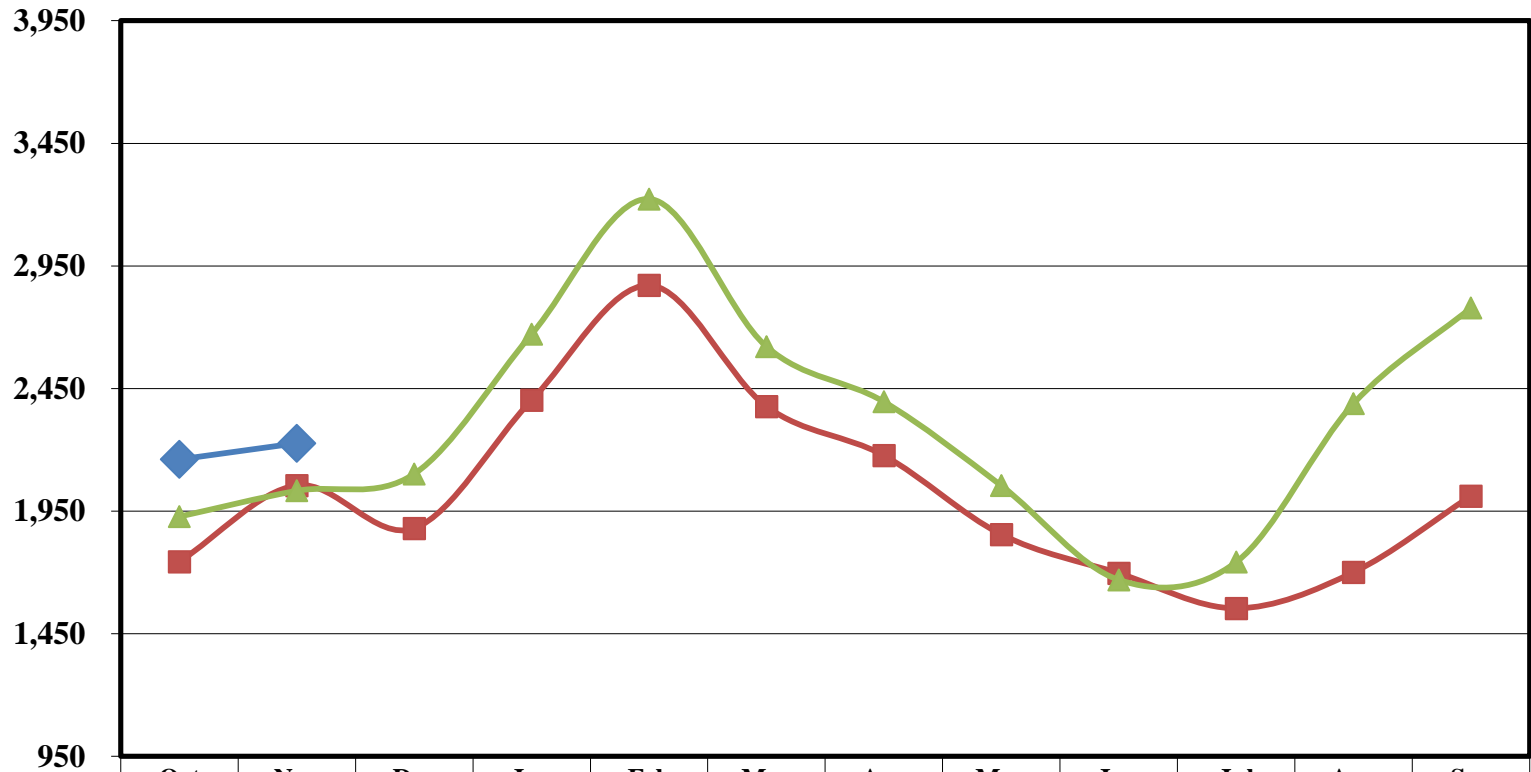
Thirteen Month Trending



	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Clements Dental	649	562	668	678	757	689	632	760	735	783	693	350	0
Clements Medical	1,216	1,229	1,508	1,325	1,214	766	935	1,023	795	1,097	946	956	914
W. University Medical	635	534	692	665	571	403	536	455	372	639	489	594	641
W. University Optometry	209	250	314	206	368	284	270	280	209	366	280	330	263

Urgent Care Visits

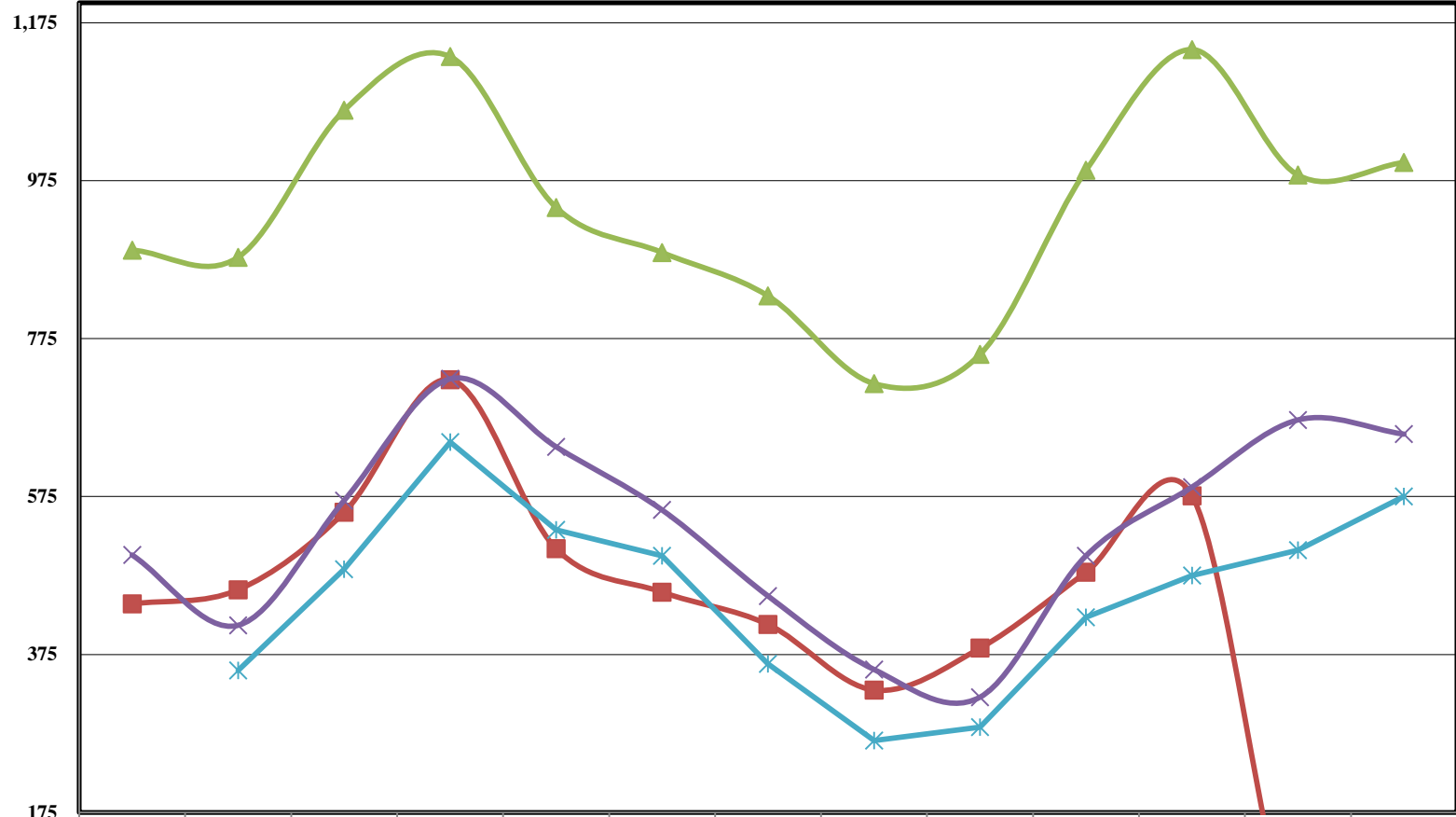
(Health and Wellness, Golder, JBS Clinic, West University & 42nd Street)



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	2,161	2,227										
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

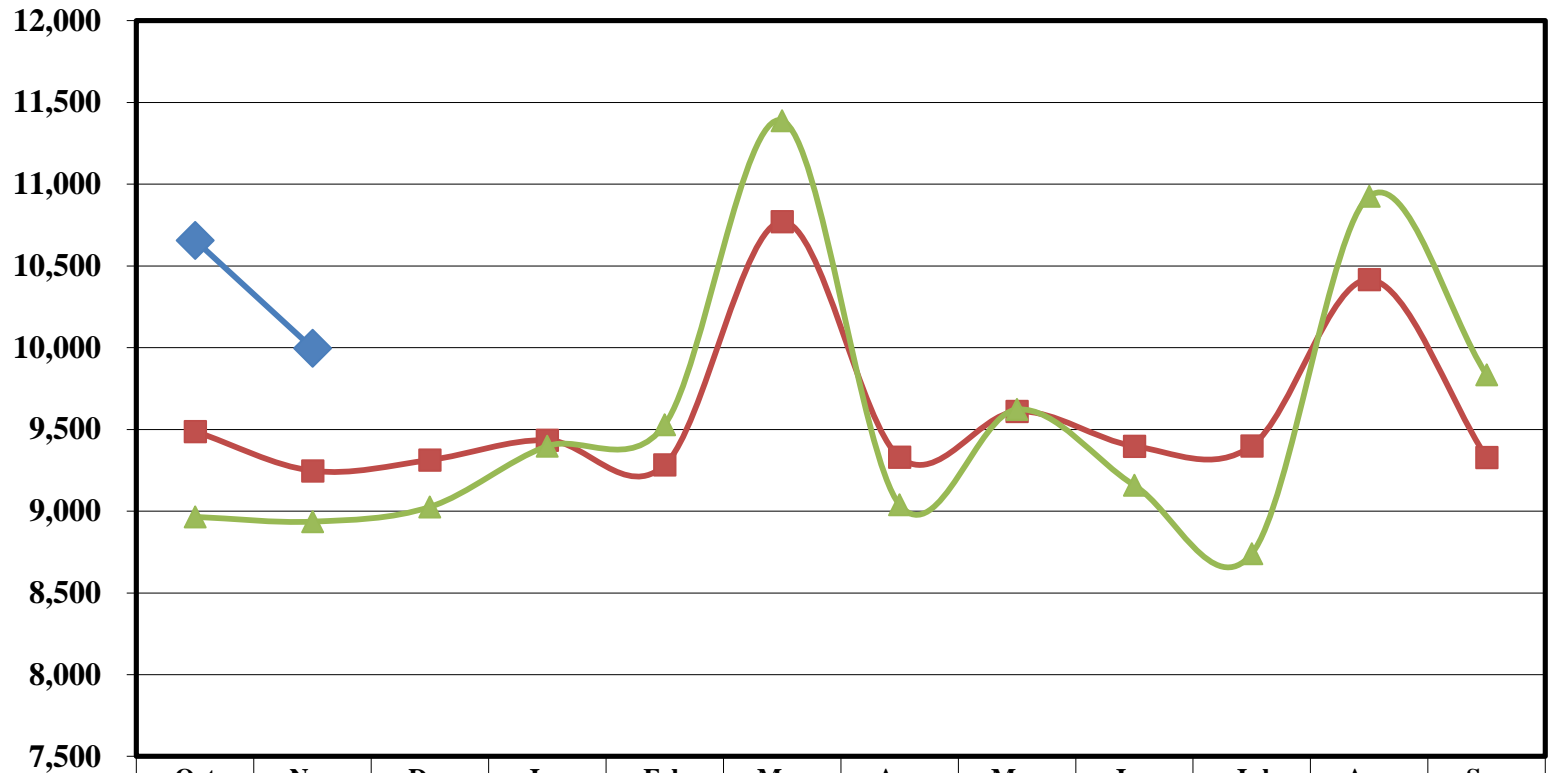
Urgent Care Visits

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



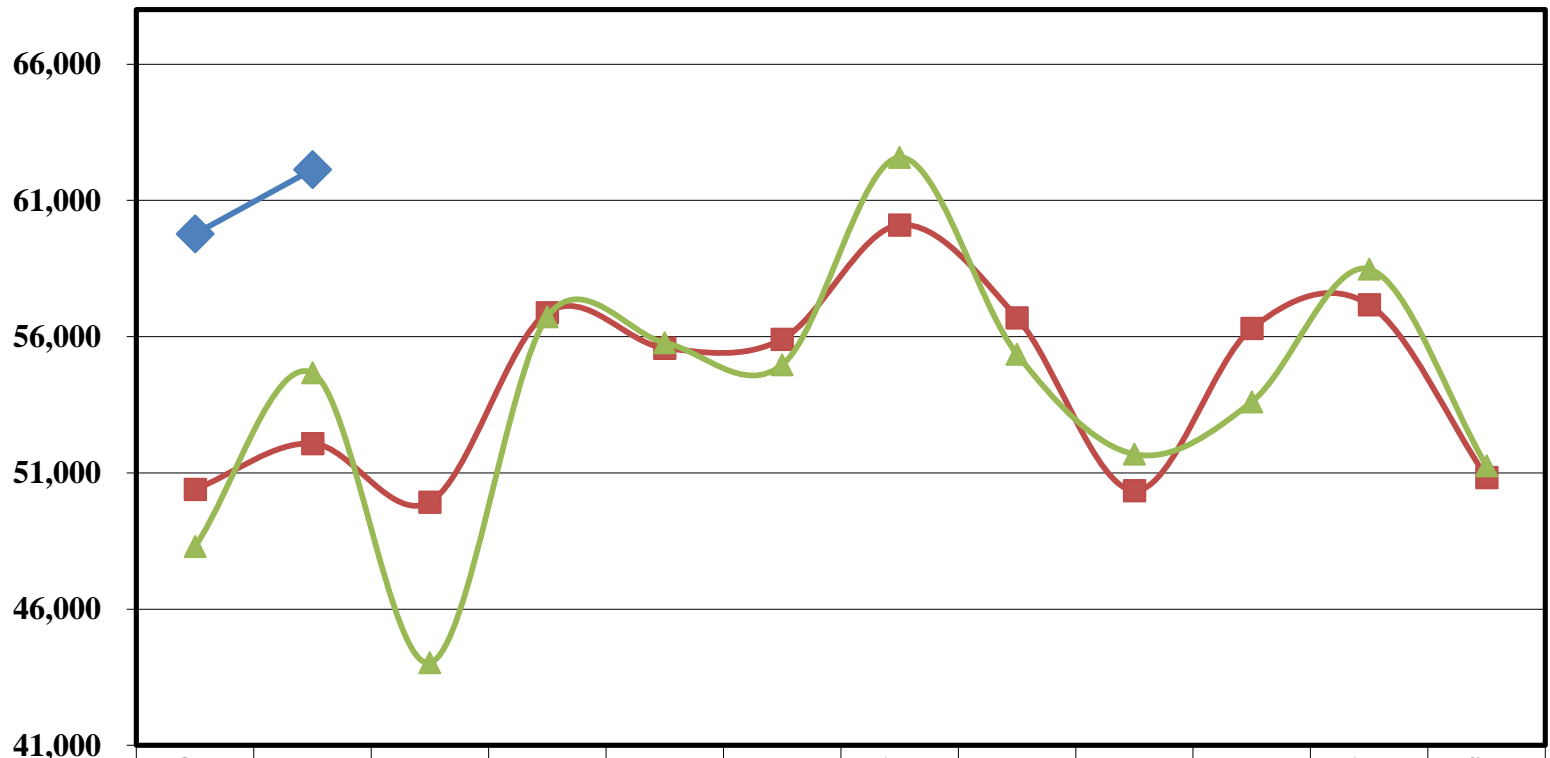
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Golder	439	457	555	723	509	454	413	330	383	479	576	0	0
JBS Clinic	887	878	1,064	1,132	941	884	829	718	755	988	1,141	982	998
West University	501	412	570	724	638	558	449	356	321	500	587	672	654
42nd Street		355	483	644	533	500	363	266	283	422	475	507	575

Total ProCare Office Visits



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	10,657	9,997										
■ 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



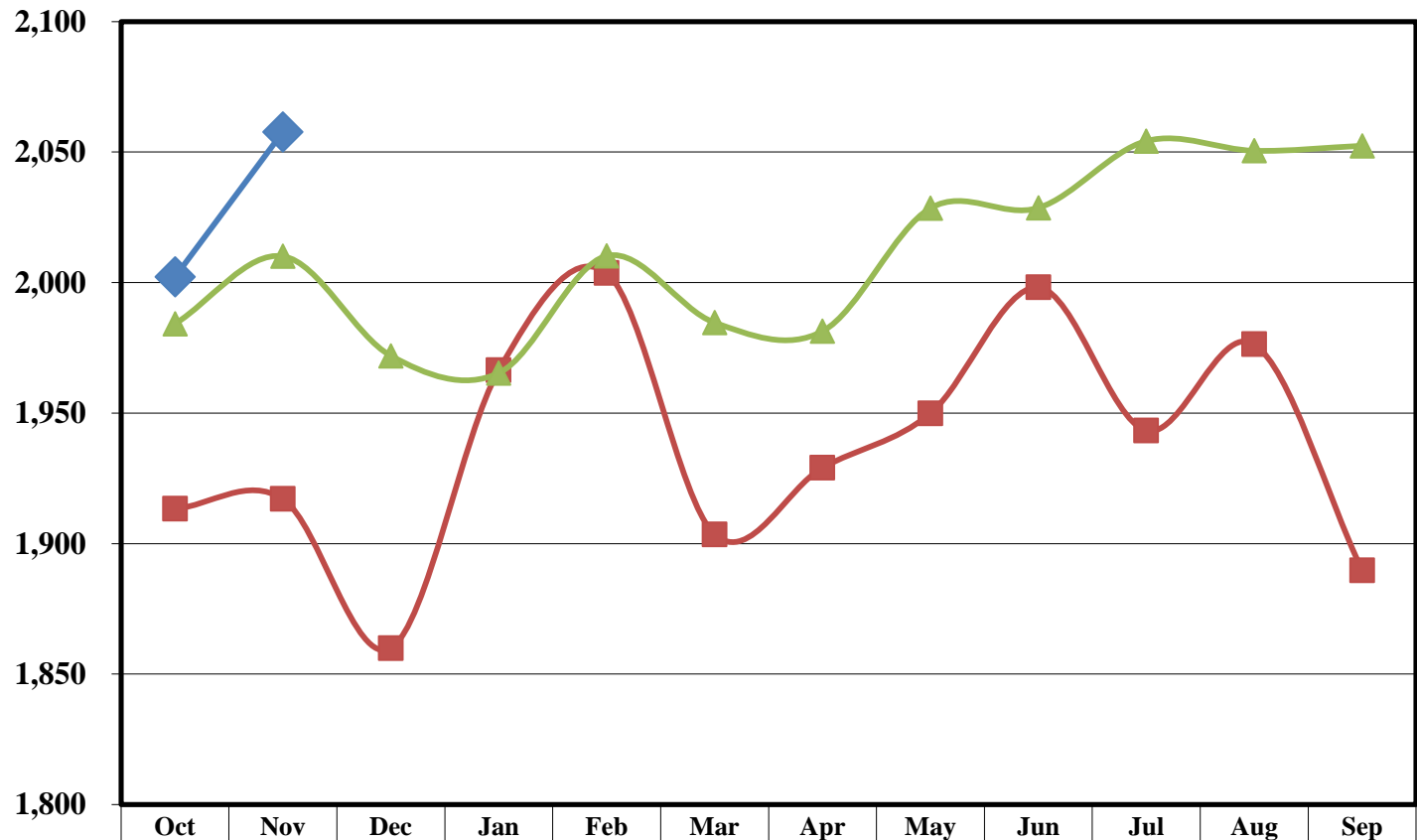
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2018	59,771	62,133										
■ FY 2018 Budget	50,395	52,081	49,933	56,886	55,583	55,907	60,100	56,695	50,350	56,304	57,171	50,838
▲ FY 2017	48,296	54,671	44,033	56,732	55,777	54,967	62,578	55,355	51,688	53,610	58,478	51,254

Staffing



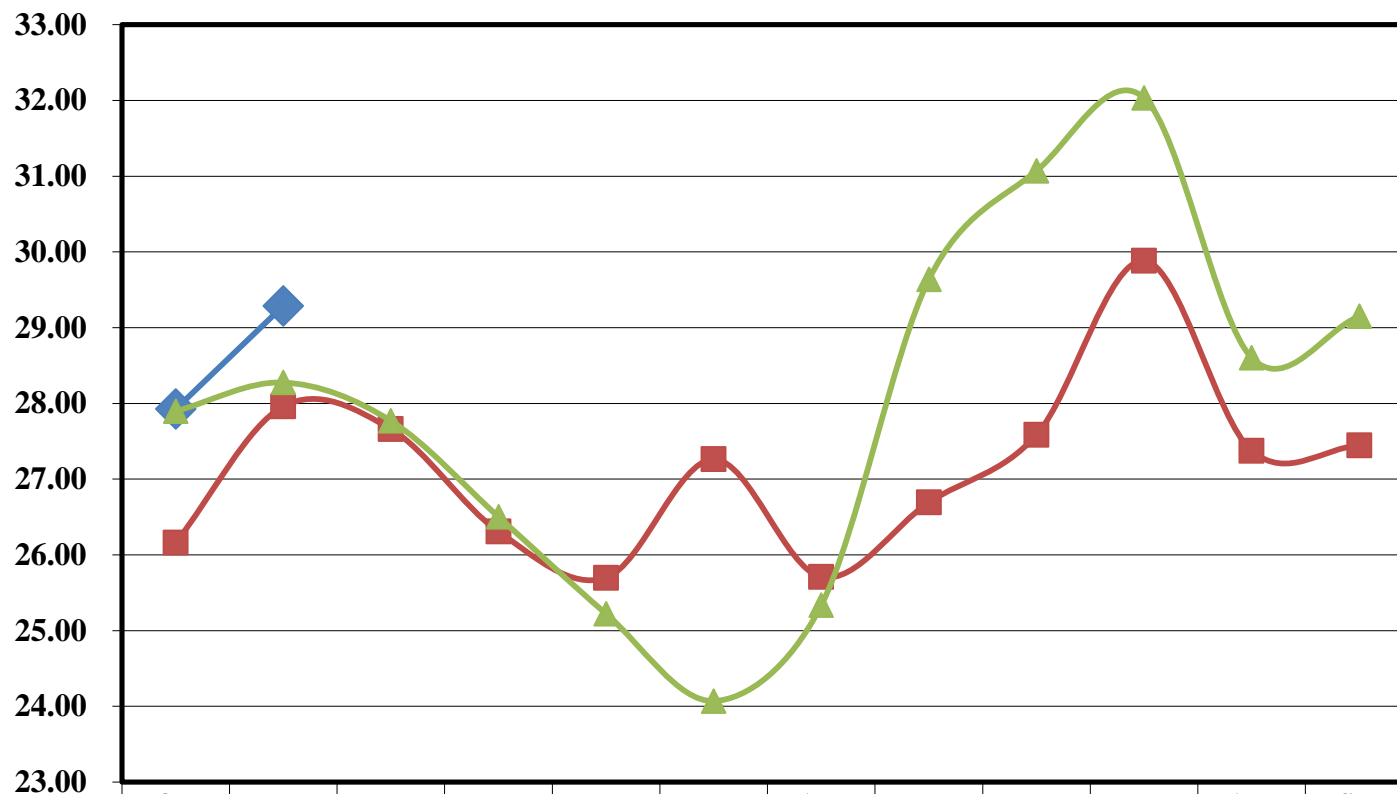
Blended FTE's

Including Contract Labor and Management Services



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

Paid Hours per Adjusted Patient Day (Blended)



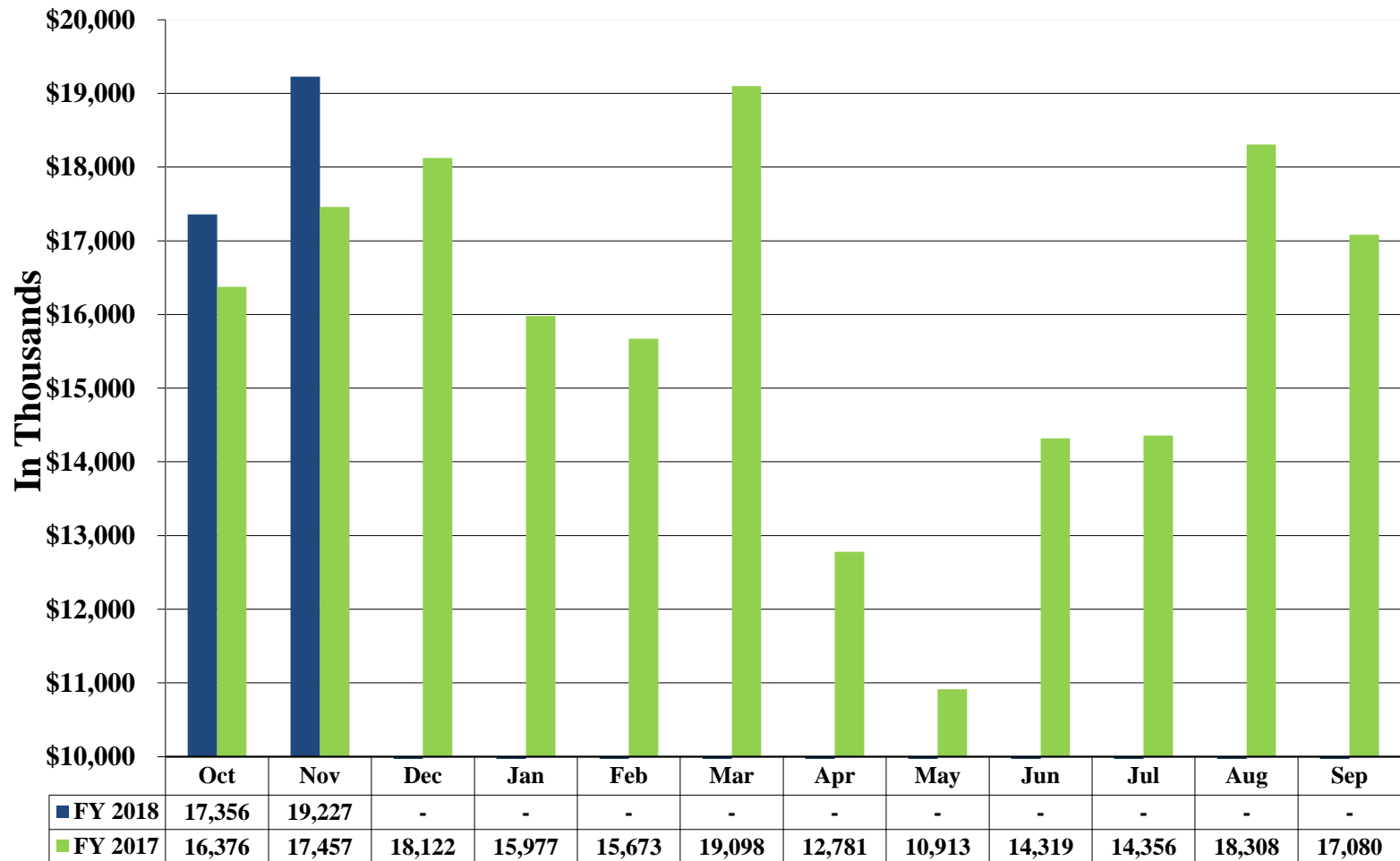
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2018	27.93	29.29										
FY 2018 Budget	26.16	27.96	27.66	26.31	25.70	27.26	25.71	26.69	27.58	29.88	27.37	27.44
FY 2017	27.90	28.28	27.77	26.50	25.22	24.07	25.34	29.64	31.07	32.03	28.60	29.15

Accounts Receivable

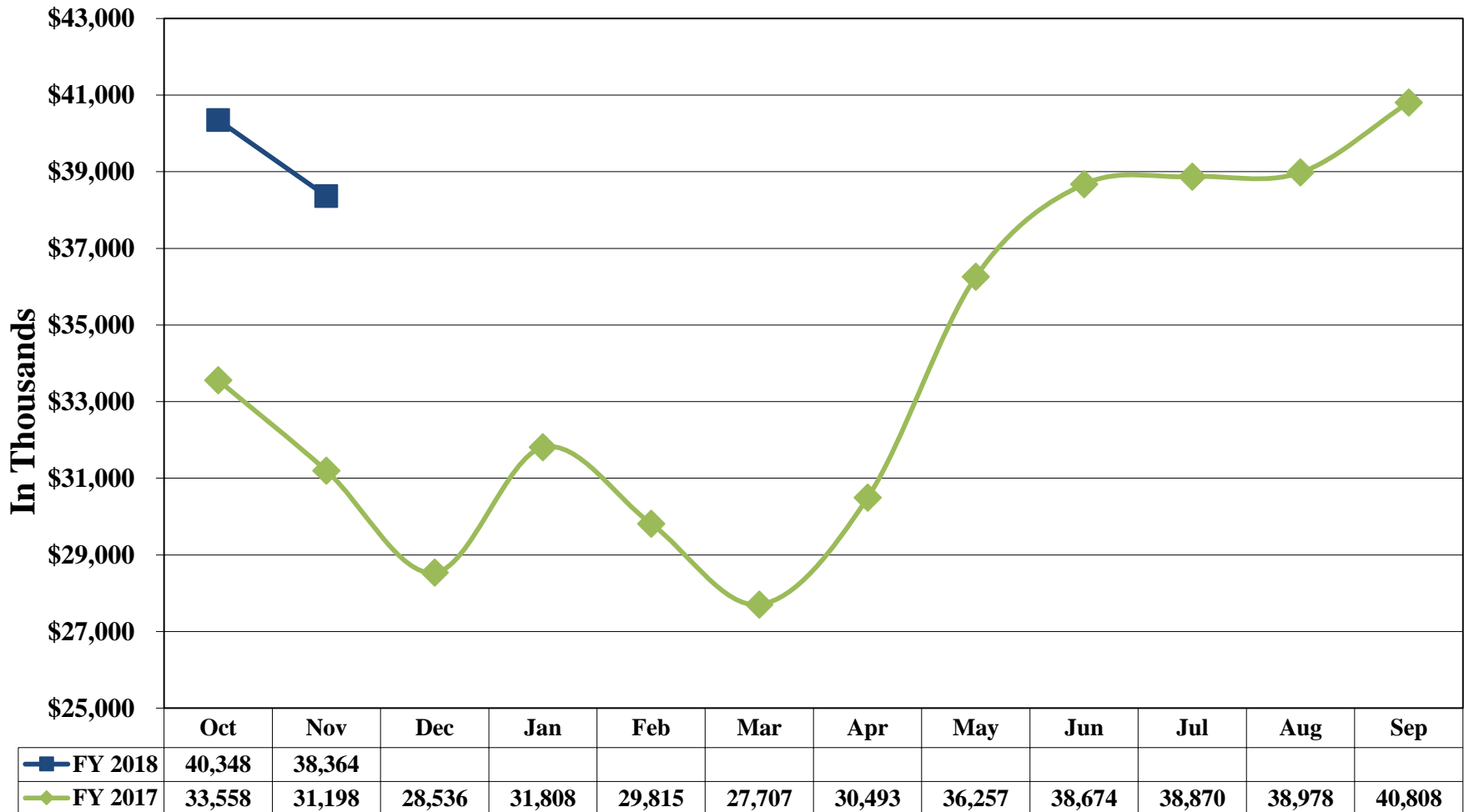


AR Cash Receipts

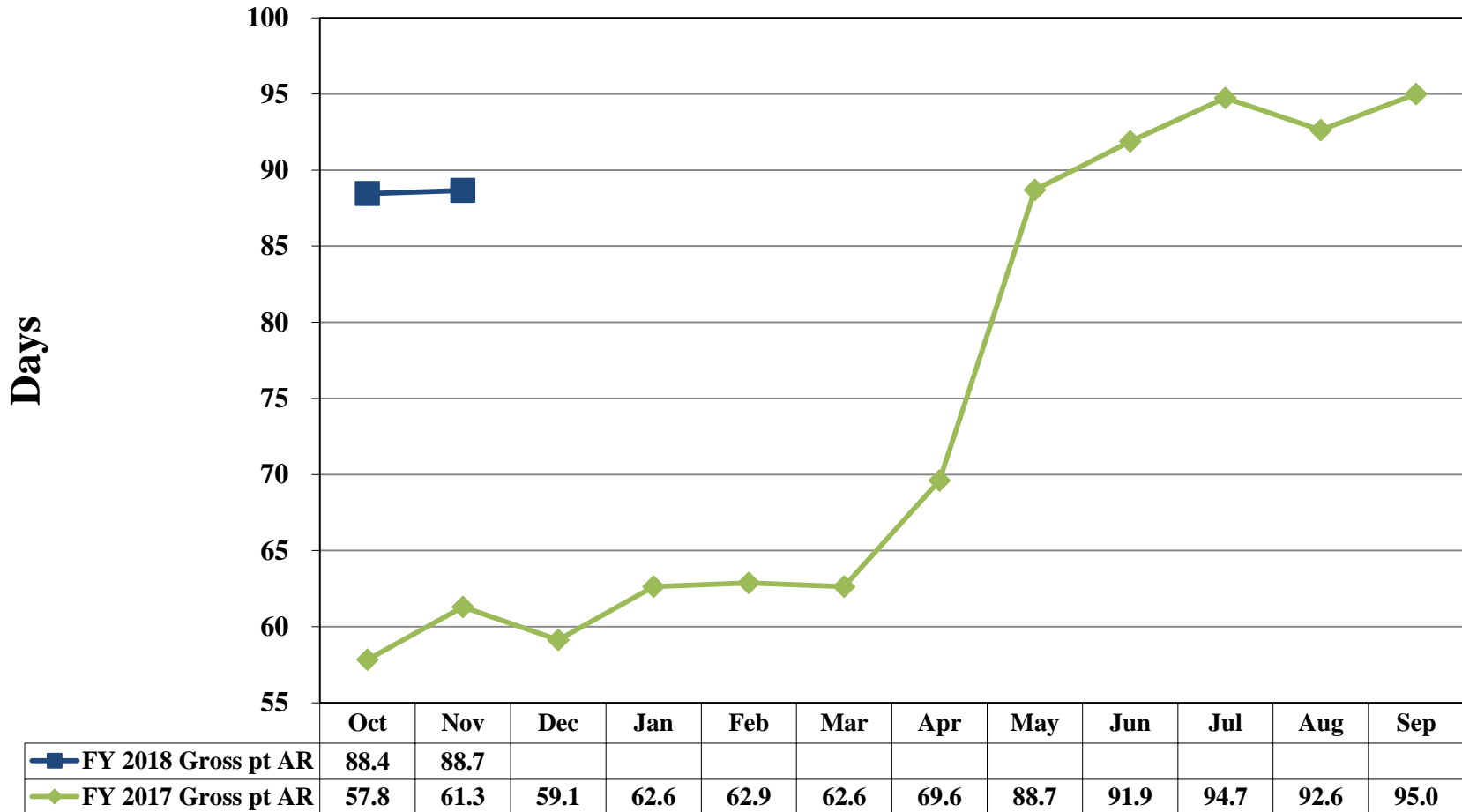
Compared to Prior Year



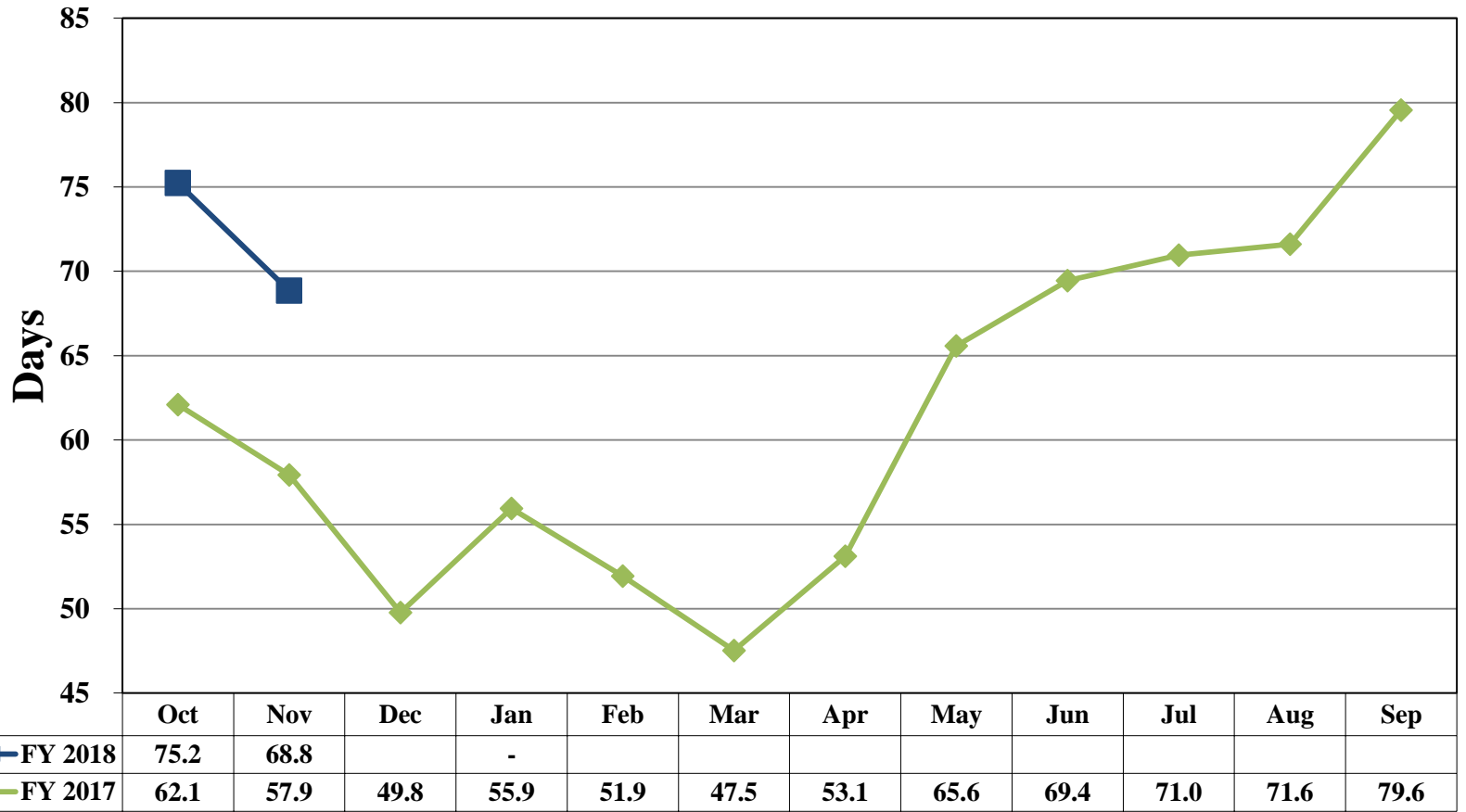
Accounts Receivable - Net



Gross Days in Accounts Receivable – Rolling 3 Month



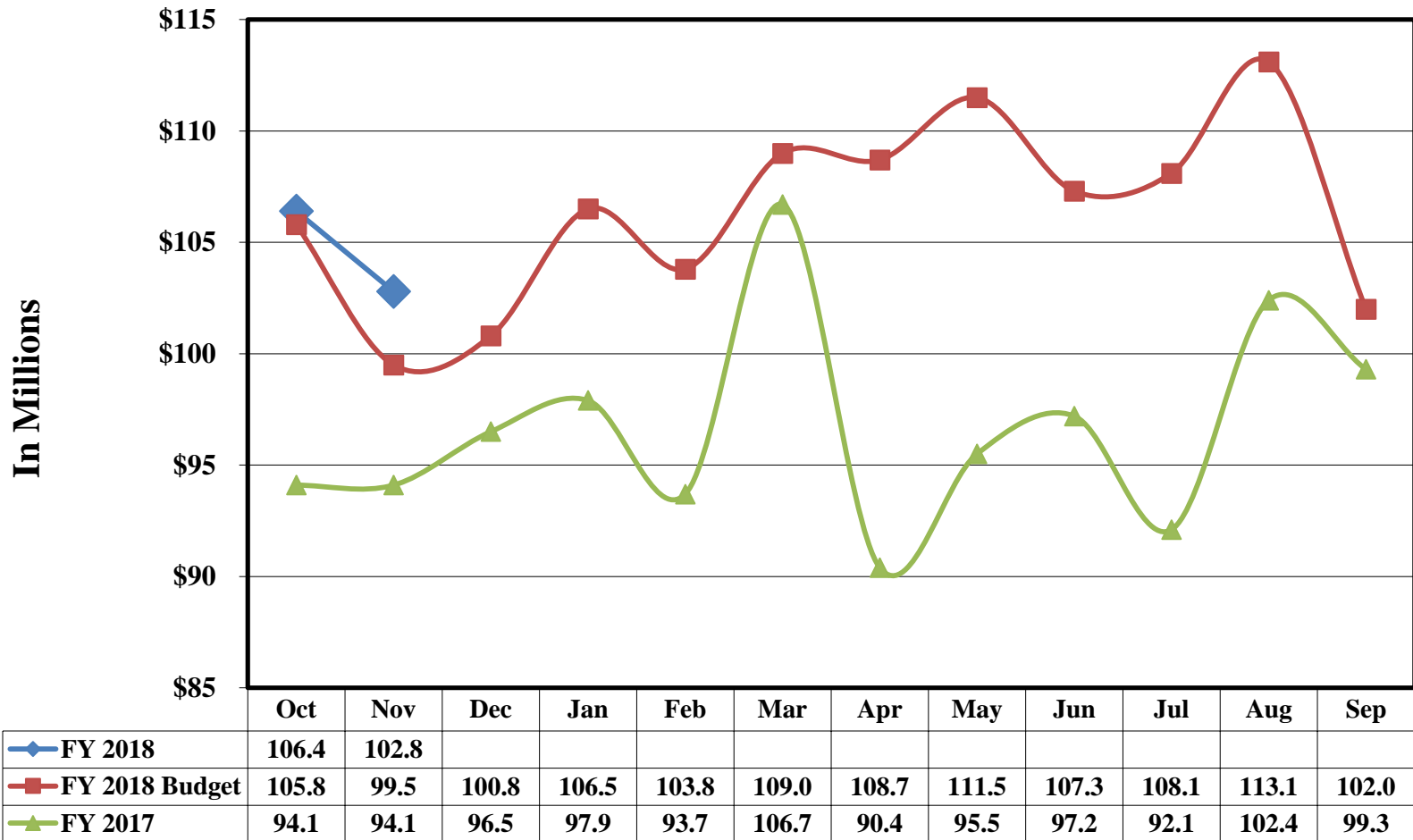
Net Days in Accounts Receivable – Rolling 3 Month



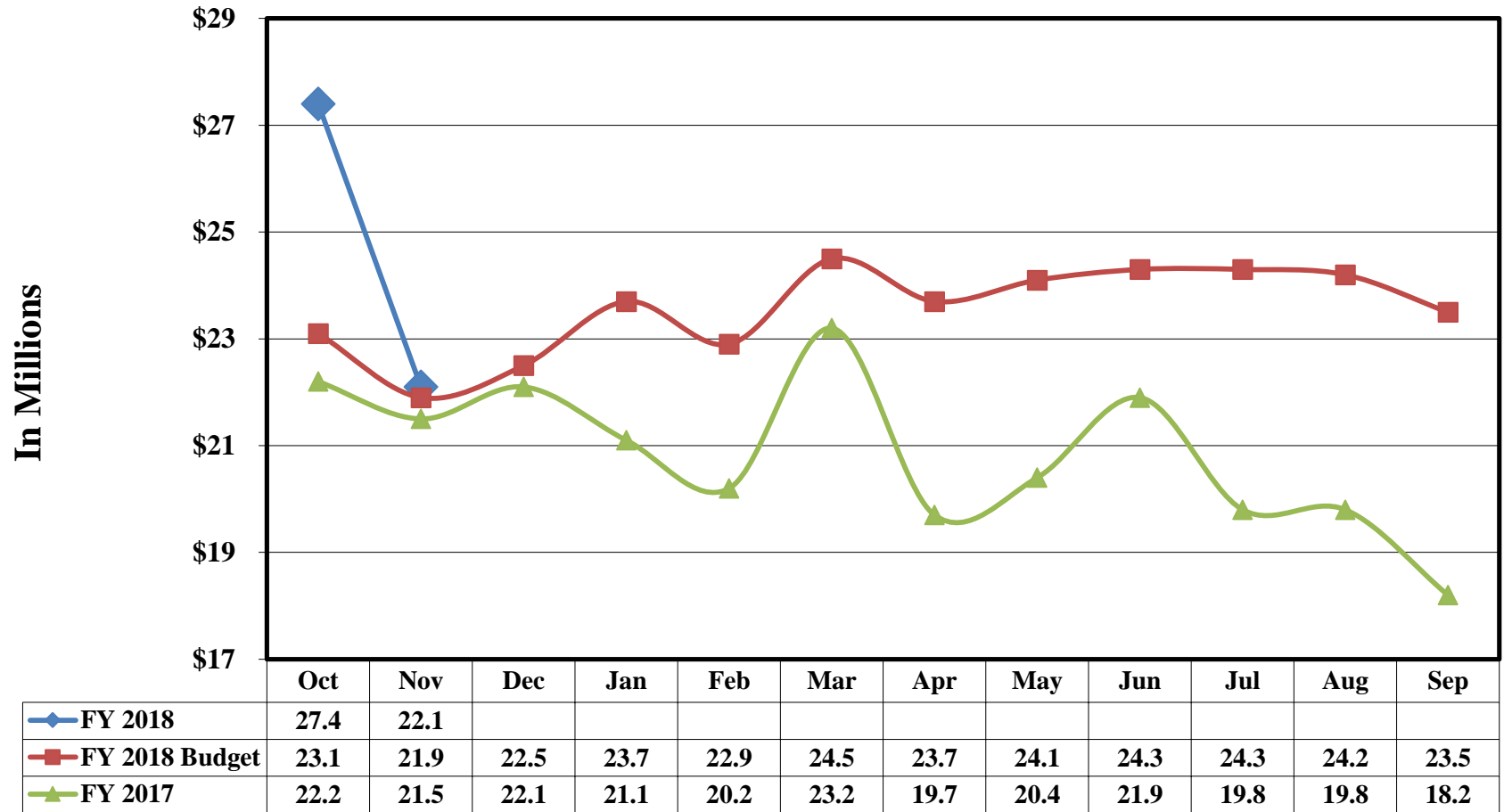
Revenues & Revenue Deductions



Total Patient Revenues (Blended)

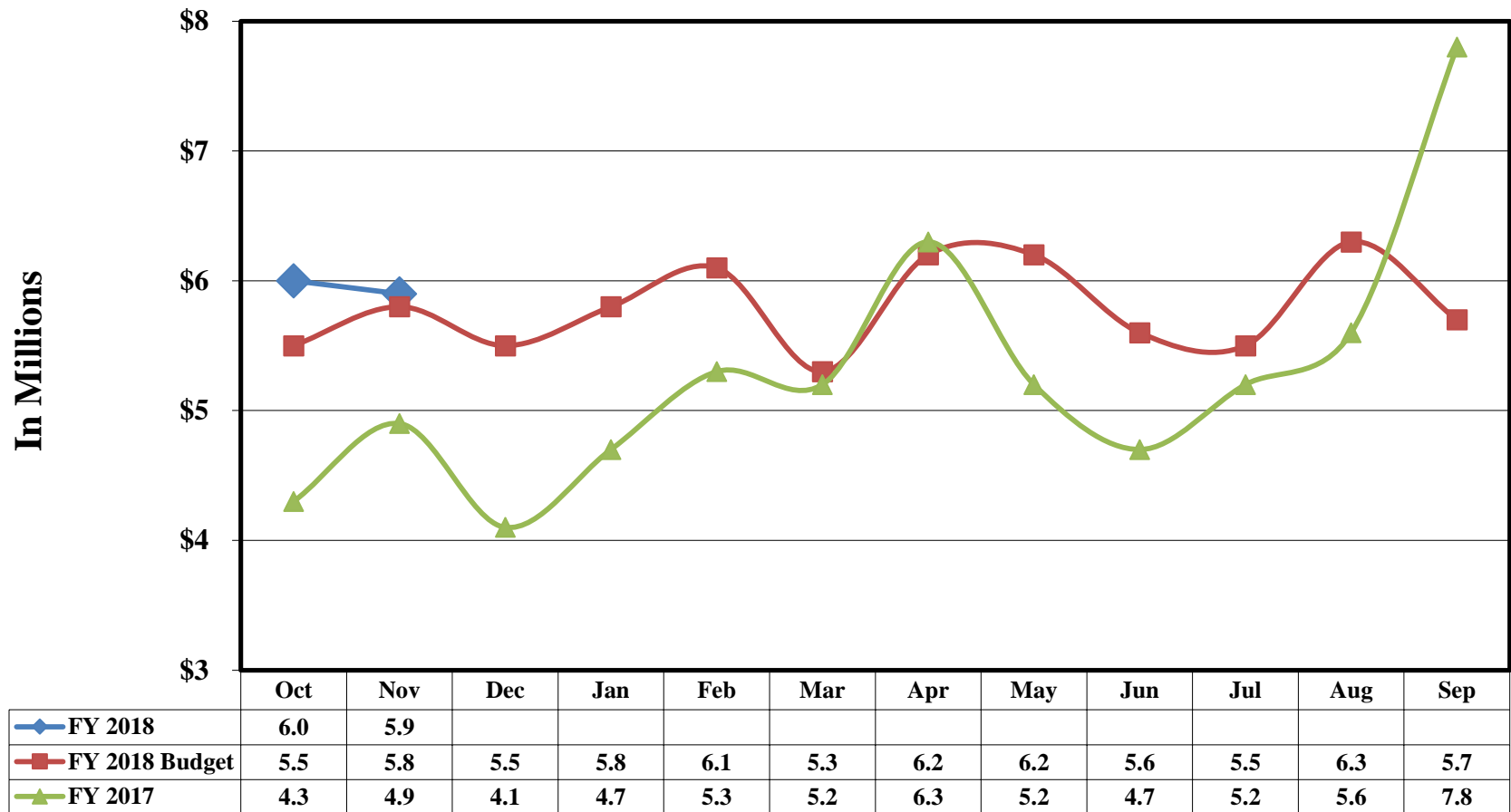


Net Patient Revenues (Blended)

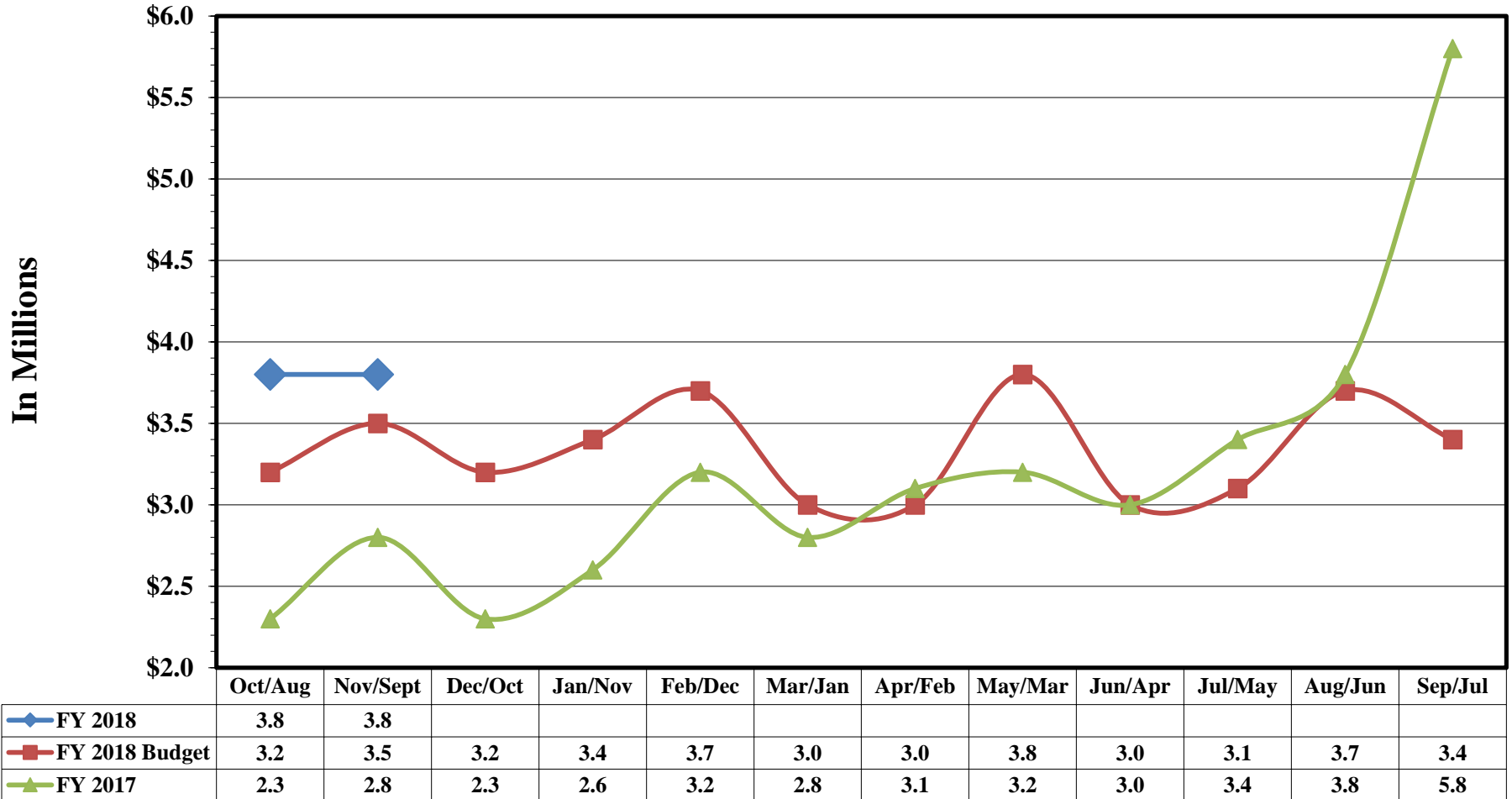


Other Revenue - Blended

Including Tax Receipts, Interest & Other Operating Income



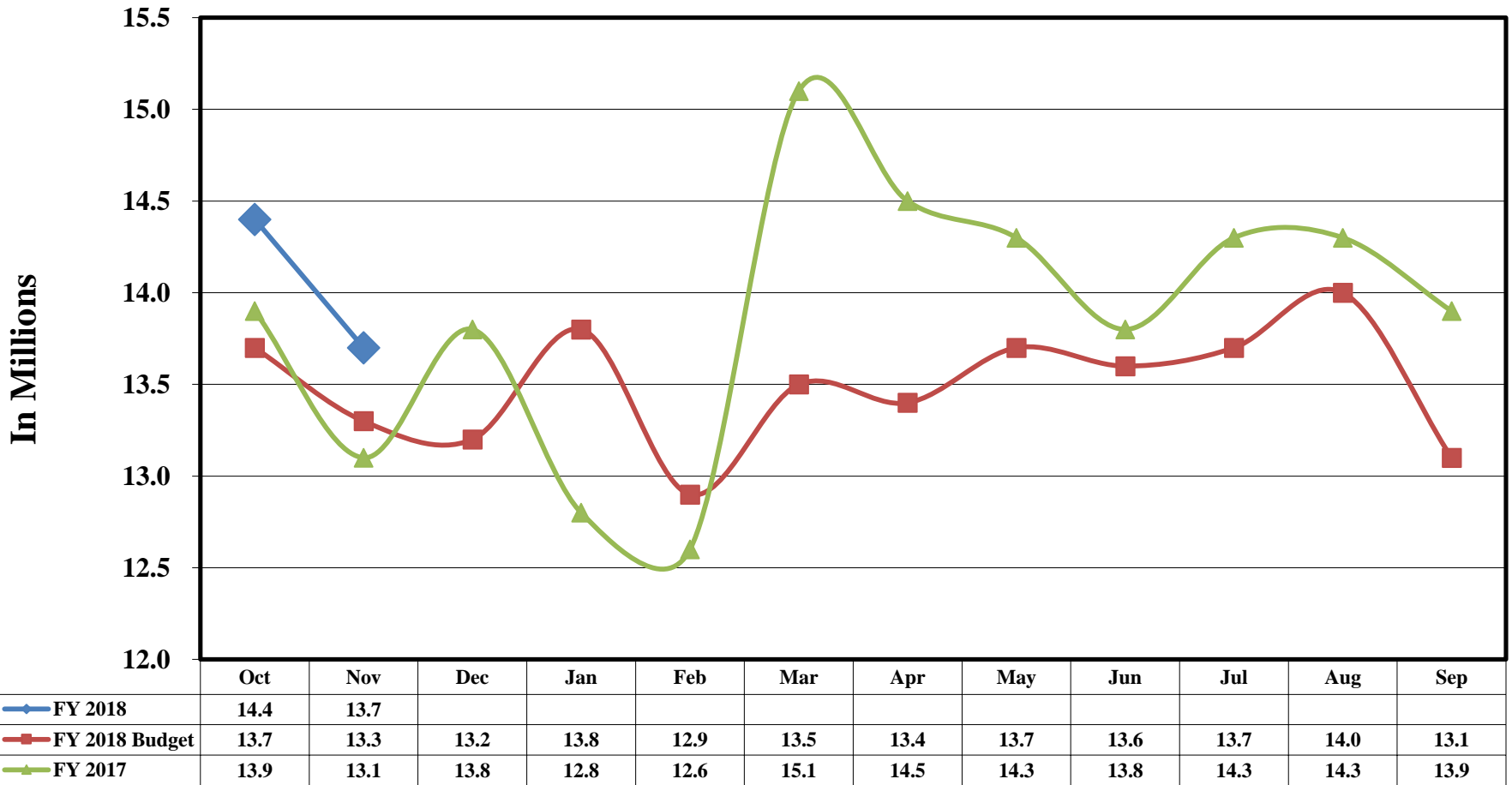
Sales Tax Receipts



Operating Expenses

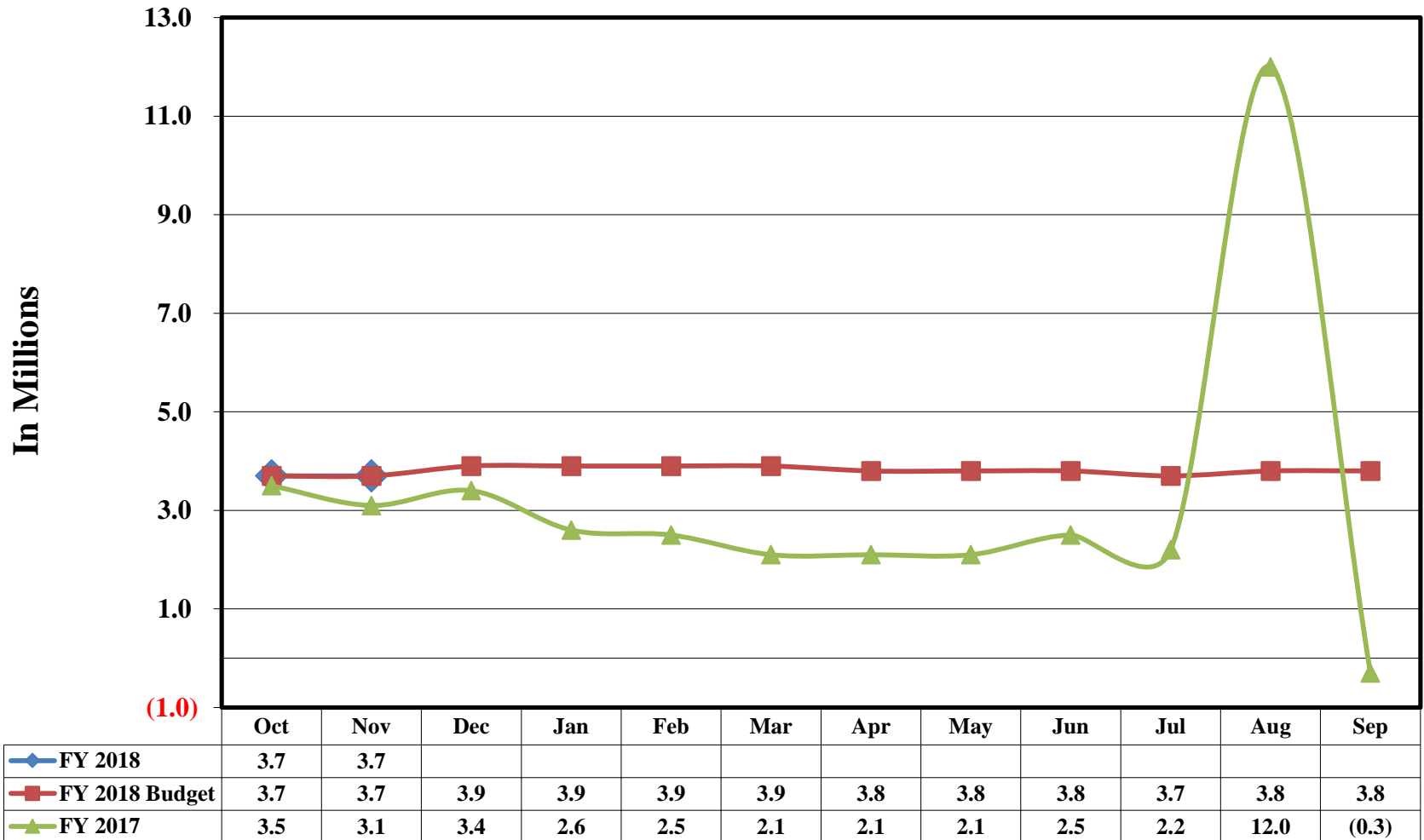


Salaries, Wages & Contract Labor (Blended)

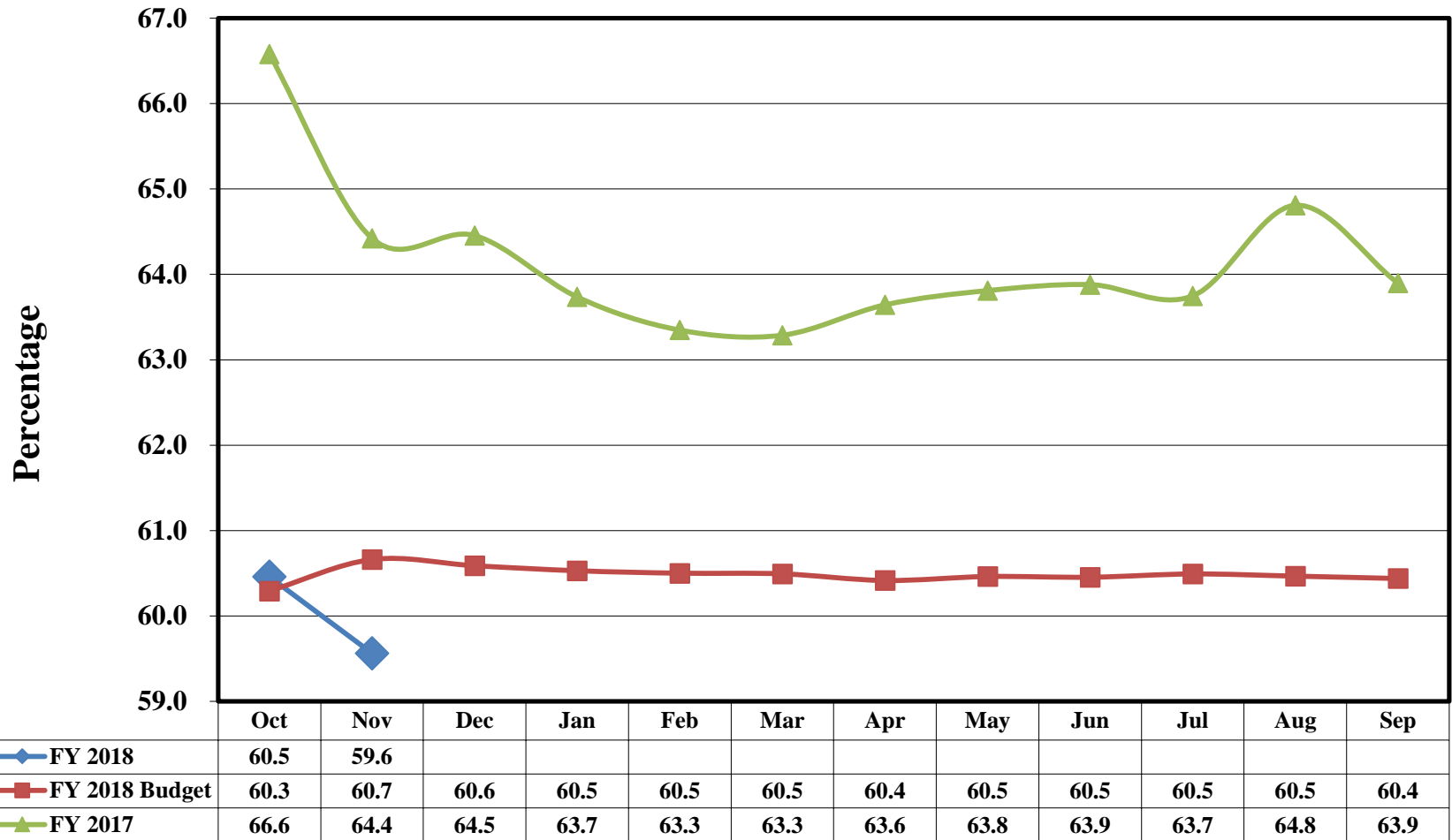


Employee Benefit Expense

(Blended)

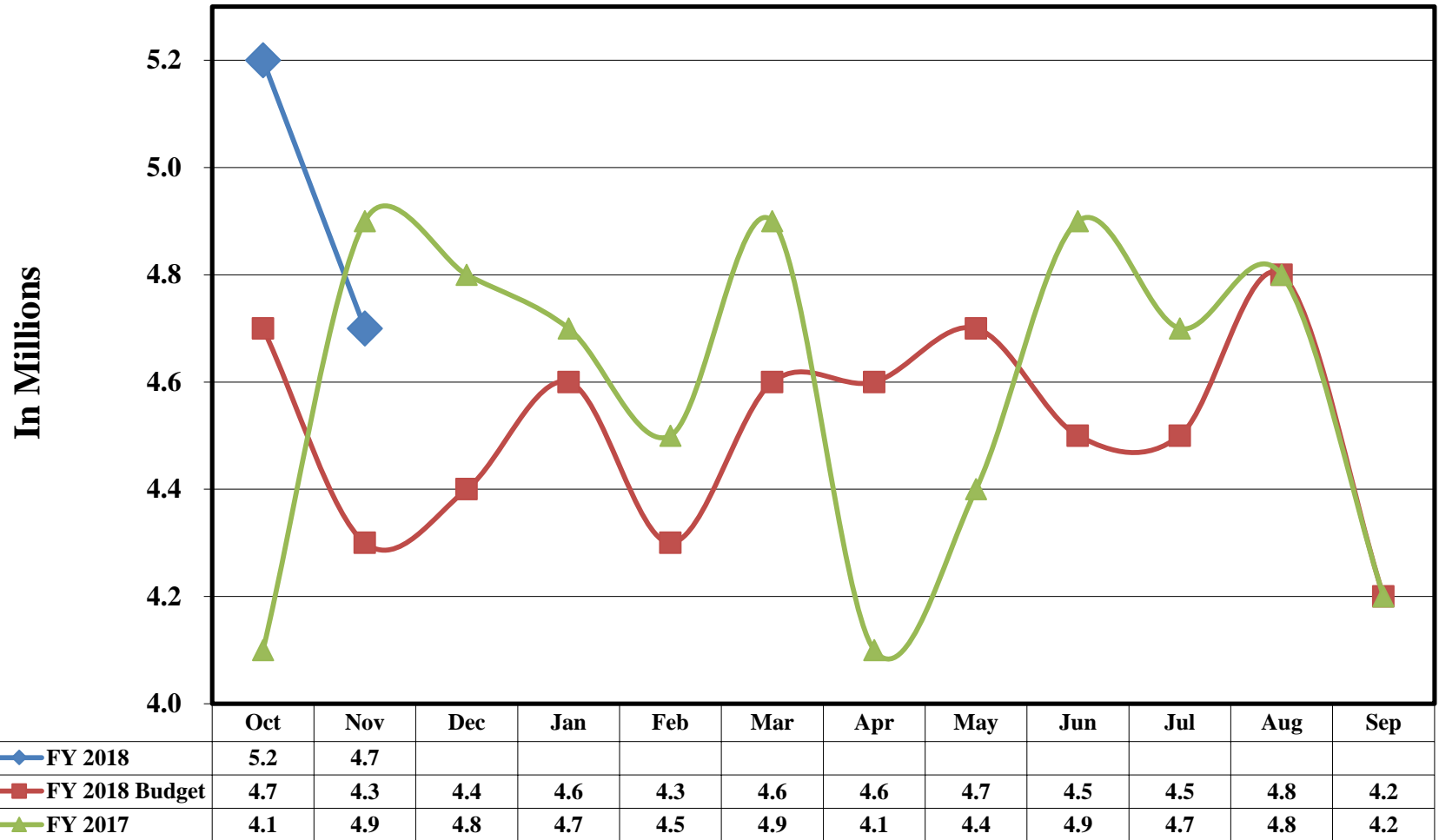


Salaries, Wages, Benefits, and Temp Labor as a % of Total Operating Expense Year-to-Date (Blended)

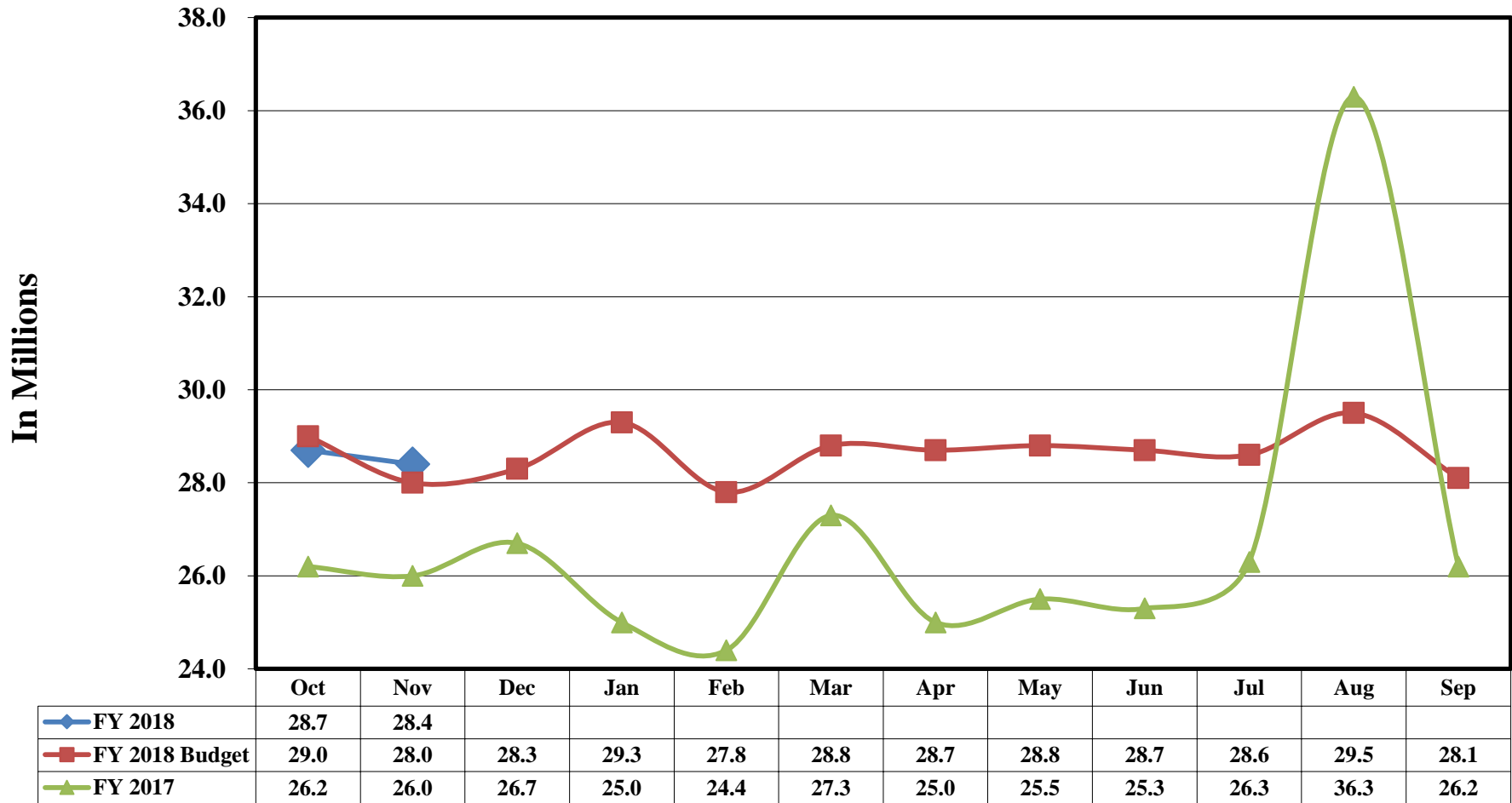


Supply Expense

(Blended)

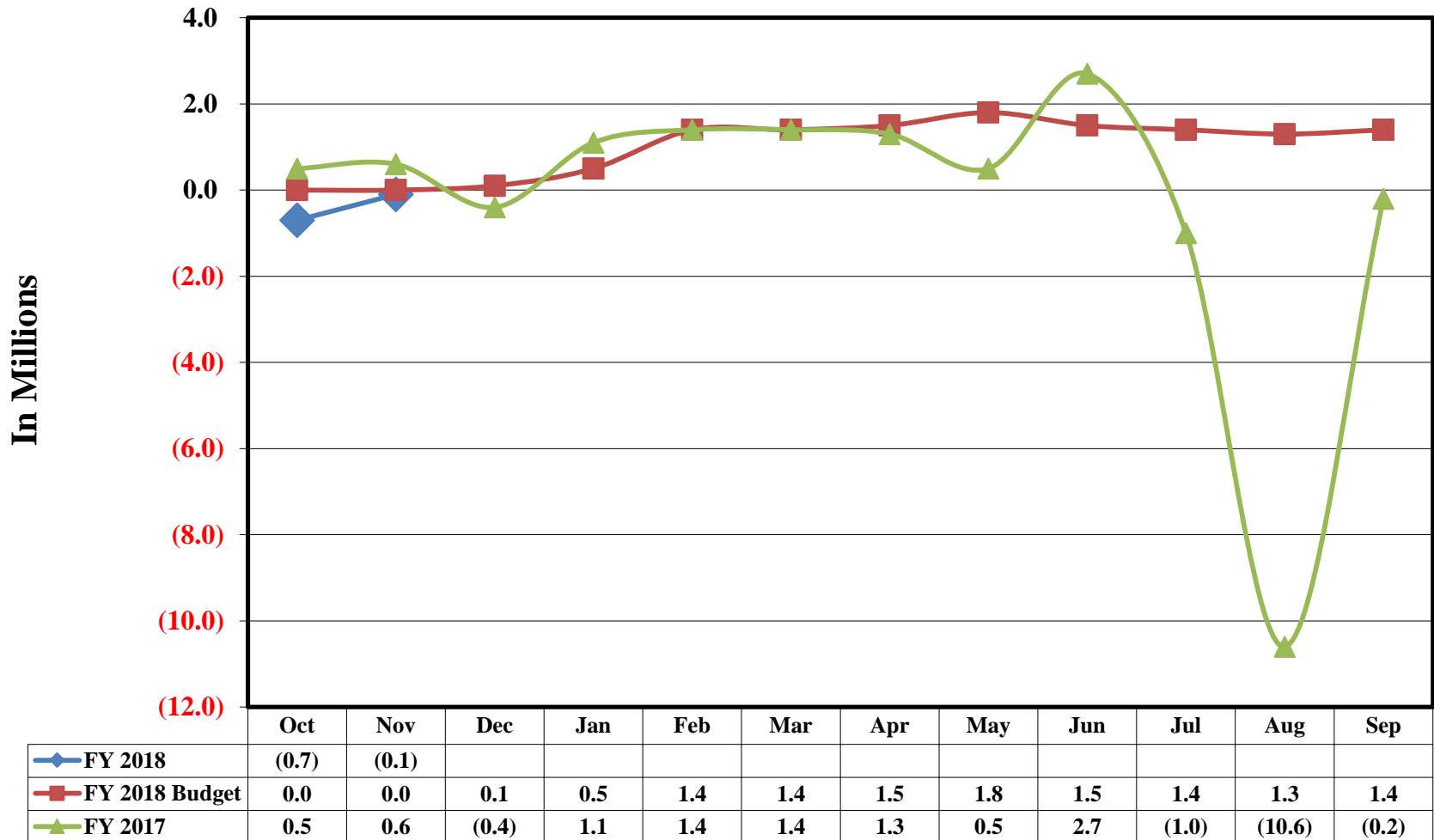


Total Operating Expense (Blended)



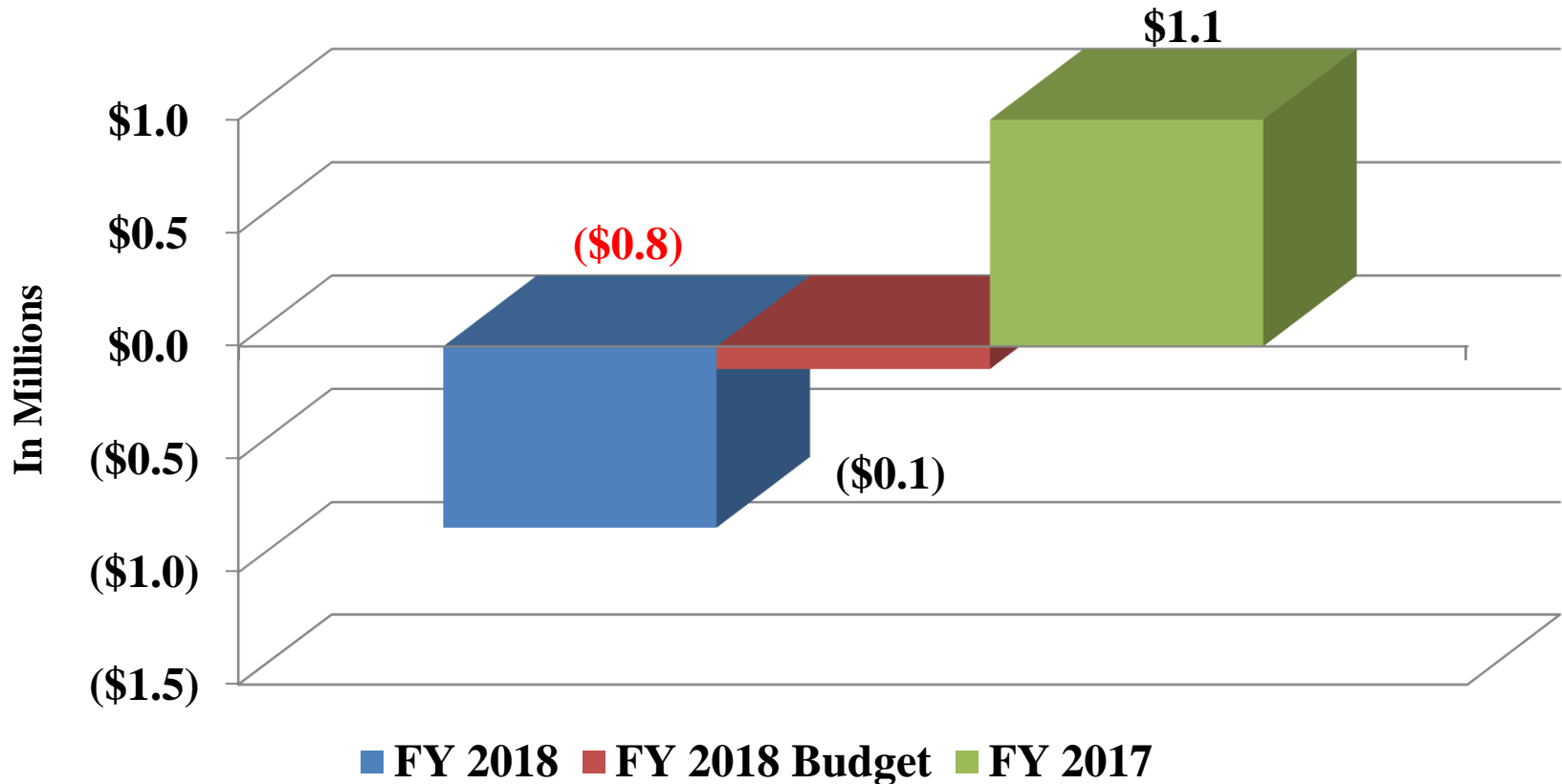
Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations



Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations – Year to Date





MEMORANDUM

TO: ECHD Board of Directors

FROM: Gary Barnes, Sr. Vice President & Chief Information Officer/
Grant Trollope, Controller

SUBJECT: PremierConnect Budgeting and Financial Reporting Solution

DATE: January 02, 2018

Cost:

Budgeting and Financial Reporting Solution	\$70,500.00
Travel Cost	<u>\$10,000.00</u>
Year 1	\$80,500.00

**Subscription charges will follow for the next 4 years at a cost of \$72,615, with a 3% annual increase budgeted within operational budget.*

Budget Reference:

Budget System	\$128,600.00
---------------	--------------

Background:

The current budget methodology is a group of Excel spreadsheet that require manual updates and are very cumbersome. For budget years 2015-2017, Medical Center Health System (MCHS) contracted with Financial Resource Group (FRG) at an average cost of \$124k per year for a consultant to work on the budget for five and half months. FRG was contracted to prepare the 2018 budget, and their consultant preparing the budget for MCHS resigned effective July 31, 2017, after the budgeting spreadsheets were prepared and the initial input was made. After this time, FRG provided support to the Controller and Financial Analyst to complete the budget.

Objective:

PremierConnect Budgeting and Financial Reporting is specifically designed for healthcare organizations. It is used nationwide by leading hospitals to improve financial performance, better align strategy with goals and promote management accountability. PremierConnect Budgeting and Financial Reporting offers budget development performance monitoring and reporting tools that will provide (MCHS) leadership with information to make timely and informed decisions. Features of the system include the following:

Operating Budget and Projections

- Ability for volume to drive applicable revenues and expenses
- Capability for exception-based and zero-based budgeting
- Workflow for review and approval
- Robust labor budgeting options
- Calculation of current year projection at any point in the fiscal year

Performance Monitoring

- Rules-based triggers for variance alerts
- Multiple options for budget projections and creation
- Report against fixed and/or flex budget
- Per unit-of-service analysis
- Interactive reporting allows users to access comprehensive information from one screen
- Graphs
- Scorecards

Long-range Financial Planning

- Infinite number of models
- Include/exclude projects from model with single click
- Assumptions can be applied at any level of organization (entity, division, department) and income statement (account, account grouping)
- Seamless integration with annual budget

Capital Budget

- Standardized capital request process
- Scoring tool for Capital Committee

Staffing:

No additional FTE's required.

Disposition of Existing Equipment:

N/A

Implementation Time Frame:

6 to 8 weeks

Funding:

This project is expected to cost \$80,500 from Premier Inc. The amount will come from funds budgeted for this project. Subscription charges for year two will be \$72,615, with a 3% annual increase through year five.

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

ATTORNEYS AT LAW
1301 EAST 8TH STREET, SUITE 200
ODESSA, TEXAS 79761-4703

432/332-9047
FAX: 432/333-7012

Mark A. Flowers

December 19, 2017

William Webster
CEO/Administrator
Ector County Hospital District
P.O. Drawer 7239
Odessa, TX 79760

RE: REQUEST FOR A DECISION FROM THE ECTOR COUNTY HOSPITAL DISTRICT TO SELL PROPERTY FOR LESS THAN MARKET VALUE SPECIFIED IN THE JUDGMENT OF FORECLOSURE AND ALSO LESS THAN THE TOTAL AMOUNT OF JUDGMENTS AGAINST THE PROPERTY

Dear Mr. Webster:

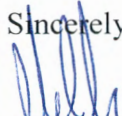
Please place on the agenda of the next meeting of the Ector County Hospital District a request to sell South Odessa Street, Goldsmith, Texas, for \$8,000.00.

Pursuant to the inter-local agreement, which was set up to sell these properties, Trower Realtors has obtained a contract on the property and the buyer, Tracy Spear, has deposited \$500.00 with Linebarger Goggan Blair & Sampson, LLP. The property is located at South Odessa Street, Goldsmith, and had an appraised value of \$62,632.00 when judgment was taken in 2015, but the 2018 value is \$57,026.00 as the house is being occupied by vagrants who continue to vandalize the property. Tracy Spear owns property next door and wants to demolish the house. I have attached an exhibit indicating what each jurisdiction will receive after all costs are paid.

I request that this be placed on the agenda to obtain a decision from the Hospital District on whether to sell the above described property for less than the market value and the total judgment amount taken against the property by the taxing entities.

If you have any questions, please do not hesitate to call me at 332-9047, extension 1551.

Sincerely,



Mark A. Flowers
Attorney

Meeting Date: _____
_____ Approved OR _____ Not Approved

Tax Resale Distribution Sheet

Address: S Odessa Street, Goldsmith, Texas
Cause #: CC2-10,231-T; Ector County Appraisal District, et al vs Kojq Energy Inc
Legal Description: Lots 16, 17 and 18, Block 73, Original Townsite, City of Goldsmith (#11700.04080)

	<u>Taxes Owed</u>	<u>Percentage</u>	<u>\$ to be Received</u>
SCHOOL	\$8,244.99	0.659999424	\$2,979.90
COLLEGE	\$1,249.24	0.09999984	\$451.50
CED	\$0.00	0	\$0.00
GOLDSMITH	\$499.70	0.040000256	\$180.60
HOSPITAL	\$374.78	0.030000592	\$135.45
COUNTY	\$2,123.71	0.169999888	\$767.55
UTILITY	\$0.00	0	\$0.00

BID PRICE:	\$8,000.00
REALTOR'S FEE:	\$480.00
CLOSING:	\$0.00
COURT COSTS:	\$828.00
SHERIFF'S FEE:	\$285.00
COSTS:	\$1,892.00
	<hr/>
	\$4,515.00

DEED TRANSFERRING TITLE INTCECTOR CO., TRUSTEE RECORDED ON: 22-Jan-17

PROPERTY OWNER NAME & MAILING ADDRESS

KOJO ENERGY INC
 UNKNOWN-L
 UNKNOWN TX 99999-9999



ECAD ACCOUNT NUMBERS

11700.04080.00000
 R100032903

EXEMPTIONS

Undivided Interest: 1.0000000

05/08/2007

Vol: 2132 Page:189 Inst:

1301 E. 8TH ST
 Odessa, TX 79761
 (432) 332-6834
www.ectorcad.org

PROPERTY LEGAL DESCRIPTION

GOLDSMITH 30
 BLOCK 73
 LOTS 16-18

TAXING ENTITIES CURRENT TAX RATE

ECTOR COUNTY I S D	0.0115000
ECTOR COUNTY	0.0033500
CITY OF GOLDSMITH	0.0006620
ODESSA COLLEGE	0.0019120
ECTOR CO HOSPITAL DIST	0.0007334

SITUS: S ODESSA ST
 SQFT: 7,492 ACRES: 0.1720

BUILDING DETAIL

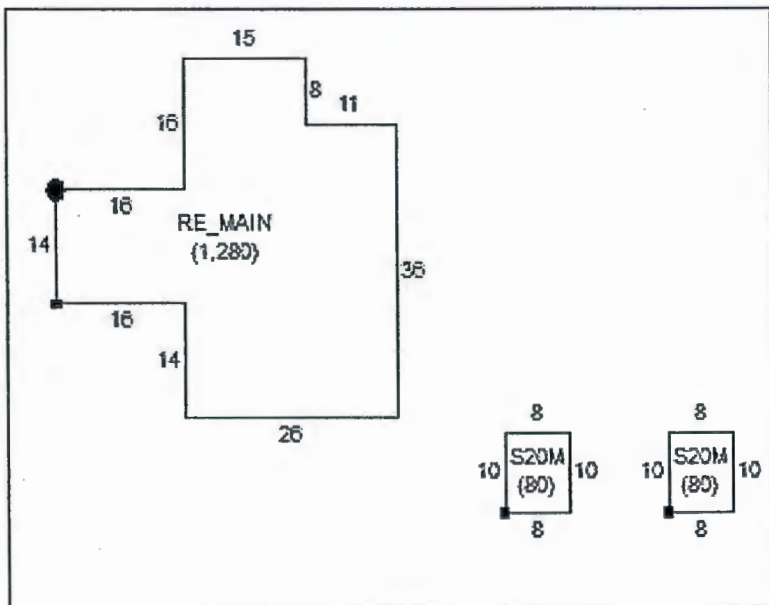
Description	SqFt	Year Built
F31M - RESIDENCE	1,280	1958
S20M - STORAGE	80	1958
S20M - STORAGE	80	1958

PROPERTY VALUES

This document is a WORKING PAPER ONLY. Values are not certified as official.

	2016 TAX YEAR	2015 TAX YEAR
PRODUCTIVITY		
LAND	975	975
IMPROVEMENT	61,657	61,657
PERSONAL PROPERTY	0	0
TOTAL MARKET	62,632	62,632
Less Limited Amount on 10% Homestead Increase	0	0
APPRAISED VALUE	62,632	62,632

T.O. ID: 00



Tract #



-  Streets
-  Parcels
-  Current Selections



ECTOR COUNTY APPRAISAL
 DISTRICT
 1301 E 8TH STREET
 ODESSA, TX, 79761-4722
 (432) 332-6834

Disclaimer: This Map is for illustrative purposes only,
 and is not suitable for parcel specific decision making.
 The areas depicted here may contain error of content,
 completeness and accuracy.

CONNECTEXPLORER



map: Auto 02/19/2012 (2012) image 1 of 7



I-care TASK FORCE

ORGANIZATIONAL EFFECTIVENESS

TEAMS



Purpose:

THE FIRST PHASE OF THE TRANSITION IS TO REESTABLISH CREDIBILITY, SO CREATING A TASK FORCE THAT FOCUS'S ON "OPERATIONAL EFFECTIVENESS" IN KEY AREAS WILL ALLOW FOR ASSESSMENT, EVALUATION AND IMPLEMENTATION OF PROCESS CHANGES THAT WILL TURN THE DIRECTION OF THE ORGANIZATION AND SET A COURSE OF CORRECTION WHILE NAVIGATING A PLAN FOR OUR FUTURE.

Operational Effectiveness

Areas of Emphasis

- Organizational Structure
- Finance
- Revenue Cycle
- Supply Chain Management
- Managed Care
- Labor/Productivity
- Service Line Management



Organizational Structure

Lead: Robbie Banks

Organization Chart

Span of Control

Leadership Transitions

New Positions



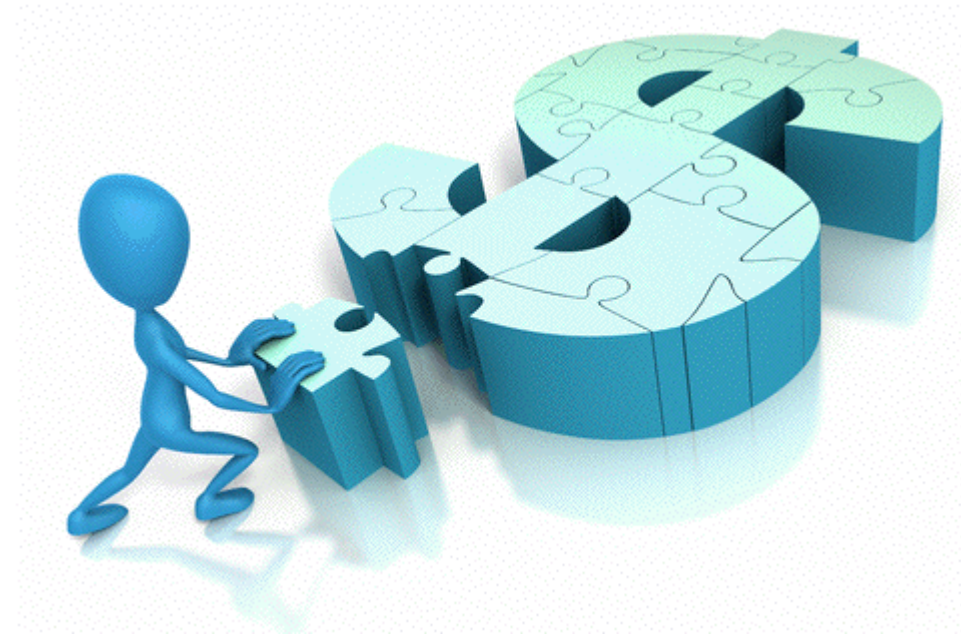
Finance

Lead: Robert
Abernathy

Long Term Financial Plan

Revenue Cycle (appoint Sub-
Team)

CFO Replacement Strategy



Supply Chain

Team Lead: TBD

Review and Implement
System Controls

Review Surgical Supply Chain
Functions

Assess PAR Levels

Charge Capture Review

Organize Storage and
Controls

Supply Chargemaster review

Pharmaceutical Usage
(Possible Sub Team)



Managed Care

Team Lead: TBD

Review recommendation for
Added FTE

Assess Negotiation Strategy

Assess Market



Labor/Productivity

Team Lead: TBD

Productivity System
Assessment

Establish industry
benchmarks

Educate the leaders and
employees



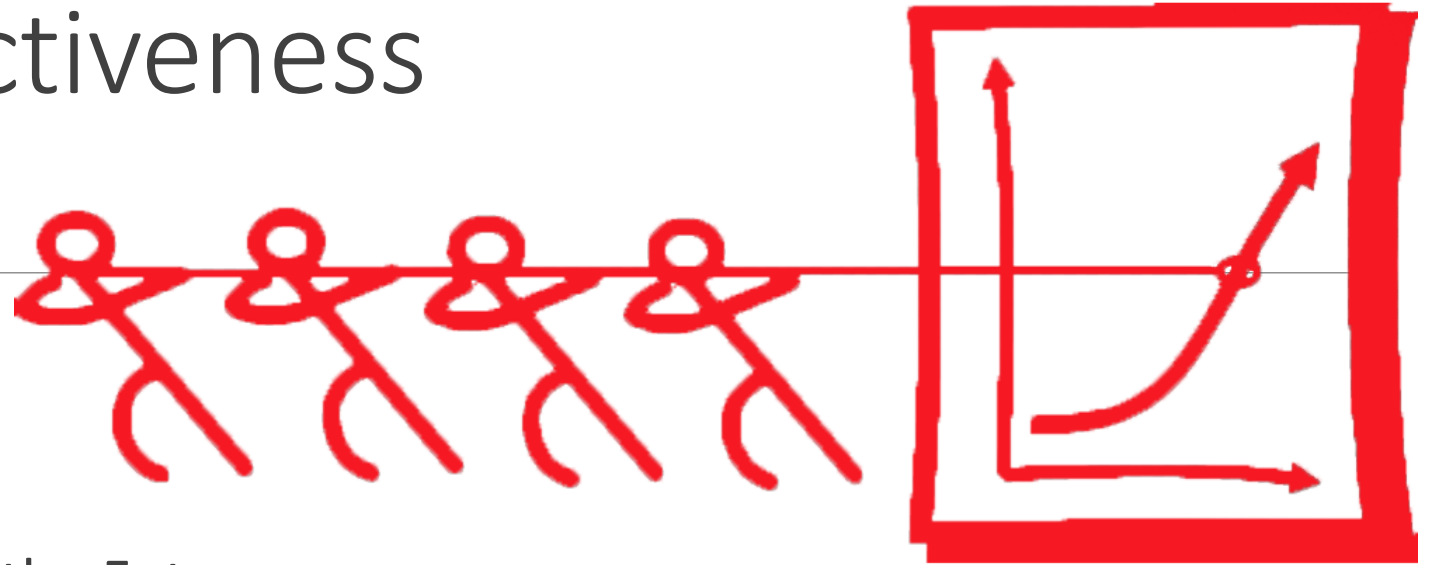
Service Line Management

Team Lead: TBD

Additional Study and Analysis



Operational Effectiveness



Goal: Provide a foundation of the Future

Expectation: Absolute Focus

Desire: Lay out a plan to energize moving MCH forward

One Team, First Team striving for Unified Change

President / CEO Transition Plan



13 Working Days

Strategic Reviews

- Organizational Chart Structure
- Leadership Changes
- 1115W
- Meeting Structure and Alignment
- Pro-Care Assessment
- Studer Planning

Strategy Quotes



Graphic by
www.wordle.com

Collected and collated by
Performance People Pty Ltd

Meetings / Introductions

Board Members	5
Employee Focus Groups	9
Community Leaders	12
One on One	5
Physicians	10

Total Face to Face 405

People

405 People

Does not include Rounding

Physicians

Envision Trauma

Medical Staff Leaders- Past, Current
and Vice COS

Dr. Burns

Dr. Grove

Dr. Dorman

Dr. Ventolini

TTUHSC Christmas Party

Medical Staff Annual Meeting



“One Team, First Team”

Patient



I-CARE

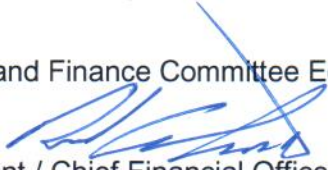
People

Physicians

MEMORANDUM

DATE: January 3, 2018

TO: Board of Directors and Finance Committee Ector County Hospital District

FROM: Robert Abernethy 
Senior Vice President / Chief Financial Officer

SUBJECT: Review, Revision and Re-Adoption of Ector County Hospital District
Investment Policy

Attached is the District's Investment Policy for annual review and reaffirmation.

There are no changes proposed to the Investment Policy and it remains in compliance with the Public Funds Investment Act. The Board will also approve the reappointment of the following Broker/Dealers (page 10):

- Wells Fargo Bank N.A. (Debt Reserve funds)
- Hilltop Securities Independent Network (name change from SWS securities due to merger [Long Term Investment funds])
- Prosperity Bank (Endowments)
- Frost Bank (Operating, Payroll, and Money Market accounts)

Please give me a call if you have a questions.

**ECTOR COUNTY HOSPITAL DISTRICT
(Medical Center Health System)
INVESTMENT POLICY**

**EFFECTIVE: December, 1999
Reaffirmed: January 09, 2018**

POLICY STATEMENT

The Ector County Hospital District seeks to optimize the rate of return on available cash reserves while emphasizing safety of principal and retaining sufficient liquidity to meet projected financial needs. The investment portfolio shall be designed to attain a reasonable rate of return throughout budgetary and economic cycles, taking into account the District's investment risk constraints, cash flow requirements and state and federal laws that may restrict the placement of District funds.

STANDARD OF CARE

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

POLICY OBJECTIVES

Investment of funds shall be governed by the following objectives in order of priority:

A. Safety of Principal

1. Safety of principal and compliance with applicable state laws (Public Funds Investment Act [PFIA]) are the foremost objectives of the District. Each investment transaction shall seek to ensure that potential capital losses are avoided.
2. The District will not make investments for the purpose of trading or speculation.

B. Liquidity

1. The District's portfolio will maintain sufficient liquidity through structuring maturities that enable it to meet all financial requirements which might reasonably be anticipated.

C. Diversification

1. In accordance with applicable laws, the District will diversify its investments to avoid incurring unreasonable and avoidable risks regarding specific security types or concentrations within individual financial institutions. Investment decisions should not incur unreasonable investment risks in order to obtain current or long term investment income.
2. Maturities will be structured to allow for continued liquidity and investment opportunities. Selected maturities shall provide for income, stability and liquidity.
3. The District may solicit bids in determining which investment opportunities to consider. Bids or offers may be solicited orally, in writing or electronically.

INVESTMENT STRATEGIES

A written investment strategy must be developed for each of the District's Funds. These strategies should include the following:

1. The investment objective for that particular fund.
2. An understanding of the suitability of the investment to the District's financial requirements.
3. Preservation and safety of principal.
4. Liquidity.
5. Marketability of investment if need arises to liquidate prior to maturity.
6. Diversification.
7. Yield.

The investment strategies are an integral part of the District's investment policy and are attached as addendum "A".

AUTHORIZED INVESTMENTS

All investments must be restricted to the following:

1. Obligations of the United States or its agencies and instrumentalities.
2. Direct obligations of the state of Texas or its agencies and instrumentalities.
3. Obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent.
4. Collateralized Mortgage Obligations directly issued by a Federal Agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.
5. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective instrumentalities.
6. Certificates of Deposit and Share Certificates are Authorized Investments:
 - a) A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution and is:
 - 1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
 - 2) secured by obligations that are described by this policy (including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described in "investments not allowed" in this policy); or,
 - 3) secured in any other manner and amount provided by law for deposits of ECHD.
 - b) In addition to the authority to invest funds in certificates of deposit under Subsection (a), an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under this subchapter:
 - 1) the funds are invested by ECHD through a depository institution that is selected by ECHD;
 - 2) the depository institution selected by ECHD under subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or

more federally insured depository institutions, wherever located, for the account of ECHD;

- 3) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States;
 - 4) the depository institution selected by ECHD under Subdivision (1) acts as custodian for ECHD with respect to the certificates of deposit issued for the account of ECHD;
 - 5) at the same time that the funds are deposited and the certificates of deposit are issued for the account of ECHD, the depository institution selected under subdivision (1) receives an amount of deposits from customers of other federally insured depository institutions, wherever located, that is equal to or greater than the amount of the funds invested by ECHD through the depository institution selected under subdivision (1).
7. Repurchase agreement if the repurchase agreement:
- a) has a defined termination date;
 - b) is secured by obligations of the United States or its agencies and instrumentalities, as described by 2256.009(a)(1) of the PFIA;
 - c) is pledged to the District, held in the District's name and deposited at the time the investment is made with the District or with a third party selected and approved by the District; and
 - d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.
 - e) notwithstanding any other law, the term of any reverse security purchase agreement may not exceed ninety (90) days after the date the reverse security repurchase agreement is delivered;
 - f) money received by the District under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the terms of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

The term "repurchase agreement" shall mean a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations of the United States or its agencies and instrumentalities, as described by 2256.009(a)(1) of the PFIA, at a market value at the time the funds are disbursed of not less than the principal amount of the funds dispersed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

8. A no-load money market mutual fund if the mutual fund:
 - a) is registered with and regulated by the Securities and Exchange Commission;
 - b) provides the District a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940;
 - c) has a dollar-weighted average stated maturity of 90 days or fewer;
 - d) includes in its investment objectives the maintenance of a stable net asset value of \$1.00 for each share.
9. A no-load mutual Fund if the mutual Fund:
 - a) is registered with the Securities and Exchange Commission;
 - b) has an average weighted maturity of less than two years;

- c) is invested exclusively in obligations which are authorized investments under the Ector County Hospital District Investment Policy;
 - d) is continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
 - e) conforms to the requirements set forth in 2256.016(b) and (c) of the Public Funds Investment Act relating to the eligibility of investment pools to receive and invest funds of investing entities.
10. Banker's Acceptances is an authorized investment if it:
- a) Has a stated maturity of 270 days or fewer from the date of its issuance;
 - b) will be, in accordance with its terms, liquidated in full at maturity;
 - c) is eligible for collateral for borrowing from a Federal Reserve Bank; and
 - d) is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.
11. Commercial paper is an authorized investment under this policy if the commercial paper;
- a) has a stated maturity of 270 days or fewer from the date of its issuance; and
 - b) is rated not less than A-1 or P-1 or an equivalent rating by at least:
 - 1) two nationally recognized credit rating agencies; or
 - 2) one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state.

The District shall not:

- 1. Invest in the aggregate more than 80% of the District's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service in money market funds described in above or mutual funds described in above;
- 2. Invest in the aggregate more than 15% of the District's monthly average fund balance, excluding bond proceeds and reserves and other Funds held for debt service, in mutual Funds described in above;
- 3. Invest any portion of bond proceeds, reserves and Funds held for debt service, in mutual Funds described in above;
- 4. Invest District funds or funds under District's control including bond proceeds and reserves and other funds held for debt service in any one mutual fund in amount that exceeds 10% of the total assets of the mutual fund.

INVESTMENTS NOT AUTHORIZED

The following are investments not to be purchased by the District:

- 1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- 2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- 3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- 4. Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

MATURITIES

Structuring of the investment portfolio shall be in accordance with the District's Investment policy and the specific strategies developed for each fund.

COLLATERALIZATION

All District Funds held as a demand or a time deposit by a depository institution expressly authorized by law to accept a public entity's time or demand deposits shall be collateralized as provided in Chapter 2257 of Texas Government Code "Collateral for Public Funds".

INVESTMENT OFFICER

The Chief Financial Officer shall be designated as the District's Investment Officer/Investment Advisor and is responsible for the investment of the District's Funds. The investment Officer will review and approve all transactions conducted within the investment portfolio. The Investment Officer and Chairperson of the Finance Committee, or a designated alternate, shall review all transactions and shall be responsible for monitoring and reviewing all investment activity on a regular basis. The investment Officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs. Unless authorized by law, no other person may deposit, withdraw, transfer or manage in any other manner the funds of the District.

INVESTMENT TRAINING

1. Board Members – Each member of the District's Board of Directors shall attend at least one training session relating to their responsibilities regarding investments within six months after taking office.
2. Investment Officer – (1) The Chief Financial Officer and any other investment Officer of the District shall attend at least one training session related to their responsibilities regarding investments within twelve months after taking office; and (2) attend an investment training session not less than once in a two-year period and receive a minimum of 10 hours of instruction relating to their investment responsibilities

Training must be provided by an independent source and include education in investment controls, security risks, strategy risks, market risks and compliance with the Public Funds Investment Act.

CONFLICT OF INTEREST

Any investment officer for the District who has a personal business relationship with a business organization offering to engage in an investment transaction with the District, shall file a statement disclosing that personal business interest. Any investment officer of the District who is related within the second degree of affinity or consanguinity as determined under chapter 573 of the Texas Government Code to an individual seeking to sell an investment to the District shall file a statement disclosing that relationship. A statement under this section shall be filed with the Texas Ethics Commission and the Board of Directors of the District.

The investment officer has a personal business relationship with an organization if:

1. the investment officer owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

2. funds received by the investment officer from the business organization exceed 10 percent of the investment officer's gross income for the previous year; or,
3. the investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

BROKERS/DEALERS

The District will utilize a minimum of three different broker/dealers in obtaining its investment purchases. A bidding process will be utilized to verify the competitiveness of each firm's rates of return when deemed necessary.

A written copy of the investment policy shall be presented to any person offering to engage in an investment transaction with the District. A business organization includes investment pools. Nothing in this section relieves the District of the responsibility for monitoring investments made by the District to determine that they are in compliance with the investment policy. The qualified representative of the business organization offering to engage in an investment transaction with the District shall execute a written instrument in a form acceptable to the District and the business organization substantially to the effect that the business organization has:

1. Received and reviewed the investment policy of the District; and,
2. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and the organization that are not authorized by the District investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

The District shall on an annual basis review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the District.

REPORTING REQUIREMENTS

A. Internal Reports

The monthly internal financial statements will reflect all investment activities and proper accounting practices will be followed. On a quarterly basis, the designated Investment Officer of the district shall prepare a written report of all investment transactions for all Funds of the district, in compliance with section 2256.023 of the PFIA. The report must be submitted to the Finance Committee and the Hospital Administrator and the Board of Directors and must:

1. Describe in detail the investment position of the District, on the date of the report;
2. Be prepared and signed by all Investment Officers;
3. Contain a summary statement prepared in compliance with generally accepted accounting principles, of each pooled Fund group that states the (a) beginning market value for the report period; (b) additions and changes to the market value during the period; and (c) ending market value for the period; and (d) fully accrued interest for the reporting period;
4. State the book value and market value of each separately invested asset at the beginning and end of the reporting period by type of asset and fund type;
5. State the maturity date of each invested asset;
6. State the account or Fund or pooled group fund of the District for which each investment was acquired; and

7. State the portfolio is in compliance with the District' investment strategy and the PFIA.

If the District invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

B. External Reports

A compliance audit of management controls on investments and adherence to the District's investment policy shall be performed by an independent auditor in conjunction with the District's annual financial audit. The results of this report should be submitted to the Board of Directors and Hospital Administrator.

C. Other Reports

On at least an annual basis, the stated market values of each investment shall be reviewed by an independent third party. A report of such review shall be reported to the Finance Committee of the Board of Directors.

REVIEW OF INVESTMENT POLICY

This policy including all investment strategies must be reviewed by the Board of Directors not less than annually. The Board shall adopt a written resolution stating that it has reviewed the investment policy and strategies. Such resolution shall record any changes made to either the investment policy or investment strategies.

ADDENDUM A

Investment Strategies

GENERAL OPERATING FUNDS

The purpose of these funds is to provide for payment of operating expenses, payroll and normal capital expenditures. The investment objective will ensure that these daily cash needs are met. Anticipated level of funds needed to be available on a daily basis is estimated at approximately \$2 million to \$4 million. Authorized investments should be highly liquid. Suitable investments for this fund are all investments allowed by this policy if authorized by the Public Funds Investment Act (PFIA). These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the Fund. When individual investments are purchased, the maturity shall not exceed 31 days.

DEBT SERVICE FUNDS

The purpose of these funds is to ensure that adequate monies are set aside for payment of further principal and interest on the District's indebtedness and to maintain compliance with any and all debt covenant requirements relating to the advance funding of indebtedness. The investment objective will ensure that these requirements are met. Suitable investments for this fund are all investments allowed by this policy if authorized by the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. When individual investments are purchased the maturity shall approximate the due dates of principal and interest payments on the indebtedness.

DISPROPORTIONATE SHARE FUNDS

The purpose of these funds is to provide improved access to healthcare services for indigents. Suitable investments for this fund are all investments allowed by this policy if authorized by the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. Authorized investments shall have stated maturity dates that approximate the anticipated qualified expenditures of the District. When individual investments are purchased for this Fund, the maturity should not exceed ten years.

FUNDED DEPRECIATION FUNDS

The purpose of these funds is to provide monies for future purchases of capital equipment. Suitable investments for this fund are all investments allowed by this policy if authorized by the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. When individual investments are purchased for this fund, the maturities should not exceed ten years.

SELF-INSURANCE FUNDS

The purpose of these funds is to provide monies for future expenditures related to workers' compensation, malpractice and other legal claim or settlements. Suitable investments for this fund are all investments allowed by this policy if authorized by the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. When individual investments are purchased for this Fund, the maturities should not exceed ten years.

BOARD DESIGNATED FUNDS

The purpose of these funds is to provide monies for future capital expenditures or other major projects as designated by the Board of Directors. The investment objective of this fund will ensure that monies will be available if and when financial needs arise as so determined by the Board. Suitable investments for this fund are all investments allowed by this policy if authorized by the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. When individual investments are purchased for this Fund, the maturities should be spread over a period of one month to ten years.

LIABILITY FUNDS

The purpose of these funds is to provide monies for future payments to liabilities. Suitable investments for this fund are all investments allowed by this policy if authorized by the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. When individual investments are purchased for this fund, the maturities should be spread over a period of one month to ten years.

TAX REVENUE FUNDS

The purpose of these funds is to receive monies related to ad valorem and sales tax collections of the District and then transfer those monies to other funds when needed. Ad valorem tax monies are utilized for debt service payments and costs of indigent care and thus are transferred to Debt Service Funds and General Operating Funds when needed. Sales tax monies are utilized for capital expenditures and operating costs are transferred to the General Operating Fund when needed. Suitable investments for this fund are all investments allowed by this policy if authorized by the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. When individual investments are purchased for this Fund, the maturities should be twelve months or less since these funds are usually transferred within a short period of time after receipt.

TRUSTEE HELD FUNDS

(1) These monies are related to the proceeds from Bond issues as approved and authorized by the Board of Directors and are held in safekeeping by the Trustee. Construction Funds will be utilized for payment of construction costs related to the authorized construction or expansion project. Authorized investments will be highly liquid focusing primarily on money market accounts and demand deposit accounts as these funds should be fully utilized within the next few months.

(2) Debt Reserve Funds must be maintained throughout the life of the indebtedness as required by the Bond Agreement. This fund will be utilized only if the District is in default on its debt service payments. The investment objective will consider market conditions, debt covenants and Arbitrage regulation compliance. Obligations of the United States Government or its agencies and instrumentalities and money market funds are suitable investments for this fund. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. When individual investments are purchased for this Fund, the maturities shall not be greater than the life of the corresponding indebtedness.

REVOCABLE TRUST ENDOWMENT FUNDS

The purpose of this Trust is provide funding for endowed chairs to promote excellence in clinical care of patients, clinical programs, clinical practice, and graduate medical education at Texas Tech University Health Sciences Center at the Permian Basin, University of Texas Permian Basin and at the Odessa Junior College District. These funds may invested by the appointed Trustee as allowed for and in compliance with the PFIA. These investments will provide safety of principal, liquidity, diversification and marketability while providing a market rate of return to meet the objectives of the fund. Disbursement of fund earnings will occur in March of each year, commencing in March 2008, and shall be disbursed in accordance with the provisions of the applicable Endowment Trust Agreement.

BROKERS/DEALERS

PFIA requires the Board to approve on an annual basis, all brokers/dealers for the purpose of investing the District's funds. The Board policy further requires that there be a minimum of three (3) brokers/dealers which the District does business with. The Board approved the following Brokers/Dealers for the District;

- (1) Reappoint: Hilltop Securities Independent Network
- (2) Reappoint: Wells Fargo Bank. N.A.
- (3) Reappoint: Prosperity Bank
- (4) Reappoint: Frost Bank (Operating, Payroll and Money Market accounts)

To: MCHS Board of Directors
Through: Robert Abernethy, Senior Vice President, Chief Financial Officer
From: Marva Rothmeier, Director of Health Information Management
Date: January 5, 2018
Subject: Release of Information (ROI) Service Outsourcing

Current State:

In 2017, the implementation of Cerner (MCH¹) created operational changes to the structure of the release of information services resulting in

- An increase in the number of request received for ProCare and MCHS
- Increasing backlogs
- Extended work hours
- Lowered job satisfaction
- Employee Burnout due to long periods of overtime
- Inability to retain seasoned

Combining the ROI services for both Medical Center and ProCare increased the volume of requests for medical records, by 25%. The number of Full Time Equivalents (FTEs) did not increase. Staff were working 60 hour weeks as the backlogs continued to increase. We began an overtime project of sixty (60) hour work weeks for staff, resulting in a tremendous level of dissatisfaction among employees. The backlogs, long hours, and budget challenges increased employee turnover. The remaining staff have been offered positions within the HIM Department at an equitable pay range, a transition which they have both accepted.

Objectives:

- Improve patient safety
- Improve patient satisfaction
- Improve employee satisfaction
- Reduce the turn-around-time for record requests
- Review and complete the current backlog for request of records
- Increase the accountability for disclosure of records

Work Plan

MRO Solutions will begin working with the MCHS IT department immediately if approved by this board.

- Implement and transition interactive technology to support an integrated MRO/MCHS platform
- Joint review of applicants
- Transition of operations
- Identification of backlogs
- Ongoing communication to ensure a smooth transitional work flow

Estimated Fees

The estimated fees associated with this engagement are approximately \$64,000.00 annually as well as incoming receipts. Implementation will take an estimated four to six (4-6) weeks, of hiring and training of new staff. Current MCHS employees will have primary consideration in filling the positions generated by MRO.

Summary and Recommendation

We recommend moving forward with this contractual agreement.

Funding

Budgeted in 2018.



ROI Online® Agreement

MRO Corporation, a Pennsylvania Corporation located at 1000 Madison Avenue, Suite 100, Norristown, PA 19403 (“**MRO**”), and **Ector County Hospital District d/b/a Medical Center Health Systems**, located at 500 W. 4th Street, Odessa, TX 79761 (“**Client**”) hereby for good and valuable consideration enter into this Agreement for Disclosure Management Services that MRO will provide to hospitals and clinics selected by Client (collectively “Facilities” or individually “Facility”) owned and operated by Client. For the purposes of this Agreement, MRO, Client, and/or Facility(ies) may be referred to individually as a “Party” and collectively as the “Parties.” The meaning of all capitalized terms not otherwise defined herein are set forth in the Glossary of Terms attached hereto as Schedule A.

- 1. Description of Services.** MRO® will provide each Facility with Disclosure Management Services that include Release of Information (“ROI”) Services and ROI Online® Software as a Service (SaaS) for the processing of requests for copies of Protected Health Information (PHI) as defined by HIPAA, all as further described in this Agreement and in the attached Schedules (collectively “Services”). MRO provides Staffed and Remote delivery models for delivery of these Services. For the Staffed Delivery Model, MRO will provide on-site staff for assisting patient walk-ins and other medical record request processing services.
- 2.** For the Remote Delivery Model, MRO will provide the staff stationed in the MRO National Service Center and/or in regional remote service processing centers for the ROI processing functions. MRO’s Remote Services staff will require remote access to the various Client Electronic Medical Record (EMR) and other Health Information Technology (HIT) systems. For each Facility, Schedule B of this Agreement contains:
 - A detailed description of on-site ROI processing functions and an allocation of responsibilities between MRO and Facility staff;
 - A detailed description of the functions performed at the MRO National Service Center; and
 - Projected transaction volumes.
- 3. Onboarding Process.** For any and all MRO employee(s) that will be on site at Facility, MRO will comply with Client’s onboarding process, which includes among other requirements, drug screen, immunizations, and criminal background check to be accomplished within the applicable time limits. The process will also include appropriate facility orientation.
- 4. Term and Termination.** The term (“Term”) of this Agreement is twenty-four (24) months commencing on the date this Agreement is signed. This Agreement will automatically renew for subsequent twelve (12) month Terms until terminated according to the terms hereof. Either Party may terminate this Agreement for any reason with sixty (60) days written notice to the other Party prior to the end of any Term. If Client terminates, any remaining unpaid fees and charges, including those listed in Schedule C of this Agreement, must be paid prior to termination. MRO will issue a final monthly accounting through the last day of the month of termination. Any Facility Portion revenue received during the month following the final accounting will be remitted to Client. The obligation of Client to pay any unpaid balances shall survive the termination of this Agreement.

Upon termination for any reason, MRO will deliver to Client, at no cost, an electronic listing of all Requests processed by MRO. This listing will include patient name, Requester name and address, dates of delivery and final disposition. The ROI Online Facility Portal will be taken offline and all user access will be terminated. If requested, MRO will also provide electronic images of all Request paperwork, correspondence, and all Records delivered. MRO will charge Client actual costs for providing these images.

Either Party may, at its option, terminate this Agreement upon occurrence of an Event of Default by the other Party. Such termination may be effected only through a written notice to the other Party, specifically identifying in reasonable detail the Event of Default on which termination is based. The Party in default of this Agreement shall have sixty (60) days to cure such default(s) prior to the Agreement being considered terminated.

The occurrence of any one or more of the following events, provided such events continue for more than sixty (60) days following written notice of pending default to the Party in breach, shall constitute a default ("Events of Default"):

- Failure of either Party to pay any material sum due under this Agreement within sixty (60) days of the due date; or
- Failure of MRO to meet its service obligations set forth in this Agreement; or
- Breach of any material term or condition of this Agreement; or
- Either Party becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy for liquidation, suffers or permits the appointment of a receiver for its business or assets, becomes subject to any proceeding under any bankruptcy or insolvency law from which the Party is not dismissed within thirty (30) days, or has wound up or liquidated its business voluntarily or otherwise.

5. Financial Terms & Conditions. The Services provided by MRO to Client at selected Facilities as detailed in Schedule B of this Agreement will be subject to the financial terms and conditions enumerated in Schedule C.

For Facilities using the Staffed and/or Remote Delivery Model, MRO will issue the Facility a Monthly Invoice for all fees and charges, if any, incurred during the month.

Invoice payment terms on undisputed amounts are net thirty (30) days. Overdue undisputed balances shall accrue interest at the lesser of 12% per annum or the highest rate permitted by applicable law.

6. Facility Remittance, Payer Audits, and Facility Assumes Payment. Client and MRO recognize that certain Requesters, including but not limited to Recovery Audit Contractors (RACs) or Quality Improvement Organizations (QIOs), will not reimburse MRO directly for requested Records but instead will only make payment directly to Facility (Facility Remittance). The full amount of the balances due on the invoices for such Requests will be charged to Client on the Monthly Invoice, Monthly Statement, or the GMR Statement. ROI Online provides each Facility with a report and tracking screen for such fees remitted to each Facility.

Client and MRO recognize that each Facility has contractual arrangements with healthcare payer organizations stipulating how much these organizations must pay for Records for the post payment payer audit Requests. Client agrees to provide MRO with these contracted rates for billing purposes.

Facility further agrees that MRO may pre-bill post-payment audit Requests if pre-billing is required to receive payment. If Facility will not allow MRO to pre-bill post-payment audit Requests, then Client will assume payment balance due on the invoice for the Request (Facility Assumes Payment). MRO will charge that Facility the request fee on the Monthly Invoice or Monthly Statement. If MRO subsequently receives payment, MRO will credit the fee collected back to Facility.

If a Facility requests MRO to provide Records to a third party Requester without pre-payment or contrary to MRO's billing policies, then Client will assume payment balance due on the invoice for the Request (Facility Assumes Payment). MRO will charge that Facility the request fee on the Monthly Invoice or Monthly Statement. If MRO subsequently receives payment, MRO will credit the fee collected back to Facility.

7. Software as a Service (SaaS) and Equipment. Subject to the terms and conditions of this Agreement, MRO hereby grants to Client a non-transferable (except as provided herein), nonexclusive, non-sublicensable (except as provided herein) limited license during the Term of this Agreement, to access and use ROI Online Software as a Service (SaaS) including, without limitation, all new versions, modifications, updates, revisions, releases, documentation, and related materials and information. Client acknowledges that ROI Online SaaS, all derivative works based upon any of the foregoing, and all copies of the foregoing are proprietary property of MRO and MRO deems the foregoing to be trade secrets. Client agrees that it will use ROI Online solely as described in this Agreement.

Responsibility for providing equipment is specified in Schedule B. Each Facility shall be solely responsible for all installation, configuration, long-term maintenance, replacement costs, and warranties for equipment owned by Facility. MRO shall be solely responsible for all installation, configuration, long-term maintenance, replacement costs, and warranties for equipment owned by MRO. Prior to the start date, each Facility shall provide the IT

resources necessary to install and test WebView, WebPrint, and scanners on all computers accessing the ROI Online Facility Portal. Each Facility shall be responsible for installing any updates to WebView provided to the Facility by MRO. Specifications for compatibility of this equipment with ROI Online are provided in Schedule D. MRO shall use commercially reasonable efforts in operating any equipment owned by Facility.

- 8. Compliance and Billing Policies.** Upon signing this Agreement, MRO and each Facility agree to review the MRO Release of Information Policy Document and complete the Facility's ROI Policies Disclosure and Acknowledgement ("PDA") form that specifies the Facility release of information policies, special billing arrangements for specific third party Requesters, internal Requesters, on-site responsibilities, facility forms and policies detailing which Requests require authorizations to Release Records.

In situations where a Facility requests MRO to take any action, related to a Request, which MRO believes to be unreasonable, not in accordance with HIPAA/HITECH, obstructive to a patient's right to access their Records, or in violation of any law, then MRO will notify that Facility of MRO's position and that Facility will take responsibility for responding to that Request. If Facility requests that MRO processes that request, Facility will sign a release that will discharge MRO from liability for processing that Request.

- 9. Access to Medical Records.** As required, each Facility will provide access to active and legacy health information management (HIM) systems for MRO staff to access relevant patient information. Each Facility shall provide safeguards for limiting access to Records containing sensitive information, such as information related to treatment for alcohol and substance abuse, HIV/AIDS, and mental health. These safeguards shall reasonably ensure that individuals Releasing Records shall be alerted to the existence of sensitive information prior to Release. Each Facility will provide MRO staff with training for identifying the Records containing sensitive information. MRO will not accept any responsibility for Redacting sensitive information from any Record.

- 10. Inaccurate or Misfiled Patient Records.** MRO is not responsible for any losses, claims, actions, damages, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) (collectively, Losses) that result from or arise out of, directly or indirectly, inaccurate information, incorrectly dated material, misfiled Records, any other type of faulty or inappropriate Records that are Released by a Facility, or for incorrect, inaccurate or incomplete processing performed by Facility.

- 11. Patient Confidentiality and Rights.** MRO acknowledges the duty to keep patient information confidential in accordance with state and federal laws, including HIPAA, and shall execute a Business Associate Agreement containing terms and conditions reasonably acceptable to both Parties. MRO and Client acknowledge that nothing contained in this Agreement is intended to nor shall it have the effect of diminishing or eliminating the right of any patient as otherwise provided by law to have access to his or her Records for purposes of inspection and/or copying. At each Facility's request, MRO's on-site staff, if any, will sign Facility's confidentiality statement.

- 12. Sole Provider of ROI Services.** Client agrees that MRO is the sole provider of Services for all Billable Requests at all Facilities enumerated in this agreement. However, Client will provide a records custodian for all court proceedings.

- 13. Adjustment of Terms and Termination.** Client and MRO agree that the terms of this Agreement, including the financial terms & conditions and the allocation of responsibilities, are based on the scope of the Services listed in the Statement of Work contained in Schedule B, the projected transaction volumes listed in Schedule C, the mutually agreed upon implementation timeline for Services, any Schedules for the implementation of technical enhancements, and the then-current laws and regulations that govern the fees that may be assessed for Records.

Client and MRO agree to review the terms of the Agreement at MRO's request at any time, including but not limited to when the actual transaction volumes deviate from the projected transaction volumes, when there is a delay on the part of the Client to implement a technical enhancement necessary for the provision of Services, and when the Client wants to expand the scope of Services provided, and based on that review, adjust the financial model, the applicable fees, and/or the allocation of responsibilities accordingly through an amendment to this Agreement.

In the event that there is an adoption of a new law, change in the current law, or updated interpretation of such law(s) which changes the fees that MRO can charge Requesters for Records, MRO may propose an amendment to this Agreement to adjust the financial model, the applicable fees, and/or the allocation of responsibilities to address the change in the fee schedule.

If under these circumstances, Client and MRO cannot agree on an amendment to this Agreement, then MRO may terminate this Agreement, upon thirty (30) days written notice to Client.

- 14. Transition to MRO Services/Backlog Requests.** MRO and Client agree that MRO will process the outstanding or backlogged Requests (the "Backlogged Requests"). Client shall pay to MRO thirty dollars (\$30.00) per hour for Backlogged Requests processed by MRO in accordance with the financial terms and conditions enumerated in Schedule C.
- 15. Electronic Requests.** MRO will process and fulfill Requests through electronic means, including but not limited to fax, email, MRO Requester Portals, and other interfaces with third party Requesters.
- 16. Special Projects.** Client agrees that any record duplication or ROI work that is outside of the Statement of Work listed under Schedule B of this Agreement will be considered a Special Project. Examples of Special Projects include, but are not limited to, processing Requests for Records to be sent another healthcare provider when a physician leaves his or her position at a Facility or retires, providing Records to a long-term care facility at the time of a patient's transfer to that facility (Patient Transfer Record Production), On-Site printing (or other method of production) of Records for purposes other than walk-in Requesters (e.g., nursing audit review or physician credentialing). Special Project pricing will be mutually agreed upon and documented in an addendum to this Agreement.
- 17. Independent Contractor.** Client and MRO agree that MRO will act as an independent contractor in the performance of its duties under this Agreement. MRO may subcontract portions of the services offered and will ensure that a Business Associate Agreement is in place with that subcontractor.
- 18. Limitation of Liability.** NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT.
- 19. Indemnification.** To the extent permitted by law, Client and MRO agree to indemnify and hold harmless the other Party against any and all losses suffered due to any act, omission, or negligence by any agent or employee of the Indemnifying Party in connection with the Services provided under this Agreement as judged in a court of law.
- 20. Waiver of Subrogation.** Each Party to this Agreement hereby waives any claim in its favor against the other Party by way of subrogation or otherwise, which arises during this Agreement, for any and all liability, loss or damage which is covered by policies of insurance required hereunder or covering property, to the extent that such liability, loss or damage is recovered under such policies of insurance. Since the mutual waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company or any other person, each Party agrees to immediately give to each of its insurance carriers, written notice of the terms of said mutual waiver, and to have its insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver.
- 21. Insurance Provided by MRO.** MRO shall secure and maintain during the Term of this Agreement policies of insurance insuring MRO, its subsidiaries, employees, managers, officers and directors against risk of loss or injury arising out of the operations performed for Client. All insurance will be placed with reputable insurers authorized to do business in the state in which the Client is located, with current AM Best and Company ratings of not less than A- VII. MRO shall submit an insurance certificate demonstrating the required coverages. Such insurance shall include:
- a. Worker's Compensation: Statutory limits as required by law.
 - b. Employer's Liability: \$1,000,000 each accident; \$1,000,000 Disease Policy Limit; \$1,000,000 Disease each employee.

- c. Commercial General Liability: on an occurrence basis with limits of: \$1,000,000 each occurrence; \$2,000,000 aggregate including bodily injury and property damage, personal/advertising injury, contractual liability, and products/completed operations coverage.
- d. An Excess Liability policy is acceptable if necessary to bring the General Liability to the minimum limit requirement of \$5,000,000 per occurrence/aggregate.
- e. Automobile liability: \$1,000,000 - combines single limit for owned, non-owned and hired vehicles.
- f. Professional Liability: limits - \$5,000,000 each occurrence / aggregate.
- g. Data Security and Privacy Liability: covers computer security including failure to protect confidential information; limits - \$5,000,000 each occurrence / aggregate.

MRO will include Client as an Additional Insured for General, Excess and Auto Liability on a primary non-contributory basis at the limits noted above.

22. Insurance Carried by Client. Client is a governmental entity under Texas law. As such, the general and professional liability of the Client and the Client's employees are capped by the Texas Tort Claims Act, Chapter 101 of the Texas Civil Practice and Remedies Code, at \$100,000 per person and \$300,000 per occurrence. The Client is self-insured for these amounts. The Client's employees are also covered under the self-insurance.

23. On-Site MRO Staff. For Staffed Delivery Model Facilities, Client must provide MRO staff with access to their MRO email accounts.

MRO and Client are each responsible for hiring, training and managing their own employees. Both Parties invest substantially in advertising, recruiting and training their respective employees. Therefore, if any MRO staff member becomes an employee of a Facility, or vice versa, then the hiring Party agrees to pay the other Party a \$4,500 fee to cover the expense of hiring and training a new staff member. The \$4,500 may be waived with the mutual consent of both Parties. In addition, if Facility is the hiring Party, they will give MRO forty-five (45) days to hire and train a replacement staff member before said staff member begins employment with the Facility.

Client agrees that when addressing performance management issues related to MRO staff at any Facility, that Facility will abide by Facility's performance management and disciplinary procedures and that no adverse employment action will be taken against an MRO staff member without approval from MRO.

24. Press Releases. It is agreed that news and press releases regarding various aspects of the relationship between Client and MRO may be published across various media platforms including the national Business Wire. Prior to either Party releasing information to the media, such Party shall (I) notify the other Party in writing, and (II) prepare a draft of proposed media release and submit to the other Party for review and approval, which approval may be withheld, conditioned or delayed by such reviewing Party.

25. General Terms and Conditions

- a. This Agreement shall be construed and governed by the laws of the State of Texas, without application of the choice of law provisions thereof.
- b. Except for the obligation to pay money, neither Party shall be liable to the other Party for non-performance of this Agreement in whole or in part, to the extent that the non-performance is caused by the other Party's acts or omissions not expressly authorized by this Agreement or events or conditions beyond the Party's control.
- c. This Agreement, along with the Business Associate Agreement, constitutes the entire agreement between the Parties and supersedes all prior communications and understandings, whether oral or written, with respect to the subject matter hereof.
- d. This Agreement may be modified or amended only by a writing executed by both Parties hereto.
- e. Either Party may assign this Agreement and its obligations hereunder to any successor to its business by merger or consolidation or to any Party acquiring substantially all of the assets of the assigning Party's business. This Agreement shall be binding upon the successors and assigns of the Parties.
- f. The failure of either Party to enforce any provision of this Agreement shall in no way be construed to be a waiver of such provision, nor in any way affect the right of either Party to enforce each and every provision of this Agreement thereafter.
- g. If any provision of the Agreement is prohibited or unenforceable in any jurisdiction, such a provision should be ineffective to the extent of such prohibition or unenforceability without invalidating the remainder of this Agreement.
- h. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

- i. Unless provided otherwise in this Agreement, any notice required or permitted under this Agreement shall be personally delivered by overnight delivery service to the address set forth at the beginning of this Agreement or to such other address as shall be advised by any Party to the other in writing. Notices shall be effective as of the date of receipt.

IN WITNESS WHEREOF, the Parties hereto, each acting under due and proper authority, have executed this Agreement as of the day, month and year first written below.

MRO Corporation

Client

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Schedule A Glossary of Terms

“Backlogged Requests” – means Requests that are received by Client within thirty (30) days of the commencement of MRO’s Services and which have not been processed by Client. Any request older than thirty (30) days will be billed at the rate of \$30.00 per hour by MRO.

“Billable Requests” – means Requests for which MRO collects money from the Requester for the Records.

“Courtesy Copies” – means requests for which MRO cannot invoice and collect money from the Requester for the Records but can be billed back to the Facility under certain circumstances (*See Fee Schedule in Schedule C*).

“Disclosure Management Services” – means services provided by MRO to Client and their Facilities to manage the disclosure of Records that contain PHI.

“eLink Interfaces” - means the suite of computer interfaces between ROI Online and Client’s EMR, EDM, MPI systems, including but not limited to EPIC, limitation, EPIC, as detailed in Schedule E of this Agreement.

“eMPI” – means an HL7 ADT interface from Client’s EMR or registration systems to MRO for use in ROI Online platform that includes an initial seed of MRO’s eMPI Mirror Database with the appropriate historic patient encounter extract.

“HIPAA” – means the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1171 *et seq.*), and regulations promulgated thereunder.

“Internal Request” – means a delivery of Records pursuant to an internal Request, typically from the Facility’s business office, which is processed through ROI Online and delivered electronically into an online portal that can be accessed by the Requester within the Facility.

“MRO Delivery” – means the distribution of Records pursuant to a Request by the MRO National Service Center.

“MRO National Service Center” – means MRO’s national headquarters where a number of ROI functions take place.

“MRO Release of Information Policy Document” – means a document specifying, with respect to the Facilities designated therein, release of information policies, special billing arrangements for specific third party Requesters, internal Requesters, on-site responsibilities, and facility forms and policies detailing which Requests require authorizations to Release Records.

“MRO Requester Portals” – means the online portals that allow Requesters to access the Records that they requested in electronic form.

“Non-Billable Requests” – means Requests for which MRO does not collect money from the Requester for the Records.

“On-Site Delivery” or “OSD” – means the distribution of Records pursuant to a Request that is distributed on-site at the Facility and not at the MRO National Service Center. Distribution methods for On-Site Deliveries include on-site pickup by Requester, shipment via U.S. Mail or FedEx, or electronic transmission via fax. If Records are picked up on-site at the Facility by the Requester, the Requester pays the balance due on the invoice directly and the fee assessed and date of delivery are entered into the Requester in ROI Online.

“Patient Requests” – means a Request for Records made by the patient or the patient’s personal representative as defined under 45 CFR 164.502(g) to be provided to the patient, the patient’s personal representative, or a designated third party (as per 45 CFR § 164.524(c)(3)).

“PHI” – means individually identifiable health information transmitted or maintained in any form or medium, as further defined by HIPAA, including, without limitation, 45 C.F.R. § 160.103.

“Record” or “Records” – means copies of information maintained by Client that includes PHI, such as medical records, billing records, and radiology images.

“Redacting” – means the censoring, obscuring, or removal of portions of documents, including medical records, for legal or security purposes.

“Release / Released” – means Records that have been deemed by MRO’s on-site staff ready to undergo MRO’s quality control review process and upon passing that review are set to be distributed to the Requester.

“Remote Delivery Model” – means the service where MRO will provide the MRO staff located at the MRO National Service Center and/or regional remote service processing centers for the ROI processing functions. These MRO staff members will require remote access to the various Client EMR and other HIT systems.

“Request” – means a written request, made in person, electronically, or otherwise, for release of any Record.

“Requester” – means individuals or organizations that request Records from Client and their Facilities.

“ROI” – means release of information.

“ROI Online” – means MRO’s proprietary, web-based solution that Client and their Facilities use to process Requests for Records.

“ROI Online Facility Portal” – means an online portal assigned to a Facility for accessing ROI Online for tracking, and reporting of all ROI activities.

“Services” – means Disclosure Management Services that include Release of Information (“ROI”) Services and ROI Online® Software as a Service (SaaS) for the processing of Requests for copies of Protected Health Information (PHI) as defined by HIPAA.

“Shared Delivery Model” – means the service where the Facility will provide the staff for the on-site ROI processing functions and a portion (“Facility Portion”) of fees collected by MRO from Requesters will be remitted to the Facility.

“Staffed Delivery Model” – means the service where MRO will provide on-site staff for on-site ROI processing functions and other medical record processing services.

“WebLink” – means an interface which facilitates the secure transfer of a .PDF containing PHI into ROI Online through an MRO-provided utility.

“WebView” – means a Microsoft Window ActiveX control that is installed on any computer accessing ROI Online.

“WebPrint and WebPrint Plus” – mean special Windows print drivers installed on Facility computers facilitating the electronic capture of electronic medical records.

**Schedule B
Statement of Work**

Facility Location: Odessa, TX

Delivery Model: Staffed

Projected Start Date: January 15, 2018

Facility Contact to Receive Monthly Statement or Invoice

Name	Marva Rothmeier
Title	HIM Director
Address 1	500 W 4th Street
City, State, Zip	Odessa, TX 79761
Email / Phone Number	mrothmeier@echd.org / 432-640-1130

Allocation of Responsibilities

Basic On-Site ROI Processing Services	MRO	Facility
Validate authorization. Validate each Request for HIPAA compliance (authorization or subpoena) provided through fax, the mail, or received from a walk-in. MRO will not accept verbal orders for Records. All Requests must be submitted in writing.	X	
Log Requests into ROI Online. For each Request provided, log and scan the Request into ROI Online and will initiate the MRO National Service Center processing services.	X	
Pull paper chart. For paper charts, search "in department" to find the chart. Note – if MRO is performing the functions, MRO will search three (3) times in a two (2) week period to find the chart. If not found, locating the chart will become the responsibility of Facility. This activity includes requesting charts from off-site storage.	X	
Access electronic chart.	X	
Determine what to Release. Review the paper or electronic chart to determine which pages are responsive to the Request.	X	
Scan (paper) or WebPrint (electronic) chart. Transfer records into ROI Online on-site.	X	
Collect and log fees for On-Site Delivery. For Records delivered to walk-ins, collect fees and log delivery information into the Request in ROI Online.	X	

Additional Services	MRO	Facility
Front desk coverage and answering phones for ROI issues only.	X	
Greeting walk-ins.	X	
Opening and screening mail.	X	
Researching patient information for each Request. Obtaining services dates, account numbers and medical record number (MRN).	X	
Faxing requests to the MRO National Service Center.	X	
Faxing records for continuation of care.	X	
Provide Notary Services on-site	X	
Appear when mandated by subpoena with records produced by MRO on behalf of Client		X
Logging non-HIM requests into ROI Online. Example: Logging into ROI Online of requests for records not processed by MRO from other departments (e.g., continuity of care radiology) for tracking purposes only.		X
Facility administration including health and security screening, orientations, legal representations and other administrative tasks.		X
Process Backlogged Requests	X	

Responsibility for Equipment	MRO	Facility
Scanners	X	
Fax Machines		X
Microfilm Reader/Printer		X
Copy Machines		X
Computers		X

Allocation of Responsibilities for Processing and Distribution of Records by Type	MRO		Facility	
	Processing	Distribution	Processing	Distribution
Medical Records	X	X		
Itemized Billing Records (Business Office)	X	X		
Audits	X	X		
Billable Radiology Images	X	X		

MRO National Service Center Functions:

MRO will provide Client with the following functions performed at the MRO National Service Center:

- All billing, collections, communications, and Request fulfillment to authorized Requesters
- For all MRO Delivery Requests made by attorneys, insurance companies, and record retrieval services, MRO shall notify the Requester upon receipt of their Request. For each Request, the Requester shall be provided with a unique tracking code for online status tracking and fee payment
- If Requests for MRO Delivery have federal regulatory or state law compliance issues, MRO shall notify the Requester of such issues and shall work with the Requester to resolve the compliance issues
- Client Support Department Representatives who will field phone calls and emails from the Client and its Facilities
- Requester Services Department Representatives, who will field phone calls and emails from Requesters
- Requester phone calls will be directed to MRO's Requester Services Department using Client's phone tree
- For the Remote Delivery Model, the MRO Staff conducting the ROI processing functions will be stationed at MRO's National ROI Service Center.
- Technical and operational support for the ROI Online Software as a Service (SaaS)
 - Technical and operational documentation for ROI Online
 - Technical and operational support **does not** include maintaining and paying for third-party software, systems, and hardware
 - Each Facility will be responsible for paying for and maintaining third-party software systems and hardware
- At each Facility's option, MRO shall provide MRO Requester Portals designated by Facility.
- MRO will provide Client with its own ROI Online Facility Portal for accessing ROI Online. The ROI Online Facility Portal provides each Facility with online access, tracking, and reporting of all ROI activities.
- Electronic delivery in a commercially accepted electronic format of Records to any Requester.
- Monitor incoming faxed requests.
- Provide dedicated STAT and routine fax queues for Client
- Process and fulfill STAT-faxed requests received prior to 4 p.m ET within the same business day Monday through Friday, provided that the patient records are available and accessible to MRO.

[Signatures appear on following page]

IN WITNESS WHEREOF, the Parties hereto, each acting under due and proper authority, have executed this Schedule B as of the day, month and year first written below.

MRO Corporation

Client

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Schedule C
Financial Terms & Conditions | Fees & Other Charges |
Projected Transaction Volumes

MRO shall retain all collected revenue from Requesters, including but not limited to attorneys, insurance companies, and government agencies

Fee Schedule

Item	Description of Fees Applicable to Staffed, Remote, and Shared Facilities	Fee
Monthly Service Fee*	The Monthly Service Fee can include: <ul style="list-style-type: none"> • ROI Online SaaS license fee including updates to the software • Processing for On-Site Delivery and Internal Requests, • Storage and access to all previously scanned images for three (3) years • Storage and access to request history and status for seven (7) years • Overhead management and labor • Maintaining and producing an electronic listing of all Requests processed by MRO, including patient name, Requester name and address, dates of delivery and final disposition. 	\$5,300 per month
Standard Non-Billable Postage and Shipping	Postage and shipping for all non-billable requests at commercial rates.	Commercial Shipping Rates
Audit, Expedited, and Tracked Shipping	Postage and shipping for Audit, Expedited, and Tracked requests as required at commercial rates.	Commercial Shipping Rates
Configuration and Training*	MRO provides configuration and training either on-site or remotely via Webinar. Configuration and Training include: <ul style="list-style-type: none"> • Configuring ROI Online Facility Portal and associated databases • Providing documentation for ROI Online and technical documentation for configuring ROI Online on a PC, installing WebView and scanner drivers and installing WebPrint • Providing a workflow design for using ROI Online • Reviewing with Facility MRO Release of Information Policy Document and completing the Facility's ROI Policies Disclosure and Acknowledgement (PDA) form 	\$250.00 per day plus actual travel and living expenses
Technical and Operational Phone Support	MRO provides phone support for technical and operational issues weekdays 7:00 AM to 7:00 PM EST. There is no charge for operational or technical support. However, if MRO technical staff spends over one hour resolving a technical problem in Facility's IT infrastructure or PC configuration which is not related to any fault or error in MRO systems or services then there will be a \$95 per hour charge.	No Charge
WebPrint and WebPrint Plus	One-time software license fee. <ul style="list-style-type: none"> • WebPrint (per computer) • WebPrint Plus (per installation) 	No Charge
Separator page fee.	Based on requester type, MRO will insert a separator page between each component of a record set. As requested by Facility.	\$1.00 per request
Page numbering fee.	Based on requester type, MRO will sequentially number each page of a record delivery. As requested by Facility.	\$1.00 per request
Courtesy Copies	MRO will process for the Facility one non-billable page for every one legal or insurance billable page free of charge (a 1:1 ratio). MRO will	\$0.16 per page for non-billable pages processed for

Item	Description of Fees Applicable to Staffed, Remote, and Shared Facilities	Fee
	assess a \$0.16 per page fee for non-billable pages processed for Facility in excess of 1:1 ratio.	the Facility in excess of the 1:1 ratio.
Backlogged Requests	MRO will process Backlogged Requests that are received by Client within thirty (30) days of the commencement of MRO's Services.	\$30.00 per hour for any request older than thirty (30) days at the time of commencement.

* These fees are subject to a maximum 4% per year increase.

Projected Transaction Volumes

The terms and conditions of this Agreement are based on the below projected transaction volumes. These projections are based on statistical information provided by Client.

1. Number of Billable Requests per month	610
2. Number of Non-Billable Requests per month	293
3. Number of faxes per month	447
4. Number of Patient Requests per month	260
Total requests per month (sum of 1, 2, 3, and 4 above)	1,610

IN WITNESS WHEREOF, the Parties hereto, each acting under due and proper authority, have executed this Schedule C as of the day, month and year first written below.

MRO Corporation

Client

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Schedule D Facility Computer System Requirements

Internet Connection Requirements

A high speed (broadband) Internet connection is required for all computers accessing ROI Online. A dial up connection will not work. Minimum Internet connection speed is 750Kbits per second.

Windows PC Requirements

The ROI Online program can be run on most computers connected to the Internet. Below are the typical minimum requirements and recommendations.

- Processor – 2.0 GHz or faster
- Memory – 4GB of RAM
- Operating System – Windows 7, Windows 8
- Microsoft Internet Explorer 32bit versions 8.0 or later
- High speed internet connection such as DSL, Cable Modem, T1, etc.
- Monitor with a resolution of at least 1280 by 1024 and a 17" display
- Virtual printing output folders whitelisted/excluded from AV Scans
- User needs full control of virtual output folders

Other versions of Windows may not work properly and could require on site configuration by MRO staff at a cost of \$95 per hour.

Considerations:

WebView Active X Control: ROI Online is a web-based application accessed via Microsoft Internet Explorer. To use ROI Online, a Windows plug-in, WebView, must be installed on each PC using ROI Online. WebView can be installed online via the ROI Online Website or provided for distribution as a MSI file. To install WebView, the PC user must be logged on to his or her computer with Administrative Rights for that computer.

PC System Environment Variables

PC environment variables may be required to support local or remote virtual printing into our application.

Virtual Printing:

For users uploading to our system MRO typically requires installation of a Virtual Printer technology provided by MRO. Administrative rights are required for the installation and additional licensing may be required.

Internet:

Whitelist sites in Webfilters/Proxy/Firewalls

- *.chartonline.com
- *.roilog.com
- OR-
- 208.99.175.22 for ports 80 and 443

Trusted IE Sites (if set by GPO)

- *.chartonline.com
- *.roilog.com

Scanner Requirements

MRO recommends using Fujitsu FI line scanners but any scanner with TWAIN drivers should work. Administrative rights are typically required for the installation. Contact MRO for more details about your particular scanner.