



ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING

November 7, 2017 – 5:30 p.m.

AGENDA

- I. CALL TO ORDER..... Mary Thompson, President
- II. INVOCATION..... Chaplain Farrell Ard
- III. PLEDGE OF ALLEGIANCE ..... Mary Thompson
- IV. MISSION/VISION/VALUES OF MEDICAL CENTER HEALTH SYSTEM  
.....Mary Thompson, p. 3
- V. NOVEMBER 2017 EMPLOYEES OF THE MONTH ..... William Webster
  - Clinical: Linno Guerrero, CT Technologist, Radiology CAT Scan
  - Non-Clinical: Gabriella Rojo, Divisional Secretary, Emergency Department
  - Nurse of the Month: Tausha Martinez, RN, Labor and Delivery
- VI. REVIEW OF MINUTES ..... Mary Thompson, p. 4-15  
Regular Meeting – October 3, 2017
- VII. EDUCATIONAL TOPIC  
ContinueCare Hospital at Medical Center  
Long Term Acute Care Hospital (LTACH) ..... Judith Schiros
- VIII. COMMITTEE REPORTS
  - A. Finance Committee ..... David Dunn, p.16-99
    - 1. Quarterly Investment Report – Quarter 4, FY 2017
    - 2. Quarterly Investment Officer’s Certification
    - 3. Financials for twelve months ended September 30, 2017
  - B. Joint Conference Committee ..... Greg Shipkey, MD, p. 100-105
    - 1. Medical Staff or AHP Initial Appointment/Reappointment
    - 2. Change in Clinical Privileges/or Scope of Practice/or Supervisor
    - 3. Change in Medical Staff or AHP Staff Status
    - 4. Change in Medical Staff or AHP Staff Category
    - 5. Change in Medical Staff Bylaws/Policy/Privilege Criteria

- C. Audit Committee**..... David Dunn, p.106-133
- IX. TTUHSC AT THE PERMIAN BASIN REPORT** ..... Gary Ventolini, MD
- X. PRESIDENT/CHIEF EXECUTIVE OFFICERS REPORT**..... William Webster
  - A. ECHD/MCHS Corporate Compliance Program Resolution/Reaffirmation** ..... Gingie Sredanovich, p. 134
  - B. THA Smart Ribbon (IllumiCare) Agreement**..... Tony Ruiz, p. 135-137
- XI. CHANGE ECHD BOARD OF DIRECTORS AUDIT COMMITTEE, FINANCE COMMITTEE, AND REGULAR MEETING DATE FROM FEBRUARY 6 TO FEBRUARY 13, 2018** ..... Mary Thompson
- XII. EXECUTIVE SESSION**

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

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

## **MISSION**

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

## **VISION**

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

## **VALUES**

***I-ntegrity***

***C-ustomer centered***

***A-ccountability***

***R-espect***

***E-xcellence***

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

**October 3, 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:**

None

**OTHERS PRESENT:**

William Webster, President/Chief Executive Officer  
Tony Ruiz, Senior Vice President/Chief Operating Officer  
Jon Riggs, Senior Vice President/Chief Financial Officer  
Chad Dunavan, Vice President/Chief Nursing Officer  
Gary Barnes, Senior Vice President/Chief Information Officer  
Dr. Augusto Sepulveda, Senior Vice President/CMO/CMIO  
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 Doug Herget 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**

Mary Lou Anderson presented the Mission, Vision and Values of Medical Center Health System.

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

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

- Clinical: Brittany Sorenson, Radiology Tech, Urgent Care
- Non-Clinical: Jessica Melendez, Front Desk Lead, MCH ProCare Internal Medicine
- Nurse of the Month: Linda Sharrock, Lead Care Coordinator, Community Health

#### **VI. PINK THE BASIN PRESENTATION**

Jacqui Gore introduced Mara Barham, President of Pink the Basin. Ms. Barham gave a presentation regarding various events held by Pink the Basin and also gave special thanks to the ECHD Board for their continued support of Pink the Basin, and breast cancer awareness in the Permian Basin. Ms. Barham reported that in the last five years, Pink the Basin has donated over \$1 million toward the cost of mammograms in the Permian Basin.

#### **VII. REVIEW OF MINUTES**

- A. Regular Meeting – September 5, 2017**
- B. Special Meeting – September 13, 2017**
- C. Special Meeting – September 19, 2017**
- D. Special Meeting – September 26, 2017**

David Dunn moved and Mary Lou Anderson seconded the motion to accept the minutes of the Regular ECHD Board meeting held September 5, 2017, the minutes of the special meeting held September 13, 2017, the minutes of the special meeting held September 19, 2017 and the minutes of the special meeting held September 26, 2017 as presented. Mary Thompson asked if there was any discussion, at which time she stated that she would like to approve the minutes as presented, but with the correction to the minutes of the Regular Meeting of September 5, 2017 where Ben Quiroz abstained on the motion to approve the Medical Staff recommendations. The minutes were approved with the noted correction to be documented in the minutes.

#### **VIII. EDUCATIONAL TOPIC: MCH LEVEL II TRAUMA PROGRAM**

Dr. Kathy Grove, Medical Director of Trauma Services, provided an educational presentation related to the Level II Trauma Program at Medical Center Hospital. She then presented a resolution of support of the Level II Trauma Program.

Be it resolved that:

*We, the Board of Directors of the Ector County Hospital District, resolve that we will support the Trauma Program at Medical Center Hospital attaining Level II Trauma verification and*

*designation. We will be committed to providing the resources necessary to ensure quality care of the trauma patient to achieve optimal outcomes throughout the continuum of care. This we do to further our commitment as the lead trauma facility for all citizens of Ector County and Trauma Service Area "J".*

*The Trauma Program is the cornerstone of our regional outreach plan and an integral component of our hospital strategic plan. Our support encompasses funding for uncompensated care, physician coverage, contracts, professional education, injury prevention education, clinical facilities, modern technologies, and dedicated staff.*

*Medical Center Hospital will continue to be active in leadership roles in Texas "J" Regional Advisory Council. Our Trauma Program staff will be supported in participating at the state level in the Texas Trauma Coordinators Forum; The Texas Emergency, Trauma, and Acute Care Foundation and the Governor's Emergency and Trauma Advisory Council and Committees. We are committed to furthering the development of the Texas Trauma System in our region and the state.*

**PASSED AND APPROVED** by the Board of Directors of the Ector County Hospital District of Odessa, Texas this the 3rd day of October 2017.

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*Mary Thompson, ECHD Board President*

ATTEST:

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*Jan Ramos, ECHD Board Secretary*

David Dunn moved and Mary Lou Anderson seconded the motion to approve the Trauma Level II Resolution of Support as presented. The motion carried.

## **IX. COMMITTEE REPORTS**

### **A. Finance Committee**

#### **1. Financials for eleven months ended August 31, 2017**

David Dunn moved and Bryn Dodd seconded the motion to accept the Financial Report for eleven months ended August 31, 2017 as presented. The motion carried.

#### **2. CER: Stago Coagulation Analyzers**

David Dunn moved and Bryn Dodd seconded the motion to approve the Stago Coagulation Analyzers as recommended to the ECHD Board by the Finance Committee. The motion carried.

**B. Joint Conference Committee**

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

Applicant	Department	Specialty/Privileges	Group	Dates
* Kakarala, Bharat, MD	Radiology	Diagnostic Radiology	Procare	10/03/2017 – 10/02/2018

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

**Medical Staff**

Applicant	Department	Specialty/Privileges	Group	Sponsoring Physician(s)	Dates
Griffin, Brian NP	Surgery	Nurse Practitioner	Acute Surgical	Dr. Paul Merkle; Dr. Benjamin Turnbow	10/03/2017 – 10/02/2019
* Roeder, Hannah, PA	Medicine	Physician Assistant	Procare	Dr. Johany Herrera	10/03/2017 – 10/02/2019

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

*\*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
Adams, Scott, MD	Radiology	Associate	Diagnostic Radiology	American Radiology	11/1/2017 – 10/31/2018
Alamo, Jorge, MD	Family Medicine	Associate	Family Medicine	Procare	11/01/2017 – 10/31/2018
Benson, Kevin, MD	Pediatrics	Associate to Active	Pediatrics	Procare	11/01/2017 – 10/31/2019
Boe, Justin, MD	Radiology	Telemedicine	Telemedicine	VRAD	11/01/2017 – 10/31/2019
Buitrago, William, MD	Surgery	Associate	General /Trauma Surgery	Acute Surgical	11/01/2017 – 10/31/2018
Daniel, Craig, MD	Surgery	Active	General Surgery	Acute Surgical	11/01/2017 – 10/31/2019
Davenport, Donald, DO	Surgery	Active	General Surgery		11/01/2017 – 10/31/2019
Davison, David, MD	Family Medicine	Associate	Family Medicine	Procare	11/01/2017 – 10/31/2018
Deaver, Tara, DPM	Surgery	Active	Podiatry	Texas Tech	11/01/2017 – 10/31/2019
Deme, Srikanth, MD	Surgery	Active	Neuro Surgery		11/01/2017 – 10/31/2019
Dorman, John, MD	Surgery	Active	Neuro Surgery		11/01/2017 – 10/31/2019
Ellis, Zachary, DDS	Surgery	Associate to Active	Pediatric Dentistry		11/01/2017 – 10/31/2019

Furst, Matthew, MD	Surgery	Active	Plastic Surgery		11/01/2017 – 10/31/2019
Garza, Orlando, MD	Surgery	Active	Orthopedic Surgery		11/01/2017 – 10/31/2019
Halpert, Michael, MD	Surgery	Active	General Surgery	Acute Surgical	11/01/2017 – 10/31/2019
Ingram, James, DO	Surgery	Active	Orthopedic Surgery	Procure	11/01/2017 – 10/31/2019
Jabur, Razzak, MD	Surgery	Active	Urology		11/01/2017 – 10/31/2019
Li, James, MD	Surgery	Active	Vascular Surgery		11/01/2017 – 10/31/2019
Mayans, Jose, MD	Surgery	Active	Ophthalmology		11/01/2017 – 10/31/2019
Miller, James, DDS	Surgery	Active	Pediatric Dentistry		11/01/2017 – 10/31/2019
Mocherla, Bhavana, MD	Family Medicine	Associate	Family Medicine	Texas Tech	11/01/2017 – 10/31/2018
Morgan, Joseph, DPM	Surgery	Courtesy	Podiatry		11/01/2017 – 10/31/2018
Pal, Vabhava, MD	Medicine	Associate	Internal Medicine	Texas Tech	11/01/2017 – 10/31/2018
Patel, Kirit, MD	Surgery	Active	Vascular /Thoracic Surgery		11/01/2017 – 10/31/2019
Sajja, Narendra, MD	Medicine	Active	Internal Medicine	Texas Tech	11/01/2017 – 10/31/2019
Shah, Harshad, MD	Surgery	Active	Ophthalmology		11/01/2017 – 10/31/2019
Stockbridge, Glenn, DPM	Surgery	Active	Podiatry		11/01/2017 – 10/31/2019
Thummala, Harika, MD	Medicine	Associate	Internal Medicine/ Hospitalist	Procure	11/01/2017 – 10/31/2018
Tolia, Nalin, MD	Surgery	Active	Ophthalmology		11/01/2017 – 10/31/2019
Trivedi, Hariprasad, MD	Medicine	Associate	Nephrology		11/01/2017 – 10/31/2018
Unruh, Terry, MD	Surgery	Active	General Surgery		11/01/2017 – 10/31/2019
Vyas, Arpita, MD	Pediatric	Associate	Pediatric Endocrinology		11/01/2017 – 10/31/2018
Wiehle, Steven, MD	Surgery	Active	Urology		11/01/2017 – 10/31/2019
Zeeck, Phillip, MD	Surgery	Active	Orthopedic Surgery		11/01/2017 – 10/31/2019

Blank **Staff Category** column signifies no change

**Allied Health Professionals**

Applicant	Department	Specialty/ Privileges	Group	Sponsoring Physician(s)	Dates
Alexander, Alexis, CCP	Surgery	Certified Cardiovascular Perfusionist		Dr. Kirit Patel	11/01/2017 – 10/31/2019

Alexandre, Michelle, NP	Surgery	Nurse Practitioner	Acute Surgical	Dr. Paul Merkle	11/01/2017 – 10/31/2019
Dominguez, Jason, PA	Medicine	Physician Assistant		Dr. Vemulapalli; Dr. Chappell	11/01/2017 – 10/31/2019
Johnson, Donna, FNP	Surgery	Nurse Practitioner		Dr. Donald Davenport	11/01/2017 – 10/31/2019
Marshall, Anita, FNP	Emergency Medicine	Nurse Practitioner	BEPO	Dr. Neil Slater	11/01/2017 – 10/31/2019
Novicio, Benedict, CRNA	Anesthesia	CRNA	Procure	Meghana Gillala, MD; MD; Jannie Tang, MD; Marlys Munnell, MD; Luke Young, MD; Bhari Jayadevappa, MD	11/01/2017 – 10/31/2019
Samford, Robin Renee, CSFA	Surgery	Certified Surgical First Asst.		Dr. Donald Davenport	11/01/2017 – 10/31/2019
Sanchez, Matthew, FNP	Family Medicine	Nurse Practitioner	Procure	Dr. Michael Auringer	11/01/2017 – 10/31/2019
Varner, Mark, CCP	Surgery	Certified Cardiovascular Perfusionist		Dr. Kirit Patel	11/01/2017 – 10/31/2019

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
Bastidas Palacios, Alexander MD	Medicine	ADD: Internal Medicine Privilege Form
Daniel, Craig, MD	Surgery	ADD: Pulmonary Artery Catherization (PAC) central line catherization; Colonoscopy-diagnostic; Trauma Privilege Form
Flaherty, Stephen MD	Surgery	ADD : Moderate Sedation; Deep Sedation; Sepsis, treatment of; Ventilator Management
Halpert, Michael, MD	Surgery	ADD: Adhesiolysis; Bile duct, investigations and manipulations of; Chest tube placement, (tube thoracostomy); Cholecystectomy with common bile duct exploration; Oophorectomy, incidental to G.I. Surgery; Ostomy Creation and Reversal; Pulmonary Artery Catheterization (PAC) central line catheterization; Laparoscopic appendectomy; Percutaneous Endoscopic

		Gastrostomy (PEG) non-intraoperative (must be reviewed by Endoscopy Subcommittee; Trauma Privilege Form; DELETE: Arteriovenous graft; Parathyroidectomy; Thyroidectomy
Mayans, Jose, MD	Surgery	ADD: Intraocular gas injection of posterior segment and pneumatic retinopexy
*Nelson, Jonathan, MD	Urology	ADD: daVinci Surgical Ssystem
Sajja, Narendra, MD	Medicine	ADD: Central Venous Catheterization; Punch Biopsy; Arterial Line Placement
Thummala, Harika, MD	Medicine	ADD: Gram stains of sputum, interpretation of; Peripheral blood smear technique/interpretation; Urine analysis, including microscopic; Vaginal discharge, KOH and wet prep examinations
Unruh, Terry, MD	Surgery	ADD: Abdominal Ultrasound, performance/interpretation for guidance of invasive procedures; Amputations-lower extremity including toe, transmetatarsal and digits; Intraoperative Endoscopy(does not require Endoscopy subcommittee review; Oophorectomy, incidental to G.I. surgery; Pulmonary Artery Catheterization

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

#### Resignation / Expiration of Privileges

Staff Member	Staff Category	Department	Effective Date	Action
Sanchez, Rebecca, PA	Allied Health Provider	Surgery	09/05/2017	Resigned
West, Thomas, MD	Affiliate	Surgery	08/16/2017	Resigned

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

#### Staff Category Changes

Staff Member	Department	Category
Benson, Kevin, MD	Pediatric	Associate to Active
Ellis, Zachary, DDS	Surgery	Associate to Active
Castillo, Manuel MD	Pediatric	Removal of Provisional Status
Dasari, Vivekanand MD	Pediatric	Removal of Provisional Status

Vyas, Arpita MD	Pediatric	Removal of Provisional Status
LaValle, Dayna PA	OBGYN	Removal of Provisional Status
Zafar, Muhammad Khalid, MD	Medicine	Extension of Provisional Status for 1 year
Trivedi, Hariprasad MD	Medicine	Removal of Provisional Status
Onyia, Barbara MD	Medicine	Removal of Provisional Status
Pal, Vabhav MD	Medicine	Removal of Provisional Status
Thummala, Harika MD	Medicine	Removal of Provisional Status
Kaitha, Sindhu MD	Medicine	Removal of Provisional Status
Bgoya, Kaaneza MD	Medicine	Removal of Provisional Status
Porter, Douglas MD	Medicine	Extension of Provisional Status for 1 Year
Siwald, Lauren PA	Surgery	Removal of Provisional Status
Glass, Darren MD	Surgery	Removal of Provisional Status
York, Caroline PA	Surgery	Removal of Provisional Status
Buitrago, William MD	Surgery	Removal of Provisional Status
Sanchez, Rebecca PA	Surgery	Removal of Provisional Status
Eilers, Mark MD	Surgery	Removal of Provisional Status
Gully, Emily FNP	Surgery	Removal of Provisional Status
Guillen, Phillip MD	Surgery	Extension of Provisional Status for 1 Year
Davison, William David MD	Family Medicine	Removal of Provisional Status
Mocherla, Bhavana, MD	Family Medicine	Removal of Provisional Status
Alamo, Jorge MD	Family Medicine	Removal of Provisional Status
Carter, Bonnie MD	Family Medicine	Removal of Provisional Status
Marmolejo, Jeneva PA	Family Medicine	Removal of Provisional Status
Obafial, Rhoena CRNA	Anesthesia	Removal of Provisional Status
Harvey, Kathy CRNA	Anesthesia	Removal of Provisional Status
Dunaway, Kyle CRNA	Anesthesia	Removal of Provisional Status

Savellano, Felix CRNA	Anesthesia	Removal of Provisional Status
Rosenthal, Jon MD	Emergency Medicine	Removal of Provisional Status

**Leave of Absence**

**None Presented**

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

Bylaws Amendment No. 1 – Section B. Article Two No. 7 Prenatal Record  
 Bylaws Amendment No. 2 – Section B. Article Two No. 5 Operative /Procedure Reports

Ben Quiroz moved and Don Hallmarked seconded the motion to approve the Medical Staff recommendations (Items IX. B. 1-5) as presented. The motion carried.

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

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

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

**A. Neonatal Resolution of Support**

Christin Timmons, Associate Chief Nursing Officer, presented a resolution of support of the Neonatal Intensive Care Program at Medical Center Hospital attaining Level III Neonatal verification and designation.

Be it resolved that:

*We, the Board of Directors of the Ector County Hospital District, resolve that we will support the Neonatal Intensive Care Program at Medical Center Hospital attaining Level III Neonatal verification and designation. We are committed to providing the resources necessary to ensure quality care for our neonatal patients to achieve optimal outcomes throughout the continuum of care.*

*The Neonatal Intensive Care Unit is an integral component of our hospital strategic plan for Women & Children Services. Our support encompasses the following: dedicated personnel and resources specific to the neonatal program, physician coverage and contracts for neonatal response, high neonatal clinical standards of care, professional education, outstanding clinical facilities, leadership, and community outreach.*

*Medical Center Hospital NICU designated leaders will continue to be active in leadership roles of the Perinatal Care Region (PCR) section in the Texas "J" Regional Advisory Council. Our NICU Program staff will be supported to participate in leadership roles at the local, regional, and state level in Texas. We are committed to furthering the development of*

*the Neonatal Intensive Care program for all families of Ector County and the Trauma Service Area "J".*

*PASSED AND APPROVED by the Board of Directors of the Ector County Hospital District of Odessa, Texas this the 3<sup>rd</sup> day of October 2017.*

*Mary Thompson, ECHD Board President*

*ATTEST:*

*Jan Ramos, ECHD Board Secretary*

Ben Quiroz moved and Mary Lou Anderson seconded the motion to approve the resolution of support of the Neonatal Intensive Care Program at Medical Center Hospital attaining Level III Neonatal verification and designation. The motion carried.

#### **B. InTouch Telemedicine Agreement**

John O'Hearn, Vice President/Chief Strategy Officer, presented an agreement with InTouch Healthcare to provide telemedicine services. The initial offering will be a telestroke network that works with our rural partners. This will also connect Medical Center Hospital's NICU to Cook Children's Hospital in Fort Worth, Texas. This projected was budgeted in Fiscal Year 2018 and funded through MCHS Foundation up to \$500,000 for the initial year.

David Dunn moved and Bryn Dodd seconded the motion to approve the InTouch Telemedicine Agreement. The motion carried.

#### **C. TCDRS Resolution**

Robbi Banks, Vice President Human Resources, presented the Texas County and District Retirement System (TCDRS) plan provisions for plan year 2018. In the Fiscal Year (FY) 2018 budget, the ECHD Board of Directors approved the following changes to the TCDRS plan. Beginning January 1, 2018, the employee contribution rate will be increased from 5% to 6%. The employer match rate will be decreased from 200% to 125%.

Be it resolved that:

*On the 3<sup>rd</sup> day of October 2017, at a Regular Meeting of the Board of Directors for the Ector County Hospital District ("ECHD"), a governmental entity, held in the City of Odessa, Ector County, Texas with a quorum of the Board Members present, the following Resolution was adopted by majority vote:*

*WHEREAS, the ECHD has been duly organized in accordance with the laws of the State of Texas; and*

*WHEREAS, the ECHD is a participant in the Texas County & District Retirement System ("TCDRS") as a retirement plan sponsor; and*

*WHEREAS, at a special meeting on September 26, 2017 the ECHD approved the District's Fiscal Year 2018 budget that included proposed changes to the TCDRS; and*

*WHEREAS, the ECHD Board of Directors now ratifies those changes from the Fiscal Year 2018 budget into this Resolution; and*

*NOW, THEREFORE BE IT RESOLVED by the Board of Directors of ECHD that the current TCDRS Plan be amended to change the current employee contribution rate from five percent (5%) to six percent (6%) and the current employer match rate from two hundred percent (200%) to one hundred twenty-five percent (125%). These changes shall become effective January 1, 2018. The Board of Directors reserves the right to review the TCDRS benefit annually.*

*This Resolution shall take effect from and immediately upon its adoption.*

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*Mary Thompson, President  
Ector County Hospital District  
Board of Directors*

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*Jan Ramos, Secretary  
Ector County Hospital District  
Board of Directors*

Ben Quiroz moved, with the stipulation that the plan be revisited next budget year, and Mary Lou Anderson seconded the motion to approve the TCDRS plan provisions for plan year 2018. The motion carried by a vote of 4-2 with Bryn Dodd and Don Hallmark voting against the motion.

**XII. JANUARY 2018 THROUGH JANUARY 2019 BOARD/FINANCE COMMITTEE MEETING DATES APPROVAL**

Mary Thompson presented the proposed January 2018 through January 2019 Board/Finance Committee Meeting dates for approval. The proposed dates are as follows:

January 9, 2018	May 17-18, 2018 (Board Retreat)	October 2, 2018
February 6, 2018	June 5, 2018	November 6, 2018
March 6, 2018	July 10, 2018	December 4, 2018
April 3, 2018	August 7, 2018	<u>January 8, 2019</u>
May 1, 2018	September 4, 2018	

Bryn Dodd moved and David Dunn seconded the motion to approve the proposed January 2018 through January 2019 Board/Finance Committee Meeting dates as presented. The motion carried.

**XIII. CONSIDERATION/APPOINTMENT OF ECHD DISTRICT 3 DIRECTOR**

Ron Griffin, Vice President/Chief Legal Counsel, outlined the procedure that would be followed to consider and appoint the ECHD District 3 Director. Each of the two qualified applicants, Lettie England and Richard Herrera, had five (5) minutes to speak to the Board. Following, there were questions and answers from the Board and the applicants. Subsequently, Ben

Quiroz nominated Richard Herrera and Bryn Dodd nominated Lettie England. Richard Herrera was appointed ECHD District 3 Director on a counted vote of 4-2; Mary Thompson, David Dunn, Mary Lou Anderson and Ben Quiroz voting in favor of Richard Herrera and Don Hallmark and Bryn Dodd voting against.

**XIV. SWEAR IN APPOINTED DISTRICT 3 DIRECTOR**

Jan Ramos, ECHD Board Secretary, read the Oath of Office to Richard Herrera, to which he affirmed.

**XV. 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, litigation update *Meisell et al., v. ECHD et al.*, discussion with attorney regarding Medical Peer Review Committee Statute, and/or other legal advice, and (2) the Board TO receive an update from the ad hoc executive search committee on the employment of a new President/Chief Executive Officer, pursuant to Section 551.074 of the Texas Government Code. The Board is expected to continue to receive updates on this topic periodically in the future.

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

Those excused from Executive Session during consultation/deliberation related to **Section 551.074** were William Webster, Jon Riggs, Robbi Banks, and Jan Ramos.

**Executive Session began at 7:10 pm.**  
**Executive Session ended at 8:03 p.m.**

No action was taken during Executive Session.

**XVI. ADJOURNMENT**

There being no further business to come before the Board, Mary Thompson adjourned the meeting at 8:03 p.m.

Respectfully Submitted,



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Jan Ramos, Secretary  
Ector County Hospital District Board of Directors



**ECTOR COUNTY HOSPITAL DISTRICT  
Investment Portfolio  
Charles Brown, Hilltop Securities Independent Network Inc.  
September 30, 2017**

*All prices and values reflected in this report are captured from the Hilltop Securities statements dated 09/29/2017.*

*"This report is given as a courtesy to our clients. Hilltop Securities makes no warranties as to the completeness or accuracy of this information and specifically disclaims any liability arising from your use or reliance on this information. Hilltop Securities does not offer tax advice. You are solely responsible for the accuracy of cost basis and gain/loss information reported to tax authorities."*

**ECTOR COUNTY HOSPITAL DISTRICT**

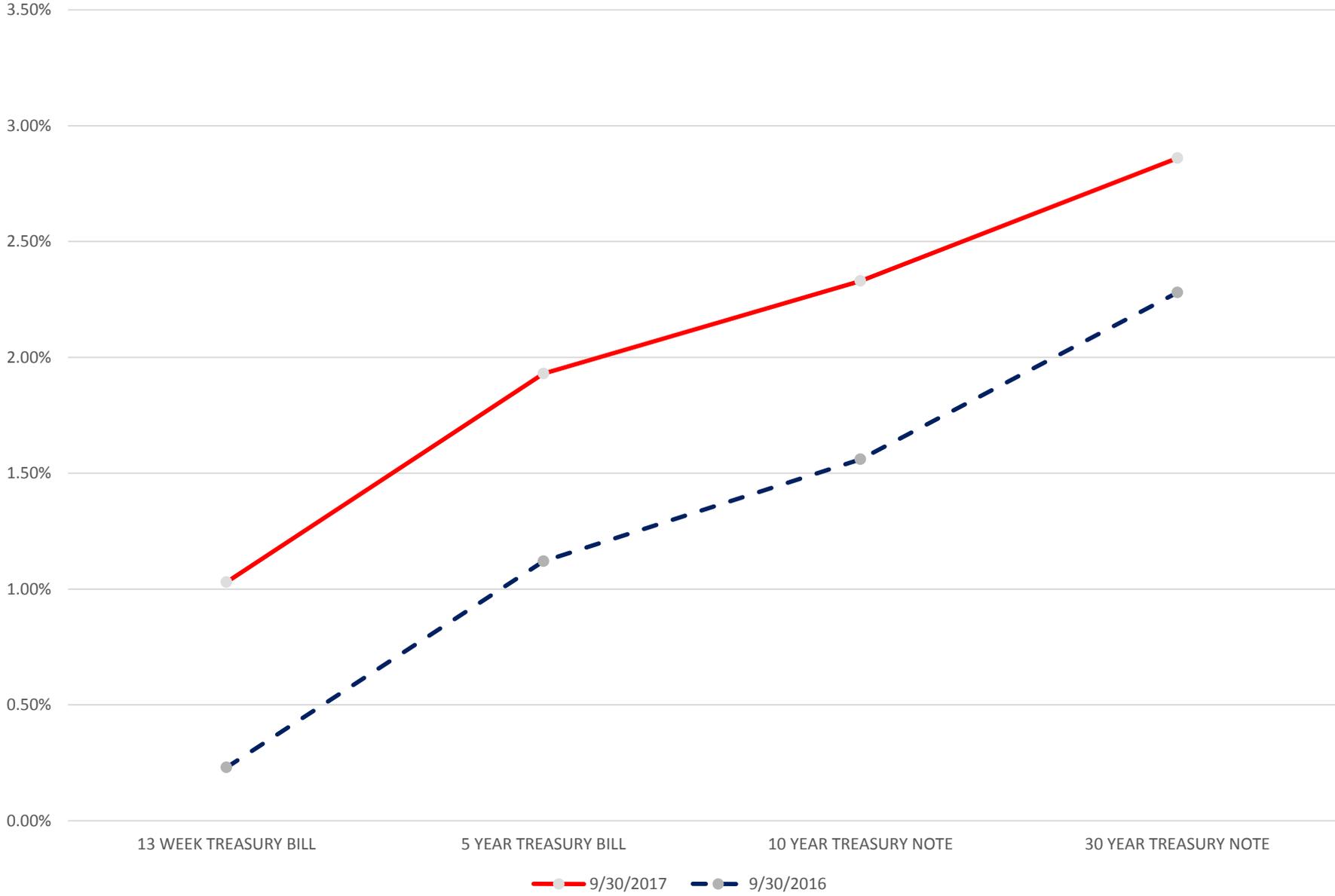
September 29, 2017

**Yield Summary**

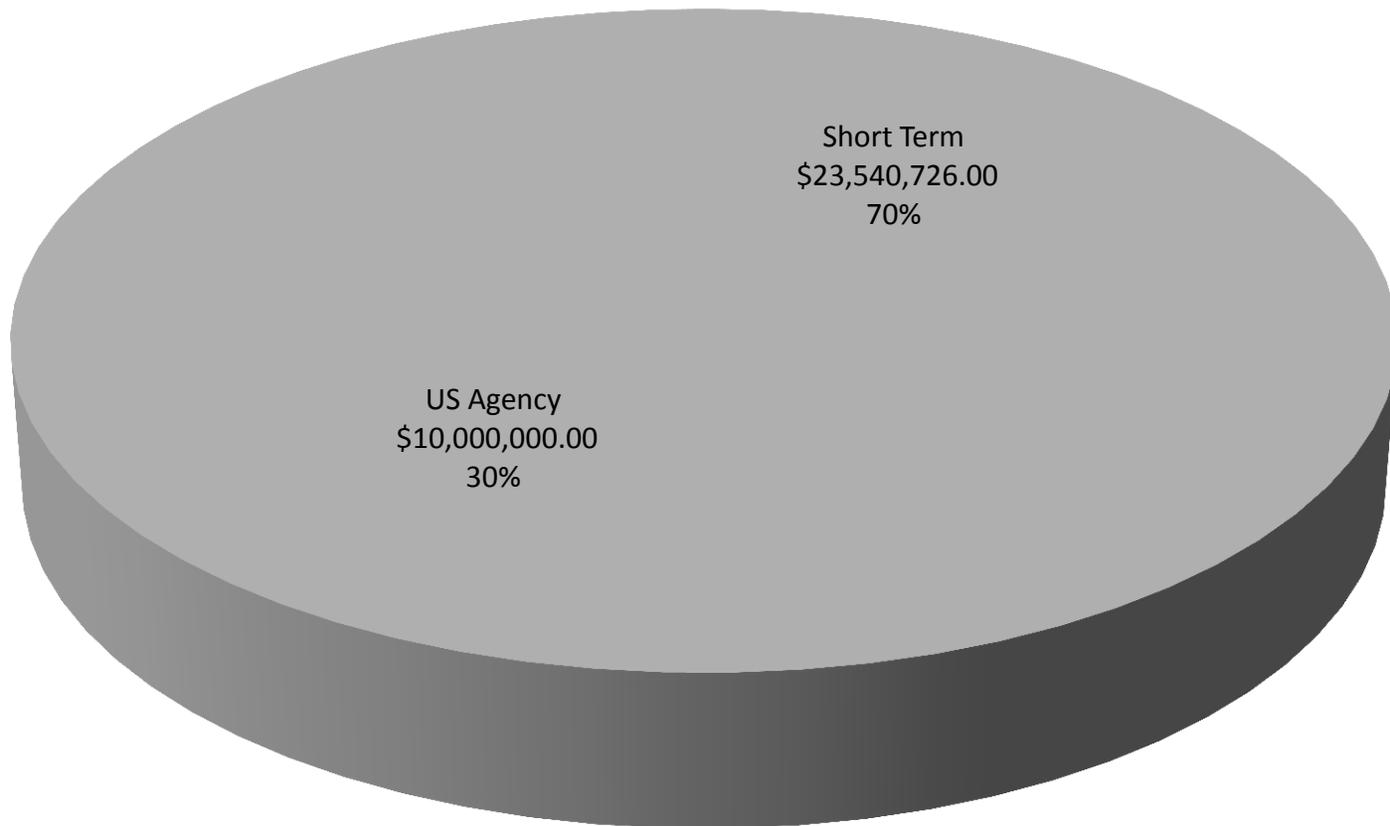
<b>SECTOR</b>	<b>PAR VALUE</b>	<b>Weighted Avg Yield</b>	<b>Market Value</b>	<b>Gain/Loss</b>
US AGENCY	\$ 10,000,000.00	1.73%	\$ 9,901,600.00	\$ (98,400.00)
SHORT-TERM INVESTMENTS	\$ 23,540,726.14	0.31%	\$ 23,570,726.14	\$ -
<b>TOTAL</b>	<b>\$ 33,540,726.14</b>	<b>0.783%</b>	<b>\$ 33,472,326.14</b>	<b>\$ (98,400.00)</b>

	<b>9/30/2017</b>	<b>9/30/2016</b>
<b>13 WEEK TREASURY BILL</b>	1.03%	0.23%
<b>5 YEAR TREASURY BILL</b>	1.93%	1.12%
<b>10 YEAR TREASURY NOTE</b>	2.33%	1.56%
<b>30 YEAR TREASURY NOTE</b>	2.86%	2.28%

# Yield Summary



### Distribution by Asset Type Shown at Book Value



**ECTOR COUNTY HOSPITAL DISTRICT**

September 29, 2017

**Maturity Distribution 1-5 Years**

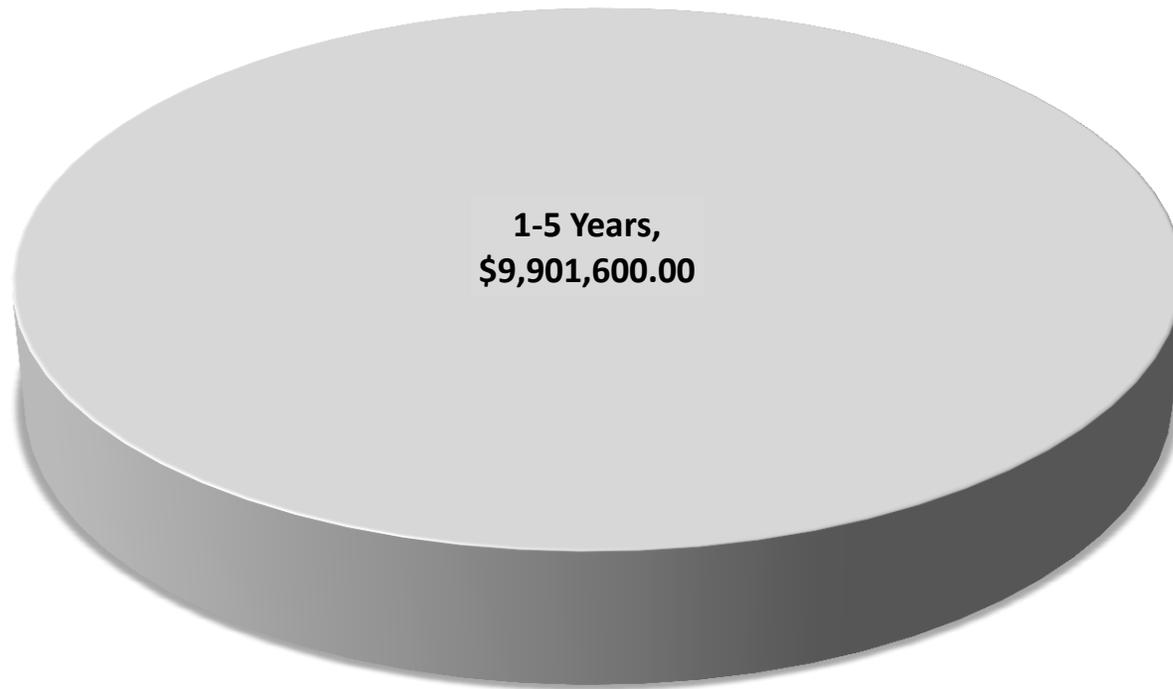
CUSIP	DESCRIPTION	MATURITY	COUPON (%)	YIELD (%)	PAR VALUE	BOOK VALUE	MARKET VALUE	ANNUAL INCOME	GAIN (LOSS)
3136G35L0	DP4-FNMA	6/30/2021	1.730%	1.730%	\$ 2,000,000.00	\$ 2,000,000.00	\$ 1,980,320.00	\$ 34,600.00	\$ (19,680.00)
3136G3SLO	FND-FNMA	6/30/2021	1.730%	1.730%	\$ 8,000,000.00	\$ 8,000,000.00	\$ 7,921,280.00	\$ 138,400.00	\$ (78,720.00)
					\$10,000,000.00	\$ 10,000,000.00	\$ 9,901,600.00	\$ 173,000.00	\$ (98,400.00)

Weighted Avg Life	3.74
Weighted Avg Yield	1.73%

PAR VALUE	BOOK VALUE	MARKET VALUE	ANNUAL INCOME	GAIN (LOSS)
\$ 10,000,000.00	\$ 10,000,000.00	\$ 9,901,600.00	\$ 173,000.00	\$ (98,400.00)

# Distribution by Maturity

US Agency Shown at Market Value



**ECTOR COUNTY HOSPITAL DISTRICT**

September 29, 2017

Safekeeping

CUSIP	DESCRIPTION	MATURITY	COUPON (%)	PAR VALUE	MARKET VALUE
<b>Safekeeping Location Dispro 4 (339788818)</b>					
3136G35L0	DP4-FNMA		1.730%	\$ 2,000,000.00	\$ 1,980,320.00
Money Market	DP4-Dreyfus		0.310%	\$ 8,160,579.45	\$ 8,160,579.45
<b>TOTAL</b>				<b>\$ 10,160,579.45</b>	<b>\$ 10,140,899.45</b>

CUSIP	DESCRIPTION	MATURITY	COUPON (%)	PAR VALUE	MARKET VALUE
<b>Safekeeping Location Funded Depreciation (339814498)</b>					
3136G35L0	FND-FNMA	6/30/2021	1.730%	\$ 8,000,000.00	\$ 7,921,280.00
Money Market	FND-Dep Dreyfus		0.310%	\$ 3,215,411.38	\$ 3,215,411.38
<b>TOTAL</b>				<b>\$ 11,215,411.38</b>	<b>\$ 11,136,691.38</b>

CUSIP	DESCRIPTION	MATURITY	COUPON (%)	PAR VALUE	MARKET VALUE
<b>Safekeeping Location Funded Workers Comp (339818296)</b>					
Money Market	FWC-Dreyfus		0.310%	\$ 3,200,556.83	\$ 3,200,556.83
<b>TOTAL</b>				<b>\$ 3,200,556.83</b>	<b>\$ 3,200,556.83</b>

CUSIP	DESCRIPTION	MATURITY	COUPON (%)	PAR VALUE	MARKET VALUE
<b>Safekeeping Location Professional Liability (339767185)</b>					
Money Market	Prof Liab-Dreyfus		0.310%	\$ 2,976,758.22	\$ 2,976,758.22
<b>TOTAL</b>				<b>\$ 2,976,758.22</b>	<b>\$ 2,976,758.22</b>

CUSIP	DESCRIPTION	MATURITY	COUPON (%)	PAR VALUE	MARKET VALUE
<b>Safekeeping Location Designated Funds (339801057)</b>					
Money Market	DES-Dreyfus		0.310%	\$ 3,118,531.62	\$ 3,118,531.62
<b>TOTAL</b>				<b>\$ 3,118,531.62</b>	<b>\$ 3,118,531.62</b>

CUSIP	DESCRIPTION	MATURITY	COUPON (%)	PAR VALUE	MARKET VALUE
<b>Safekeeping Location General Liability (339809022)</b>					
Money Market	GEN Liab-Dreyfus		0.310%	\$ 2,898,888.64	\$ 2,898,888.64
<b>TOTAL</b>				<b>\$ 2,898,888.64</b>	<b>\$ 2,898,888.64</b>

<b>GRAND TOTAL</b>				<b>\$ 33,570,726.14</b>	<b>\$ 33,472,326.14</b>
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**ECTOR COUNTY HOSPITAL DISTRICT**

September 29, 2017

**Short Term Investments**

CUSIP	DESCRIPTION	MATURITY	COUPON (%)	YIELD (%)	ORIGINAL FACE	PAR VALUE	BOOK VALUE	MARKET VALUE	ANNUAL INCOME
Money Market	DP4-Dreyfus		0.310%	0.310%	\$ 8,160,579.45	\$ 8,160,579.45	\$ 8,160,579.45	\$ 8,160,579.45	\$ 25,297.80
Money Market	FND-Dep Dreyfus		0.310%	0.310%	\$ 3,215,411.38	\$ 3,215,411.38	\$ 3,215,411.38	\$ 3,215,411.38	\$ 9,967.78
Money Market	FWC-Dreyfus		0.310%	0.310%	\$ 3,200,556.83	\$ 3,200,556.83	\$ 3,200,556.83	\$ 3,200,556.83	\$ 9,921.73
Money Market	Prof Liab-Dreyfus		0.310%	0.310%	\$ 2,976,758.22	\$ 2,976,758.22	\$ 2,976,758.22	\$ 2,976,758.22	\$ 9,227.95
Money Market	DES-Dreyfus		0.310%	0.310%	\$ 3,118,531.62	\$ 3,118,531.62	\$ 3,118,531.62	\$ 3,118,531.62	\$ 9,667.45
Money Market	GEN-Liab Dreyfus		0.310%	0.310%	\$ 2,898,888.64	\$ 2,898,888.64	\$ 2,898,888.64	\$ 2,898,888.64	\$ 8,986.55
<b>Weighted Avg Life</b>		0.00			<b>\$ 23,570,726.14</b>	<b>\$ 23,570,726.14</b>	<b>23,570,726.14</b>	<b>23,570,726.14</b>	<b>\$ 73,069.26</b>
<b>Weighted Avg Yield</b>		0.310%							

**ECTOR COUNTY HOSPITAL DISTRICT**

September 29, 2017

**Outstanding Bonded Debt**

***2010-B Build America Bonds***

Amount	MAT/Call		
\$1,690,000	9/15/2018		
\$1,753,000	9/15/2019		
\$1,820,000	9/15/2020		
\$10,333,000	9/15/2025	CALL	9/15/2020
\$29,058,000	9/15/2035	CALL	9/15/2020



**MEMORANDUM**

TO: William Webster, President and C.E.O.

FROM: Jon E. Riggs, Sr. Vice President and C.F.O.

RE: **Quarterly Investment Report – Fourth Quarter 2017**

DATE: November 3, 2017

The Investment Report of Ector County Hospital District for the fourth quarter ended September 30, 2017 will be presented at the Finance Committee meeting November 7, 2017. This report was prepared in order to provide the Hospital President / C.E.O. and the Board of Directors information as required under the Public Funds Investment Act. No investments were purchased during the fourth quarter of fiscal 2017.

To the best of my knowledge, as of September 30, 2017 the investment portfolio is in compliance with the Public Funds Investment Act and with the Districts Investment Policy.

  
\_\_\_\_\_  
Jon E. Riggs  
Investment Officer



DATE: November 3, 2017

TO: Board of Directors  
Ector County Hospital District

FROM: Jon E. Riggs  
Senior Vice President and Chief Financial Officer

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

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

Operating Results - Hospital Operations:

For the month ended September, earnings before interest depreciation and amortization (EBIDA) was a deficit of \$477K comparing unfavorably to the budget of \$1.2M by 141.2%. Inpatient (I/P) revenue was above budget by \$1.1M, or 2.7%, despite lower volumes due to better charge capture that MCH has consistently experienced since our conversion from McKesson Horizon to Cerner Millennium. Outpatient (O/P) revenue was above budget by \$5.8M due to increased charge capture as previously mentioned and increases in Cath Lab, Radiology, and Lab volumes. Net Patient Revenue was \$4.9M or 27.0% below the budget of \$18.3M due to increased contractual allowances resulting from decreased cash collections associated with the electronic medical record (EMR) conversion. Medicaid supplemental payments were \$2.6M below budget due to \$2.0M UC receipt haircut, and \$0.6M true up of community benefit expense related to the NTIS contracts being discontinued by our HCA partner. Net operating revenue was only \$1.5M, or 7.4%, below budget due to an increase in sales tax that offset the weaker net patient revenue cash collections. On a year-to-date (YTD) basis net operating revenue of \$263.3M was 1.2% below budget.

Operating expenses for the month were under budget by \$598K due to favorable benefits created by the recording of the YTD GASB 68 true up of \$2.1M as a result of decreased deferred cash outflows in FY2017, and a decrease in \$1.2M in estimated medical costs that were incurred but not received in FY2017 when compared to FY2016. Other major favorable variances include supplies driven by a favorable annual inventory adjustment of \$258K and capital interest adjustment of \$367K. Major unfavorable variances include physician fees by \$1.8M due to physician call pay moving from Medicaid Supplemental Payments under the community benefits program to physician fees, and \$300K in

purchased services for expenses related to various projects such as our EMR conversion, CEO search and the Uniform Hospital Rate Increase Program (UHRIP). For the twelve months ended September, EBIDA is <\$3.1M> or -135.4% unfavorable to the budget of \$8.9M.

The YTD \$12.0M EBIDA variance to budget is due to the following:

- \$3.3M Net Operating Revenue variance was due to Medicaid Supplemental Payments that were below budget due to:
  - \$2.0M Net UC payments received were below due to the State haircut;
  - \$0.6M Community Benefit true-up related to NTIS; and,
  - \$0.5M FY 2012 DSH audit recoupment (FY's 2013 and 2014 DSH audits have been completed and there was no associated recoupment).
- Net Patient Revenue was below budget due to weaker cash collections associated with the EMR conversion; however, this was offset by improved sales tax collections.
- \$9.7M Total Operating Costs variance to budget was due to the following:
  - \$5.6M Increased Benefit cost that was driven by an \$8.0M GASB 68 expense adjustment and offset by \$2.4M in reduced health plan costs;
  - \$3.8M Increased Temporary Labor related to increased activity in the Permian Basin that increases turnover and additional labor needed to supplement the staff during our EMR conversion; and,
  - \$1.8M Increased physician call pay related to the NTIS agreement being dissolved as a result of the creation of LPPF's by the State legislators.

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

For the month of September the net loss from operations before capital contributions was \$1.5M compared to a budgeted loss of \$1.5M. Net operating revenue was below budget by \$104K due to weaker cash collections associated with the MCH<sup>1</sup> conversion. Total operating costs were below budget by \$15K. After MCH capital contributions of \$1.5M for the month and \$17.3M YTD, ProCare showed a negative contribution of \$86K for the month and a negative \$249 YTD.

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

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

- Clements: \$297K loss compared to a budgeted loss of \$85K. Net revenue was unfavorable by \$227K due to decreased cash collections. Operating costs were \$15K favorable to budget due decreased physician services used from ProCare.
- West University: \$184K loss compared to a budgeted loss of \$65K. Net revenue was unfavorable by \$165K due to decreased cash collections and was partially offset by \$53K in favorable operating costs related to decreased physician utilization.

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

For the month of September EBIDA was <\$537K> compared to a budget of \$1.2M that was created by an accumulation of the variances previously described. On a YTD basis EBIDA was <\$2.8M> compared to a budget of \$9.2M.

#### Volume:

Total admissions for the month were 1,018 or 2.6% below budget and 4.1% below last year. YTD admissions were 13,211 or 0.8% above budget and 2.6% above last year.

Patient days for the month were 4,860 or 5.4% below budget and 9.0% below last year. YTD patient days were 67,403, or 5.0% above budget and 1.5% below last year. Due to the preceding, total average length of stay (ALOS) was 4.8 for the month, and 5.1 YTD. Observation days were below budget by 8.5% and below prior year by 14.7%. On a YTD basis, observation days are 11.1% below budget and 2.8% below prior year.

Emergency room visits totaled 3,950 resulting in an increase compared to budget of 11.2% and a decrease as compared to last year of 5.2%. YTD ED visits were 49,047 or 10.7% above budget and 0.6% above prior year. Total O/P occasions of service were 18.4% below budget for the month and 23.6% below last year. YTD O/P occasions were 7.0% below budget and 10.7% below last year.

#### Revenues:

I/P revenues were above budget for the month by \$1.1M due to increased charge capture associated with our new EMR system. The preceding offset the weaker I/P volumes during the month of September. O/P revenues were above budget for the month by \$5.8M as a result of increased OP volumes in Cath Lab, Radiology and Surgery. Total patient revenue was above budget by \$6.9M, or 6.0%, and total revenue deductions were \$9.2M above budget due to weaker cash collections previously described, leaving net patient revenue below budget by \$2.3M.

#### Operating Expenses:

Total operating expenses for the month were 2.9% below budget. Major favorable variances include benefits by \$3.0M, supplies by \$620K and interest expense by \$365K, that were partially offset by unfavorable physician fees of \$1.8M, and purchased services of \$620K. Benefits favorable expense was the result of GASB 68 adjustment and IBNR adjustment previously mentioned. Supplies favorable expense was due to annual inventory adjustment, and the interest expense favorable variance was due to capital interest adjustment. The unfavorable temporary labor variance was caused by increased useage to fill open positions. The unfavorable physician fees were the result of physicaian call pay that was previously paid on behalf of MCH by North Texas Indigent Services as part of the community benefit program that was recorded as part of the Medicaid Supplemental Payments due to the associated intergovernmental transfer (IGT) but is now being paid directly by the hospital. The unfavorable purchased services expense variance was caused by the need for additional MCH<sup>1</sup> training, as well as other smaller variances previously mentioned.

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

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
<b>Hospital InPatient Admissions</b>										
Acute / Adult	990	1,018	-2.8%	1,034	-4.3%	12,850	12,774	0.6%	12,569	2.2%
Neonatal ICU (NICU)	28	27	4.6%	27	3.7%	361	337	7.1%	313	15.3%
<b>Total Admissions</b>	<b>1,018</b>	<b>1,045</b>	<b>-2.6%</b>	<b>1,061</b>	<b>-4.1%</b>	<b>13,211</b>	<b>13,111</b>	<b>0.8%</b>	<b>12,882</b>	<b>2.6%</b>
<b>Patient Days</b>										
Adult & Pediatric	3,675	3,865	-4.9%	4,253	-13.6%	53,125	48,056	10.5%	53,146	0.0%
ICU	384	426	-9.8%	338	13.6%	4,972	5,366	-7.3%	5,181	-4.0%
CCU	318	423	-24.9%	331	-3.9%	4,515	5,336	-15.4%	5,114	-11.7%
NICU	483	425	13.5%	416	16.1%	4,791	5,422	-11.6%	5,018	-4.5%
<b>Total Patient Days</b>	<b>4,860</b>	<b>5,140</b>	<b>-5.4%</b>	<b>5,338</b>	<b>-9.0%</b>	<b>67,403</b>	<b>64,179</b>	<b>5.0%</b>	<b>68,459</b>	<b>-1.5%</b>
Observation (Obs) Days	686	749	-8.5%	804	-14.7%	8,285	9,315	-11.1%	8,525	-2.8%
Nursery Days	231	222	4.3%	155	49.0%	2,599	2,791	-6.9%	2,472	5.1%
<b>Total Occupied Beds / Bassinets</b>	<b>5,777</b>	<b>6,110</b>	<b>-5.5%</b>	<b>6,297</b>	<b>-8.3%</b>	<b>78,287</b>	<b>76,286</b>	<b>2.6%</b>	<b>79,456</b>	<b>-1.5%</b>
<b>Average Length of Stay (ALOS)</b>										
Acute / Adult & Pediatric	4.42	4.63	-4.5%	4.76	-7.1%	4.87	4.60	5.9%	5.05	-3.5%
NICU	17.25	15.90	8.5%	15.41	12.0%	13.27	16.08	-17.5%	16.03	-17.2%
<b>Total ALOS</b>	<b>4.77</b>	<b>4.92</b>	<b>-2.9%</b>	<b>5.03</b>	<b>-5.1%</b>	<b>5.10</b>	<b>4.90</b>	<b>4.2%</b>	<b>5.31</b>	<b>-4.0%</b>
<b>Average Daily Census</b>	<b>162.0</b>	<b>171.3</b>	<b>-5.4%</b>	<b>177.9</b>	<b>-9.0%</b>	<b>184.7</b>	<b>175.8</b>	<b>5.0%</b>	<b>187.0</b>	<b>-1.3%</b>
<b>Hospital Case Mix Index (CMI)</b>	<b>1.5038</b>	<b>1.4974</b>	<b>0.4%</b>	<b>1.4370</b>	<b>4.6%</b>	<b>1.4657</b>	<b>1.4974</b>	<b>-2.1%</b>	<b>1.4984</b>	<b>-2.2%</b>
<b>Medicare</b>										
Admissions	419	431	-2.8%	421	-0.5%	5,291	5,248	0.8%	5,067	4.4%
Patient Days	2,162	2,286	-5.4%	2,318	-6.7%	29,155	26,871	8.5%	29,402	-0.8%
Average Length of Stay	5.16	5.30	-2.7%	5.51	-6.3%	5.51	5.12	7.6%	5.80	-5.0%
Case Mix Index	1.7302			1.8057	-4.2%	1.6423			1.7595	-6.7%
<b>Medicaid</b>										
Admissions	114	117	-2.6%	157	-27.4%	1,566	1,554	0.8%	1,661	-5.7%
Patient Days	686	726	-5.5%	674	1.8%	7,432	7,127	4.3%	8,293	-10.4%
Average Length of Stay	6.02	6.21	-3.0%	4.29	40.2%	4.75	4.59	3.5%	4.99	-4.9%
Case Mix Index	1.1177			1.0681	4.6%	1.0600			1.1496	-7.8%
<b>Commercial</b>										
Admissions	275	282	-2.5%	229	20.1%	3,347	3,328	0.6%	3,188	5.0%
Patient Days	1,217	1,287	-5.4%	969	25.6%	16,418	15,590	5.3%	14,678	11.9%
Average Length of Stay	4.43	4.56	-3.0%	4.23	4.6%	4.91	4.68	4.7%	4.60	6.5%
Case Mix Index	1.4760			1.3379	10.3%	1.4734			1.3767	7.0%
<b>Self Pay</b>										
Admissions	198	203	-2.5%	189	4.8%	2,559	2,533	1.0%	2,346	9.1%
Patient Days	725	767	-5.5%	1,109	-34.6%	13,005	12,354	5.3%	13,748	-5.4%
Average Length of Stay	3.66	3.78	-3.1%	5.87	-37.6%	5.08	4.88	4.2%	5.86	-13.3%
Case Mix Index	1.2502			1.3353	-6.4%	1.3603			1.4512	-6.3%
<b>All Other</b>										
Admissions	12	12	0.0%	65	-81.5%	448	448	0.0%	626	-28.4%
Patient Days	70	74	-5.4%	268	-73.9%	2,333	2,237	4.3%	2,747	-15.1%
Average Length of Stay	5.83	6.17	-5.4%	4.12	41.5%	5.21	4.99	4.3%	4.39	18.7%
Case Mix Index	1.7957			1.6513	8.7%	1.8428			1.6763	9.9%
<b>Radiology</b>										
InPatient	3,596	3,565	0.9%	3,352	7.3%	47,528	44,919	5.8%	44,269	7.4%
OutPatient	7,734	7,024	10.1%	7,517	2.9%	88,784	88,499	0.3%	89,214	-0.5%
<b>Cath Lab</b>										
InPatient	202	258	-21.8%	233	-13.3%	3,627	3,253	11.5%	3,254	11.5%
OutPatient	304	247	22.9%	247	23.1%	4,078	3,118	30.8%	3,043	34.0%
<b>Laboratory</b>										
InPatient	57,673	56,754	1.6%	55,430	4.0%	721,519	715,099	0.9%	708,023	1.9%
OutPatient	49,582	35,690	38.9%	37,185	33.3%	485,201	449,693	7.9%	448,335	8.2%
NonPatient	1,868	6,597	-71.7%	7,363	-74.6%	56,057	83,118	-32.6%	79,683	-29.6%
<b>Other</b>										
Deliveries	147	133	10.6%	158	-7.0%	1,687	1,675	0.7%	1,530	10.3%
<b>Surgical Cases</b>										
InPatient	264	294	-10.2%	307	-14.0%	3,523	3,703	-4.9%	3,902	-9.7%
OutPatient	593	553	7.3%	631	-6.0%	7,074	6,967	1.5%	7,168	-1.3%
<b>Total Surgical Cases</b>	<b>857</b>	<b>847</b>	<b>1.2%</b>	<b>938</b>	<b>-8.6%</b>	<b>10,597</b>	<b>10,669</b>	<b>-0.7%</b>	<b>11,070</b>	<b>-4.3%</b>
<b>GI Procedures (Endo)</b>										
InPatient	108	90	20.0%	81	33.3%	1,226	1,119	9.6%	977	25.5%
OutPatient	241	246	-2.0%	235	2.6%	2,691	2,983	-9.8%	2,605	3.3%
<b>Total GI Procedures</b>	<b>349</b>	<b>336</b>	<b>3.9%</b>	<b>316</b>	<b>10.4%</b>	<b>3,917</b>	<b>4,102</b>	<b>-4.5%</b>	<b>3,582</b>	<b>9.4%</b>

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

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
<b>OutPatient (O/P)</b>										
Emergency Room Visits	3,950	3,552	11.2%	4,165	-5.2%	49,047	44,290	10.7%	48,766	0.6%
Observation Days	686	749	-8.5%	804	-14.7%	8,285	9,315	-11.1%	8,525	-2.8%
Other O/P Occasions of Service	18,119	23,574	-23.1%	24,824	-27.0%	257,247	284,626	-9.6%	295,035	-12.8%
<b>Total O/P Occasions of Svc.</b>	<b>22,755</b>	<b>27,875</b>	<b>-18.4%</b>	<b>29,793</b>	<b>-23.6%</b>	<b>314,579</b>	<b>338,232</b>	<b>-7.0%</b>	<b>352,326</b>	<b>-10.7%</b>
<b>Hospital Operations</b>										
Manhours Paid	278,493	274,076	1.6%	278,448	0.0%	3,339,209	3,332,082	0.2%	3,417,584	-2.3%
FTE's	1,624.5	1,598.8	1.6%	1,624.3	0.0%	1,601.0	1,597.6	0.2%	1,634.1	-2.0%
Adjusted Patient Days	9,617	8,757	9.8%	9,094	5.8%	123,497	108,392	13.9%	115,569	6.9%
Hours / Adjusted Patient Day	28.96	31.30	-7.5%	30.62	-5.4%	27.04	30.74	-12.0%	29.57	-8.6%
Occupancy - Actual Beds	46.4%	49.1%	-5.4%	51.0%	-9.0%	52.9%	50.4%	5.0%	53.6%	-1.3%
FTE's / Adjusted Occupied Bed	5.1	5.5	-7.5%	5.4	-5.4%	4.7	5.4	-12.0%	5.2	-8.6%
<b>InPatient Rehab Unit</b>										
Admissions	34	29	17.2%	23	47.8%	430	400	7.5%	410	4.9%
Patient Days	473	299	58.4%	345	37.1%	5,042	4,775	5.6%	5,027	0.3%
Average Length of Stay	13.9	10.3	35.1%	15.0	-7.3%	11.7	11.9	-1.8%	12.3	-4.4%
Manhours Paid	6,320	6,338	-0.3%	6,499	-2.7%	79,445	80,461	-1.3%	80,645	-1.5%
FTE's	36.9	37.0	-0.3%	37.9	-2.7%	38.1	38.6	-1.3%	38.6	-1.2%
<b>Center for Primary Care - Clements</b>										
Total Medical Visits	946	1,241	-23.8%	1,334	-29.1%	13,464	14,427	-6.7%	14,258	-5.6%
Total Dental Visits	693	805	-13.9%	658	5.3%	8,257	8,745	-5.6%	7,506	10.0%
Manhours Paid	770	891	-13.7%	868	-11.4%	10,033	10,429	-3.8%	13,466	-25.5%
FTE's	4.5	5.2	-13.7%	5.1	-11.4%	4.8	5.0	-3.8%	6.4	-25.3%
<b>Center for Primary Care - West University</b>										
Total Medical Visits	489	788	-37.9%	785	-37.7%	6,784	9,140	-25.8%	7,828	-13.3%
Total Optometry	280	360	-22.2%	282	-0.7%	3,294	3,402	-3.2%	3,093	6.5%
Manhours Paid	156	165	-5.4%	205	-24.0%	2,069	2,223	-6.9%	2,224	-7.0%
FTE's	0.9	1.0	-5.4%	1.2	-24.0%	1.0	1.1	-6.9%	1.1	-6.7%
<b>Total ECHD Operations</b>										
Total Admissions	1,052	1,074	-2.0%	1,084	-3.0%	13,641	13,511	1.0%	13,292	2.6%
Total Patient Days	5,333	5,439	-1.9%	5,683	-6.2%	72,445	68,954	5.1%	73,486	-1.4%
Total Patient and Obs Days	6,019	6,188	-2.7%	6,487	-7.2%	80,730	78,270	3.1%	82,011	-1.6%
Total FTE's	1,666.8	1,641.9	1.5%	1,669.5	-0.2%	1,644.9	1,642.2	0.2%	1,681.2	-2.2%
FTE's / Adjusted Occupied Bed	4.7	4.9	-2.3%	4.5	5.3%	4.5	4.7	-3.2%	4.5	0.5%
Hours / Adjusted Patient Day	27.08	27.72	-2.3%	25.72	5.3%	25.84	26.70	-3.2%	25.72	0.5%
Outpatient Factor	1.9789	1.8673	6.0%	1.9576	1.1%	1.8322	1.8604	-1.5%	1.8603	-1.5%
Blended O/P Factor	2.2858	2.0906	9.3%	2.2714	0.6%	2.0807	2.0726	0.4%	2.0696	0.5%
Total Adjusted Admissions	2,082	1,990	4.6%	2,122	-1.9%	25,015	25,030	-0.1%	24,727	1.2%
Hours / Adjusted Admisssion	137.26	141.47	-3.0%	134.86	1.8%	137.15	136.84	0.2%	142.19	-3.5%
FTE's - Hospital Contract	85.3	48.0	78.0%	61.0	39.9%	69.4	49.2	41.1%	48.7	42.4%
FTE's - Mgmt Services	52.1	62.2	-16.3%	53.5	-2.6%	49.5	62.2	-20.4%	50.1	-1.3%
<b>Total FTE's (including Contract)</b>	<b>1,804.2</b>	<b>1,752.0</b>	<b>3.0%</b>	<b>1,783.9</b>	<b>1.1%</b>	<b>1,763.7</b>	<b>1,753.6</b>	<b>0.6%</b>	<b>1,780.0</b>	<b>-0.9%</b>
<b>Total FTE'S per Adjusted Occupied Bed (including Contract)</b>	<b>5.1</b>	<b>5.2</b>	<b>-0.9%</b>	<b>4.8</b>	<b>6.6%</b>	<b>4.8</b>	<b>5.0</b>	<b>-2.8%</b>	<b>4.8</b>	<b>1.8%</b>
<b>Urgent Care Visits</b>										
Health & Wellness	-	-	0.0%	494	-100.0%	396	589	-32.8%	6,310	-93.7%
Golder	576	660	-12.7%	477	20.8%	5,729	7,580	-24.4%	7,233	-20.8%
JBS Clinic	1,141	700	63.0%	750	52.1%	10,915	8,606	26.8%	10,343	5.5%
West University	587	510	15.1%	501	17.2%	6,039	5,820	3.8%	6,000	0.7%
42nd Street	475	515	-7.8%	-	0.0%	4,530	4,406	2.8%	-	0.0%
<b>Total Urgent Care Visits</b>	<b>2,779</b>	<b>2,385</b>	<b>16.5%</b>	<b>2,222</b>	<b>25.1%</b>	<b>27,609</b>	<b>27,001</b>	<b>2.3%</b>	<b>29,886</b>	<b>-7.6%</b>
<b>Wal-Mart Clinic Visits</b>										
East Clinic	441	390	13.1%	337	30.9%	4,701	3,710	26.7%	3,704	26.9%
West Clinic	353	260	35.8%	254	39.0%	3,352	2,180	53.7%	2,298	45.9%
<b>Total Wal-Mart Visits</b>	<b>794</b>	<b>650</b>	<b>22.2%</b>	<b>591</b>	<b>34.3%</b>	<b>8,053</b>	<b>5,891</b>	<b>36.7%</b>	<b>6,002</b>	<b>34.2%</b>

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

	<u>HOSPITAL</u>	<u>PRO CARE</u>	<u>ECTOR COUNTY HOSPITAL DISTRICT</u>
<b>ASSETS</b>			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 28,731,391	\$ 3,182,405	\$ 31,913,796
Investments	9,944,475	-	9,944,475
Patient Accounts Receivable - Gross	269,303,904	31,937,883	301,241,787
Less: 3rd Party Allowances	(111,292,583)	(19,277,473)	(130,570,055)
Bad Debt Allowance	<u>(117,203,578)</u>	<u>(5,362,604)</u>	<u>(122,566,182)</u>
Net Patient Accounts Receivable	40,807,743	7,297,806	48,105,550
Taxes Receivable	7,746,010	-	7,746,010
Accounts Receivable - Other	20,383,194	3,400,671	23,783,866
Inventories	6,963,047	239,016	7,202,064
Prepaid Expenses	<u>4,012,509</u>	<u>345,688</u>	<u>4,358,196</u>
Total Current Assets	<u>118,588,371</u>	<u>14,465,586</u>	<u>133,053,957</u>
CAPITAL ASSETS:			
Property and Equipment	453,018,152	517,888	453,536,040
Construction in Progress	<u>3,311,747</u>	<u>-</u>	<u>3,311,747</u>
	456,329,899	517,888	456,847,787
Less: Accumulated Depreciation and Amortization	<u>(254,712,126)</u>	<u>(285,754)</u>	<u>(254,997,880)</u>
Total Capital Assets	<u>201,617,773</u>	<u>232,134</u>	<u>201,849,906</u>
INTANGIBLE ASSETS / GOODWILL - NET	115,702	315,368	431,070
RESTRICTED ASSETS:			
Restricted Assets Held by Trustee	4,673,001	-	4,673,001
Restricted Assets Held in Endowment	6,224,654	-	6,224,654
Restricted TPC, LLC	686,412	-	686,412
Restricted MCH West Texas Services	1,985,952	-	1,985,952
Pension, Deferred Outflows of Resources	32,980,722	-	32,980,722
Assets whose use is Limited	<u>-</u>	<u>15,603</u>	<u>15,603</u>
TOTAL ASSETS	<u>\$ 366,872,586</u>	<u>\$ 15,028,691</u>	<u>\$ 381,901,277</u>
<b>LIABILITIES AND FUND BALANCE</b>			
CURRENT LIABILITIES:			
Current Maturities of Long-Term Debt	\$ 4,566,659	\$ -	\$ 4,566,659
Self-Insurance Liability - Current Portion	3,587,777	-	3,587,777
Accounts Payable	28,620,850	5,605,329	34,226,179
Accrued Interest	49,802	-	49,802
Accrued Salaries and Wages	2,935,547	6,391,578	9,327,124
Accrued Compensated Absences	4,316,028	255,178	4,571,206
Due to Third Party Payors	1,158,950	-	1,158,950
Deferred Revenue	<u>653,546</u>	<u>859,437</u>	<u>1,512,983</u>
Total Current Liabilities	<u>45,889,158</u>	<u>13,111,522</u>	<u>59,000,680</u>
ACCRUED POST RETIREMENT BENEFITS	70,043,873	-	70,043,873
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	-	1,927,389
LONG-TERM DEBT - Less Current Maturities	49,963,873	-	49,963,873
Total Liabilities	<u>167,824,294</u>	<u>13,111,522</u>	<u>180,935,816</u>
FUND BALANCE	<u>199,048,292</u>	<u>1,917,169</u>	<u>200,965,462</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 366,872,586</u>	<u>\$ 15,028,691</u>	<u>\$ 381,901,277</u>

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

	CURRENT YEAR	PRIOR FISCAL YEAR END		CURRENT YEAR CHANGE
		HOSPITAL AUDITED	PRO CARE AUDITED	
<b>ASSETS</b>				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 31,913,796	\$ 45,227,505	\$ 2,734,905	\$ (16,048,614)
Investments	9,944,475	35,050,242	-	(25,105,766)
Patient Accounts Receivable - Gross	301,241,787	148,713,694	16,584,930	135,943,163
Less: 3rd Party Allowances	(130,570,055)	(60,195,113)	(6,708,166)	(63,666,776)
Bad Debt Allowance	<u>(122,566,182)</u>	<u>(58,888,563)</u>	<u>(5,103,621)</u>	<u>(58,573,998)</u>
Net Patient Accounts Receivable	48,105,550	29,630,017	4,773,143	13,702,389
Taxes Receivable	7,746,010	5,446,479	-	2,299,531
Accounts Receivable - Other	23,783,866	20,974,403	2,482,086	327,376
Inventories	7,202,064	6,694,960	230,652	276,452
Prepaid Expenses	<u>4,358,196</u>	<u>2,769,408</u>	<u>391,597</u>	<u>1,197,191</u>
Total Current Assets	<u>133,053,957</u>	<u>145,793,014</u>	<u>10,612,383</u>	<u>(23,351,440)</u>
CAPITAL ASSETS:				
Property and Equipment	453,536,040	409,630,693	597,374	43,307,973
Construction in Progress	<u>3,311,747</u>	<u>19,810,539</u>	<u>-</u>	<u>(16,498,793)</u>
	456,847,787	429,441,232	597,374	26,809,181
Less: Accumulated Depreciation and Amortization	<u>(254,997,880)</u>	<u>(234,529,317)</u>	<u>(299,182)</u>	<u>(20,169,381)</u>
Total Capital Assets	<u>201,849,906</u>	<u>194,911,915</u>	<u>298,192</u>	<u>6,639,799</u>
INTANGIBLE ASSETS / GOODWILL - NET	431,070	203,049	439,873	(211,853)
RESTRICTED ASSETS:				
Restricted Assets Held by Trustee	4,673,001	4,661,597	-	11,404
Restricted Assets Held in Endowment	6,224,654	6,351,234	-	(126,581)
Restricted Cerner Escrow	-	3,267,237	-	(3,267,237)
Restricted TPC, LLC	686,412	-	-	686,412
Restricted MCH West Texas Services	1,985,952	1,759,115	-	226,837
Pension, Deferred Outflows of Resources	32,980,722	37,430,525	-	(4,449,803)
Assets whose use is Limited	<u>15,603</u>	<u>-</u>	<u>19,273</u>	<u>(3,670)</u>
TOTAL ASSETS	<u>\$ 381,901,277</u>	<u>\$ 394,377,686</u>	<u>\$ 11,369,721</u>	<u>\$ (23,846,130)</u>
<b>LIABILITIES AND FUND BALANCE</b>				
CURRENT LIABILITIES:				
Current Maturities of Long-Term Debt	\$ 4,566,659	\$ 4,594,799	\$ -	\$ (28,139)
Self-Insurance Liability - Current Portion	3,587,777	4,863,777	-	(1,276,000)
Accounts Payable	34,226,179	24,328,868	3,332,924	6,564,387
Accrued Interest	49,802	96,889	-	(47,087)
Accrued Salaries and Wages	9,327,124	6,125,126	4,774,793	(1,572,794)
Accrued Compensated Absences	4,571,206	4,239,710	239,077	92,419
Due to Third Party Payers	1,158,950	2,483,539	-	(1,324,589)
Deferred Revenue	<u>1,512,983</u>	<u>416,599</u>	<u>1,105,510</u>	<u>(9,125)</u>
Total Current Liabilities	<u>59,000,680</u>	<u>47,149,306</u>	<u>9,452,303</u>	<u>2,399,071</u>
ACCRUED POST RETIREMENT BENEFITS	70,043,873	65,346,188	-	4,697,685
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	1,927,389	-	-
LONG-TERM DEBT - Less Current Maturities	49,963,873	54,724,037	-	(4,760,164)
Total Liabilities	<u>180,935,816</u>	<u>169,146,920</u>	<u>9,452,303</u>	<u>2,336,593</u>
FUND BALANCE	<u>200,965,462</u>	<u>225,230,766</u>	<u>1,917,418</u>	<u>(26,182,723)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 381,901,277</u>	<u>\$ 394,377,686</u>	<u>\$ 11,369,721</u>	<u>\$ (23,846,130)</u>

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b><u>PATIENT REVENUE</u></b>										
Inpatient Revenue	\$ 43,083,454	\$ 41,941,059	2.7%	\$ 39,931,577	7.9%	\$ 557,172,031	\$ 524,733,949	6.2%	\$ 513,741,970	8.5%
Outpatient Revenue	55,398,668	45,741,415	21.1%	50,769,708	9.1%	602,120,594	562,810,450	7.0%	549,499,109	9.6%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 98,482,123</b>	<b>\$87,682,474</b>	<b>12.3%</b>	<b>\$90,701,285</b>	<b>8.6%</b>	<b>\$ 1,159,292,625</b>	<b>\$ 1,087,544,399</b>	<b>6.6%</b>	<b>\$ 1,063,241,079</b>	<b>9.0%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 80,153,949</b>	<b>\$ 66,931,394</b>	<b>19.8%</b>	<b>\$ 74,521,911</b>	<b>7.6%</b>	<b>\$ 922,425,836</b>	<b>\$ 839,939,497</b>	<b>9.8%</b>	<b>\$ 823,912,242</b>	<b>12.0%</b>
	<b>81.39%</b>	<b>76.33%</b>		<b>82.16%</b>		<b>79.57%</b>	<b>77.23%</b>		<b>77.49%</b>	
<b><u>OTHER PATIENT REVENUE</u></b>										
Medicaid Supplemental Payments	\$ (2,338,544)	\$ 297,632	-885.7%	\$ (147,459)	1485.9%	\$ 334,604	3,571,584	-90.6%	\$ 3,241,930	-89.7%
DSRIP	1,000,000	1,000,000	0.0%	159,795	525.8%	12,000,000	12,000,000	0.0%	11,159,795	7.5%
Medicare Meaningful Use Subsidy	-	-	0.0%	(865,460)	-100.0%	-	-	0.0%	(364,242)	-100.0%
<b>TOTAL OTHER PATIENT REVENUE</b>	<b>\$ (1,338,544)</b>	<b>\$ 1,297,632</b>	<b>-203.2%</b>	<b>\$ (853,124)</b>	<b>56.9%</b>	<b>\$ 12,334,604</b>	<b>\$ 15,571,584</b>	<b>-20.8%</b>	<b>\$ 14,037,484</b>	<b>-12.1%</b>
<b>NET PATIENT REVENUE</b>	<b>\$ 16,989,629</b>	<b>\$ 22,048,712</b>	<b>-22.9%</b>	<b>\$ 15,326,249</b>	<b>10.9%</b>	<b>\$ 249,201,394</b>	<b>\$ 263,176,487</b>	<b>-5.3%</b>	<b>\$ 253,366,321</b>	<b>-1.6%</b>
<b><u>OTHER REVENUE</u></b>										
Tax Revenue	\$ 6,562,072	\$ 3,265,697	100.9%	\$ 3,248,285	102.0%	\$ 48,913,451	\$ 39,447,676	24.0%	\$ 40,229,306	21.6%
Other Revenue	867,778	861,237	0.8%	8,851,046	-90.2%	11,157,283	10,583,516	5.4%	19,411,093	-42.5%
<b>TOTAL OTHER REVENUE</b>	<b>\$ 7,429,850</b>	<b>\$ 4,126,934</b>	<b>80.0%</b>	<b>\$ 12,099,331</b>	<b>-38.6%</b>	<b>\$ 60,070,734</b>	<b>\$ 50,031,192</b>	<b>20.1%</b>	<b>\$ 59,640,398</b>	<b>0.7%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 24,419,479</b>	<b>\$ 26,175,646</b>	<b>-6.7%</b>	<b>\$ 27,425,580</b>	<b>-11.0%</b>	<b>\$ 309,272,128</b>	<b>\$ 313,207,679</b>	<b>-1.3%</b>	<b>\$ 313,006,719</b>	<b>-1.2%</b>
<b><u>OPERATING EXPENSES</u></b>										
Salaries and Wages	\$ 12,568,256	\$ 12,731,735	-1.3%	\$ 12,852,929	-2.2%	\$ 152,601,557	\$ 153,976,631	-0.9%	\$ 148,758,960	2.6%
Benefits	(291,851)	2,764,527	-110.6%	2,192,221	-113.3%	37,750,794	33,290,894	13.4%	34,991,513	7.9%
Temporary Labor	1,310,875	599,453	118.7%	1,129,618	16.0%	13,646,372	7,441,846	83.4%	9,041,828	50.9%
Physician Fees	2,102,424	356,186	490.3%	358,917	485.8%	5,844,148	4,484,726	30.3%	4,245,211	37.7%
Texas Tech Support	-	-	0.0%	16,696	-100.0%	-	-	0.0%	200,353	-100.0%
Purchased Services	3,456,272	2,792,752	23.8%	8,761,390	-60.6%	29,347,945	30,111,235	-2.5%	35,190,970	-16.6%
Supplies	4,198,903	4,529,676	-7.3%	4,833,734	-13.1%	55,127,131	55,611,417	-0.9%	56,732,538	-2.8%
Utilities	320,846	367,983	-12.8%	334,443	-4.1%	4,059,293	3,763,134	7.9%	3,892,841	4.3%
Repairs and Maintenance	1,358,854	1,090,313	24.6%	1,015,697	33.8%	12,187,251	11,751,815	3.7%	11,633,982	4.8%
Leases and Rent	162,208	138,763	16.9%	141,995	14.2%	1,576,767	1,762,501	-10.5%	1,710,313	-7.8%
Insurance	142,027	132,390	7.3%	712,311	-80.1%	1,717,458	1,581,434	8.6%	2,125,273	-19.2%
Interest Expense	(87,363)	277,215	-131.5%	151,611	-157.6%	2,912,363	3,275,419	-11.1%	2,892,575	0.7%
ECHDA	35,955	67,107	-46.4%	(177,160)	-120.3%	351,962	805,307	-56.3%	198,148	77.6%
Other Expense	181,377	223,406	-18.8%	454,126	-60.1%	2,134,566	2,712,748	-21.3%	3,118,520	-31.6%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 25,458,782</b>	<b>\$ 26,071,508</b>	<b>-2.4%</b>	<b>\$ 32,778,528</b>	<b>-22.3%</b>	<b>\$ 319,257,608</b>	<b>\$ 310,569,107</b>	<b>2.8%</b>	<b>\$ 314,733,024</b>	<b>1.4%</b>
Depreciation/Amortization	\$ 591,208	\$ 1,860,620	-68.2%	\$ 1,235,776	-52.2%	\$ 20,455,070	\$ 20,669,509	-1.0%	\$ 20,363,541	0.4%
(Gain) Loss on Sale of Assets	-	-	0.0%	(1,422,560)	-100.0%	(53,427)	-	0.0%	(1,429,100)	-96.3%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 26,049,990</b>	<b>\$ 27,932,128</b>	<b>-6.7%</b>	<b>\$ 32,591,745</b>	<b>-20.1%</b>	<b>\$ 339,659,251</b>	<b>\$ 331,238,616</b>	<b>2.5%</b>	<b>\$ 333,667,465</b>	<b>1.8%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (1,630,511)</b>	<b>\$ (1,756,482)</b>	<b>-7.2%</b>	<b>\$ (5,166,164)</b>	<b>-68.4%</b>	<b>\$ (30,387,123)</b>	<b>\$ (18,030,938)</b>	<b>68.5%</b>	<b>\$ (20,660,746)</b>	<b>47.1%</b>
Operating Margin	-6.68%	-6.71%	-0.5%	-18.84%	-64.6%	-9.83%	-5.76%	70.7%	-6.60%	48.9%
<b><u>NONOPERATING REVENUE/EXPENSE</u></b>										
Interest Income	\$ 26,531	\$ 33,011	-19.6%	\$ 28,749	-7.7%	\$ 504,710	\$ 401,637	25.7%	\$ 375,556	34.4%
Tobacco Settlement	-	-	0.0%	-	0.0%	859,458	777,932	10.5%	777,932	10.5%
Donations	298,058	672,670	-55.7%	30,574	874.9%	777,775	962,658	-19.2%	1,319,696	-41.1%
Build America Bonds Subsidy	84,160	81,319	3.5%	84,233	-0.1%	1,009,634	975,834	3.5%	1,011,243	-0.2%
<b>CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY</b>	<b>\$ (1,221,763)</b>	<b>\$ (969,481)</b>	<b>26.0%</b>	<b>\$ (5,022,608)</b>	<b>-75.7%</b>	<b>\$ (27,235,547)</b>	<b>\$ (14,912,876)</b>	<b>82.6%</b>	<b>\$ (17,176,318)</b>	<b>58.6%</b>
Unrealized Gain/(Loss) on Investments	\$ 29,716	\$ -	0.0%	\$ (18,372)	-261.7%	\$ (384,879)	\$ -	0.0%	\$ (36,006)	968.9%
Investment in Subsidiaries	151,126	16,373	823.0%	17,561	760.6%	1,437,703	196,474	631.8%	182,939	685.9%
<b>CHANGE IN NET POSITION</b>	<b>\$ (1,040,921)</b>	<b>\$ (953,109)</b>	<b>9.2%</b>	<b>\$ (5,023,419)</b>	<b>-79.3%</b>	<b>\$ (26,182,723)</b>	<b>\$ (14,716,402)</b>	<b>77.9%</b>	<b>\$ (17,029,385)</b>	<b>53.8%</b>
EBIDA	\$ (537,076)	\$ 1,184,727	-145.3%	\$ (3,636,032)	-85.2%	\$ (2,815,290)	\$ 9,228,526	-130.5%	\$ 6,226,731	-145.2%

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Inpatient Revenue	\$ 43,083,454	\$ 41,941,059	2.7%	\$ 39,931,577	7.9%	\$ 557,172,031	\$ 524,733,949	6.2%	\$ 513,741,970	8.5%
Outpatient Revenue	42,173,162	36,376,400	15.9%	38,239,911	10.3%	463,685,047	451,502,444	2.7%	441,980,006	4.9%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 85,256,616</b>	<b>\$ 78,317,459</b>	<b>8.9%</b>	<b>\$ 78,171,488</b>	<b>9.1%</b>	<b>\$ 1,020,857,078</b>	<b>\$ 976,236,393</b>	<b>4.6%</b>	<b>\$ 955,721,976</b>	<b>6.8%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 69,708,258</b>	<b>\$ 60,474,288</b>	<b>15.3%</b>	<b>\$ 65,477,887</b>	<b>6.5%</b>	<b>\$ 817,754,131</b>	<b>\$ 763,001,817</b>	<b>7.2%</b>	<b>\$ 748,507,315</b>	<b>9.3%</b>
	81.76%	77.22%		83.76%		80.10%	78.16%		78.32%	
<b>OTHER PATIENT REVENUE</b>										
Medicaid Supplemental Payments	\$ (3,213,544)	\$ (577,368)	456.6%	\$ (1,022,459)	214.3%	\$ (10,165,396)	\$ (6,928,416)	46.7%	\$ (7,258,070)	40.1%
DSRIP	1,000,000	1,000,000	0.0%	159,795	525.8%	12,000,000	12,000,000	0.0%	11,159,795	7.5%
Medicare Meaningful Use Subsidy	-	-	0.0%	(865,460)	-100.0%	-	-	0.0%	(364,242)	-100.0%
<b>TOTAL OTHER PATIENT REVENUE</b>	<b>\$ (2,213,544)</b>	<b>\$ 422,632</b>	<b>-623.8%</b>	<b>\$ (1,728,124)</b>	<b>28.1%</b>	<b>\$ 1,834,604</b>	<b>\$ 5,071,584</b>	<b>-63.8%</b>	<b>\$ 3,537,484</b>	<b>-48.1%</b>
<b>NET PATIENT REVENUE</b>	<b>\$ 13,334,814</b>	<b>\$ 18,265,803</b>	<b>-27.0%</b>	<b>\$ 10,965,478</b>	<b>21.6%</b>	<b>\$ 204,937,551</b>	<b>\$ 218,306,161</b>	<b>-6.1%</b>	<b>\$ 210,752,145</b>	<b>-2.8%</b>
<b>OTHER REVENUE</b>										
Tax Revenue	\$ 6,562,072	\$ 3,265,697	100.9%	\$ 3,248,285	102.0%	\$ 48,913,451	\$ 39,447,676	24.0%	\$ 40,229,306	21.6%
Other Revenue	710,928	728,801	-2.5%	8,617,454	-91.8%	9,485,600	8,889,826	6.7%	17,585,696	-46.1%
<b>TOTAL OTHER REVENUE</b>	<b>\$ 7,273,000</b>	<b>\$ 3,994,497</b>	<b>82.1%</b>	<b>\$ 11,865,739</b>	<b>-38.7%</b>	<b>\$ 58,399,051</b>	<b>\$ 48,337,502</b>	<b>20.8%</b>	<b>\$ 57,815,002</b>	<b>1.0%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 20,607,814</b>	<b>\$ 22,260,300</b>	<b>-7.4%</b>	<b>\$ 22,831,217</b>	<b>-9.7%</b>	<b>\$ 263,336,603</b>	<b>\$ 266,643,662</b>	<b>-1.2%</b>	<b>\$ 268,567,147</b>	<b>-1.9%</b>
<b>OPERATING EXPENSE</b>										
Salaries and Wages	\$ 8,663,797	\$ 8,675,666	-0.1%	\$ 8,839,012	-2.0%	\$ 105,809,534	\$ 105,692,623	0.1%	\$ 104,938,084	0.8%
Benefits	(766,379)	2,244,912	-134.1%	1,720,171	-144.6%	32,300,699	26,742,916	20.8%	29,521,163	9.4%
Temporary Labor	984,278	484,623	103.1%	754,268	30.5%	9,847,135	6,063,886	62.4%	6,194,541	59.0%
Physician Fees	1,910,350	70,994	2590.9%	112,766	1594.1%	2,695,890	891,572	202.4%	968,286	178.4%
Texas Tech Support	-	-	0.0%	16,696	-100.0%	-	-		200,353	-100.0%
Purchased Services	3,504,280	2,884,288	21.5%	8,883,340	-60.6%	30,860,530	31,052,536	-0.6%	36,664,914	-15.8%
Supplies	4,054,887	4,397,272	-7.8%	4,639,839	-12.6%	53,516,108	54,034,949	-1.0%	55,211,432	-3.1%
Utilities	316,287	363,408	-13.0%	329,885	-4.1%	4,010,073	3,709,929	8.1%	3,822,205	4.9%
Repairs and Maintenance	1,357,768	1,089,513	24.6%	1,012,809	34.1%	12,175,714	11,739,215	3.7%	11,596,814	5.0%
Leases and Rentals	(25,763)	(55,123)	-53.3%	(24,283)	6.1%	(601,045)	(488,214)	23.1%	(311,429)	93.0%
Insurance	79,841	85,992	-7.2%	664,707	-88.0%	1,140,919	1,031,908	10.6%	1,597,271	-28.6%
Interest Expense	(87,363)	277,215	-131.5%	151,611	-157.6%	2,912,363	3,275,419	-11.1%	2,892,575	0.7%
ECHDA	35,955	67,107	-46.4%	(177,160)	-120.3%	351,962	805,307	-56.3%	198,148	77.6%
Other Expense	106,168	146,066	-27.3%	336,196	-68.4%	1,290,823	1,797,153	-28.2%	2,150,430	-40.0%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 20,134,106</b>	<b>\$ 20,731,934</b>	<b>-2.9%</b>	<b>\$ 27,259,858</b>	<b>-26.1%</b>	<b>\$ 256,310,705</b>	<b>\$ 246,349,199</b>	<b>4.0%</b>	<b>\$ 255,644,786</b>	<b>0.3%</b>
Depreciation/Amortization	\$ 565,070	\$ 1,833,530	-69.2%	\$ 1,207,633	-53.2%	\$ 20,125,239	\$ 20,335,597	-1.0%	\$ 20,027,601	0.5%
(Gain)/Loss on Disposal of Assets	-	-	0.0%	(1,422,560)	-100.0%	(55,325)	-	100.0%	(1,429,060)	-96.1%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 20,699,176</b>	<b>\$ 22,565,465</b>	<b>-8.3%</b>	<b>\$ 27,044,931</b>	<b>-23.5%</b>	<b>\$ 276,380,618</b>	<b>\$ 266,684,796</b>	<b>3.6%</b>	<b>\$ 274,243,327</b>	<b>0.8%</b>
<b>NET GAIN (LOSS) FROM OPERATION</b>	<b>\$ (91,363)</b>	<b>\$ (305,165)</b>	<b>-70.1%</b>	<b>\$ (4,213,715)</b>	<b>-97.8%</b>	<b>\$ (13,044,015)</b>	<b>\$ (41,134)</b>	<b>31610.8%</b>	<b>\$ (5,676,180)</b>	<b>129.8%</b>
Operating Margin	-0.44%	-1.37%	-67.7%	-18.46%	-97.6%	-4.95%	-0.02%	32009.1%	-2.11%	134.4%
<b>NONOPERATING REVENUE/EXPENSE</b>										
Interest Income	\$ 26,531	\$ 33,011	-19.6%	\$ 28,749	-7.7%	\$ 504,710	\$ 401,637	25.7%	\$ 375,556	34.4%
Tobacco Settlement	-	-	0.0%	-	0.0%	859,458	777,932	10.5%	777,932	10.5%
Donations	298,058	672,670	-55.7%	30,574	874.9%	777,775	962,658	-19.2%	1,319,696	-41.1%
Build America Bonds Subsidy	84,160	81,319	3.5%	84,233	-0.1%	1,009,634	975,834	3.5%	1,011,243	-0.2%
<b>CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTION</b>	<b>\$ 317,386</b>	<b>\$ 481,836</b>	<b>-34.1%</b>	<b>\$ (4,070,158)</b>	<b>-107.8%</b>	<b>\$ (9,892,439)</b>	<b>\$ 3,076,928</b>	<b>-421.5%</b>	<b>\$ (2,191,753)</b>	<b>351.3%</b>
Procure Capital Contribution	(1,452,680)	(1,451,317)	0.1%	(1,364,238)	6.5%	(17,342,859)	(17,989,802)	-3.6%	(15,633,813)	10.9%
<b>CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY</b>	<b>\$ (1,135,294)</b>	<b>\$ (969,481)</b>	<b>17.1%</b>	<b>\$ (5,434,397)</b>	<b>-79.1%</b>	<b>\$ (27,235,298)</b>	<b>\$ (14,912,874)</b>	<b>82.6%</b>	<b>\$ (17,825,565)</b>	<b>52.8%</b>
Unrealized Gain/(Loss) on Investments	\$ 29,716	\$ -	0.0%	\$ (18,372)	-261.7%	\$ (384,879)	\$ -	0.0%	\$ (36,006)	968.9%
Investment in Subsidiaries	151,126	16,373	823.0%	17,561	760.6%	1,437,703	196,474	631.8%	182,939	685.9%
<b>CHANGE IN NET POSITION</b>	<b>\$ (954,453)</b>	<b>\$ (953,108)</b>	<b>0.1%</b>	<b>\$ (5,435,207)</b>	<b>-82.4%</b>	<b>\$ (26,182,473)</b>	<b>\$ (14,716,399)</b>	<b>77.9%</b>	<b>\$ (17,678,632)</b>	<b>48.1%</b>
<b>EBIDA</b>	<b>\$ (476,746)</b>	<b>\$ 1,157,637</b>	<b>-141.2%</b>	<b>\$ (4,075,963)</b>	<b>-88.3%</b>	<b>\$ (3,144,871)</b>	<b>\$ 8,894,617</b>	<b>-135.4%</b>	<b>\$ 5,241,543</b>	<b>-160.0%</b>

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Outpatient Revenue	\$ 13,225,507	\$ 9,365,015	41.2%	\$ 12,529,796	5.6%	\$ 138,435,547	\$ 111,308,006	24.4%	\$ 107,519,103	28.8%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 13,225,507</b>	<b>\$ 9,365,015</b>	<b>41.2%</b>	<b>\$ 12,529,796</b>	<b>5.6%</b>	<b>\$ 138,435,547</b>	<b>\$ 111,308,006</b>	<b>24.4%</b>	<b>\$ 107,519,103</b>	<b>28.8%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 10,445,691</b>	<b>\$ 6,457,106</b>	<b>61.8%</b>	<b>\$ 9,044,025</b>	<b>15.5%</b>	<b>\$ 104,671,705</b>	<b>\$ 76,937,679</b>	<b>36.0%</b>	<b>\$ 75,404,926</b>	<b>38.8%</b>
	78.98%	68.95%		72.18%		75.61%	69.12%		70.13%	
Medicaid Supplemental Payments	\$ 875,000	\$ 875,000	0.0%	\$ 875,000	0.0%	10,500,000	10,500,000	0.0%	\$ 10,500,000	0.0%
<b>NET PATIENT REVENUE</b>	<b>\$ 3,654,816</b>	<b>\$ 3,782,909</b>	<b>-3.4%</b>	<b>\$ 4,360,771</b>	<b>-16.2%</b>	<b>\$ 44,263,842</b>	<b>\$ 44,870,326</b>	<b>-1.4%</b>	<b>\$ 42,614,176</b>	<b>3.9%</b>
<b>OTHER REVENUE</b>										
Other Income	\$ 156,850	\$ 132,437	18.4%	\$ 233,592	-32.9%	\$ 1,671,683	\$ 1,693,690	-1.3%	\$ 1,825,396	-8.4%
<b>TOTAL OTHER REVENUE</b>										
<b>NET OPERATING REVENUE</b>	<b>\$ 3,811,665</b>	<b>\$ 3,915,346</b>	<b>-2.6%</b>	<b>\$ 4,594,364</b>	<b>-17.0%</b>	<b>\$ 45,935,525</b>	<b>\$ 46,564,016</b>	<b>-1.3%</b>	<b>\$ 44,439,572</b>	<b>3.4%</b>
<b>OPERATING EXPENSE</b>										
Salaries and Wages	\$ 3,904,459	\$ 4,056,068	-3.7%	\$ 4,013,917	-2.7%	\$ 46,792,022	\$ 48,284,008	-3.1%	\$ 43,820,875	6.8%
Benefits	474,528	519,616	-8.7%	472,050	0.5%	5,450,096	6,547,978	-16.8%	5,470,350	-0.4%
Temporary Labor	326,597	114,830	184.4%	375,350	-13.0%	3,799,237	1,377,960	175.7%	2,847,288	33.4%
Physician Fees	192,074	285,193	-32.7%	246,151	-22.0%	3,148,258	3,593,154	-12.4%	3,276,925	-3.9%
Purchased Services	(48,008)	(91,536)	-47.6%	(121,950)	-60.6%	(1,512,585)	(941,301)	60.7%	(1,473,944)	2.6%
Supplies	144,016	132,404	8.8%	193,895	-25.7%	1,611,023	1,576,468	2.2%	1,521,107	5.9%
Utilities	4,559	4,575	-0.3%	4,558	0.0%	49,221	53,205	-7.5%	70,637	-30.3%
Repairs and Maintenance	1,086	800	35.7%	2,888	-62.4%	11,537	12,600	-8.4%	37,168	-69.0%
Leases and Rentals	187,971	193,886	-3.1%	166,279	13.0%	2,177,812	2,250,715	-3.2%	2,021,742	7.7%
Insurance	62,186	46,398	34.0%	47,604	30.6%	576,539	549,526	4.9%	528,002	9.2%
Other Expense	75,208	77,340	-2.8%	117,930	-36.2%	843,743	915,596	-7.8%	968,090	-12.8%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 5,324,676</b>	<b>\$ 5,339,573</b>	<b>-0.3%</b>	<b>\$ 5,518,670</b>	<b>-3.5%</b>	<b>\$ 62,946,903</b>	<b>\$ 64,219,908</b>	<b>-2.0%</b>	<b>\$ 59,088,238</b>	<b>6.5%</b>
Depreciation/Amortization	\$ 26,138	\$ 27,090	-3.5%	\$ 28,143	-7.1%	\$ 329,831	\$ 333,912	-1.2%	\$ 335,940	-1.8%
(Gain)/Loss on Sale of Assets	-	-	0.0%	-	0.0%	1,899	-	0.0%	(40)	0.0%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 5,350,814</b>	<b>\$ 5,366,663</b>	<b>-0.3%</b>	<b>\$ 5,546,813</b>	<b>-3.5%</b>	<b>\$ 63,278,633</b>	<b>\$ 64,553,820</b>	<b>-2.0%</b>	<b>\$ 59,424,138</b>	<b>6.5%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (1,539,149)</b>	<b>\$ (1,451,317)</b>	<b>6.1%</b>	<b>\$ (952,450)</b>	<b>61.6%</b>	<b>\$ (17,343,108)</b>	<b>\$ (17,989,803)</b>	<b>-3.6%</b>	<b>\$ (14,984,565)</b>	<b>15.7%</b>
Operating Margin	-40.38%	-37.07%	8.9%	-20.73%	94.8%	-37.76%	-38.63%	-2.3%	-33.72%	12.0%
MCH Contribution	\$ 1,452,680	\$ 1,451,317	0.1%	\$ 1,364,238	6.5%	\$ 17,342,859	\$ 17,989,802	-3.6%	\$ 15,633,813	10.9%
<b>CAPITAL CONTRIBUTION</b>	<b>\$ (86,468)</b>	<b>\$ -</b>	<b>-100.0%</b>	<b>\$ 411,788</b>	<b>-121.0%</b>	<b>\$ (249)</b>	<b>\$ -</b>	<b>-100.0%</b>	<b>\$ 649,247</b>	<b>-100.0%</b>
EBIDA	\$ (60,331)	\$ 27,090	-322.7%	\$ 439,931	-113.7%	\$ 329,582	\$ 333,912	-1.3%	\$ 985,187	-66.5%

**MONTHLY STATISTICAL REPORT**

	CURRENT MONTH					YEAR TO DATE				
Total Office Visits	9,834	9,446	4.11%	9,218	6.68%	114,562	108,221	5.86%	104,010	10.15%
Total Hospital Visits	4,124	4,428	-6.87%	3,839	7.42%	52,633	53,134	-0.94%	51,892	1.43%
Total Procedures	51,254	54,902	-6.64%	51,547	-0.57%	647,439	672,712	-3.76%	672,751	-3.76%
Total Surgeries	749	717	4.46%	718	4.32%	9,542	8,560	11.47%	7,518	26.92%
Total Provider FTE's	88.9	95.7	-7.11%	88.1	0.91%	85.5	93.5	-8.56%	80.8	5.82%
Total Staff FTE's	126.9	139.3	-8.90%	113.9	11.41%	127.6	138.0	-7.54%	114.2	11.73%
Total Administrative FTE's	32.4	35.5	-8.73%	35.2	-7.95%	34.5	35.5	-2.82%	33.7	2.37%
Total FTE's	248.2	270.5	-8.24%	237.2	4.64%	247.6	267.0	-7.27%	228.7	8.26%

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Outpatient Revenue	\$ 370,694	\$ 376,313	-1.5%	\$ 403,665	-8.2%	\$ 4,632,575	\$ 4,261,984	8.7%	\$ 3,886,329	19.2%
<b>TOTAL PATIENT REVENUE</b>	\$ 370,694	\$ 376,313	-1.5%	\$ 403,665	-8.2%	\$ 4,632,575	\$ 4,261,984	8.7%	\$ 3,886,329	19.2%
<b>TOTAL REVENUE DEDUCTIONS</b>	\$ 363,134	\$ 151,054	140.4%	\$ 279,872	29.7%	\$ 2,903,258	\$ 1,887,734	53.8%	\$ 2,234,546	29.9%
	98.0%	40.1%		69.3%		62.7%	44.3%		57.5%	
<b>NET PATIENT REVENUE</b>	\$ 7,560	\$ 225,259	-96.6%	\$ 123,793	-93.9%	\$ 1,729,317	\$ 2,374,250	-27.2%	\$ 1,651,783	4.7%
<b>OTHER REVENUE</b>										
FHC Other Revenue	\$ -	\$ 8,802	0.0%	\$ -	0.0%	\$ 6,108	\$ 105,629	0.0%	\$ -	0.0%
<b>TOTAL OTHER REVENUE</b>	\$ -	\$ 8,802	-100.0%	\$ -	0.0%	\$ 6,108	\$ 105,629	-94.2%	\$ -	0.0%
<b>NET OPERATING REVENUE</b>	\$ 7,560	\$ 234,062	-96.8%	\$ 123,793	-93.9%	\$ 1,735,425	\$ 2,479,879	-30.0%	\$ 1,651,783	5.1%
<b>OPERATING EXPENSE</b>										
Salaries and Wages	\$ 30,646	\$ 33,431	-8.3%	\$ 33,497	-8.5%	\$ 376,288	\$ 391,209	-3.8%	\$ 452,381	-16.8%
Benefits	(2,711)	8,651	-131.3%	6,519	-141.6%	114,870	98,986	16.0%	127,264	-9.7%
Physician Services	224,689	241,117	-6.8%	242,610	-7.4%	2,836,830	2,887,981	-1.8%	2,524,852	12.4%
Cost of Drugs Sold	18,752	5,958	214.7%	3,556	427.3%	71,399	67,816	5.3%	68,995	3.5%
Supplies	11,449	14,279	-19.8%	11,599	-1.3%	101,760	142,286	-28.5%	104,890	-3.0%
Utilities	4,205	4,121	2.1%	3,831	9.8%	52,667	39,455	33.5%	40,485	30.1%
Repairs and Maintenance	10,491	4,815	117.9%	6,675	57.2%	49,898	30,607	63.0%	32,162	55.1%
Leases and Rentals	462	422	9.5%	471	-1.9%	5,574	6,071	-8.2%	5,996	-7.0%
Other Expense	1,000	1,038	-3.7%	2,600	-61.5%	14,228	14,050	1.3%	16,776	-15.2%
<b>TOTAL OPERATING EXPENSES</b>	\$ 298,984	\$ 313,832	-4.7%	\$ 311,358	-4.0%	\$ 3,623,514	\$ 3,678,462	-1.5%	\$ 3,373,802	7.4%
Depreciation/Amortization	\$ 5,453	\$ 5,246	3.9%	\$ 5,498	-0.8%	\$ 65,538	\$ 63,403	3.4%	\$ 63,830	2.7%
<b>TOTAL OPERATING COSTS</b>	\$ 304,437	\$ 319,078	-4.6%	\$ 316,857	-3.9%	\$ 3,689,052	\$ 3,741,865	-1.4%	\$ 3,437,632	7.3%
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	\$ (296,877)	\$ (85,016)	249.2%	\$ (193,064)	53.8%	\$ (1,953,628)	\$ (1,261,986)	54.8%	\$ (1,785,849)	9.4%
Operating Margin	-3926.84%	-36.32%	10711.1%	-155.96%	2417.9%	-112.57%	-50.89%	121.2%	-108.12%	4.1%
<b>EBIDA</b>	\$ (291,424)	\$ (79,770)	265.3%	\$ (187,566)	55.4%	\$ (1,888,090)	\$ (1,198,582)	57.5%	\$ (1,722,019)	9.6%

	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	946	1,241	-23.8%	1,334	-29.1%	13,464	14,427	-6.7%	14,258	-5.6%
Dental Visits	693	805	-13.9%	658	5.3%	8,257	8,745	-5.6%	7,506	10.0%
Total Visits	1,639	2,046	-19.9%	1,992	-17.7%	21,721	23,172	-6.3%	21,764	-0.2%
Average Revenue per Office Visit	226.17	183.93	23.0%	202.64	11.6%	213.28	183.93	16.0%	178.57	19.4%
Hospital FTE's (Salaries and Wages)	4.5	5.2	-13.7%	5.1	-11.4%	4.8	5.0	-3.8%	6.4	-25.3%
Clinic FTE's - (Physician Services)	24.9	28.6	-12.8%	23.5	6.2%	22.1	28.6	-22.5%	18.0	22.9%

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

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b><u>PATIENT REVENUE</u></b>										
Outpatient Revenue	\$ 221,448	\$ 274,282	-19.3%	\$ 270,609	-18.2%	\$ 2,734,711	\$ 2,995,893	-8.7%	\$ 2,583,142	5.9%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 221,448</b>	<b>\$ 274,282</b>	<b>-19.3%</b>	<b>\$ 270,609</b>	<b>-18.2%</b>	<b>\$ 2,734,711</b>	<b>\$ 2,995,893</b>	<b>-8.7%</b>	<b>\$ 2,583,142</b>	<b>5.9%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 216,406</b>	<b>\$ 104,410</b>	<b>107.3%</b>	<b>\$ 414,703</b>	<b>-47.8%</b>	<b>\$ 1,927,412</b>	<b>\$ 1,307,133</b>	<b>47.5%</b>	<b>\$ 2,306,262</b>	<b>-16.4%</b>
	97.72%	38.07%		153.25%		70.48%	43.63%		89.28%	
<b>NET PATIENT REVENUE</b>	<b>\$ 5,042</b>	<b>\$ 169,873</b>	<b>-97.0%</b>	<b>\$ (144,094)</b>	<b>-103.5%</b>	<b>\$ 807,299</b>	<b>\$ 1,688,761</b>	<b>-52.2%</b>	<b>\$ 276,880</b>	<b>191.6%</b>
<b><u>OTHER REVENUE</u></b>										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
<b>TOTAL OTHER REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ -</b>	<b>0.0%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 5,042</b>	<b>\$ 169,873</b>	<b>-97.0%</b>	<b>\$ (144,094)</b>	<b>-103.5%</b>	<b>\$ 807,299</b>	<b>\$ 1,688,761</b>	<b>-52.2%</b>	<b>\$ 276,880</b>	<b>191.6%</b>
<b><u>OPERATING EXPENSE</u></b>										
Salaries and Wages	\$ 3,036	\$ 3,079	-1.4%	\$ 4,278	-29.0%	\$ 40,963	\$ 41,591	-1.5%	\$ 42,016	-2.5%
Benefits	(269)	797	-133.8%	833	-132.3%	12,505	10,524	18.8%	11,820	5.8%
Physician Services	125,822	178,983	-29.7%	150,322	-16.3%	1,674,835	2,162,889	-22.6%	1,940,203	-13.7%
Cost of Drugs Sold	10,602	2,612	305.9%	4,853	118.5%	29,931	28,531	4.9%	32,096	-6.7%
Supplies	6,088	6,410	-5.0%	6,405	-5.0%	65,042	66,411	-2.1%	73,973	-12.1%
Utilities	3,650	2,090	74.7%	2,576	41.7%	28,743	24,345	18.1%	26,731	7.5%
Repairs and Maintenance	440	1,016	-56.7%	(3,104)	-114.2%	14,144	8,764	61.4%	8,852	59.8%
Other Expense	-	-	0.0%	-	0.0%	-	200	-100.0%	200	-100.0%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 149,369</b>	<b>\$ 194,988</b>	<b>-23.4%</b>	<b>\$ 166,162</b>	<b>-10.1%</b>	<b>\$ 1,866,162</b>	<b>\$ 2,343,255</b>	<b>-20.4%</b>	<b>\$ 2,135,892</b>	<b>-12.6%</b>
Depreciation/Amortization	\$ 39,985	\$ 39,984	0.0%	\$ 41,241	-3.0%	\$ 493,635	\$ 493,635	0.0%	\$ 494,891	-0.3%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 189,353</b>	<b>\$ 234,972</b>	<b>-19.4%</b>	<b>\$ 207,403</b>	<b>-8.7%</b>	<b>\$ 2,359,797</b>	<b>\$ 2,836,890</b>	<b>-16.8%</b>	<b>\$ 2,630,783</b>	<b>-10.3%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (184,312)</b>	<b>\$ (65,099)</b>	<b>183.1%</b>	<b>\$ (351,497)</b>	<b>-47.6%</b>	<b>\$(1,552,498)</b>	<b>\$(1,148,129)</b>	<b>35.2%</b>	<b>\$(2,353,903)</b>	<b>-34.0%</b>
Operating Margin	-3655.89%	-38.32%	9439.8%	243.94%	-1598.7%	-192.31%	-67.99%	182.9%	-850.15%	-77.4%
<b>EBIDA</b>	<b>\$ (144,327)</b>	<b>\$ (25,115)</b>	<b>474.7%</b>	<b>\$ (310,257)</b>	<b>-53.5%</b>	<b>\$(1,058,863)</b>	<b>\$ (654,495)</b>	<b>61.8%</b>	<b>\$(1,859,012)</b>	<b>-43.0%</b>

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Medical Visits	489	788	-37.9%	785	-37.7%	6,784	9,140	-25.8%	7,828	-13.3%
Optometry Visits	280	360	-22.2%	282	-0.7%	3,294	3,402	-3.2%	3,093	6.5%
Total Visits	769	1,148	-33.0%	1,067	-27.9%	10,078	12,542	-19.6%	10,921	-7.7%
Average Revenue per Office Visit	287.97	238.92	20.5%	253.62	13.5%	271.35	238.87	13.6%	236.53	14.7%
Hospital FTE's (Salaries and Wages)	0.9	1.0	-5.4%	1.2	-24.0%	1.0	1.1	-6.9%	1.1	-6.7%
Clinic FTE's - (Physician Services)	13.7	14.6	-6.2%	12.1	13.1%	13.1	14.6	-10.6%	13.9	-6.4%

**ECTOR COUNTY HOSPITAL DISTRICT  
SEPTEMBER 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	\$ 33,693,336	39.5%	\$ 32,085,767	41.1%	\$ 408,169,065	39.9%	\$ 404,424,203	42.4%
Medicaid	8,130,087	9.5%	7,692,059	9.8%	109,958,063	10.8%	112,250,136	11.7%
Commercial	25,379,859	29.8%	20,464,854	26.2%	296,897,660	29.1%	268,878,233	28.1%
Self Pay	14,165,579	16.6%	12,137,656	15.5%	145,748,464	14.3%	110,656,298	11.6%
Other	3,887,756	4.6%	5,791,152	7.4%	60,083,826	5.9%	59,513,105	6.2%
<b>TOTAL</b>	<b>\$ 85,256,616</b>	<b>100.0%</b>	<b>\$ 78,171,488</b>	<b>100.0%</b>	<b>\$ 1,020,857,078</b>	<b>100.0%</b>	<b>\$ 955,721,976</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 6,162,335	36.1%	\$ 5,301,655	29.7%	\$ 60,638,064	31.8%	\$ 66,186,993	31.6%
Medicaid	1,510,749	8.8%	1,460,933	8.2%	16,803,138	8.8%	19,162,835	9.2%
Commercial	5,162,680	30.3%	8,578,495	47.9%	75,173,257	39.5%	95,252,269	45.6%
Self Pay	1,195,883	7.0%	1,209,064	6.8%	13,889,813	7.3%	16,585,767	7.9%
Other	3,048,205	17.8%	1,323,620	7.4%	23,954,708	12.6%	11,976,788	5.7%
<b>TOTAL</b>	<b>\$ 17,079,853</b>	<b>100.0%</b>	<b>\$ 17,873,766</b>	<b>100.0%</b>	<b>\$ 190,458,980</b>	<b>100.0%</b>	<b>\$ 209,164,652</b>	<b>100.0%</b>
TOTAL NET REVENUE	15,548,358		12,693,602		203,102,947		207,214,661	
% OF GROSS REVENUE	18.2%		16.2%		19.9%		21.7%	
VARIANCE	1,531,495		5,180,164		(12,643,967)		1,949,991	
% VARIANCE TO CASH COLLECTIONS	9.8%		40.8%		-6.2%		0.9%	

**ECTOR COUNTY HOSPITAL DISTRICT  
FAMILY HEALTH CLINIC CLEMENTS  
SEPTEMBER 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	\$ 38,370	10.4%	\$ 48,244	12.0%	\$ 523,655	11.3%	\$ 499,093	12.8%
Medicaid	90,846	24.5%	81,366	20.2%	1,208,691	26.1%	955,016	24.6%
PHC	65,416	17.6%	151,933	37.5%	1,150,225	24.8%	1,360,481	35.0%
Commercial	60,685	16.4%	44,205	11.0%	755,418	16.3%	554,740	14.3%
Self Pay	112,825	30.4%	63,198	15.7%	903,346	19.5%	392,991	10.1%
Other	2,552	0.7%	14,719	3.6%	91,240	2.0%	124,007	3.2%
<b>TOTAL</b>	<b>\$ 370,694</b>	<b>100.0%</b>	<b>\$ 403,665</b>	<b>100.0%</b>	<b>\$ 4,632,575</b>	<b>100.0%</b>	<b>\$ 3,886,329</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 1,249	4.5%	\$ 13,643	11.0%	\$ 98,005	8.6%	\$ 233,700	14.1%
Medicaid	4,945	17.7%	33,591	27.2%	451,209	39.5%	525,727	31.8%
PHC	3,032	10.8%	26,007	21.0%	149,318	13.1%	285,631	17.3%
Commercial	5,732	20.5%	22,490	18.1%	165,942	14.5%	291,790	17.7%
Self Pay	13,037	46.5%	28,166	22.7%	277,522	24.3%	313,848	19.0%
Other	-	0.0%	35	0.0%	158	0.0%	1,088	0.1%
<b>TOTAL</b>	<b>\$ 27,996</b>	<b>100.0%</b>	<b>\$ 123,933</b>	<b>100.0%</b>	<b>\$ 1,142,154</b>	<b>100.0%</b>	<b>\$ 1,651,784</b>	<b>100.0%</b>
TOTAL NET REVENUE	7,560		123,793		1,729,317		1,651,783	
% OF GROSS REVENUE	2.0%		30.7%		37.3%		42.5%	
VARIANCE	20,436		141		(587,163)		1	
% VARIANCE TO CASH COLLECTIONS	270.3%		0.1%		-34.0%		0.0%	

**ECTOR COUNTY HOSPITAL DISTRICT  
FAMILY HEALTH CLINIC WEST UNIVERSITY  
SEPTEMBER 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	\$ 33,260	15.0%	\$ 41,667	15.4%	\$ 444,679	16.3%	\$ 482,501	18.7%
Medicaid	72,210	32.7%	100,944	37.3%	1,016,071	37.2%	827,202	32.0%
PHC	22,033	9.9%	45,954	17.0%	317,005	11.6%	480,448	18.6%
Commercial	43,383	19.6%	47,900	17.7%	479,291	17.5%	438,966	17.0%
Self Pay	50,061	22.6%	26,261	9.7%	422,322	15.4%	246,647	9.5%
Other	502	0.2%	7,883	2.9%	55,343	2.0%	107,378	4.2%
<b>TOTAL</b>	<b>\$ 221,448</b>	<b>100.0%</b>	<b>\$ 270,609</b>	<b>100.0%</b>	<b>\$ 2,734,711</b>	<b>100.0%</b>	<b>\$ 2,583,142</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 927	2.1%	\$ 5,399	23.0%	\$ 100,049.04	18.7%	\$ 48,114	17.5%
Medicaid	14,884	33.2%	6,428	27.4%	166,008	31.2%	114,759	41.7%
PHC	1,530	3.4%	2,160	9.2%	32,824	6.1%	25,443	9.3%
Commercial	8,528	19.0%	4,051	17.3%	91,218	17.1%	4,324	1.6%
Self Pay	18,946	42.3%	5,430	23.1%	143,217	26.8%	81,955	29.8%
Other	10	0.0%	(2)	0.0%	724	0.1%	298	0.1%
<b>TOTAL</b>	<b>\$ 44,824</b>	<b>100.0%</b>	<b>\$ 23,466</b>	<b>100.0%</b>	<b>\$ 534,041</b>	<b>100.0%</b>	<b>\$ 274,892</b>	<b>100.0%</b>
TOTAL NET REVENUE	5,042		(144,094)		807,299		276,880	
% OF GROSS REVENUE	2.3%		-53.2%		29.5%		10.7%	
VARIANCE	39,783		167,560		(273,259)		(1,987)	
% VARIANCE TO CASH COLLECTIONS	789.1%		-116.3%		-33.8%		-0.7%	

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

<u>Cash and Cash Equivalents</u>	<u>Frost</u>	<u>Hilltop</u>	<u>Total</u>
Operating	\$ 2,352,513	\$ -	\$ 2,352,513
Payroll	2,691	-	2,691
Worker's Comp Claims	7,398	-	7,398
UMR Group Medical	110,904	-	110,904
Flex Benefits	13,051	-	13,051
Mission Fitness	75,138	-	75,138
Petty Cash	9,420	-	9,420
Dispro	2,439,068	8,160,579	10,599,647
Debt Service	150,058	-	150,058
Tobacco Settlement	423	-	423
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	-	3,215,411	3,215,411
Designated Funds	-	3,118,532	3,118,532
	<hr/>	<hr/>	<hr/>
Total Cash and Cash Equivalents	\$ 5,160,665	\$ 23,570,726	\$ <b>28,731,391</b>

<u>Investments</u>	<u>Other</u>	<u>Hilltop</u>	<u>Total</u>
Dispro	\$ -	\$ 2,000,000	\$ 2,000,000
Funded Depreciation	-	8,000,000	8,000,000
Designated Funds	90,510	(47,635)	42,875
Allowance for Change in Market Values	-	(98,400)	(98,400)
	<hr/>	<hr/>	<hr/>
Total Investments	\$ 90,510	\$ 9,853,965	\$ <b>9,944,475</b>
Total Unrestricted Cash and Investments			\$ <b>38,675,867</b>

<u>Restricted Assets</u>	<u>Reserves</u>	<u>Prosperity</u>	<u>Total</u>
Assets Held By Trustee - Bond Reserves	\$ 4,666,188	\$ -	\$ 4,666,188
Assets Held By Trustee - Debt Payment Reserves	6,813	-	6,813
Assets Held In Endowment	-	6,224,654	6,224,654
Escrow Account - Cerner Financing	-	-	-
Restricted TPC, LLC	686,412	-	686,412
Restricted MCH West Texas Services	1,985,952	-	1,985,952
Total Restricted Assets	<hr/>	<hr/>	<hr/>
	\$ 7,345,365	\$ 6,224,654	\$ <b>13,570,019</b>

Total Cash & Investments			<hr/> <hr/> <b>\$ 52,245,885</b>
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**ECTOR COUNTY HOSPITAL DISTRICT  
STATEMENT OF CASH FLOW  
SEPTEMBER 2017**

	<b>Hospital</b>	<b>Procure</b>	<b>Blended</b>
Cash Flows from Operating Activities and Nonoperating Revenue:			
Excess of Revenue over Expenses	\$ (26,182,473)	\$ (249)	\$ (26,182,722)
Noncash Expenses:			
Depreciation and Amortization	20,270,157	111,077	20,381,234
Unrealized Gain/Loss on Investments	(384,879)	-	(384,879)
Accretion (Bonds)	(4,219)	-	(4,219)
Changes in Assets and Liabilities			
Patient Receivables, Net	(11,177,726)	(2,524,663)	(13,702,389)
Taxes Receivable/Deferred	(2,062,584)	(246,073)	(2,308,656)
Inventories, Prepaids and Other	(919,980)	(881,040)	(1,801,020)
Accounts Payable	3,015,981	2,272,405	5,288,387
Accrued Expenses	(3,160,348)	1,636,556	(1,523,792)
Due to Third Party Payors	(1,324,589)	-	(1,324,589)
Accrued Post Retirement Benefit Costs	9,147,488	-	9,147,488
Net Cash Provided by Operating Activities	\$ (12,783,173)	\$ 368,014	\$ (12,415,159)
Cash Flows from Investing Activities:			
Investments	\$ 25,490,645	\$ -	\$ 25,490,645
Acquisition of Property and Equipment	(18,365,486)	79,486	(18,286,000)
Cerner Project Costs	(8,523,180)	-	(8,523,180)
Net Cash used by Investing Activities	\$ (1,398,021)	\$ 79,486	\$ (1,318,535)
Cash Flows from Financing Activities:			
Net Repayment of Long-term Debt/Bond Issuance	\$ (4,784,084)	\$ -	\$ (4,784,084)
Net Cash used by Financing Activities	\$ (4,784,084)	\$ -	\$ (4,784,084)
Net Increase (Decrease) in Cash	\$ (18,965,278)	\$ 447,500	\$ (18,517,778)
Beginning Cash & Cash Equivalents @ 9/30/2016	\$ 61,266,687	\$ 2,734,905	\$ 64,001,593
Ending Cash & Cash Equivalents @ 9/30/2017	\$ 42,301,410	\$ 3,182,405	\$ 45,483,815
<b>Balance Sheet</b>			
Cash and Cash Equivalents	\$ 28,731,391	\$ 3,182,405	\$ 31,913,796
Restricted Assets	13,570,019	-	13,570,019
Ending Cash & Cash Equivalents @ 9/30/2017	\$ 42,301,410	\$ 3,182,405	\$ 45,483,815

**ECTOR COUNTY HOSPITAL DISTRICT**  
**TAX COLLECTIONS**  
**FISCAL 2017**

	<u>ACTUAL COLLECTIONS</u>	<u>BUDGETED COLLECTIONS</u>	<u>VARIANCE</u>	<u>PRIOR YEAR COLLECTIONS</u>	<u>VARIANCE</u>
<b><u>AD VALOREM</u></b>					
OCTOBER	\$ 249,105	\$ 994,737	\$ (745,632)	\$ 124,292	\$ 124,813
NOVEMBER	924,056	994,737	(70,681)	658,003	266,053
DECEMBER	2,885,709	994,737	1,890,972	1,147,214	1,738,495
JANUARY	3,390,679	994,737	2,395,942	3,102,060	288,619
FEBRUARY	2,266,373	994,737	1,271,636	4,653,270	(2,386,897)
MARCH	327,882	994,737	(666,855)	246,383	81,499
APRIL	152,119	994,737	(842,618)	133,624	18,494
MAY	102,583	710,479	(607,896)	100,892	1,691
JUNE	96,229	727,372	(631,143)	76,218	20,011
JULY	66,209	727,372	(661,163)	42,534	23,675
AUGUST	45,614	727,372	(681,758)	62,650	(17,036)
SEPTEMBER	39,655	791,925	(752,270)	92,484	(52,830)
SUB TOTAL	<u>10,546,212</u>	<u>10,647,676</u>	<u>(101,464)</u>	<u>10,439,625</u>	<u>106,587</u>
ACCRUAL	33,380	-	33,380	7,374	26,007
TOTAL	<u>\$ 10,579,592</u>	<u>\$ 10,647,676</u>	<u>\$ (68,084)</u>	<u>\$ 10,446,998</u>	<u>\$ 132,594</u>
<b><u>SALES</u></b>					
OCTOBER	\$ 2,339,047	\$ 2,362,971	\$ (23,924)	\$ 2,887,145	\$ (548,098)
NOVEMBER	2,839,057	2,553,727	285,330	3,053,244	(214,187)
DECEMBER	2,324,023	2,256,215	67,808	2,631,851	(307,828)
JANUARY	2,583,565	2,171,303	412,261	2,457,544	126,020
FEBRUARY	3,162,907	2,692,643	470,265	2,973,484	189,424
MARCH	2,759,040	2,068,447	690,593	2,225,281	533,760
APRIL	3,121,450	2,238,917	882,533	2,330,153	791,296
MAY	3,168,533	2,813,220	355,313	2,828,891	339,643
JUNE	3,036,516	2,205,288	831,228	2,202,976	833,540
JULY	3,398,566	2,274,843	1,123,723	2,232,204	1,166,362
AUGUST	3,802,924	2,688,655	1,114,269	2,663,855	1,139,070
SEPTEMBER	3,469,098	2,473,772	995,326	2,057,965	1,411,133
SUB TOTAL	<u>36,004,726</u>	<u>28,800,000</u>	<u>7,204,726</u>	<u>30,544,592</u>	<u>5,460,134</u>
ACCRUAL	2,329,133	-	2,329,133	(762,285)	3,091,418
TOTAL	<u>\$ 38,333,859</u>	<u>\$ 28,800,000</u>	<u>\$ 9,533,859</u>	<u>\$ 29,782,307</u>	<u>\$ 8,551,552</u>
TAX REVENUE	<u><u>\$ 48,913,451</u></u>	<u><u>\$ 39,447,676</u></u>	<u><u>\$ 9,465,775</u></u>	<u><u>\$ 40,229,306</u></u>	<u><u>\$ 8,684,146</u></u>

**ECTOR COUNTY HOSPITAL DISTRICT  
MEDICAID SUPPLEMENTAL PAYMENTS  
FISCAL YEAR 2017**

<b>CASH ACTIVITY</b>	<b>TAX (IGT) ASSESSED</b>	<b>GOVERNMENT PAYOUT</b>	<b>BURDEN ALLEVIATION</b>	<b>NET INFLOW</b>
<b>DSH</b>				
1st Qtr	\$ (2,597,000)	\$ 5,926,518		\$ 3,329,518
2nd Qtr	(1,301,163)	2,969,335		1,668,173
3rd Qtr	(4,056,592)	9,257,397		5,200,806
4th Qtr	-	109,132		109,132
<b>DSH TOTAL</b>	<b>\$ (7,954,754)</b>	<b>\$ 18,262,382</b>		<b>\$ 10,307,628</b>
<b>UC</b>				
1st Qtr	\$ -	\$ -		-
2nd Qtr	(2,237,518)	5,195,968		2,958,449
3rd Qtr	-	-		-
4th Qtr	(2,601,994)	5,937,915		3,335,921
<b>UC TOTAL</b>	<b>\$ (4,839,513)</b>	<b>\$ 11,133,883</b>		<b>\$ 6,294,370</b>
<b>Regional UPL (Community Benefit)</b>				
1st Qtr	\$ -	\$ -		\$ -
2nd Qtr	(22,123,615)	-		(22,123,615)
3rd Qtr	-	-		-
4th Qtr	(5,712,623)	-		(5,712,623)
<b>REGIONAL UPL TOTAL</b>	<b>\$ (27,836,238)</b>	<b>\$ -</b>		<b>\$ (27,836,238)</b>
<b>DSRIP</b>				
1st Qtr	\$ -	\$ -		\$ -
2nd Qtr	(7,530,059)	17,097,519		9,567,460
3rd Qtr	-	-		-
4th Qtr	(3,704,046)	8,366,319		4,662,273
<b>DSRIP UPL TOTAL</b>	<b>\$ (11,234,105)</b>	<b>\$ 25,463,838</b>		<b>\$ 14,229,733</b>
<b>Nursing Home MPAP</b>				
1st Qtr	\$ (18,941)	\$ 254,245		\$ 235,304
2nd Qtr	-	259,925		259,925
3rd Qtr	-	89,320		89,320
4th Qtr	(446,738)	446,738		-
<b>Nursing Home MPAP TOTAL</b>	<b>\$ (465,679)</b>	<b>\$ 1,050,229</b>		<b>\$ 584,549</b>
<b>MCH Cash Activity</b>	<b>\$ (52,330,289)</b>	<b>\$ 55,910,331</b>		<b>\$ 3,580,042</b>
<b>ProCare Cash Activity</b>			\$ 10,500,000	<b>\$ 10,500,000</b>
<b>Blended Cash Activity</b>	<b>\$ (52,330,289)</b>	<b>\$ 55,910,331</b>	<b>\$ 10,500,000</b>	<b>\$ 14,080,042</b>

**INCOME STATEMENT ACTIVITY:**

**FY 2017 Accrued / (Deferred) Adjustments:**

	<b>MCH</b>	<b>PROCARE</b>	<b>BLENDED</b>
DSH Accrual	\$ 10,307,628	\$ -	\$ 10,307,628
Uncompensated Care Accrual	3,790,039	-	3,790,039
Regional UPL Accrual	(24,264,013)	-	(24,264,013)
Nursing Home UPL	951	-	951
Regional UPL Benefit	-	10,500,000	10,500,000
<b>Medicaid Supplemental Payments</b>	<b>(10,165,396)</b>	<b>10,500,000</b>	<b>334,604</b>
DSRIP Accrual	12,000,000	-	12,000,000
<b>Total Adjustments</b>	<b>\$ 1,834,604</b>	<b>\$ 10,500,000</b>	<b>\$ 12,334,604</b>

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

	A	B	C	D	E=A+B+C+D	F	G=E+F	H	H-G
ITEM	CIP BALANCE AS OF 9/1/2017	SEPTEMBER "+" ADDITIONS	SEPTEMBER "-." ADDITIONS	SEPTEMBER TRANSFERS	CIP BALANCE AS OF 9/30/2017	ADD: AMOUNTS CAPITALIZED	PROJECT TOTAL	BUDGETED AMOUNT	UNDER/(OVER) BOARD APRVD/BUDGET
PLANT ROOF RENOVATION	\$ -	\$ 55,600	\$ -	\$ -	\$ 55,600	\$ -	\$ 55,600	\$ 49,000	\$ (6,600)
SKYBRIDGE ROOF RENOVATION	-	49,737	-	-	49,737	-	49,737	49,000	(737)
ED WAITING RENOVATION	-	1,050	-	-	1,050	-	1,050	20,000	18,950
<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	399,868	295,453	-	-	695,321	-	695,321	896,000	200,679
SUITE 401 WSMP	(21,674)	-	-	-	(21,674)	-	(21,674)	75,000	96,674
ONE DOCTORS PLACE	11,632	260	-	-	11,892	-	11,892	45,000	33,108
OR ROOF REPAIR	20,776	-	-	-	20,776	-	20,776	45,000	24,224
2ND FLOOR COMPLIANCE AREA	486	14,210	-	-	14,696	-	14,696	30,000	15,304
PROFESSIONAL BUILDING STORM DAMAGE	19,879	6,676	-	-	26,555	-	26,555	45,000	18,445
OR MED ROOM MODIFICATION	49,112	26,968	-	-	76,080	-	76,080	40,000	(36,080)
750 WEST 5TH FLOORING PROJECT	10,391	6,488	-	-	16,879	-	16,879	15,000	(1,879)
ANCILLARY STERILE STORAGE	-	4,443	-	-	4,443	-	4,443	25,000	20,557
GOLDER SITE SIGNAGE	-	3,983	-	-	3,983	-	3,983	20,000	16,018
<b>SUB-TOTAL</b>	<b>\$ 524,708</b>	<b>\$ 358,481</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 883,189</b>	<b>\$ -</b>	<b>\$ 883,189</b>	<b>\$ 1,326,000</b>	<b>\$ 442,811</b>
<i>EQUIPMENT &amp; SOFTWARE PROJECTS - CIP INCOMPLETE</i>									
VARIOUS CAPITAL EXPENDITURE PROJECTS	\$ 2,322,170	\$ -	\$ -	\$ -	\$ 2,322,170	\$ -	\$ 2,322,170	\$ 2,500,000	\$ 177,830
<b>SUB-TOTAL</b>	<b>\$ 2,322,170</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,322,170</b>	<b>\$ -</b>	<b>\$ 2,322,170</b>	<b>\$ 2,500,000</b>	<b>\$ 177,830</b>
<b>TOTAL CONSTRUCTION IN PROGRESS</b>	<b>\$ 2,846,878</b>	<b>\$ 464,868</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,311,747</b>	<b>\$ -</b>	<b>\$ 3,311,746</b>	<b>\$ 3,944,000</b>	<b>\$ 632,254</b>

ECTOR COUNTY HOSPITAL DISTRICT  
 CAPITAL PROJECT & EQUIPMENT EXPENDITURES  
 SEPTEMBER 2017

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

**ECTOR COUNTY HOSPITAL DISTRICT  
FISCAL 2017 CAPITAL EQUIPMENT  
CONTINGENCY FUND  
SEPTEMBER 2017**

<b>MONTH/ YEAR</b>	<b>DESCRIPTION</b>	<b>DEPT NUMBER</b>	<b>BUDGETED AMOUNT</b>	<b>P.O AMOUNT</b>	<b>ACTUAL AMOUNT</b>	<b>TO/(FROM) CONTINGENCY</b>
	<b>Available funds from budget</b>		<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 600,000</b>
Oct-16	Concrete Wheel Stops	8500	-	-	2,800	(2,800)
Oct-16	(2) Alarms in ER	8200	-	-	4,945	(4,945)
Oct-16	Sliding Glass Doors	8200	-	-	11,200	(11,200)
Oct-16	Sidewalk and Ramp	8200	-	-	7,100	(7,100)
Nov-16	Carpet	8200	-	-	2,352	(2,352)
Nov-16	Reach-in Refrigerator	8020	-	-	3,910	(3,910)
Nov-16	Boilerless Steamer	8020	13,491	-	13,653	(162)
Dec-16	InnerSpace Cabinets	7310	9,769	-	9,769	-
Dec-16	Blanket Warmer	7290	3,761	-	3,577	184
Jan-17	Ultrasound Machine, Trauma Bay	7800	55,750	-	62,875	(7,125)
Feb-17	Mini Split AC System	8200	-	-	3,888	(3,888)
Feb-17	Grille Operaton and Transformer	8560	-	-	2,900	(2,900)
Mar-17	Ultrasound Unit	7320	208,741	-	172,178	36,563
Mar-17	Vacuum Pumps	8200	80,000	-	35,925	44,075
Mar-17	Ultrasound Machine - EMT	7800	-	-	469	(469)
Mar-17	Biological Safety Cabinet - EMT	7060	-	-	111	(111)
Mar-17	Annex Fire System	8200	-	-	28,585	(28,585)
Mar-17	Annex Fire System - Installation	8200	-	-	10,000	(10,000)
Mar-17	Fitness Rowing Machine	9310	1,262	-	2,524	(1,262)
Apr-17	BioChem Guard	7330	10,682	-	10,682	-
Apr-17	Heart Bypass	6620	197,349	-	197,349	-
Apr-17	Heart Bypass	6620	50,070	-	52,581	(2,511)
Apr-17	Bariatric Instrument Set	6620	21,475	-	21,475	-
May-17	Police Radios	8380	59,338	54,173	3,956	1,209
May-17	Ice Cuber and Water Dispenser	8020	3,910	-	3,910	-
May-17	Clear Led Monile Barrier Full Window	7920	4,095	-	4,095	-
May-17	Nihn Kohden Monitoring	6850	268,851	-	268,851	-
Jun-17	EIZO Analog to DVI Converter Box	6620	6,779	-	6,779	-
Jun-17	Ultrasound Unit - EMT	8380	-	-	429	(429)
Jun-17	Police Radios	8380	-	-	1,772	(1,772)
Jun-17	Vacuum Pumps- EMT	8200	-	-	312	(312)
Jun-17	Luminance Meter- EMT	7250	-	-	25	(25)
Jun-17	Clear Led Monile Barrier Full Window	7290	-	-	394	(394)
Jul-17	Annex AHU Condensor	8200	45,000	-	33,217	11,783
Jul-17	Sewer Basement Pump	8200	-	-	11,200	(11,200)
Jul-17	Generator #1 Radiator	8200	-	-	22,105	(22,105)
Jul-17	Replacing Burner on #2 Boiler	8200	-	-	44,500	(44,500)
Jul-17	BioChem Guard	7330	-	-	10,682	(10,682)
Jul-17	USP Hazardous Drug Clean Room	7330	-	-	20,250	(20,250)
Aug-17	Downtime PCs	9070	-	-	3,396	(3,396)
Aug-17	Additional Client PC thins	9070	50,000	21,942	(21,942)	50,000
Aug-17	Cerner Contingency Capex	9070	-	-	35,231	(35,231)
Sep-17	OR Scheduling Cubicles	6620	-	-	6,581	(6,581)
			<b>\$ 1,690,322</b>	<b>\$ 76,115</b>	<b>\$ 1,116,588</b>	<b>\$ 497,619</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
SUPPLEMENTAL SCHEDULE OF ACCOUNTS RECEIVABLE - OTHER  
SEPTEMBER 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	\$ -	\$ -	\$ -	\$ -
AR UNCOMPENSATED CARE	712,507	-	-	712,507
AR DSRIP	6,930,062	9,159,795	-	(2,229,733)
AR NURSING HOME UPL	-	583,599	-	(583,599)
AR BAB REVENUE	84,142	84,233	-	(90)
AR PHYSICIAN GUARANTEES	652,652	-	-	652,652
AR ACCRUED INTEREST	129,868	79,286	-	50,582
AR OTHER:	7,565,255	4,636,431	2,482,086	446,738
Procure On-Call Fees	155,300	-	46,500	108,800
Procure A/R - FHC	339,398	-	391,968	(52,571)
Other Misc A/R	7,070,558	4,636,431	2,043,618	390,509
AR DUE FROM THIRD PARTY PAYOR	3,378,362	4,975,920	-	(1,597,558)
PROCARE-INTERCOMPANY RECEIVABLE	4,331,016	1,455,140	-	2,875,877
<b>TOTAL ACCOUNTS RECEIVABLE - OTHER</b>	<b>\$ 23,783,866</b>	<b>\$ 20,974,403</b>	<b>\$ 2,482,086</b>	<b>\$ 327,376</b>
PROCARE-INTERCOMPANY LIABILITY	\$ (4,331,016)	\$ -	\$ (1,455,140)	\$ (2,875,877)

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

TEMPORARY LABOR DEPARTMENT	CURRENT MONTH					YEAR TO DATE				
	BUDGET			PRIOR		BUDGET			PRIOR	
	ACTUAL	BUDGET	VAR	PRIOR YR	YR VAR	ACTUAL	BUDGET	VAR	PRIOR YR	YR VAR
OPERATING ROOM	1.4	1.0	44.3%	6.3	-77.6%	4.1	1.0	308.6%	6.9	-40.5%
LABOR AND DELIVERY	0.6	-	0.0%	4.2	-85.6%	1.8	-	0.0%	2.7	-34.8%
NEO-NATAL INTENSIVE CARE	1.5	-	0.0%	5.4	-72.1%	1.8	-	0.0%	2.1	-14.7%
7 CENTRAL	-	0.1	-100.0%	5.2	-100.0%	1.0	0.1	590.5%	5.6	-81.9%
INPATIENT REHAB	1.5	0.6	153.5%	4.0	-61.4%	1.0	0.6	62.1%	3.2	-68.4%
INTENSIVE CARE UNIT 4 (CCU)	-	0.9	-100.0%	6.5	-100.0%	0.8	0.9	-15.4%	1.8	-55.7%
4 EAST	0.8	-	0.0%	3.3	-77.2%	0.8	-	0.0%	1.4	-41.2%
EMERGENCY DEPARTMENT	1.0	1.3	-21.4%	2.5	-60.0%	0.8	1.3	-36.3%	2.2	-62.3%
INTENSIVE CARE UNIT 2	0.4	-	0.0%	4.5	-92.0%	0.6	-	0.0%	3.4	-82.2%
PERFORMANCE IMPROVEMENT (QA)	-	-	0.0%	-	0.0%	0.5	-	0.0%	-	0.0%
6 CENTRAL	-	-	0.0%	4.6	-100.0%	0.5	-	0.0%	1.6	-65.2%
9 CENTRAL	-	0.9	-100.0%	1.0	-100.0%	0.5	0.9	-40.8%	0.8	-33.4%
8 CENTRAL	-	-	0.0%	4.1	-100.0%	0.5	-	0.0%	1.8	-74.9%
PM&R - OCCUPATIONAL	0.6	0.7	-18.5%	0.5	16.3%	0.5	0.8	-33.9%	0.9	-44.3%
STERILE PROCESSING	0.2	-	0.0%	-	0.0%	0.4	-	0.0%	2.5	-82.3%
CHW - SPORTS MEDICINE	-	-	0.0%	3.0	-100.0%	0.4	-	0.0%	2.9	-86.0%
TRAUMA SERVICE	0.3	-	0.0%	-	0.0%	0.4	-	0.0%	-	0.0%
6 WEST	-	0.6	-100.0%	2.8	-100.0%	0.3	0.6	-48.4%	1.8	-81.7%
HUMAN RESOURCES	-	-	0.0%	-	0.0%	0.3	-	0.0%	-	0.0%
PATIENT ACCOUNTING	-	-	0.0%	-	0.0%	0.3	-	0.0%	-	0.0%
4 CENTRAL	-	0.1	-100.0%	1.0	-100.0%	0.2	0.1	146.4%	1.1	-77.6%
PM&R - PHYSICAL	1.0	0.3	263.7%	0.0	1938.1%	0.3	0.3	19.7%	0.9	-64.3%
FINANCIAL ACCOUNTING	0.5	-	0.0%	-	0.0%	0.2	-	0.0%	-	0.0%
5 CENTRAL	-	-	0.0%	1.3	-100.0%	0.2	-	0.0%	2.2	-91.7%
OP SURGERY	-	0.4	-100.0%	0.9	-100.0%	0.1	0.4	-78.7%	0.6	-87.1%
PHARMACY DRUGS/I.V. SOLUTIONS	1.9	-	0.0%	-	0.0%	0.2	-	0.0%	-	0.0%
IMAGING - ULTRASOUND	-	-	0.0%	-	0.0%	0.0	-	0.0%	0.2	-86.8%
CERNER	-	-	0.0%	-	0.0%	0.0	-	0.0%	-	0.0%
5 WEST	0.2	0.3	-28.9%	-	0.0%	0.0	0.3	-94.3%	0.3	-94.0%
IMAGING - DIAGNOSTICS	4.1	-	0.0%	-	0.0%	0.3	-	0.0%	-	0.0%
CARDIOPULMONARY	12.4	-	0.0%	-	0.0%	1.0	-	0.0%	-	0.0%
ENGINEERING	1.8	-	0.0%	-	0.0%	0.2	-	0.0%	-	0.0%
RECOVERY ROOM	-	0.1	-100.0%	-	0.0%	-	0.1	-100.0%	0.1	-100.0%
LABORATORY - CHEMISTRY	-	0.4	-100.0%	-	0.0%	-	0.4	-100.0%	0.4	-100.0%
LABORATORY - MICROBIOLOGY	-	0.4	-100.0%	-	0.0%	-	0.4	-100.0%	0.4	-100.0%
LABORATORY - TRANFUSION SERVICES	-	0.8	-100.0%	-	0.0%	-	0.8	-100.0%	0.5	-100.0%
PM&R - SPEECH	-	0.2	-100.0%	-	0.0%	-	0.2	-100.0%	0.4	-100.0%
MEDICAL STAFF	-	0.3	-100.0%	-	0.0%	-	0.3	-100.0%	0.2	-100.0%
<b>SUBTOTAL</b>	<b>30.3</b>	<b>9.4</b>	<b>223.0%</b>	<b>61.0</b>	<b>-50.3%</b>	<b>20.3</b>	<b>9.6</b>	<b>111.4%</b>	<b>48.7</b>	<b>-58.3%</b>
<b>TRANSITION LABOR</b>										
INTENSIVE CARE UNIT 4 (CCU)	9.4	1.0	872.4%	-	0.0%	7.1	1.0	610.8%	-	0.0%
7 CENTRAL	6.6	4.9	34.5%	-	0.0%	5.3	5.0	6.9%	-	0.0%
8 CENTRAL	4.3	2.0	119.4%	-	0.0%	3.6	2.0	78.9%	-	0.0%
INPATIENT REHAB	3.9	1.9	106.6%	-	0.0%	3.4	2.0	68.4%	-	0.0%
4 EAST	2.8	1.0	191.5%	-	0.0%	3.1	1.0	212.2%	-	0.0%
6 CENTRAL	3.7	3.9	-4.4%	-	0.0%	3.2	4.0	-21.1%	-	0.0%
9 CENTRAL	3.4	-	0.0%	-	0.0%	3.0	-	0.0%	-	0.0%
NEO-NATAL INTENSIVE CARE	3.8	2.9	32.6%	-	0.0%	2.9	3.0	-2.3%	-	0.0%
EMERGENCY DEPARTMENT	2.8	0.5	507.3%	-	0.0%	2.7	0.5	458.4%	-	0.0%
INTENSIVE CARE UNIT 2	3.6	5.8	-37.3%	-	0.0%	2.7	6.0	-54.4%	-	0.0%
5 CENTRAL	1.2	2.0	-41.0%	-	0.0%	2.1	2.0	3.5%	-	0.0%
OPERATING ROOM	2.1	3.9	-46.7%	-	0.0%	2.0	4.0	-50.8%	-	0.0%
CHW - SPORTS MEDICINE	0.9	3.5	-74.1%	-	0.0%	1.7	3.5	-50.1%	-	0.0%
LABORATORY - CHEMISTRY	2.4	-	0.0%	-	0.0%	1.7	-	0.0%	-	0.0%
OP SURGERY	0.9	-	0.0%	-	0.0%	1.0	-	0.0%	-	0.0%
4 CENTRAL	0.6	1.0	-36.3%	-	0.0%	0.8	1.0	-17.6%	-	0.0%
LABORATORY - HEMATOLOGY	1.2	-	0.0%	-	0.0%	0.7	-	0.0%	-	0.0%
6 WEST	-	0.6	-100.0%	-	0.0%	0.5	0.6	-12.3%	-	0.0%
PM&R - OCCUPATIONAL	-	-	0.0%	-	0.0%	0.4	-	0.0%	-	0.0%
PM&R - PHYSICAL	1.0	-	0.0%	-	0.0%	0.4	-	0.0%	-	0.0%
LABOR AND DELIVERY	0.3	3.9	-92.6%	-	0.0%	0.3	4.0	-93.5%	-	0.0%
CERNER	-	-	0.0%	-	0.0%	0.2	-	0.0%	-	0.0%
5 WEST	-	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%
TRAUMA SERVICE	-	-	0.0%	-	0.0%	0.0	-	0.0%	-	0.0%
<b>SUBTOTAL</b>	<b>55.0</b>	<b>38.6</b>	<b>42.7%</b>	<b>-</b>	<b>0.0%</b>	<b>49.0</b>	<b>39.6</b>	<b>23.9%</b>	<b>-</b>	<b>0.0%</b>
<b>GRAND TOTAL</b>	<b>85.3</b>	<b>48.0</b>	<b>78.0%</b>	<b>61.0</b>	<b>39.9%</b>	<b>69.4</b>	<b>49.2</b>	<b>41.2%</b>	<b>48.7</b>	<b>42.5%</b>

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

	CURRENT MONTH						YEAR TO DATE					
	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR
OR TEMPORARY LABOR	\$ 31,483	\$ 21,765	\$ 9,718	44.6%	\$ 77,625	-59.4%	\$ 703,279	\$ 254,697	\$ 448,582	176.1%	\$ 1,035,222	-32.1%
PI TEMPORARY LABOR	-	-	-	100.0%	-	100.0%	180,930	-	180,930	100.0%	-	100.0%
L & D TEMPORARY LABOR	10,087	-	10,087	100.0%	22,363	-54.9%	176,185	-	176,185	100.0%	298,029	-40.9%
NICU TEMPORARY LABOR	15,239	-	15,239	100.0%	39,650	-61.6%	142,060	-	142,060	100.0%	245,554	-42.1%
TRAUMA TEMPORARY LABOR	1,625	-	1,625	100.0%	-	100.0%	106,958	-	106,958	100.0%	-	100.0%
ED TEMPORARY LABOR	14,582	12,170	2,411	19.8%	13,979	4.3%	229,224	158,416	70,808	44.7%	252,660	-9.3%
4E TEMPORARY LABOR	9,809	-	9,809	100.0%	63,177	-84.5%	57,582	-	57,582	100.0%	195,777	-70.6%
PT TEMPORARY LABOR	12,860	2,823	10,037	355.6%	7,722	66.5%	58,900	36,906	21,993	59.6%	106,884	-44.9%
DIAG TEMPORARY LABOR	43,846	-	43,846	100.0%	-	100.0%	52,156	-	52,156	100.0%	647	7965.4%
RT TEMPORARY LABOR	128,768	-	128,768	100.0%	-	100.0%	128,768	-	128,768	100.0%	-	100.0%
OT TEMPORARY LABOR	4,011	10,152	(6,141)	-60.5%	18,091	-77.8%	66,837	124,665	(57,827)	-46.4%	148,323	-54.9%
REHAB TEMPORARY LABOR	16,835	9,533	7,301	76.6%	112,348	-85.0%	55,286	121,051	(65,764)	-54.3%	513,945	-89.2%
ALL OTHER	62,638	58,620	4,019	6.9%	399,313	-84.3%	342,626	734,872	(392,246)	-53.4%	3,397,500	-89.9%
<b>TOTAL TEMPORARY LABOR</b>	<b>\$ 351,782</b>	<b>\$ 115,063</b>	<b>\$ 236,719</b>	<b>205.7%</b>	<b>\$ 754,268</b>	<b>-53.4%</b>	<b>\$ 2,300,791</b>	<b>\$ 1,430,606</b>	<b>\$ 870,185</b>	<b>60.8%</b>	<b>\$ 6,194,541</b>	<b>-62.9%</b>
ICU4 TRANSITION LABOR	\$ 126,639	\$ 7,800	\$ 118,839	1523.6%	\$ -	100.0%	\$ 1,185,972	\$ 101,157	\$ 1,084,815	1072.4%	\$ -	100.0%
4E TRANSITION LABOR	28,278	8,763	19,515	222.7%	-	100.0%	511,763	114,088	397,675	348.6%	-	100.0%
IMCU9 TRANSITION LABOR	34,306	-	34,306	100.0%	-	100.0%	390,099	-	390,099	100.0%	-	100.0%
ED TRANSITION LABOR	40,277	3,457	36,819	1065.0%	-	100.0%	372,255	45,000	327,255	727.2%	-	100.0%
REHAB TRANSITION LABOR	43,427	19,169	24,258	126.5%	-	100.0%	545,659	243,402	302,256	124.2%	-	100.0%
8C TRANSITION LABOR	51,335	19,200	31,615	160.3%	-	100.0%	554,734	249,659	305,075	122.2%	-	100.0%
7C TRANSITION LABOR	66,171	45,515	20,656	45.4%	-	100.0%	798,871	549,856	249,015	45.3%	-	100.0%
5C TRANSITION LABOR	20,680	19,029	1,651	8.7%	-	100.0%	340,838	229,428	111,410	48.6%	-	100.0%
CHEM TRANSITION LABOR	15,656	-	15,656	100.0%	-	100.0%	156,052	-	156,052	100.0%	-	100.0%
NICU TRANSITION LABOR	43,631	26,199	17,432	66.5%	-	100.0%	484,987	342,265	142,722	41.7%	-	100.0%
OP SURGERY TRANSITION LABOR	5,682	-	5,682	100.0%	-	100.0%	125,828	-	125,828	100.0%	-	100.0%
IMCU4 TRANSITION LABOR	8,656	7,711	945	12.3%	-	100.0%	149,352	93,857	55,495	59.1%	-	100.0%
HEMA TRANSITION LABOR	10,226	-	10,226	100.0%	-	100.0%	72,902	-	72,902	100.0%	-	100.0%
ORTHO/NEURO TRANSITION LABOR	657	4,440	(3,783)	-85.2%	-	100.0%	88,456	55,080	33,376	60.6%	-	100.0%
OR TRANSITION LABOR	26,408	40,459	(14,051)	-34.7%	-	100.0%	320,793	473,456	(152,663)	-32.2%	-	100.0%
ICU2 TRANSITION LABOR	42,281	58,580	(16,299)	-27.8%	-	100.0%	511,847	738,195	(226,348)	-30.7%	-	100.0%
OP P&M TRANSITION LABOR	8,550	35,543	(26,993)	-75.9%	-	100.0%	217,623	454,052	(236,429)	-52.1%	-	100.0%
ALL OTHER	59,636	73,174	(13,538)	-18.5%	-	100.0%	718,313	943,784	(225,471)	-23.9%	-	100.0%
<b>TOTAL TRANSITION LABOR</b>	<b>\$ 632,496</b>	<b>\$ 369,560</b>	<b>\$ 262,936</b>	<b>71.1%</b>	<b>\$ -</b>	<b>100.0%</b>	<b>\$ 7,546,344</b>	<b>\$ 4,633,280</b>	<b>\$ 2,913,064</b>	<b>62.9%</b>	<b>\$ -</b>	<b>100.0%</b>
<b>GRAND TOTAL TEMPORARY LABOR</b>	<b>\$ 984,278</b>	<b>\$ 484,623</b>	<b>\$ 499,655</b>	<b>103.1%</b>	<b>\$ 754,268</b>	<b>30.5%</b>	<b>\$ 9,847,135</b>	<b>\$ 6,063,886</b>	<b>\$ 3,783,249</b>	<b>62.4%</b>	<b>\$ 6,194,541</b>	<b>59.0%</b>
CERNER OTHER PURCH SVCS	\$ 560,694	\$ 102,080	\$ 458,614	449.3%	\$ 23,518	2284.1%	\$ 2,279,918	\$ 1,224,964	\$ 1,054,954	86.1%	\$ 846,879	169.2%
ADM CONSULTANT FEES	178,800	63,202	115,598	182.9%	99,521	79.7%	1,239,145	758,425	480,719	63.4%	732,647	69.1%
HK SVC CONTRACT PURCH SVC	44,367	37,379	6,988	18.7%	65,851	-32.6%	700,378	443,259	257,119	58.0%	531,504	31.8%
PA E-SCAN DATA SYSTEM	342,536	48,365	294,171	608.2%	91,651	273.7%	835,084	580,377	254,707	43.9%	696,818	19.8%
ADM OTHER	10,000	-	10,000	100.0%	-	100.0%	215,210	-	215,210	100.0%	-	100.0%
COMPLIANCE CONSULTING FEES	49,398	3,795	45,602	1201.5%	3,608	1269.3%	197,633	64,560	133,073	206.1%	62,077	218.4%
PI FEES ( TRANSITION NURSE PROGRAM)	31,131	57,795	(26,664)	-46.1%	21,212	46.8%	474,533	368,822	105,711	28.7%	307,575	54.3%
ED FEES ( BCA FEES )	-	60	(60)	-100.0%	-	100.0%	90,410	6,489	83,921	1293.3%	6,954	1200.1%
HISTOLOGY SERVICES	32,971	34,708	(1,737)	-5.0%	28,498	15.7%	384,536	305,463	79,073	25.9%	340,361	13.0%
ADMIN OTHER FEES	3,765	4,812	(1,047)	-21.8%	10,844	-65.3%	128,797	57,747	71,050	123.0%	80,733	59.5%
REHAB OTHER PURCH SVCS	31,721	11,764	19,957	169.6%	13,204	140.2%	208,599	141,174	65,426	46.3%	141,577	45.9%
4E OTHER PURCH SVCS	811	73	738	1010.5%	2,871	-71.7%	88,684	24,000	64,684	269.5%	9,438	839.6%
PHARMACY SERVICES	22,616	3,676	18,941	515.3%	17,840	26.8%	271,188	209,921	61,267	29.2%	148,154	83.0%
PRO OTHER PURCH SVCS	11,361	6,134	5,227	85.2%	10,056	13.0%	126,128	73,611	52,517	71.3%	78,136	61.4%
CARDIOVASCULAR SERVICES	35,500	22,024	13,476	61.2%	31,000	14.5%	307,590	264,293	43,298	16.4%	311,815	-1.4%
TELECOM SERVICES	16,160	15,703	457	2.9%	9,618	68.0%	215,395	176,400	38,995	22.1%	150,432	43.2%
NSG OTHER PURCH SVCS	677	3,539	(2,863)	-80.9%	(6,190)	-110.9%	75,887	42,473	33,414	78.7%	53,414	42.1%
MED ASSETS CONTRACT	21,524	14,163	7,361	52.0%	27,929	-22.9%	179,767	155,587	24,180	15.5%	194,953	-7.8%
CVS CONTRACT PURCH SVC	17,712	985	16,727	1699.0%	-	100.0%	52,005	31,446	20,559	65.4%	36,283	43.3%
PH CONTRACT PURCH SVC	4,111	2,846	1,265	44.4%	4,111	0.0%	70,305	54,000	16,305	30.2%	134,072	-47.6%
PT CODING PURCH SVCS	7,503	8,334	(830)	-10.0%	2,627	185.6%	63,424	54,843	8,581	15.6%	55,669	13.9%
WOUND CARE CODING FEES	5,070	5,805	(735)	-12.7%	5,670	-10.6%	57,722	69,662	(11,940)	-17.1%	69,757	-17.3%
LTH OTHER PURCH SVCS	2,100	3,046	(946)	-31.0%	4,560	-53.9%	57,535	81,049	(23,514)	-29.0%	77,169	-25.4%
NSG ED OTHER PURCH SVCS	4,336	10,782	(6,446)	-59.8%	5,386	-19.5%	67,622	93,305	(25,683)	-27.5%	80,844	-16.4%
MED STAFF REVIEW FEES	9,920	4,906	5,014	102.2%	3,997	148.2%	69,528	103,733	(34,205)	-33.0%	78,993	-12.0%
COMM REL WELLNESS WORKS	21,107	21,314	(207)	-1.0%	63,736	-66.9%	211,910	255,772	(43,862)	-17.1%	292,437	-27.5%
OR FEES ( PERFUSION SERVICES )	29,061	25,876	3,185	12.3%	23,708	22.6%	269,846	331,066	(61,220)	-18.5%	316,923	-14.9%
AMBULANCE FEES	13,342	24,477	(11,136)	-45.5%	21,485	-37.9%	216,990	293,724	(76,734)	-26.1%	301,132	-27.9%
UC-CPC 42ND STREET PURCH SVCS-OTHER	45,025	40,001	5,024	12.6%	-	100.0%	403,596	504,674	(101,079)	-20.0%	-	100.0%
ADM LEGAL SETTLEMENT FEES	12,000	1,575	10,425	661.9%	96,000	-87.5%	90,592	194,938	(104,346)	-53.5%	407,725	-77.8%
PA ELIGIBILITY FEES	20,167	57,483	(37,316)	-64.9%	52,004	-61.2%	581,273	819,994	(238,722)	-29.1%	682,822	-14.9%
ADMT OTHER PURCH SVCS	5,852	99,855	(94,003)	-94.1%	45,340	-87.1%	147,629	403,884	(256,255)	-63.4%	439,001	-66.4%
UOM ( EHR FEES )	16,315	48,090	(31,775)	-66.1%	58,305	-72.0%	260,184	550,244	(290,060)	-52.7%	490,468	-47.0%
PRIMARY CARE WEST OTHER PURCH SVCS	125,822	178,983	(53,162)	-29.7%	150,322	-16.3%	1,674,835	2,162,889	(488,054)	-22.6%	1,890,363	-11.4%
ALL OTHERS	1,770,803	1,920,654	(149,851)	-7.8%	7,895,058	-77.6%	18,548,654	20,149,748	(1,601,094)	-7.9%	26,617,786	-30.3%
<b>TOTAL PURCHASED SERVICES</b>	<b>\$ 3,504,280</b>	<b>\$ 2,884,288</b>	<b>\$ 619,992</b>	<b>21.5%</b>	<b>\$ 8,883,340</b>	<b>-60.8%</b>	<b>\$ 30,860,530</b>	<b>\$ 31,052,536</b>	<b>\$ (192,005)</b>	<b>-0.6%</b>	<b>\$ 36,664,914</b>	<b>-15.8%</b>

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

		YTD SEPTEMBER 2017	2016 S&P Comparison**	YTD September 2016	YTD September 2015	YTD September 2014
<b><u>Statement of Operations:</u></b>						
Salaries & Benefits/Net Pt Rev (%)	↑	76.4	55.7	72.4	69.1	68.6
Bad Debt Exp/Total Operating Revenue (%)	↑	39.7	N/A	32.0	34.6	34.7
Maximum Debt Service Coverage (x)	↓	-0.7	2.7	1.7	7.1	7.9
Maximum Debt Service/Total Operating Revenue (%)	↑	1.5	N/A	1.4	1.7	1.8
Interest Coverage (x) <sup>1</sup>						
EBITDA Margin (%) <sup>1</sup>	↓	-0.9	8.8	2.0	12.6	14.4
Operating Margin (%)	↓	-9.8	1.2	-7.1	-0.7	0.7
Profit Margin (%)	↓	-8.4	2.3	-5.4	3.6	4.5
<b><u>Balance Sheet:</u></b>						
Average Age Net Fixed Assets (years)	↑	12.5	12.8	11.5	9.9	8.4
Cushion Ratio (x)	↓	11.1	13.4	22.4	25.5	21.8
Days' Cash on Hand	↓	48.3	167.3	102.4	143.9	131.7
Days in Accounts Receivable	↑	70.5	44.1	57.5	53.6	54.6
Cash Flow/Total Liabilities (%)	↓	-3.2	11.3	1.9	20.0	29.7
Unrestricted Cash/Long-Term Debt (%)	↓	83.8	140.3	157.0	177.7	193.1
Long-Term Debt/Capitalization (%)	↑	21.1	38.3	20.6	18.0	18.6
Payment Period (days)	↓	63.4	N/A	65.5	57.9	51.0
<b><u>Other Ratios:</u></b>						
Inventory Turnover <sup>2</sup>	↑	10.3	17.0	10.1	12.0	12.7

**\*\*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.

Ector County Hospital District  
 Debt Service Coverage Calculation  
 SEPTEMBER 2017

Average Annual Debt Service Requirements of 110%:

	FYTD		
	ProCare	ECHD	Consolidated
Decrease in net position	(249)	(26,182,473)	(26,182,722)
Deficiency of revenues over expenses	(249)	(26,182,473)	(26,182,722)
Depreciation/amortization	329,831	20,125,239	20,455,070
Interest expense	-	2,912,363	2,912,363
(Gain) or loss on fixed assets	1,899	(55,325)	(53,427)
Unusual / infrequent / extraordinary items	-	(1,069,016)	(1,069,016)
Unrealized (gains) / losses on investments	-	384,879	384,879
Consolidated net revenues	331,481	(3,884,334)	(3,552,853)
GASB 68	-	7,973,206	7,973,206
Consolidated net revenues (without GASB 68)	331,481	4,088,872	4,420,353

**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	Cap Lease	Total	110%
2017	3,708,207.37	93,139.20	3,801,346.57	4,181,481.23
2018	3,704,144.87		3,704,144.87	4,074,559.36
2019	3,704,003.09		3,704,003.09	4,074,403.40
2020	3,703,513.46		3,703,513.46	4,073,864.81
2021	3,703,965.62		3,703,965.62	4,074,362.19
2022	3,703,363.82		3,703,363.82	4,073,700.20
2023	3,704,094.49		3,704,094.49	4,074,503.94
2024	3,703,936.71		3,703,936.71	4,074,330.38
2025	3,703,757.92		3,703,757.92	4,074,133.71
2026	3,703,381.35		3,703,381.35	4,073,719.49
2027	3,702,861.24		3,702,861.24	4,073,147.36
2028	3,703,256.93		3,703,256.93	4,073,582.63
2029	3,702,288.56		3,702,288.56	4,072,517.42
2030	3,701,769.56		3,701,769.56	4,071,946.52
2031	3,701,420.06		3,701,420.06	4,071,562.06
2032	3,701,960.19		3,701,960.19	4,072,156.21
2033	3,701,063.45		3,701,063.45	4,071,169.79
2034	3,700,496.62		3,700,496.62	4,070,546.28
2035	3,700,933.18		3,700,933.18	4,071,026.50
	<u>3,703,074.66</u>	<u>93,139.20</u>	<u>3,707,976.72</u>	

OR

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

	Bonds	
Debt Service	3,801,347	← higher of the two

	Current FYTD	
Covenant Computation (with GASB 68)	-93.5%	(needs to be 110% or higher)
Covenant Computaiton (without GASB 68)	116.3%	



# Financial Presentation

For the Month Ended

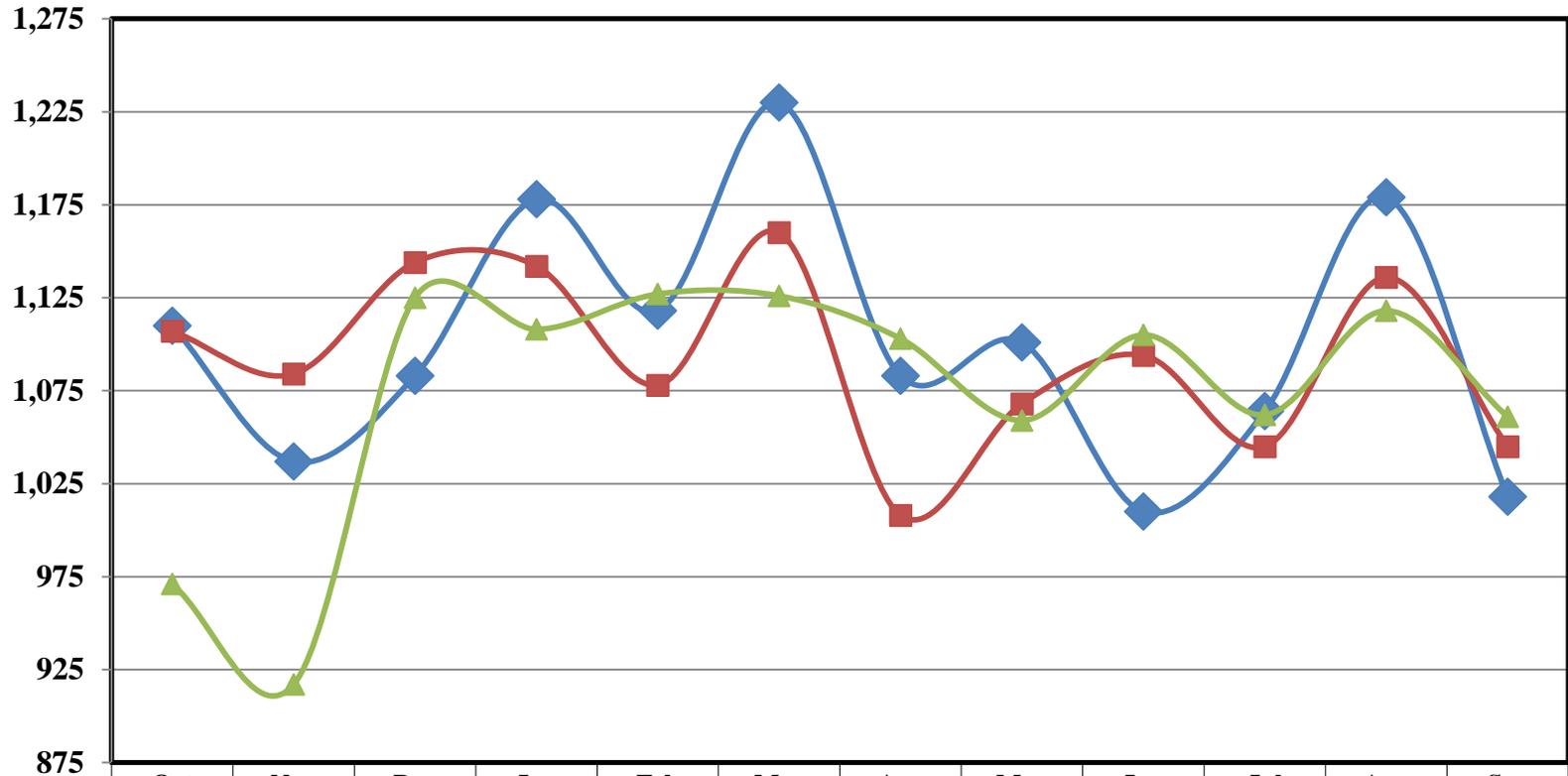
September 30, 2017

# Volume



# Admissions

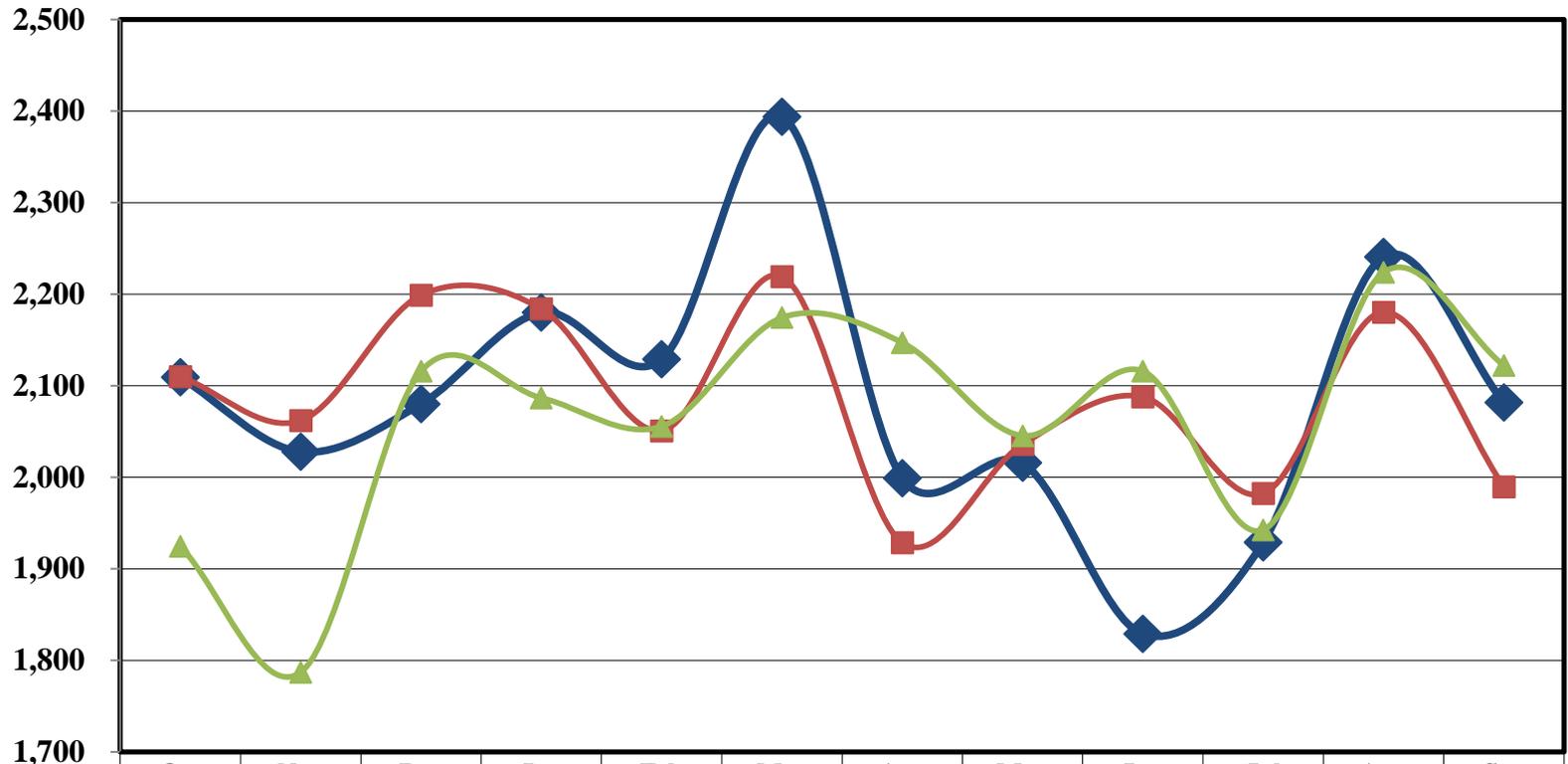
Total – Adults and NICU



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
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
FY 2017 Budget	1,107	1,084	1,144	1,142	1,078	1,160	1,008	1,068	1,094	1,045	1,136	1,045
FY 2016	971	917	1,125	1,108	1,127	1,126	1,103	1,059	1,105	1,062	1,118	1,061

# Adjusted Admissions

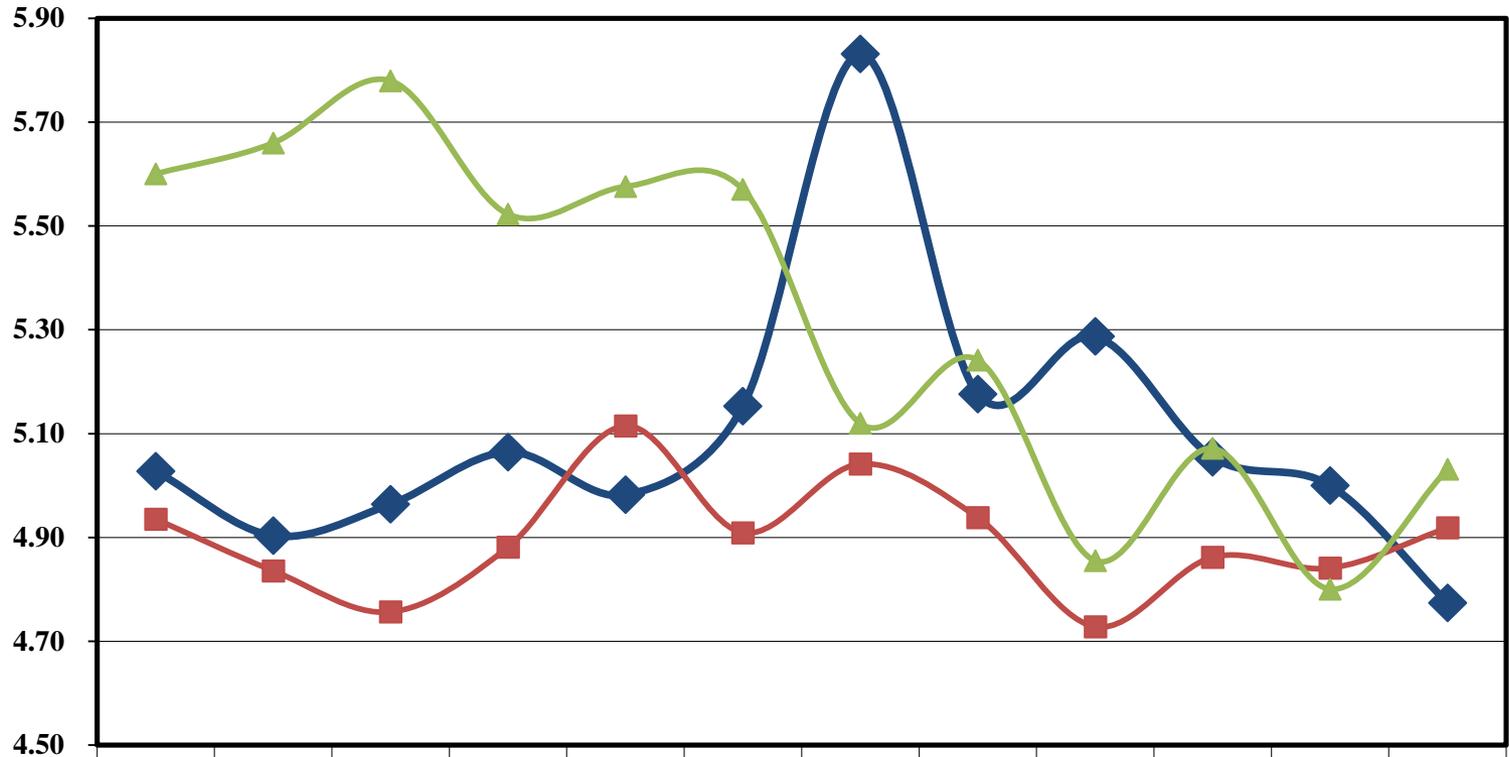
Including Acute & Rehab Unit



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>FY 2017</b>	2,109	2,028	2,080	2,180	2,129	2,394	1,999	2,016	1,829	1,929	2,241	2,082
<b>FY 2017 Budget</b>	2,110	2,062	2,199	2,184	2,051	2,219	1,929	2,036	2,088	1,982	2,180	1,990
<b>FY 2016</b>	1,925	1,787	2,116	2,087	2,056	2,174	2,147	2,045	2,116	1,942	2,224	2,122

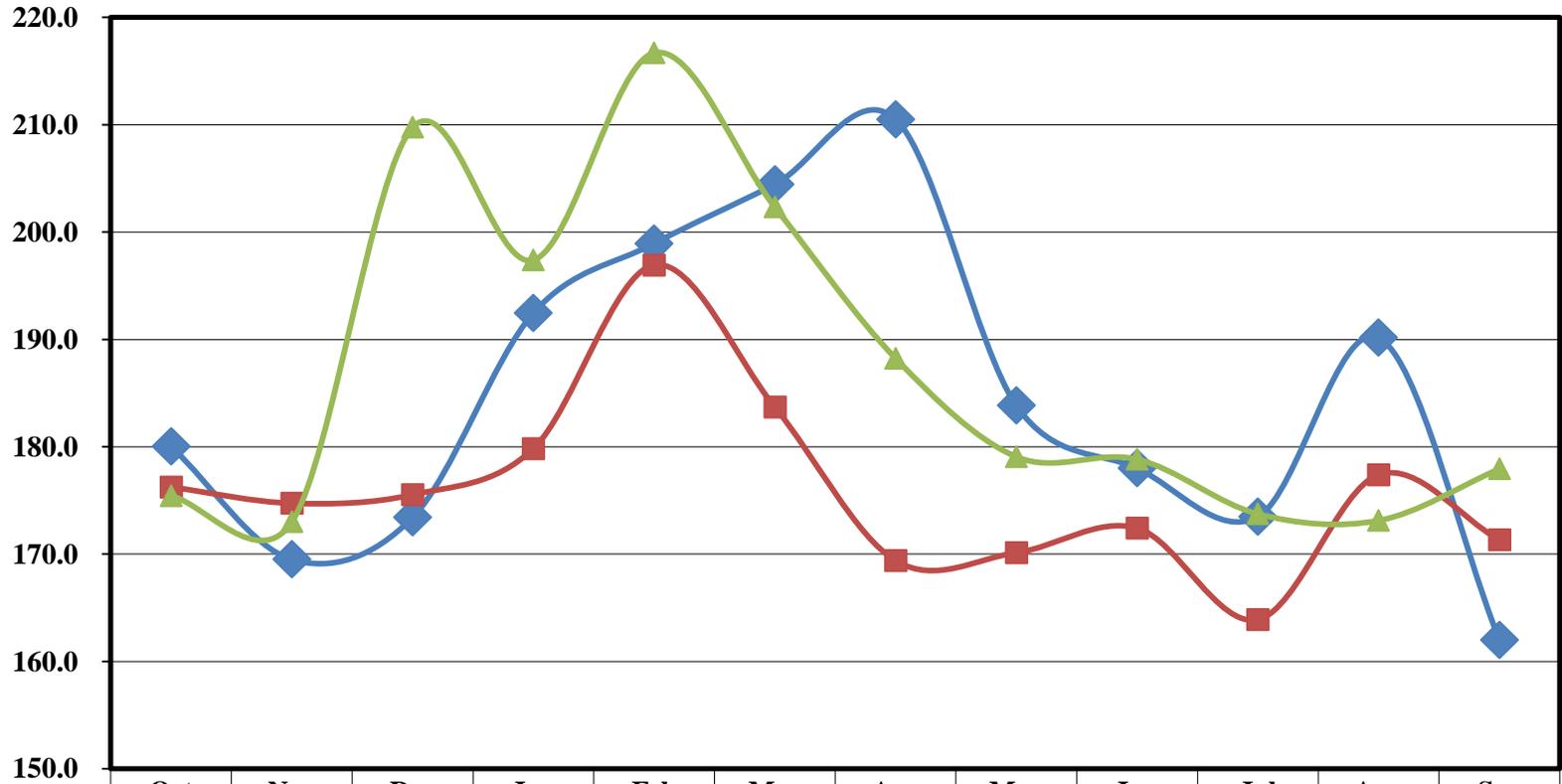
# Average Length of Stay

Total – Adults and NICU



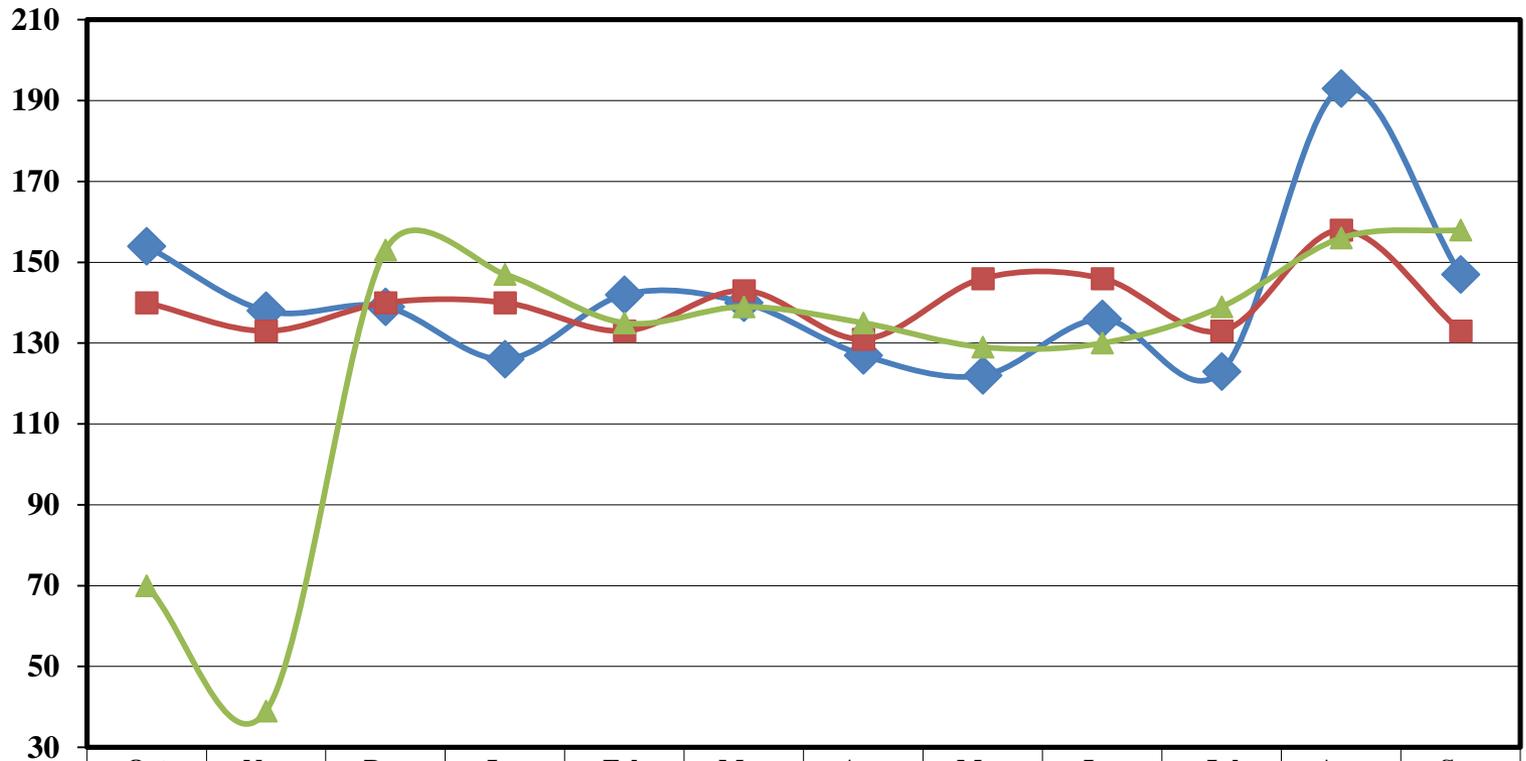
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	5.03	4.90	4.96	5.06	4.98	5.15	5.83	5.18	5.29	5.05	5.00	4.77
■ FY 2017 Budget	4.94	4.84	4.76	4.88	5.12	4.91	5.04	4.94	4.73	4.86	4.84	4.92
▲ FY 2016	5.60	5.66	5.78	5.52	5.58	5.57	5.12	5.24	4.86	5.07	4.80	5.03

# Average Daily Census



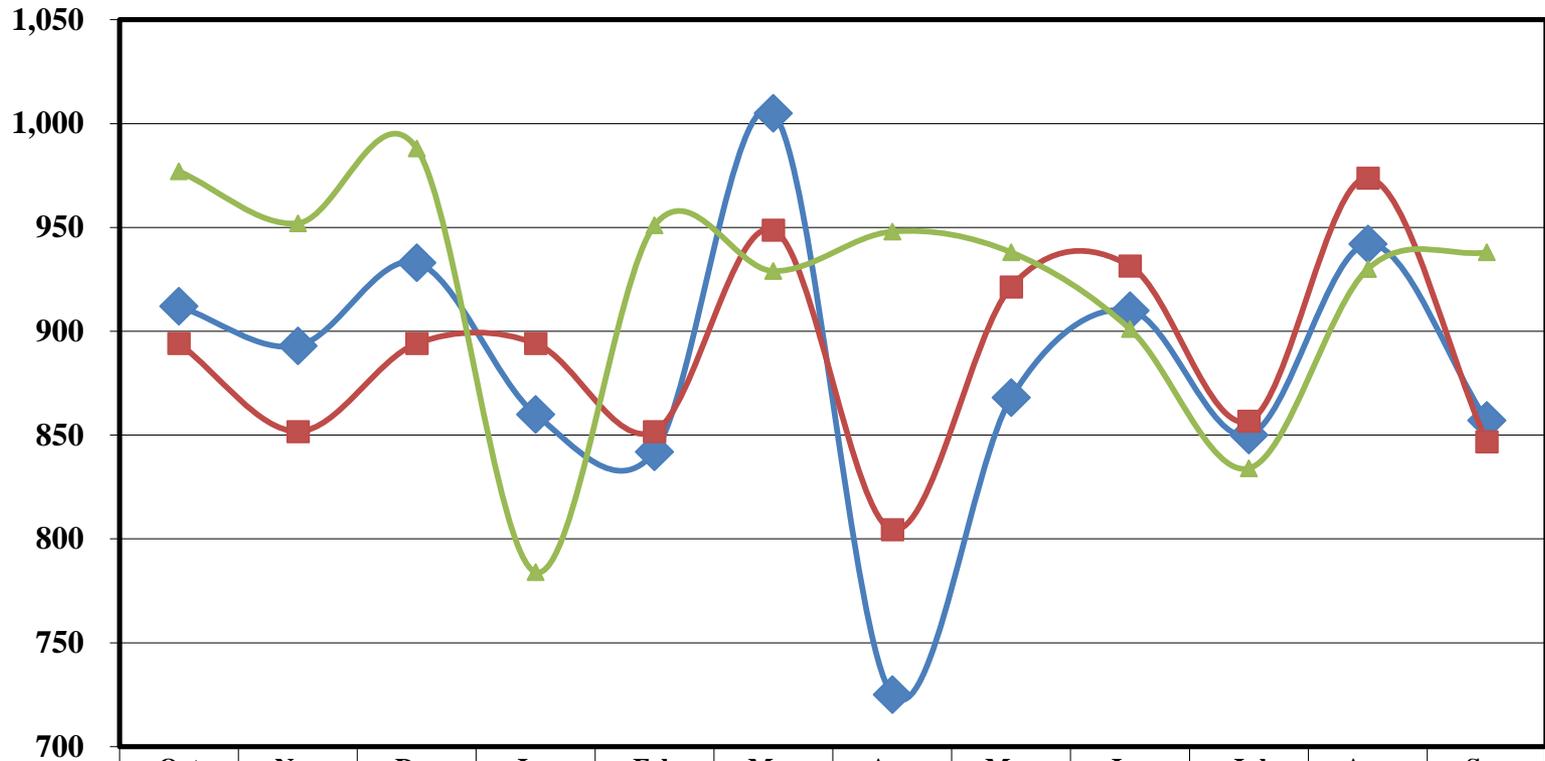
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	180.0	169.5	173.4	192.5	198.9	204.5	210.5	183.8	178.0	173.5	190.2	162.0
■ FY 2017 Budget	176.2	174.7	175.5	179.8	196.9	183.7	169.4	170.1	172.4	163.9	177.4	171.3
▲ FY 2016	175.4	173.0	209.7	197.4	216.7	202.3	188.2	179.1	178.8	173.7	173.1	177.9

# Deliveries



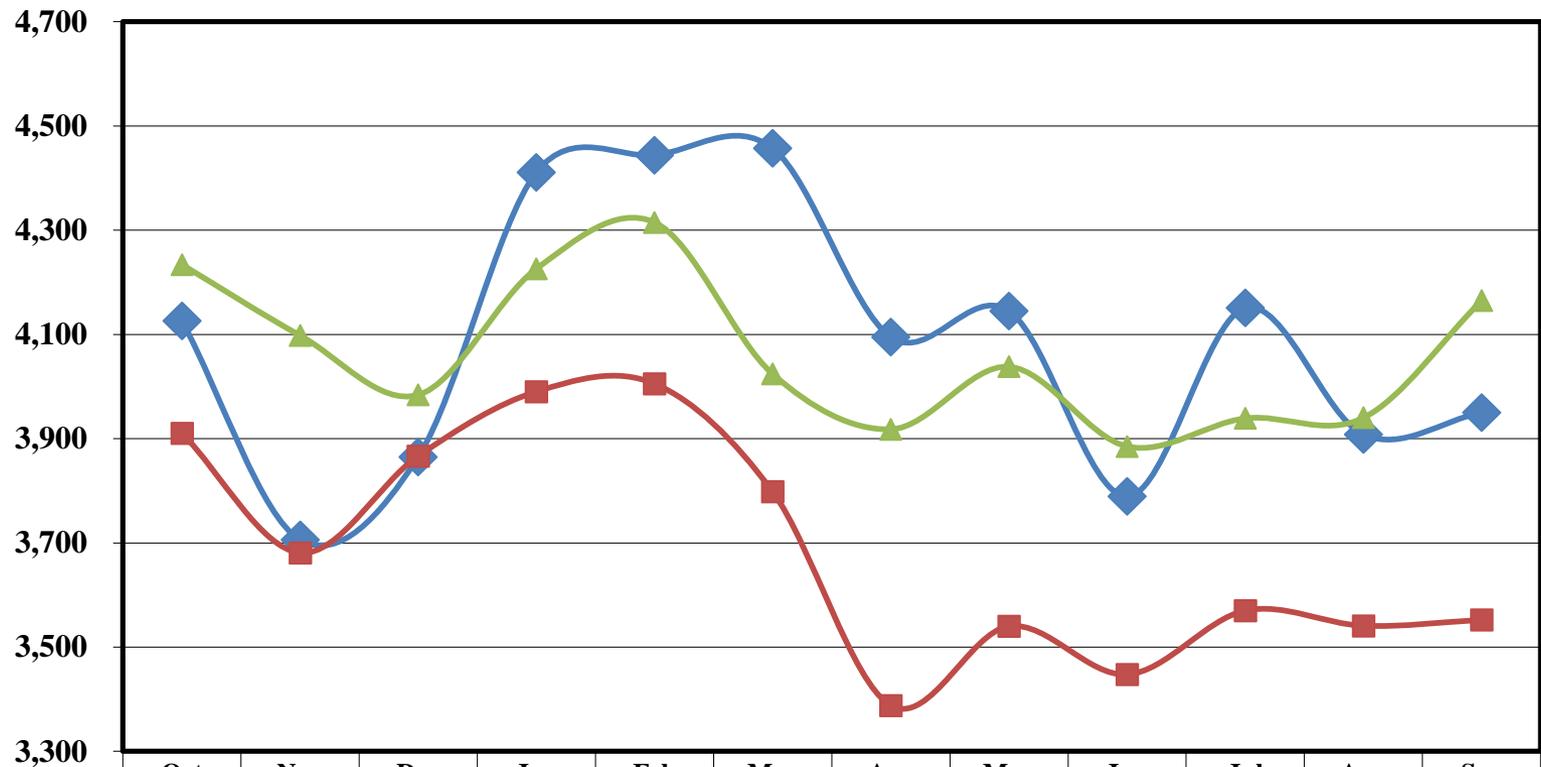
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2017	154	138	139	126	142	140	127	122	136	123	193	147
<span style="color: red;">■</span> FY 2017 Budget	140	133	140	140	133	143	131	146	146	133	158	133
<span style="color: green;">▲</span> FY 2016	70	39	153	147	135	139	135	129	130	139	156	158

# Total Surgical Cases



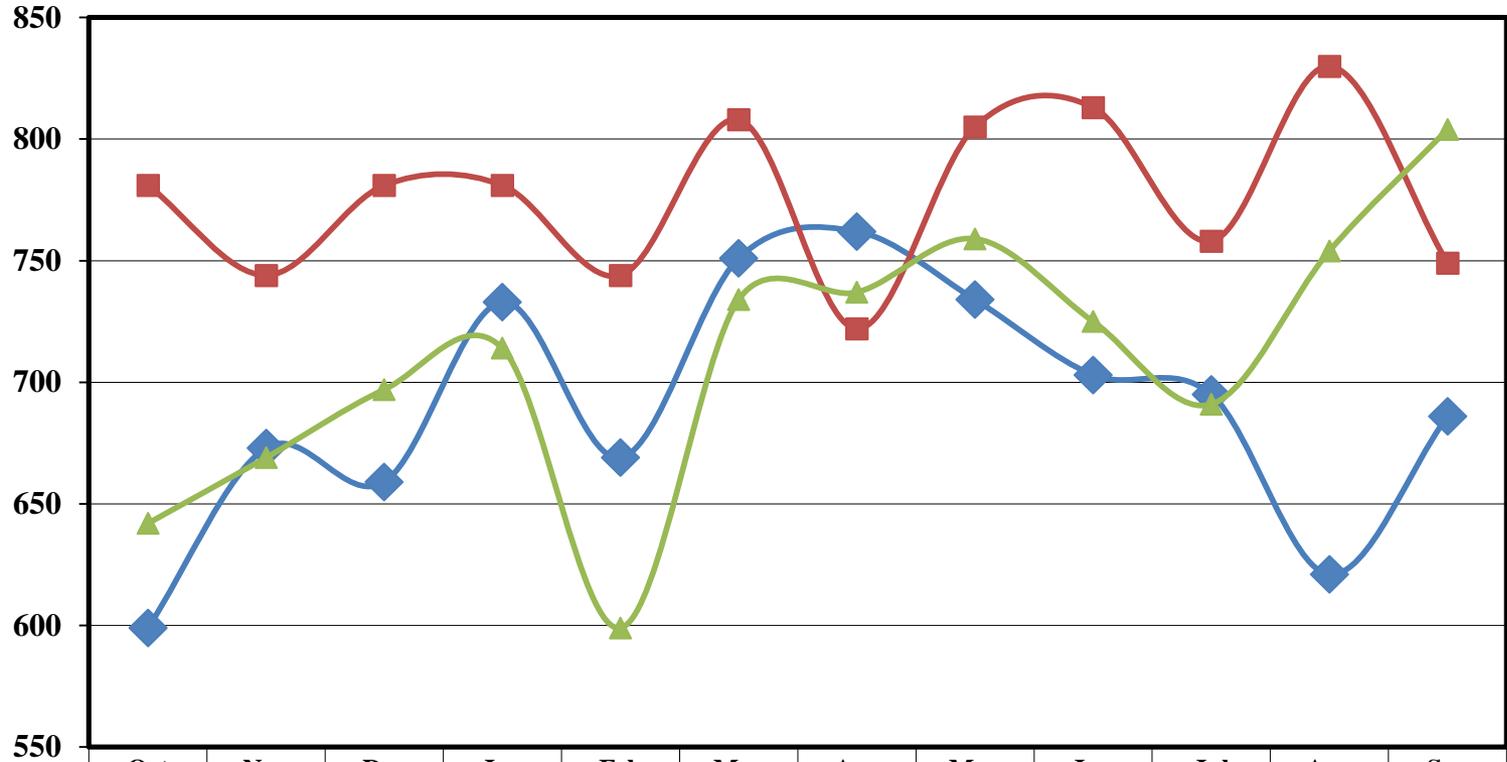
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2017	912	893	933	860	842	1,005	725	868	910	850	942	857
<span style="color: red;">■</span> FY 2017 Budget	894	852	894	894	852	949	804	921	931	857	974	847
<span style="color: green;">▲</span> FY 2016	977	952	988	784	951	929	948	938	901	834	930	938

# Emergency Room Visits



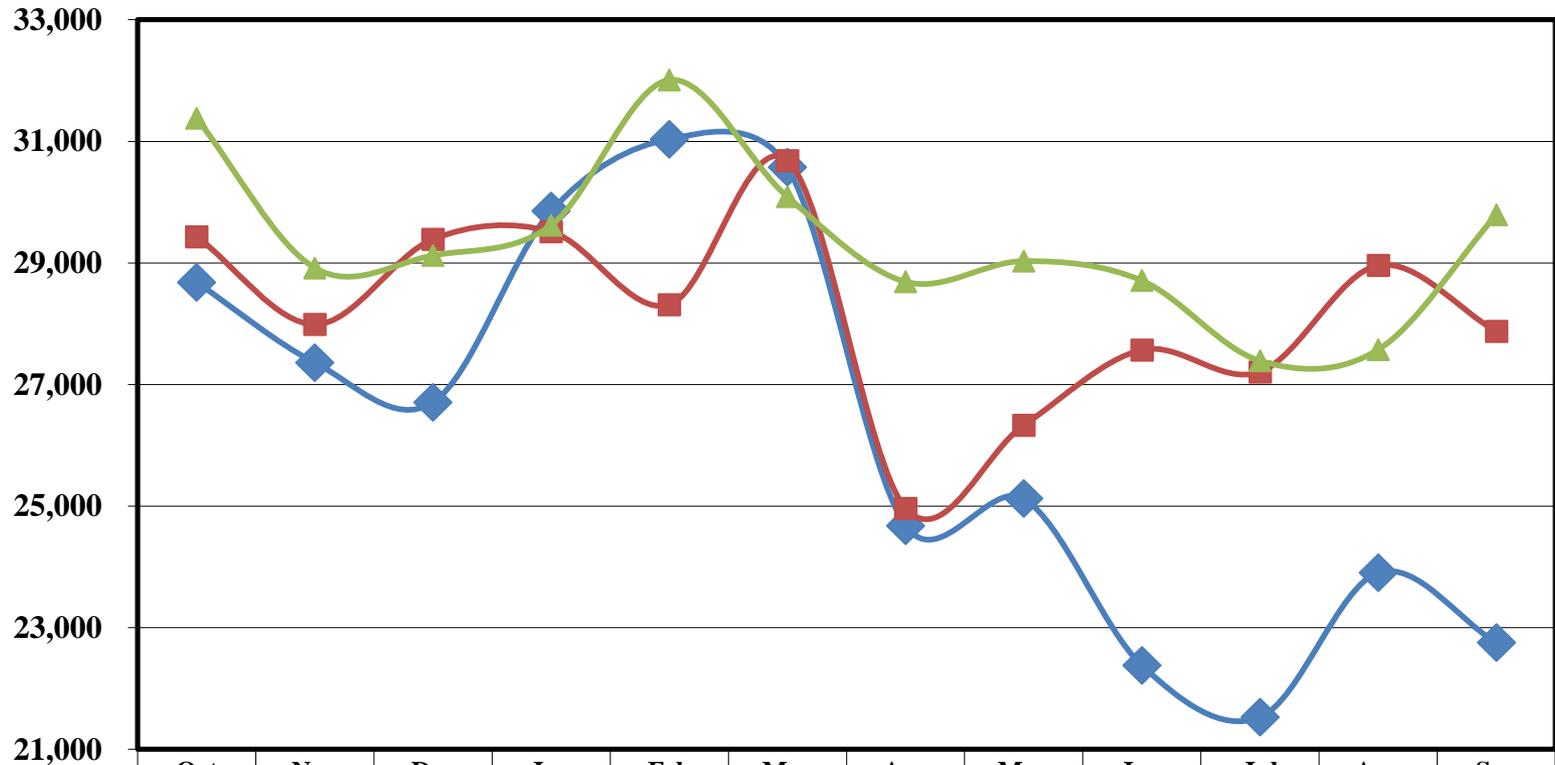
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	4,126	3,706	3,865	4,411	4,444	4,457	4,095	4,145	3,789	4,151	3,908	3,950
■ FY 2017 Budget	3,911	3,681	3,867	3,990	4,005	3,798	3,388	3,540	3,447	3,570	3,541	3,552
▲ FY 2016	4,234	4,098	3,984	4,226	4,315	4,024	3,918	4,038	3,885	3,939	3,940	4,165

# Observation Days



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	599	673	659	733	669	751	762	734	703	695	621	686
■ FY 2017 Budget	781	744	781	781	744	808	722	805	813	758	830	749
▲ FY 2016	642	669	697	714	599	734	737	759	725	691	754	804

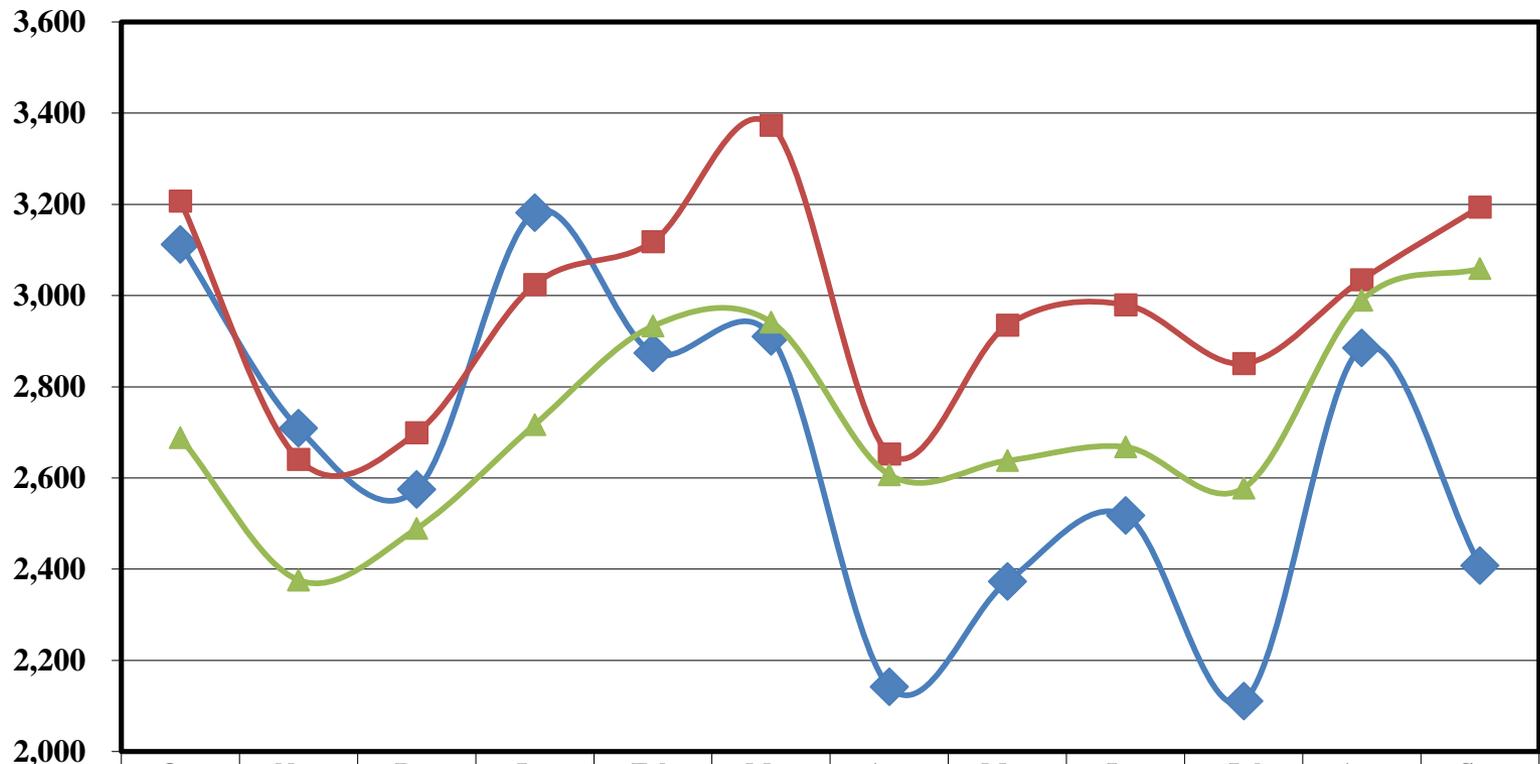
# Total Outpatient Occasions of Service



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ 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
■ FY 2017 Budget	29,434	27,989	29,390	29,513	28,313	30,685	24,965	26,330	27,568	27,209	28,960	27,875
▲ FY 2016	31,379	28,917	29,124	29,622	32,010	30,087	28,690	29,030	28,710	27,390	27,574	29,793

# Center for Primary Care Total Visits

(FQHC - Clements & West University)

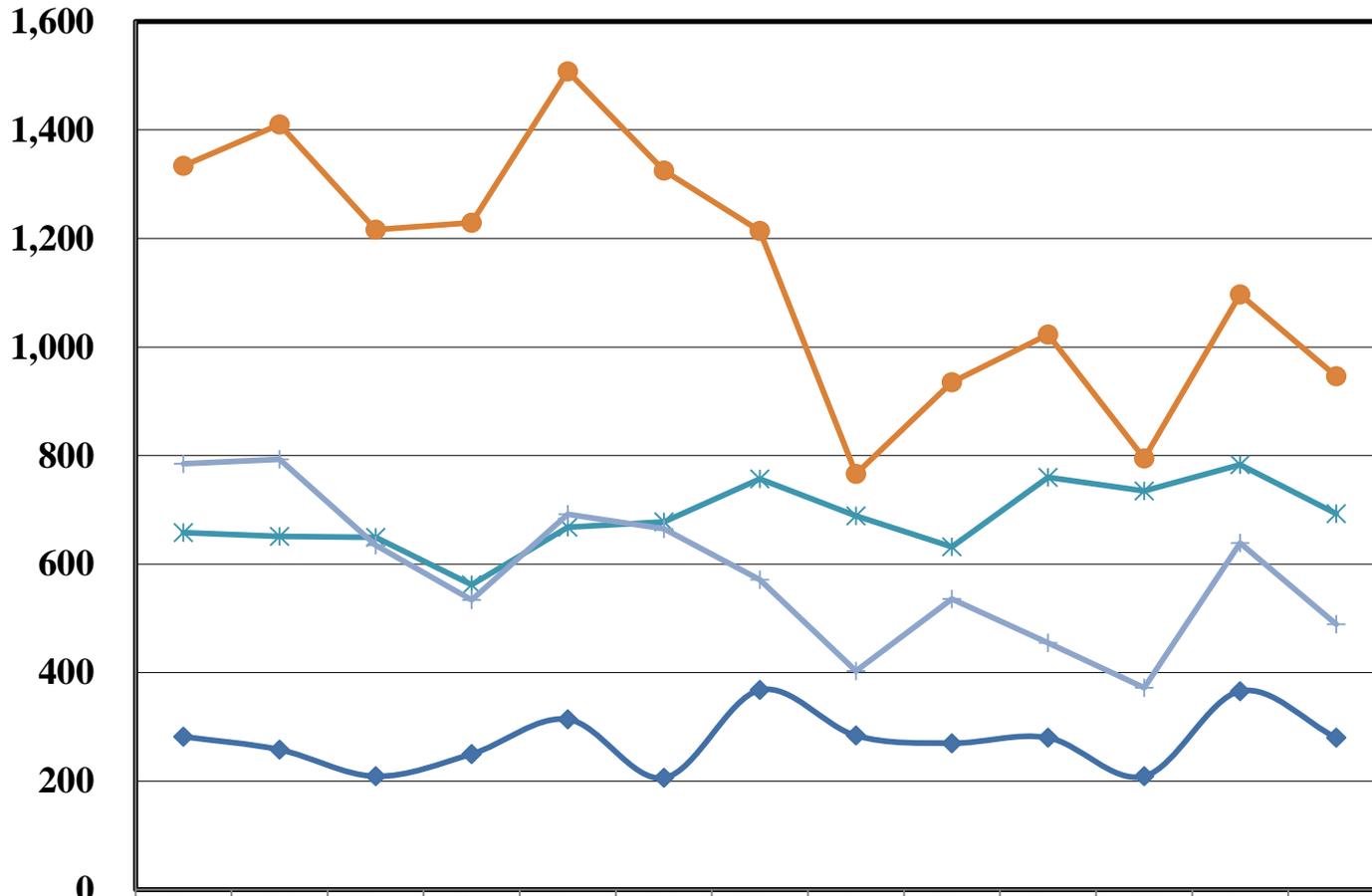


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
—◆— FY 2017	3,112	2,709	2,575	3,182	2,874	2,910	2,142	2,373	2,518	2,111	2,885	2,408
—■— FY 2017 Budget	3,208	2,641	2,700	3,025	3,118	3,374	2,653	2,935	2,980	2,851	3,035	3,194
—▲— FY 2016	2,688	2,376	2,489	2,717	2,933	2,942	2,607	2,638	2,668	2,578	2,990	3,059

# Center for Primary Care Visits

(FQHC - Clements and West University)

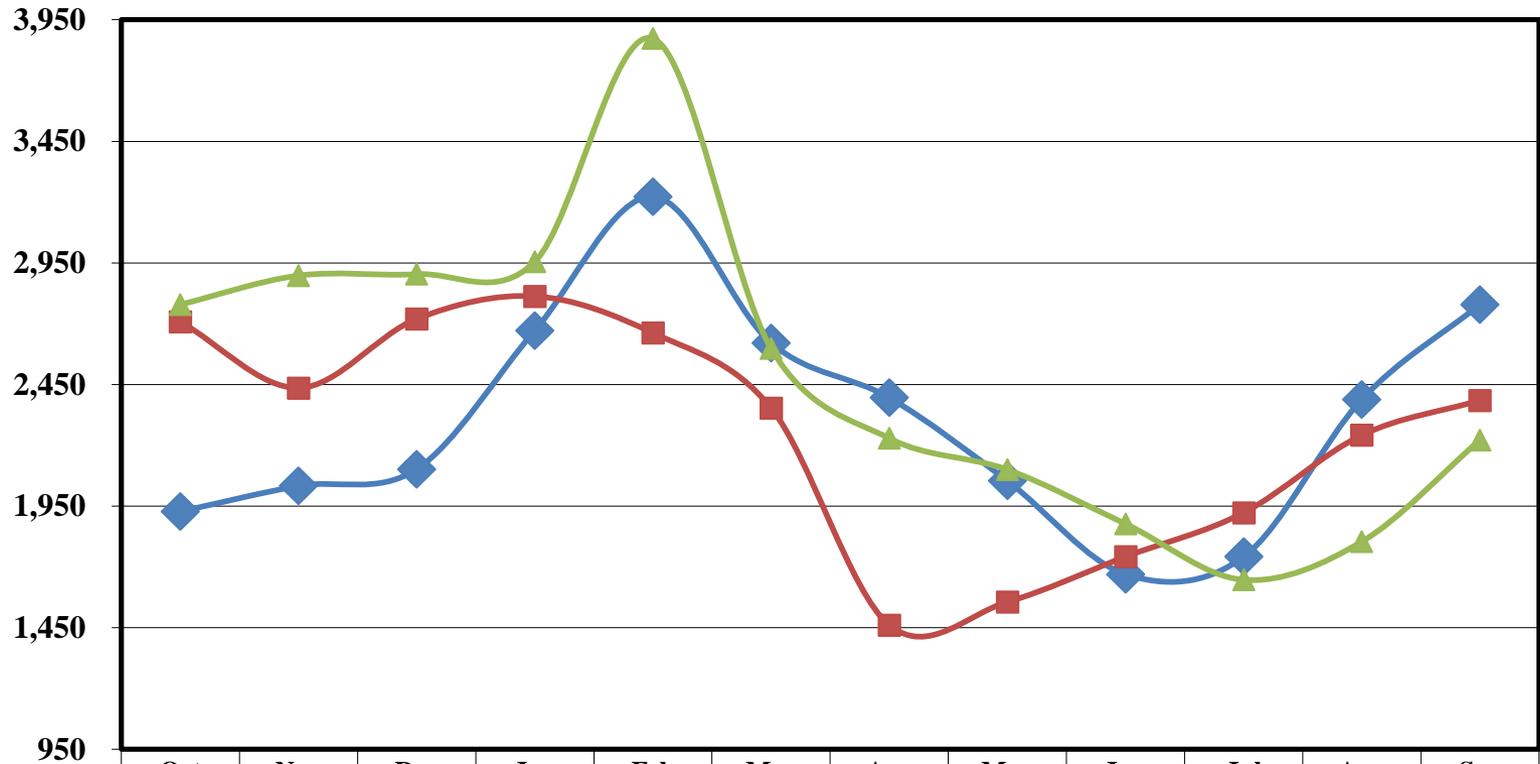
Thirteen Month Trending



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Clements Dental	658	651	649	562	668	678	757	689	632	760	735	783	693
Clements Medical	1,334	1,410	1,216	1,229	1,508	1,325	1,214	766	935	1,023	795	1,097	946
W. University Medical	785	793	635	534	692	665	571	403	536	455	372	639	489
W. University Optometry	282	258	209	250	314	206	368	284	270	280	209	366	280

# Urgent Care Visits

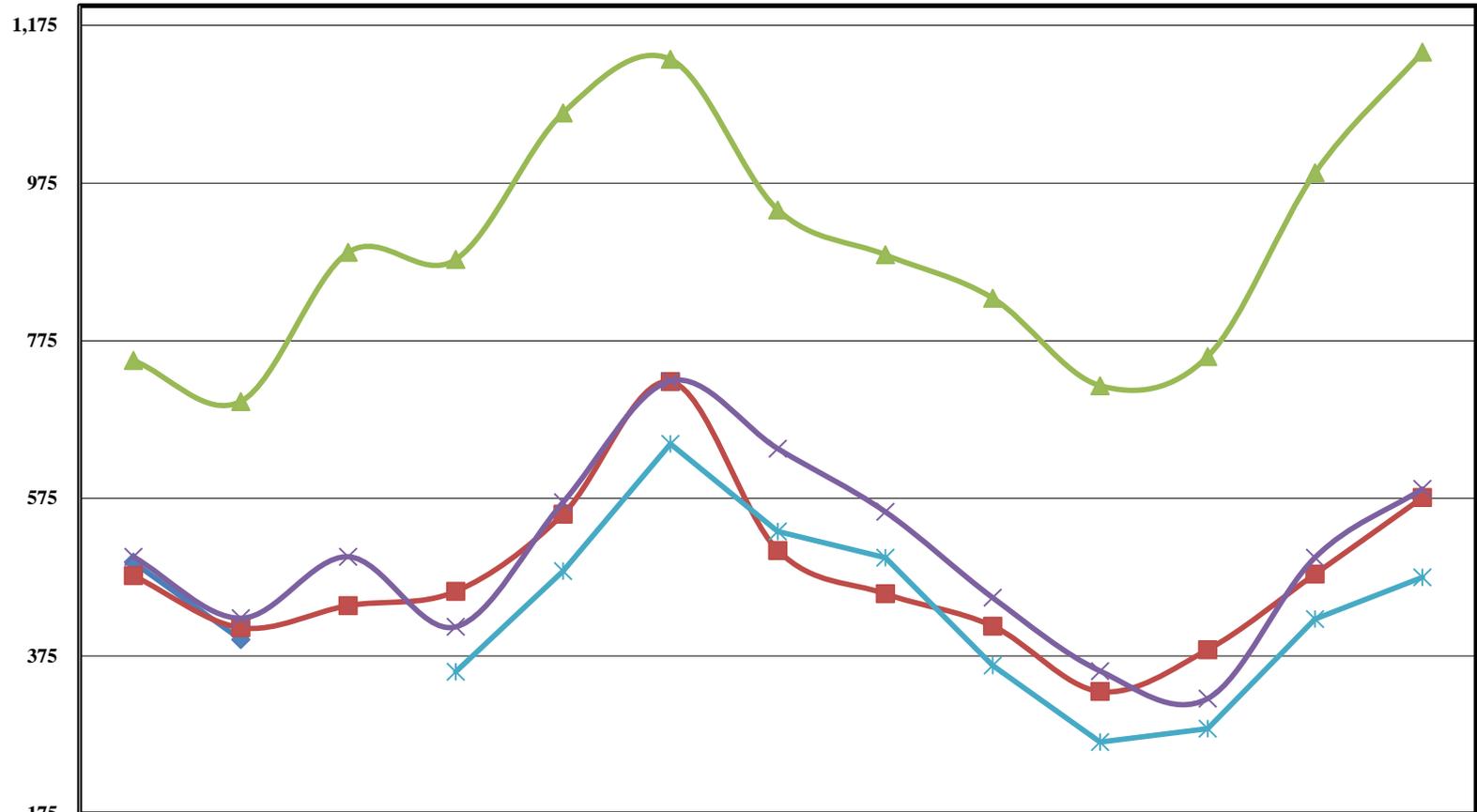
(Health and Wellness, Golder, JBS Clinic, West University & 42<sup>nd</sup> Street)



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 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
FY 2017 Budget	2,708	2,436	2,720	2,813	2,662	2,353	1,461	1,556	1,742	1,923	2,242	2,385
FY 2016	2,779	2,898	2,904	2,955	3,873	2,598	2,229	2,100	1,877	1,647	1,804	2,222

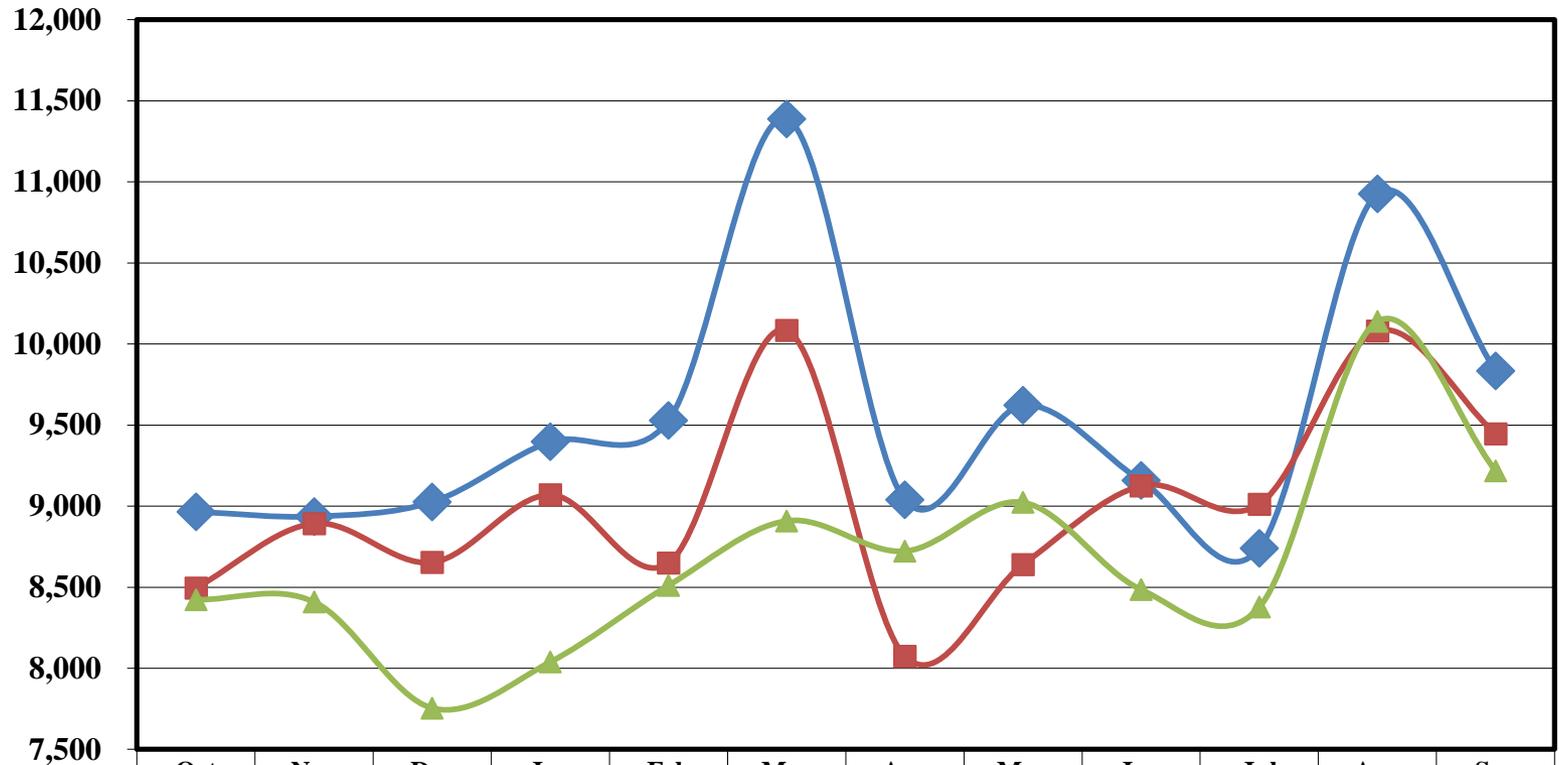
# Urgent Care Visits

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



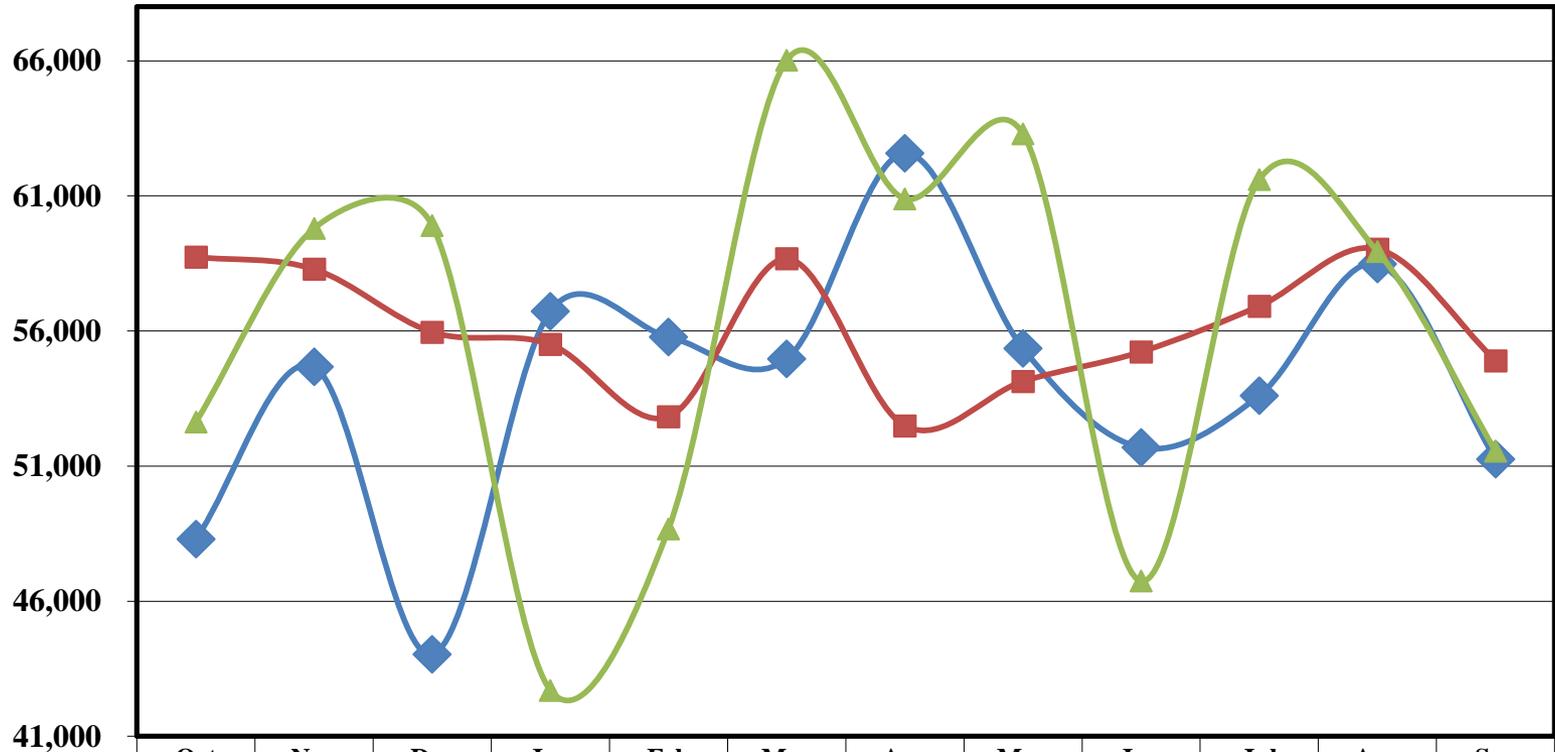
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Health & Wellness	494	396											
Golder	477	411	439	457	555	723	509	454	413	330	383	479	576
JBS Clinic	750	698	887	878	1,064	1,132	941	884	829	718	755	988	1,141
West University	501	423	501	412	570	724	638	558	449	356	321	500	587
42nd Street				355	483	644	533	500	363	266	283	422	475

# Total ProCare Office Visits



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ 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
■ FY 2017 Budget	8,495	8,893	8,653	9,070	8,649	10,085	8,074	8,640	9,125	9,011	10,080	9,446
▲ FY 2016	8,423	8,409	7,754	8,039	8,511	8,909	8,722	9,023	8,485	8,377	10,140	9,218

# Total ProCare Procedures



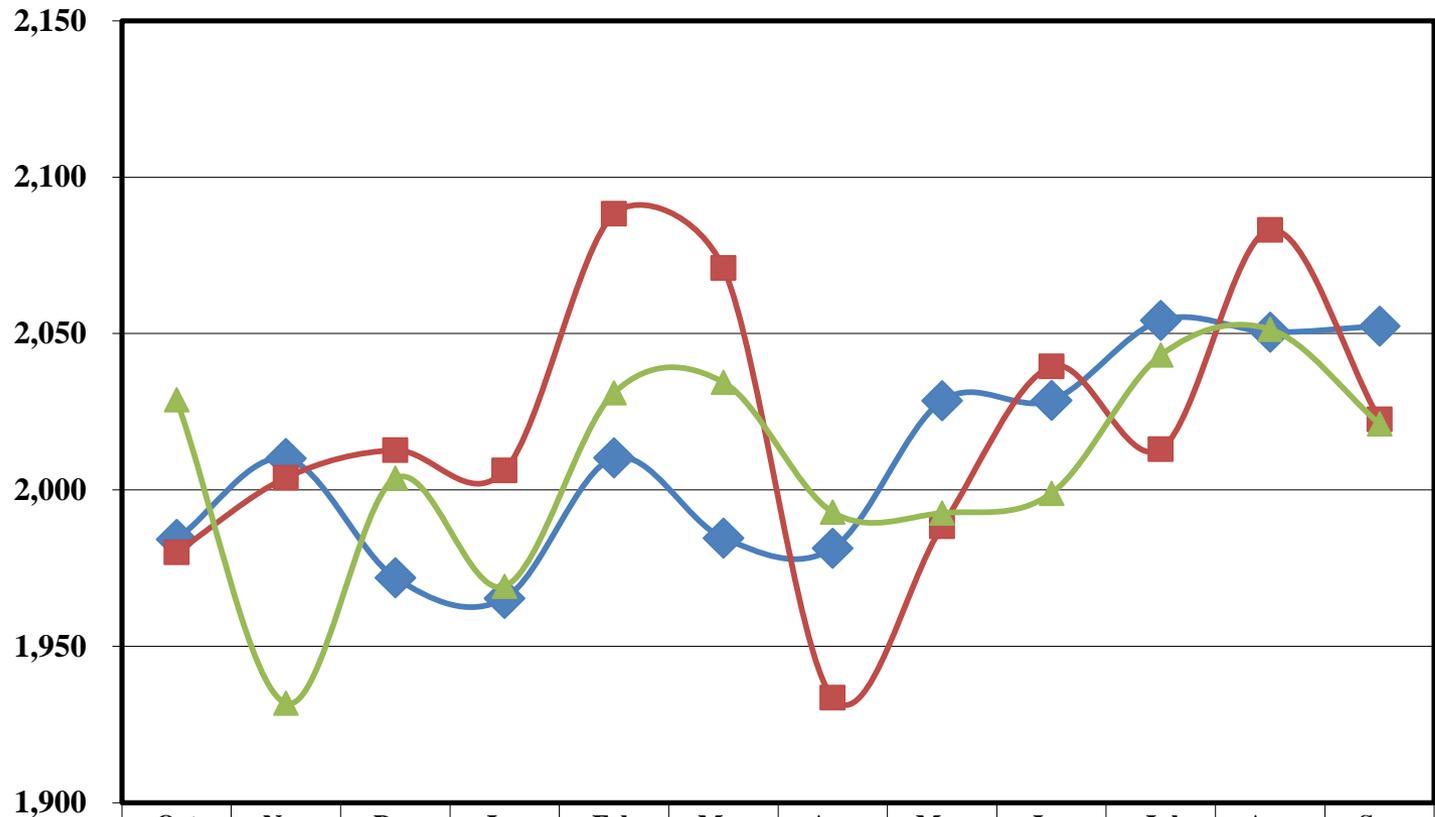
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	48,296	54,671	44,033	56,732	55,777	54,967	62,578	55,355	51,688	53,610	58,478	51,254
■ FY 2017 Budget	58,737	58,287	55,958	55,504	52,829	58,677	52,491	54,137	55,231	56,922	59,037	54,902
▲ FY 2016	52,632	59,799	59,902	42,701	48,679	66,015	60,891	63,300	46,743	61,601	58,941	51,547

# Staffing



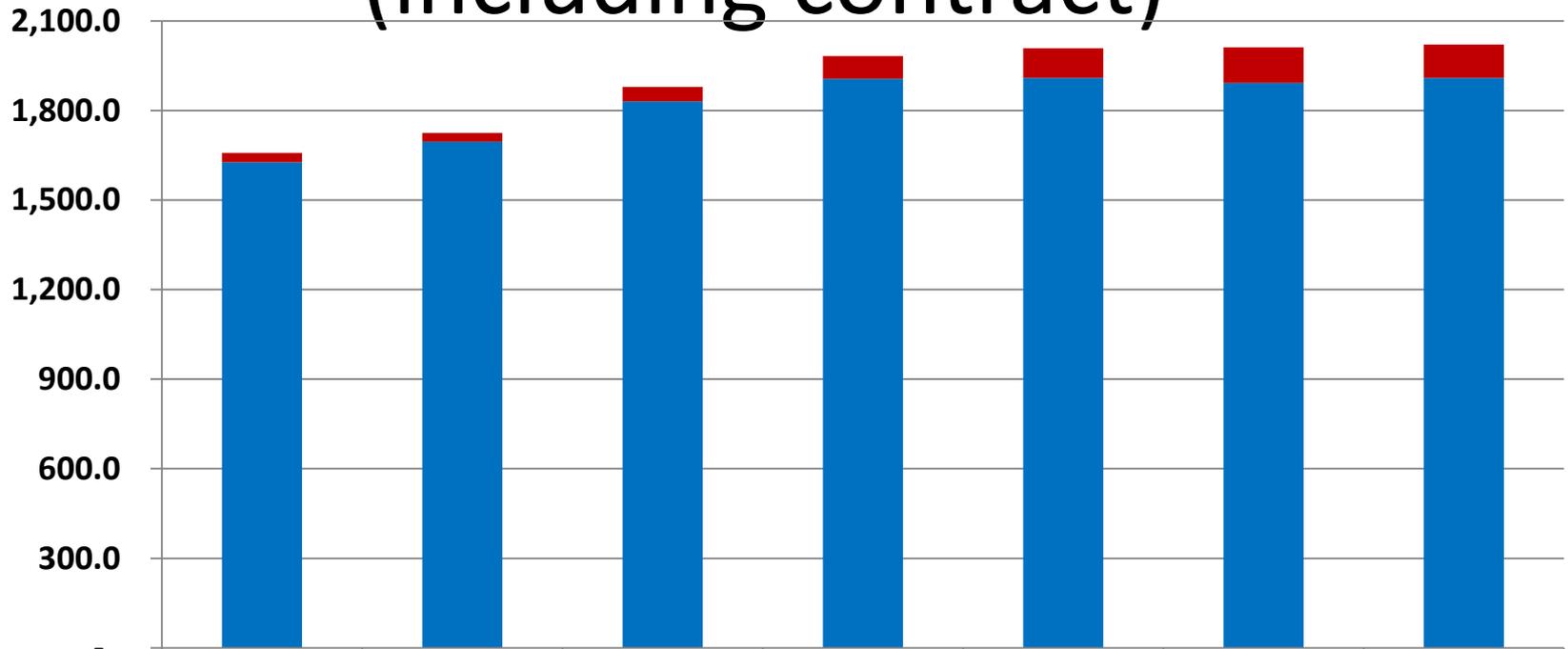
# Blended FTE's

Including Contract Labor and Management Services



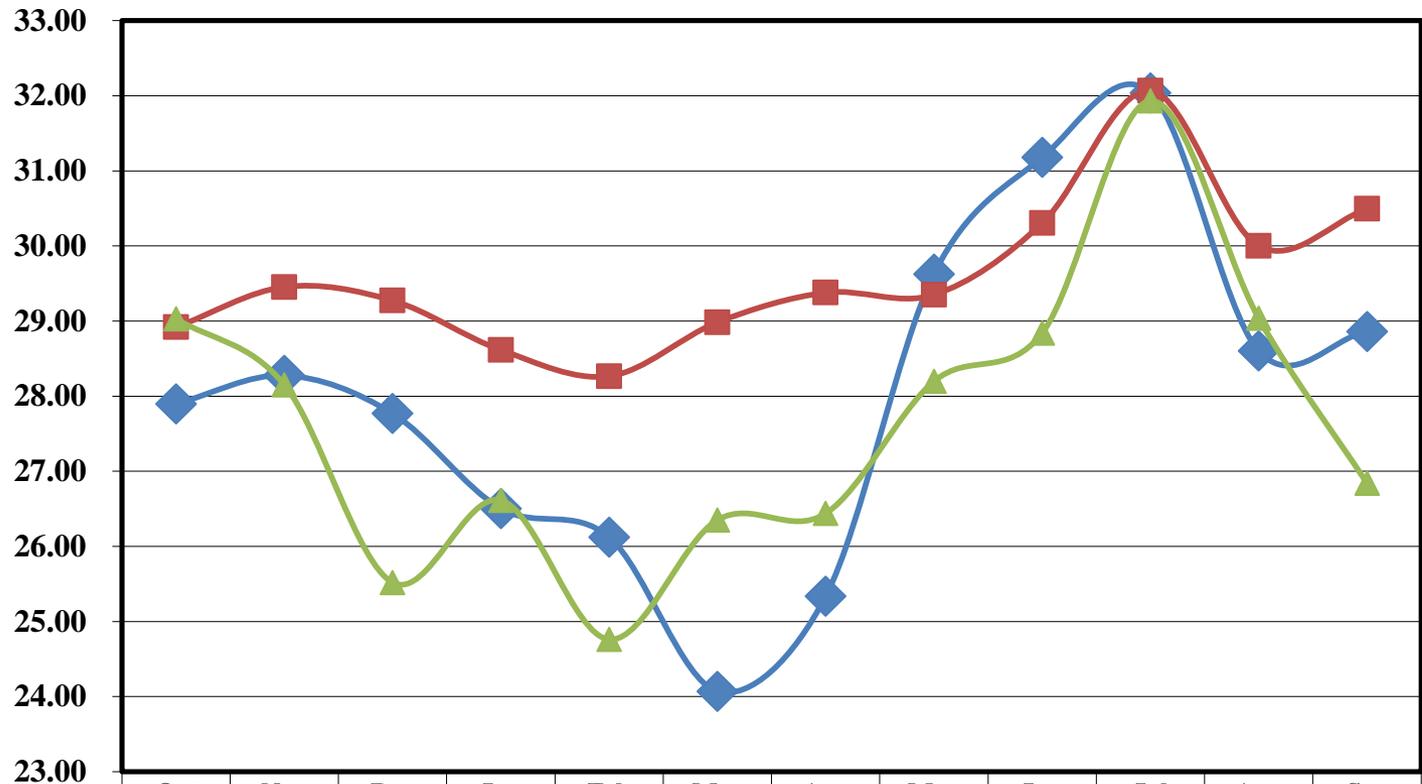
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
—◆— FY 2017	1,984	2,010	1,972	1,965	2,010	1,985	1,981	2,029	2,029	2,054	2,051	2,052
—■— FY 2017 Budget	1,980	2,004	2,013	2,006	2,088	2,071	1,934	1,988	2,039	2,013	2,083	2,023
—▲— FY 2016	2,029	1,932	2,004	1,969	2,031	2,034	1,993	1,993	1,999	2,043	2,051	2,021

# Full Time Equivalent Employees (including contract)



	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY2017	FY2017 Budget
Total	1,658.6	1,725.2	1,879.2	1,981.9	2,008.7	2,011.3	2,020.6
Contracted	31.8	29.5	49.3	75.5	98.8	118.9	111.4
Employed	1,626.8	1,695.7	1,829.9	1,906.4	1,909.9	1,892.4	1,909.2

# Paid Hours per Adjusted Patient Day (Blended)



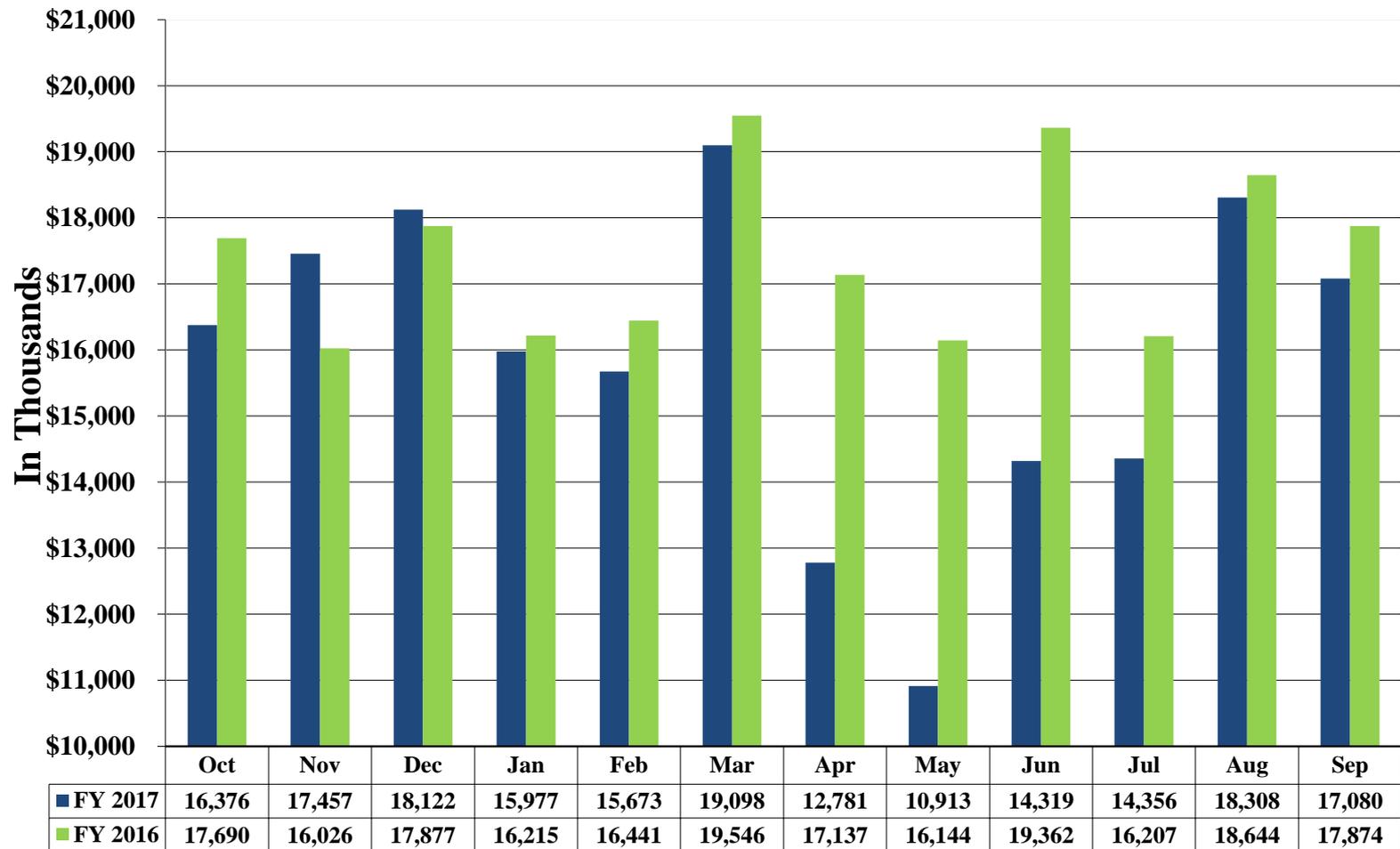
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	27.90	28.28	27.77	26.50	26.12	24.07	25.34	29.63	31.18	32.04	28.60	28.86
■ FY 2017 Budget	28.92	29.45	29.27	28.62	28.27	28.98	29.38	29.35	30.30	32.07	30.00	30.49
▲ FY 2016	29.03	28.15	25.52	26.61	24.76	26.35	26.44	28.20	28.84	31.93	29.04	26.84

# Accounts Receivable

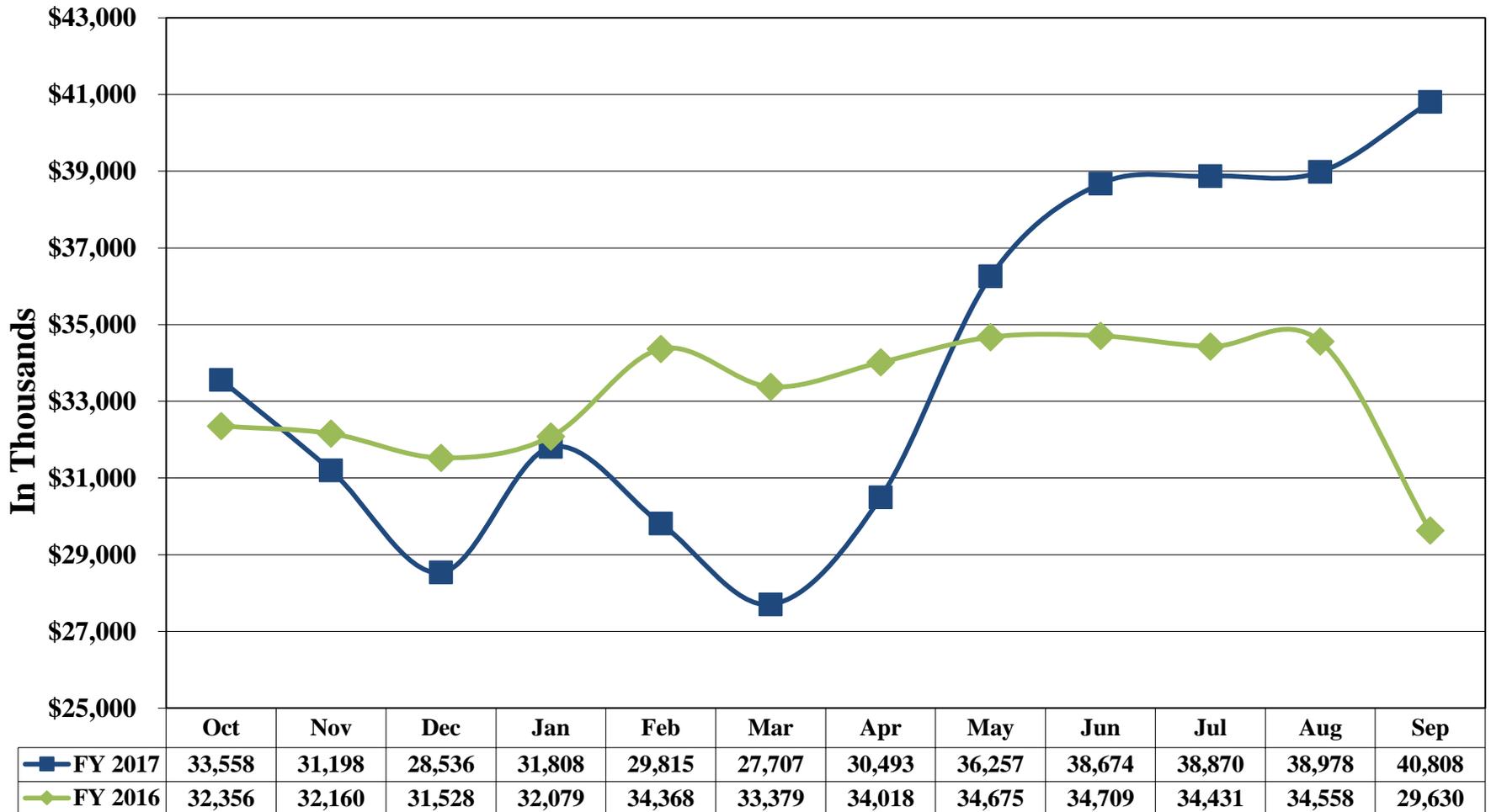


# AR Cash Receipts

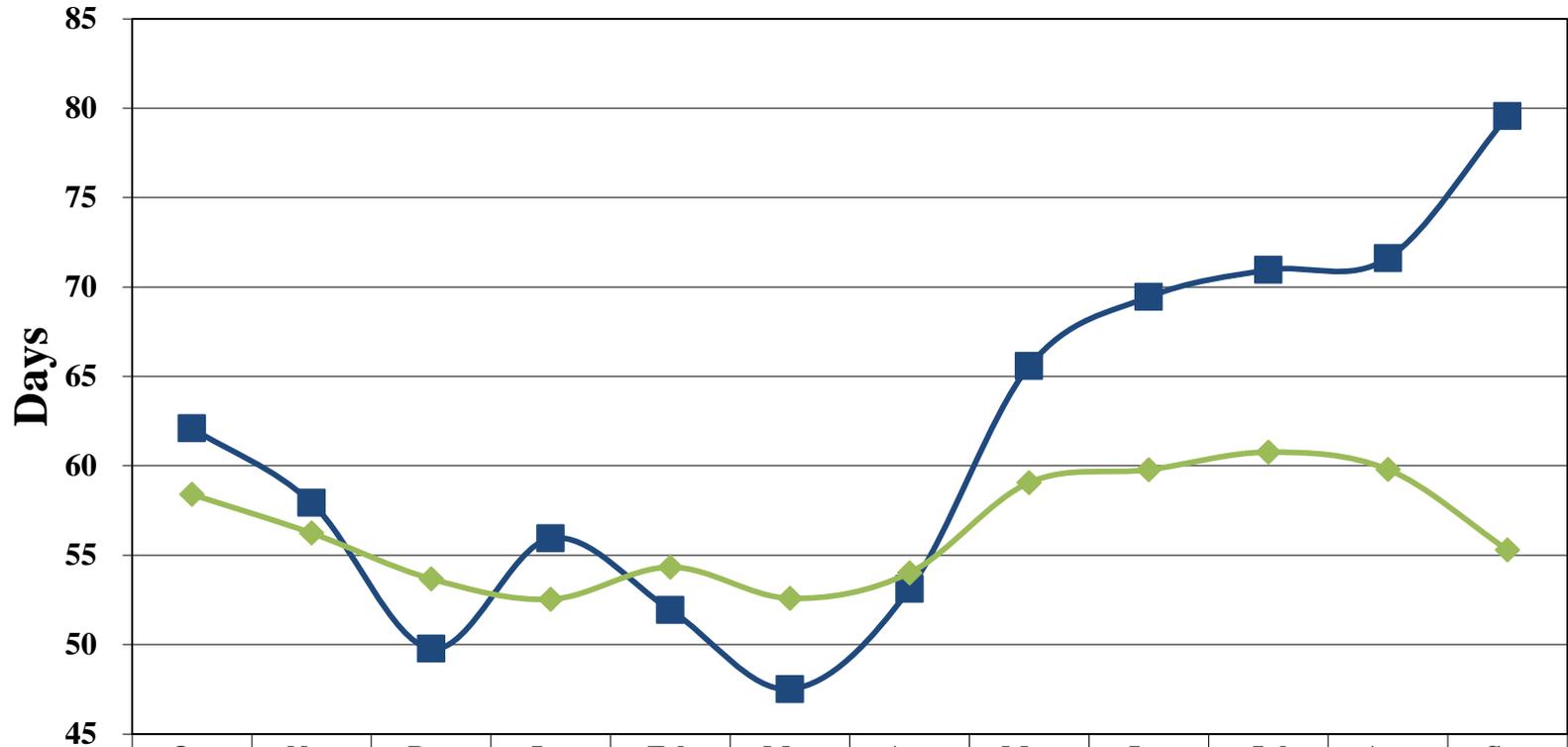
Compared to Prior Year



# Accounts Receivable - Net



# Net Days in Accounts Receivable – Rolling 3 Month



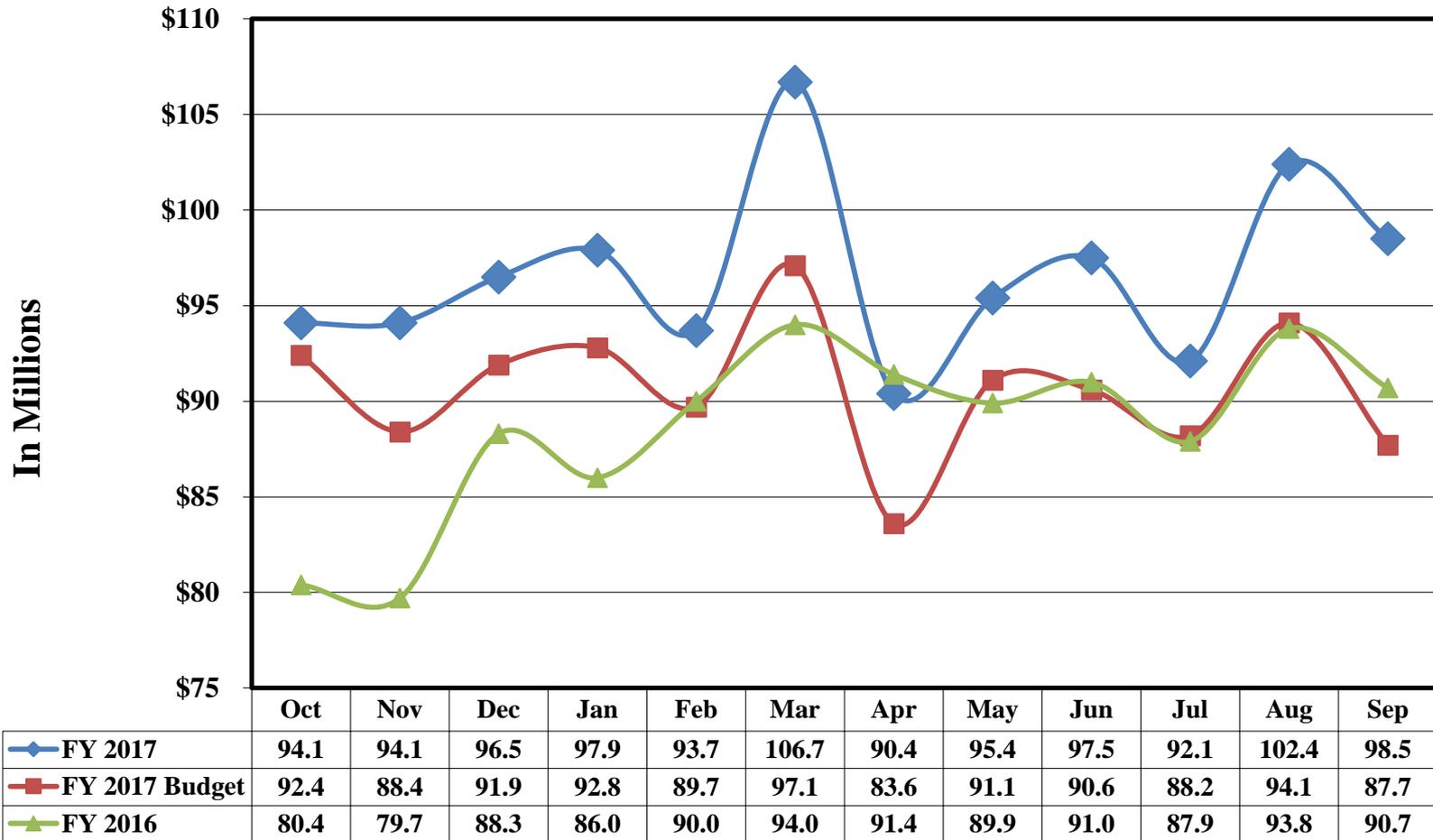
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
■ FY 2017	62.1	57.9	49.8	55.9	51.9	47.5	53.1	65.6	69.4	71.0	71.6	79.6
◆ FY 2016	58.4	56.2	53.7	52.5	54.3	52.6	54.0	59.1	59.8	60.8	59.8	55.3

# Revenues & Revenue Deductions

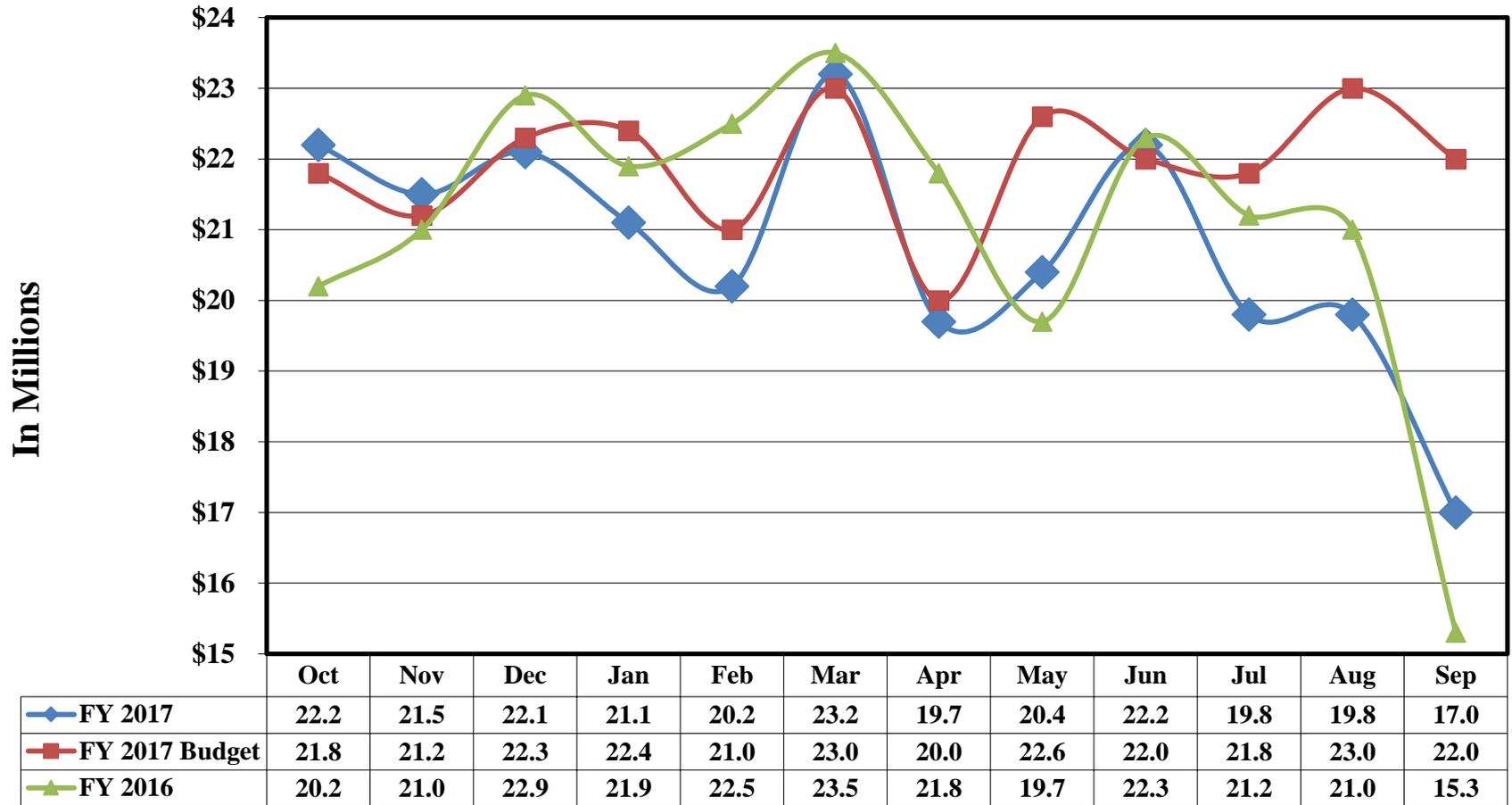


# Total Patient Revenues

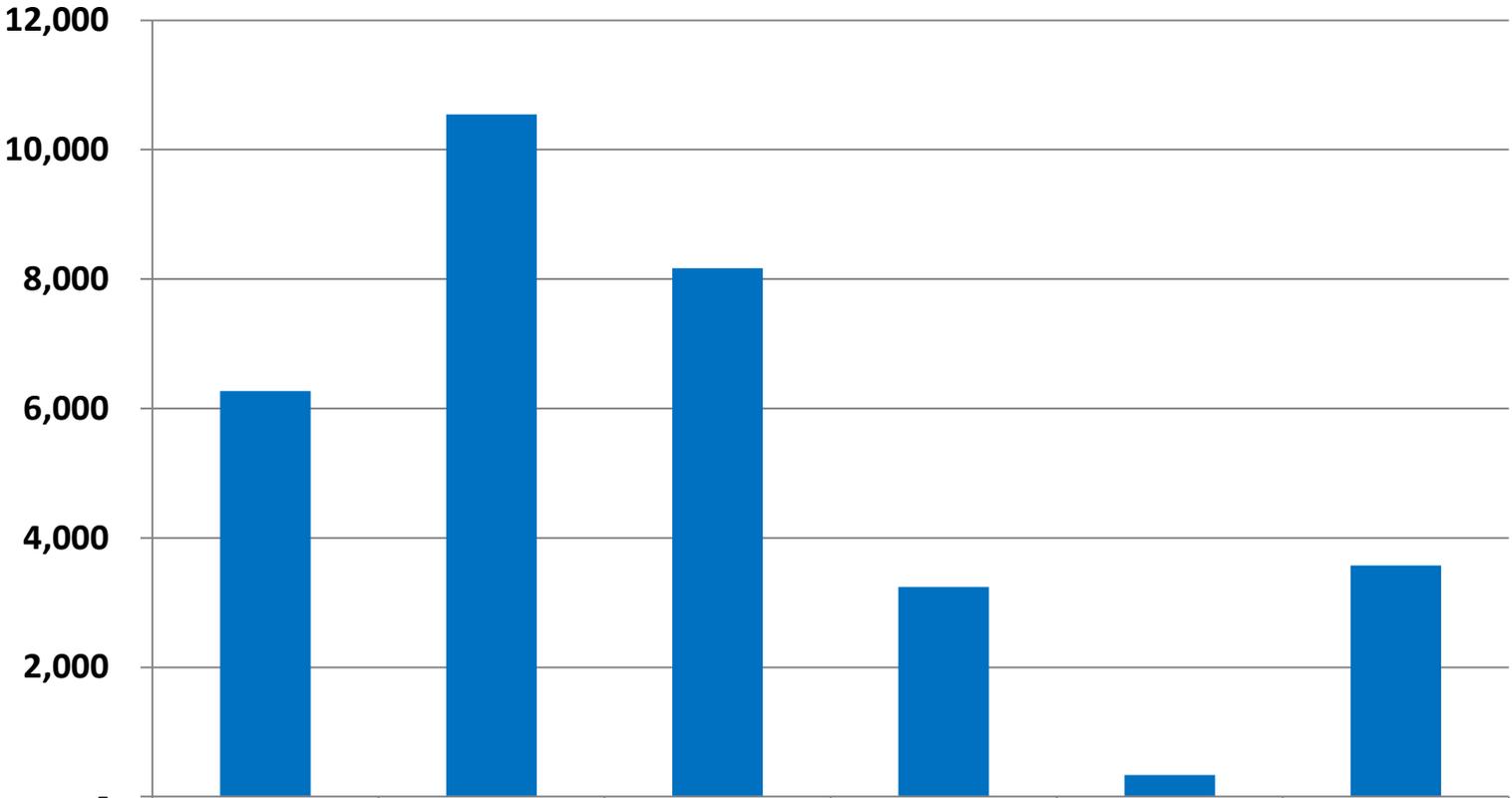
(Blended)



# Net Patient Revenues (Blended)



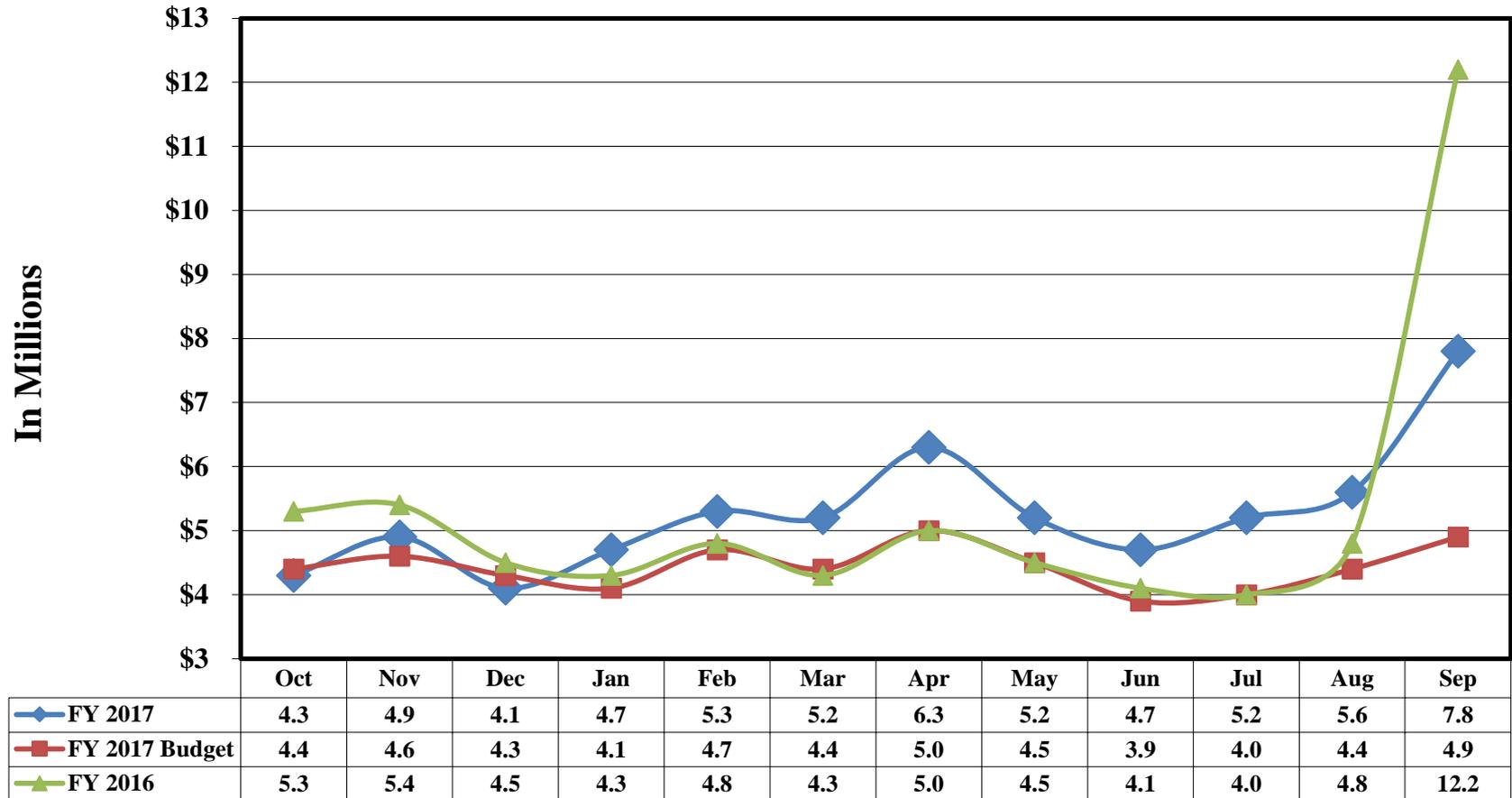
# Medicaid Supplemental Payments



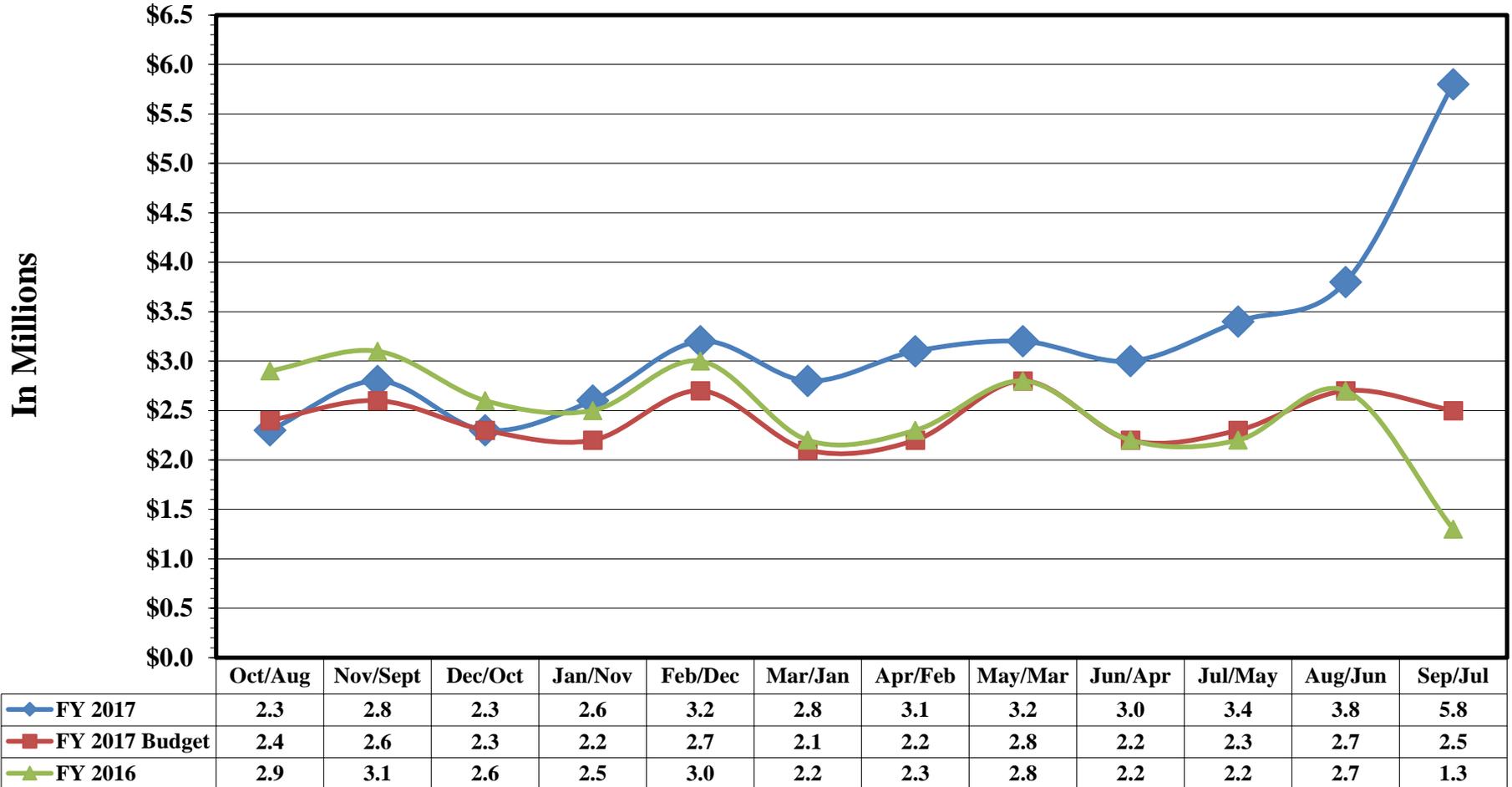
	FY 2013	FY 2014	FY 2015	FY 2016	FY2017	FY2017 Budget
<b>Total</b>	6,269	10,547	8,169	3,242	335	3,572
<b>Community Benefit</b>	(13,417)	(7,099)	(4,775)	(12,839)	(13,764)	(11,500)
<b>UC</b>	12,369	9,619	7,100	11,931	3,790	11,146
<b>DSH</b>	7,317	8,027	5,844	4,150	10,308	3,925

# Other Revenue - Blended

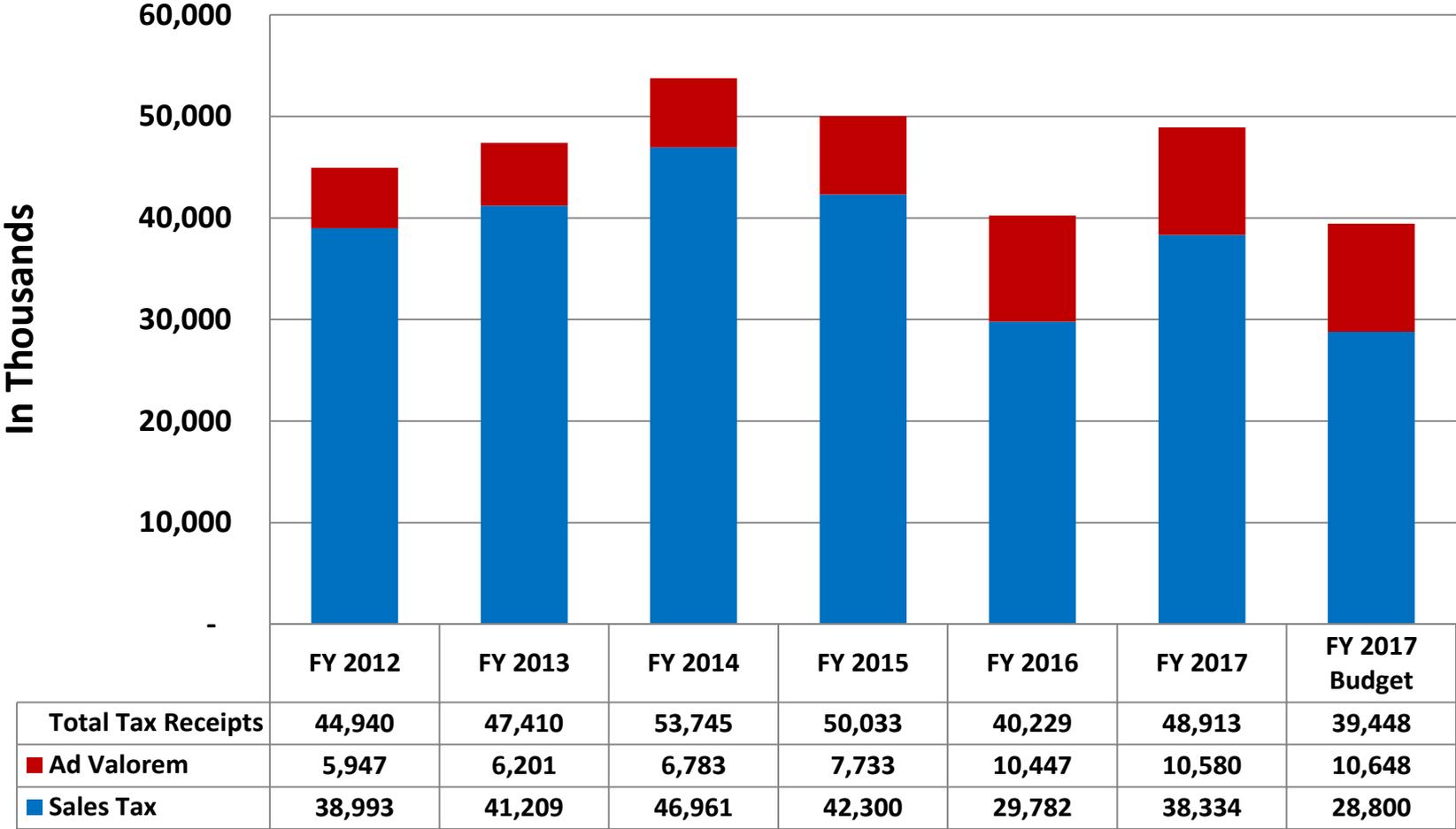
Including Tax Receipts, Interest & Other Operating Income



# Sales Tax Receipts



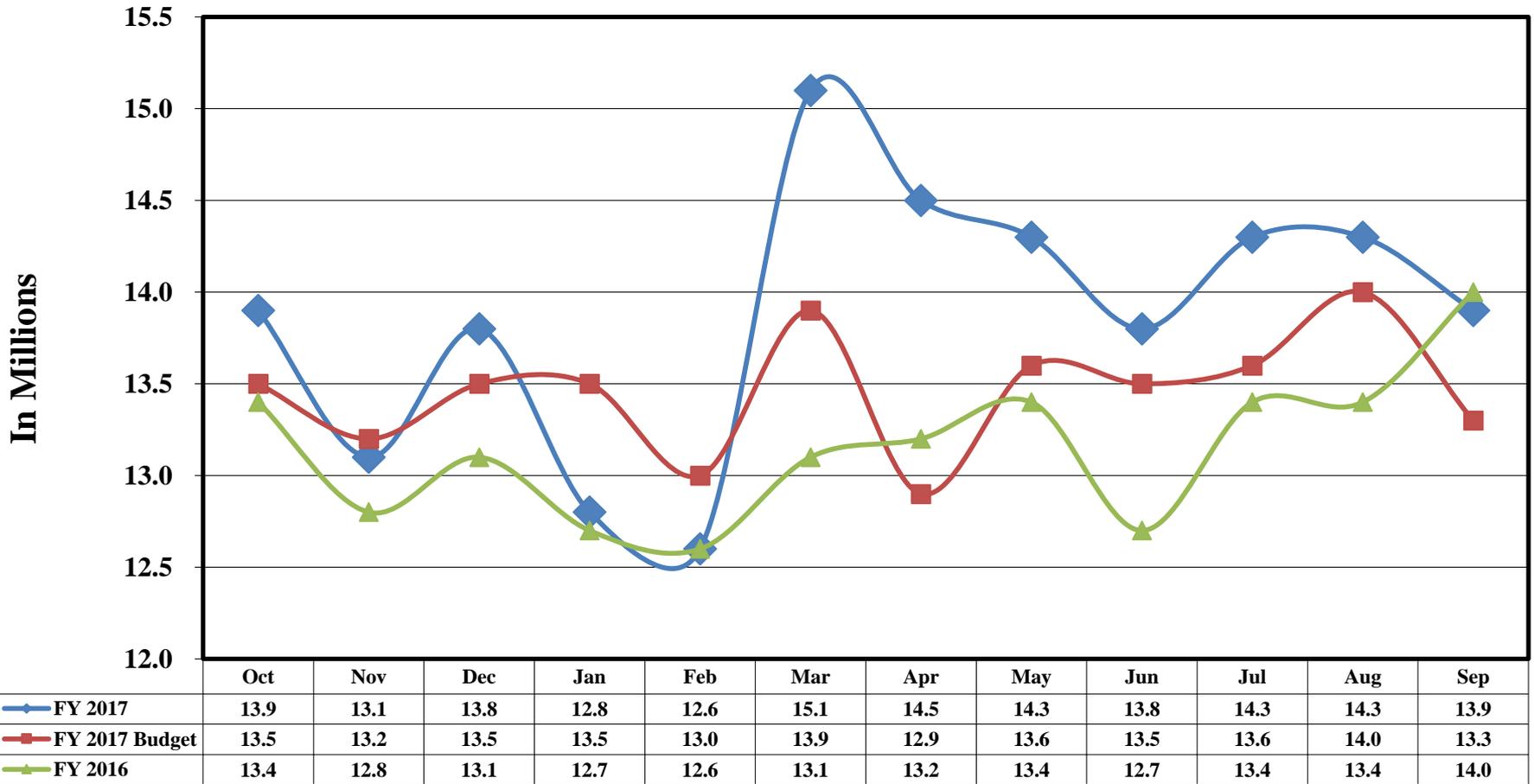
# Total Tax Receipt History



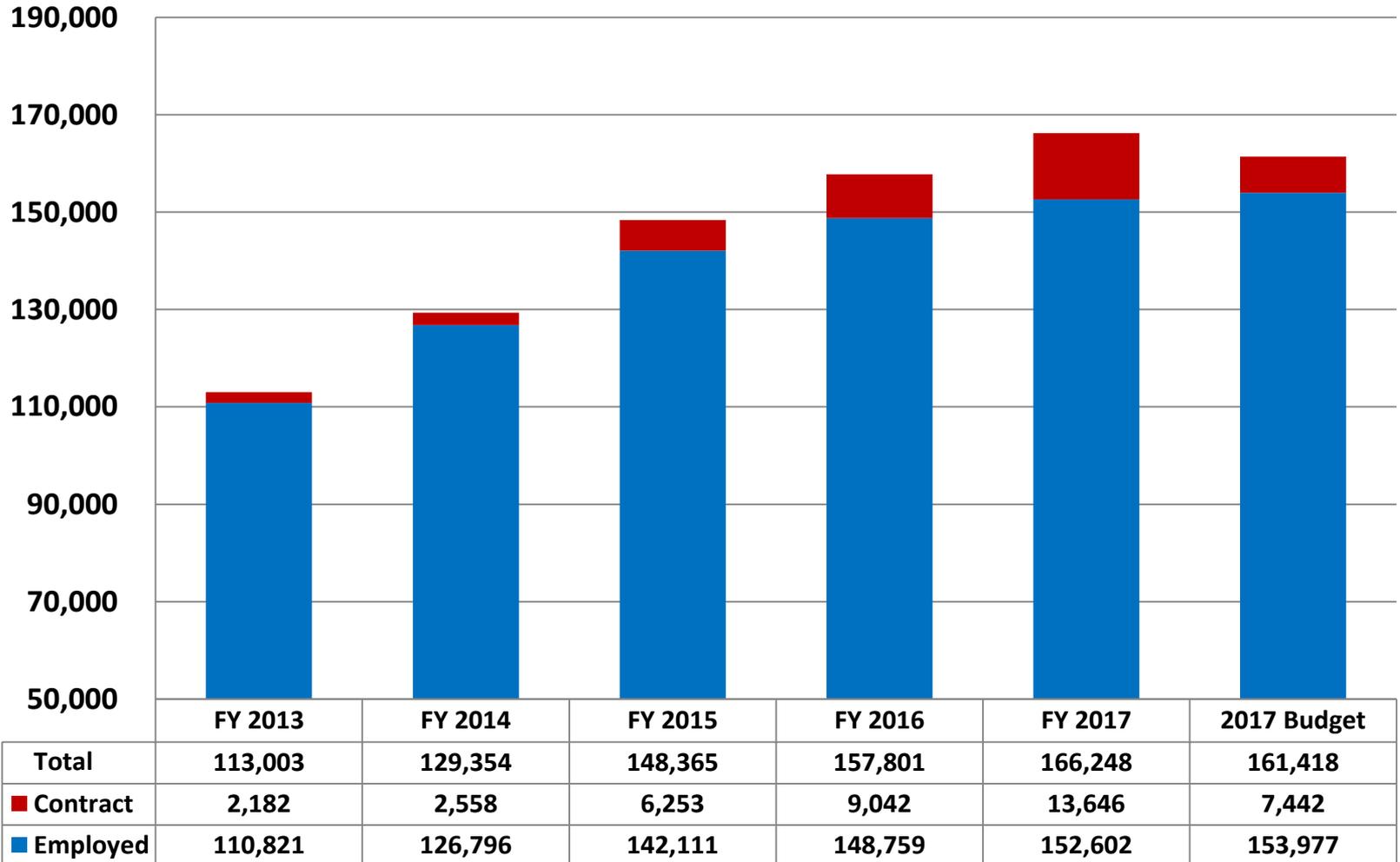
# Operating Expenses



# Salaries, Wages & Contract Labor (Blended)

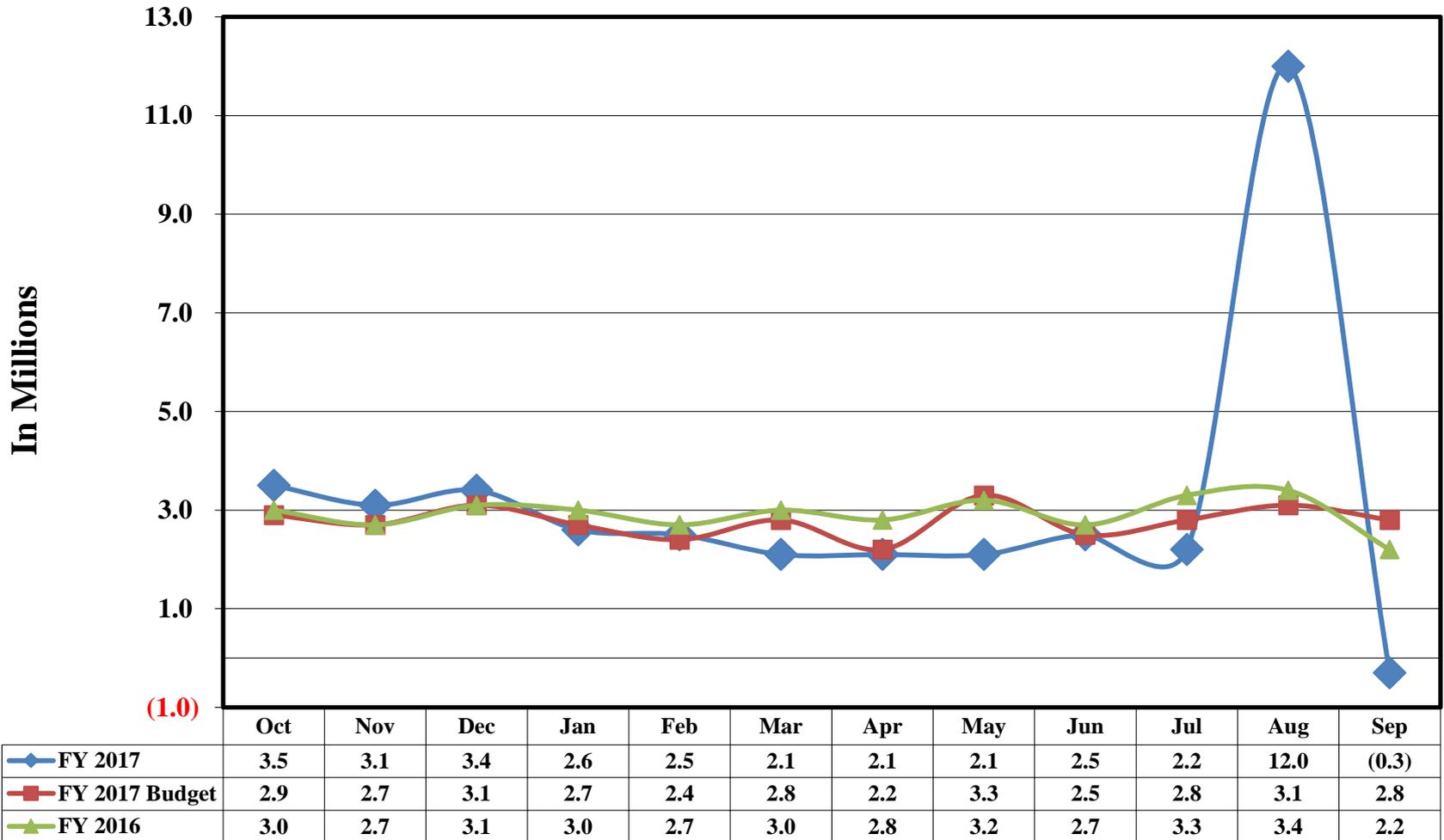


# Total Salaries, Wages and Temporary Labor

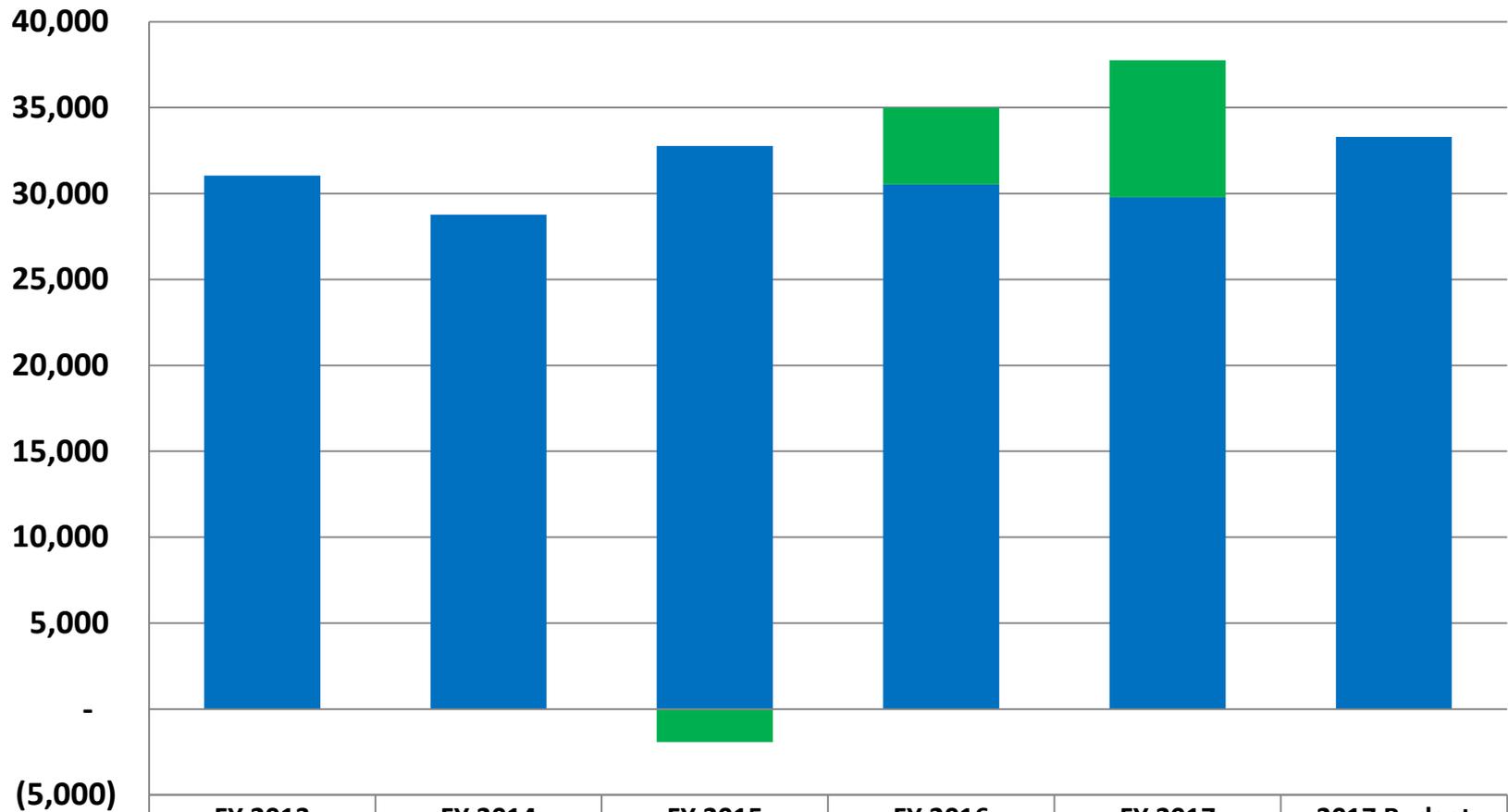


# Employee Benefit Expense

## (Blended)

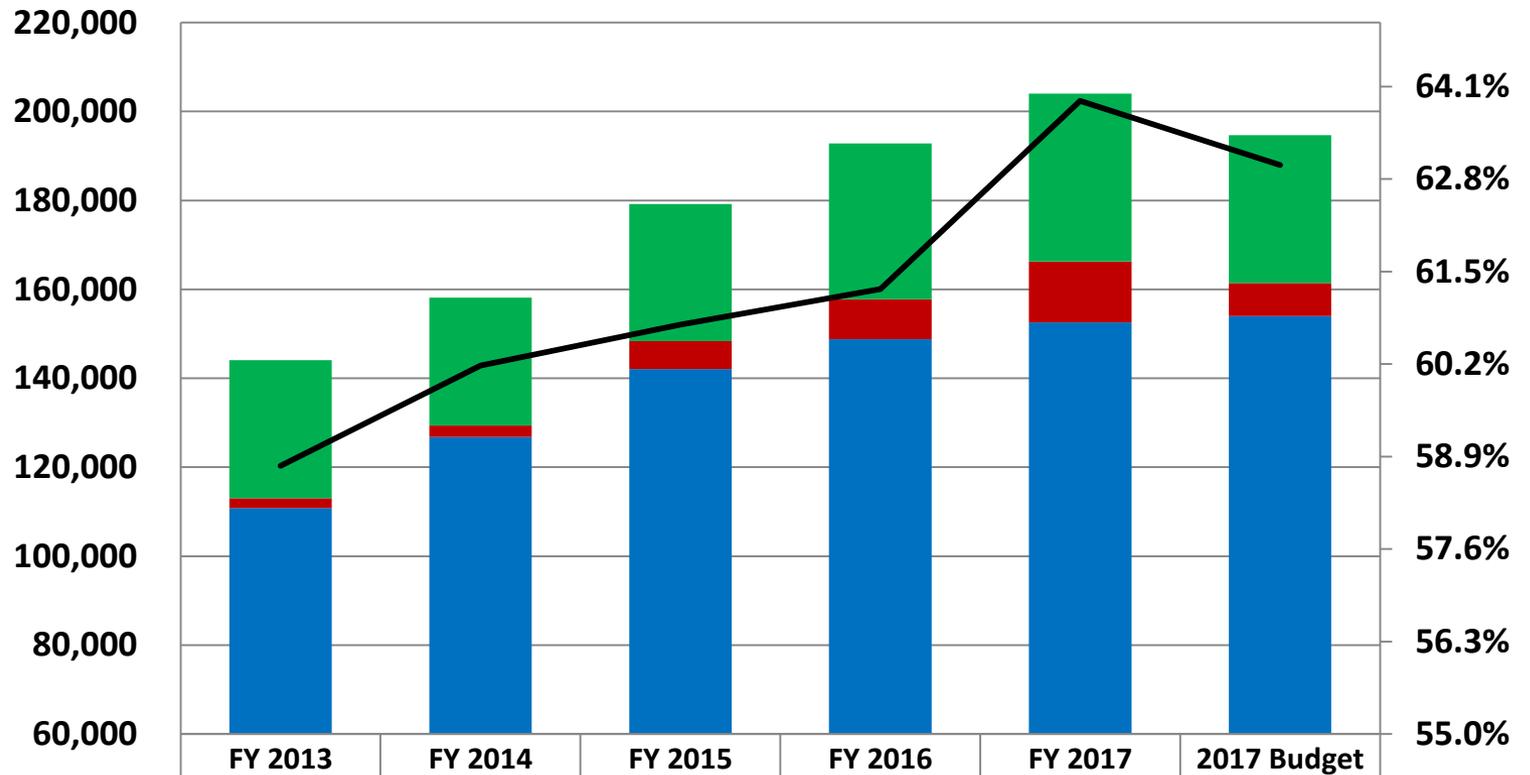


# Total Employee Benefit Expense



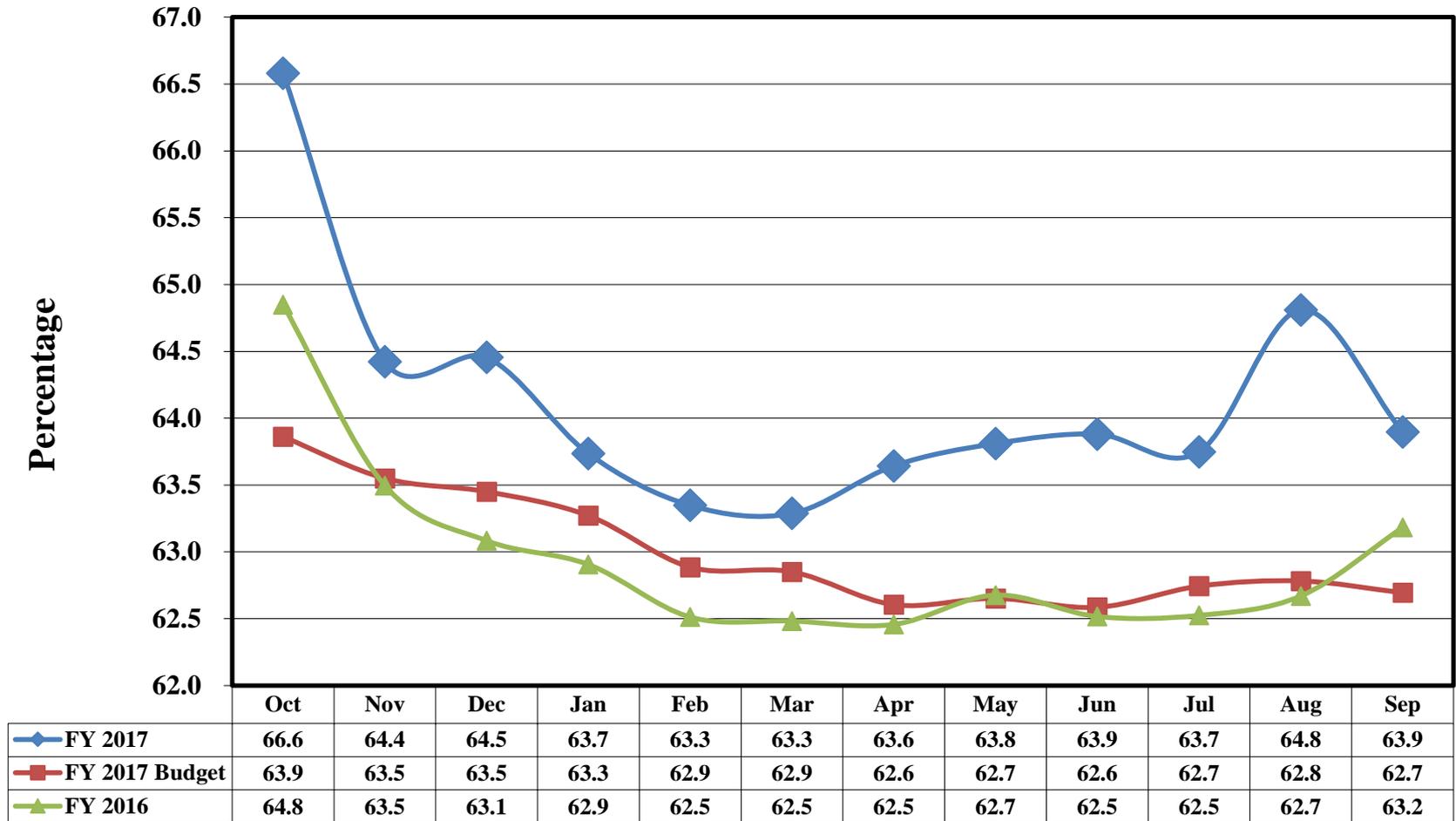
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	2017 Budget
<b>GASB 68</b>	-	-	(1,913)	4,456	7,973	-
<b>Blended</b>	31,045	28,772	32,766	30,535	29,778	33,291

# Total Salaries, Wages, Benefits and Temporary Labor



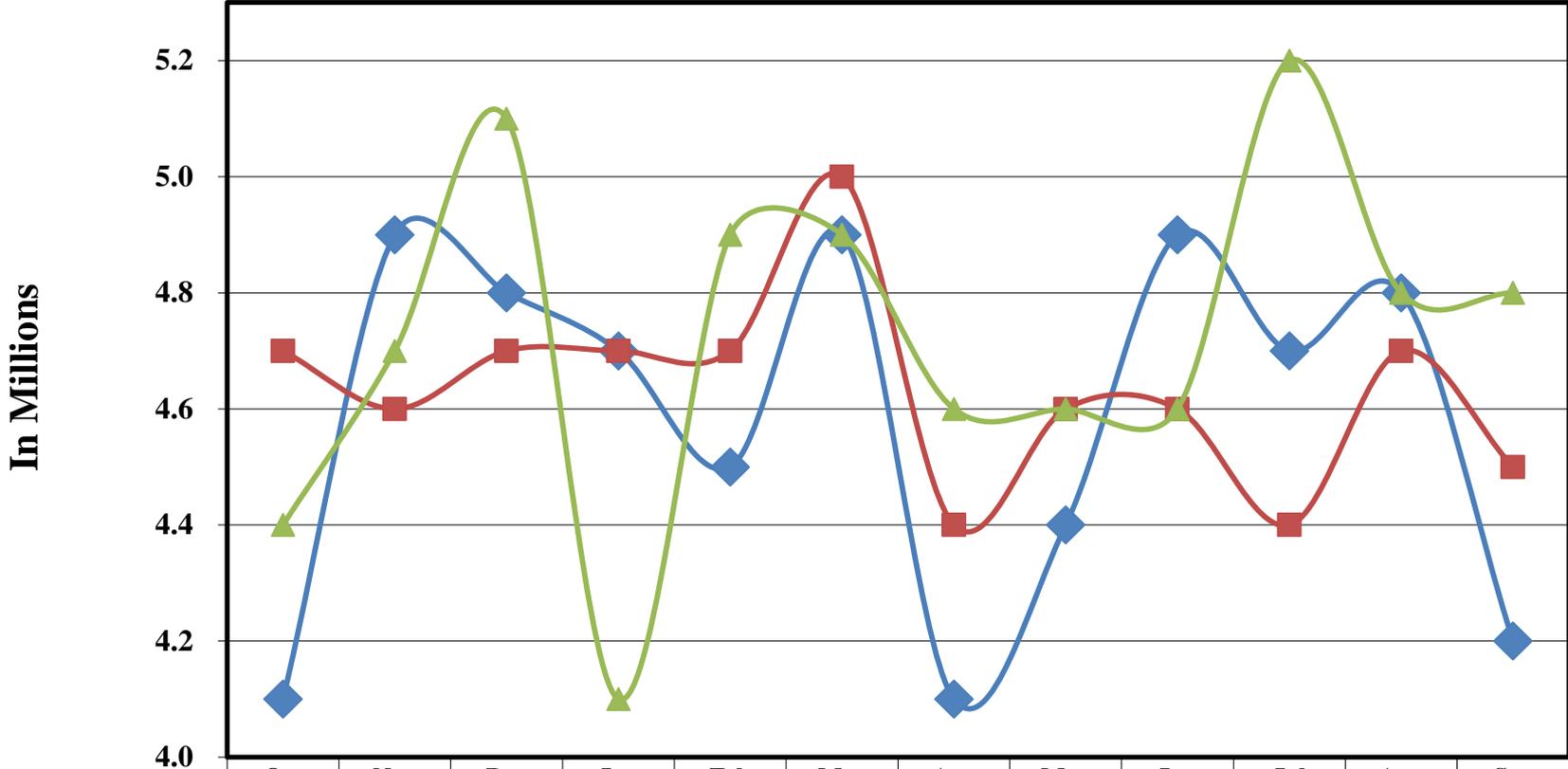
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	2017 Budget
<b>Total</b>	<b>144,048</b>	<b>158,125</b>	<b>179,218</b>	<b>192,792</b>	<b>204,009</b>	<b>194,709</b>
<b>Benefits</b>	<b>31,045</b>	<b>28,772</b>	<b>30,853</b>	<b>34,992</b>	<b>37,762</b>	<b>33,291</b>
<b>Contract</b>	<b>2,182</b>	<b>2,558</b>	<b>6,253</b>	<b>9,042</b>	<b>13,646</b>	<b>7,442</b>
<b>Employed</b>	<b>110,821</b>	<b>126,796</b>	<b>142,111</b>	<b>148,759</b>	<b>152,602</b>	<b>153,977</b>
<b>% of Operating Expense</b>	<b>58.8%</b>	<b>60.2%</b>	<b>60.8%</b>	<b>61.3%</b>	<b>63.9%</b>	<b>63.0%</b>

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



# Supply Expense

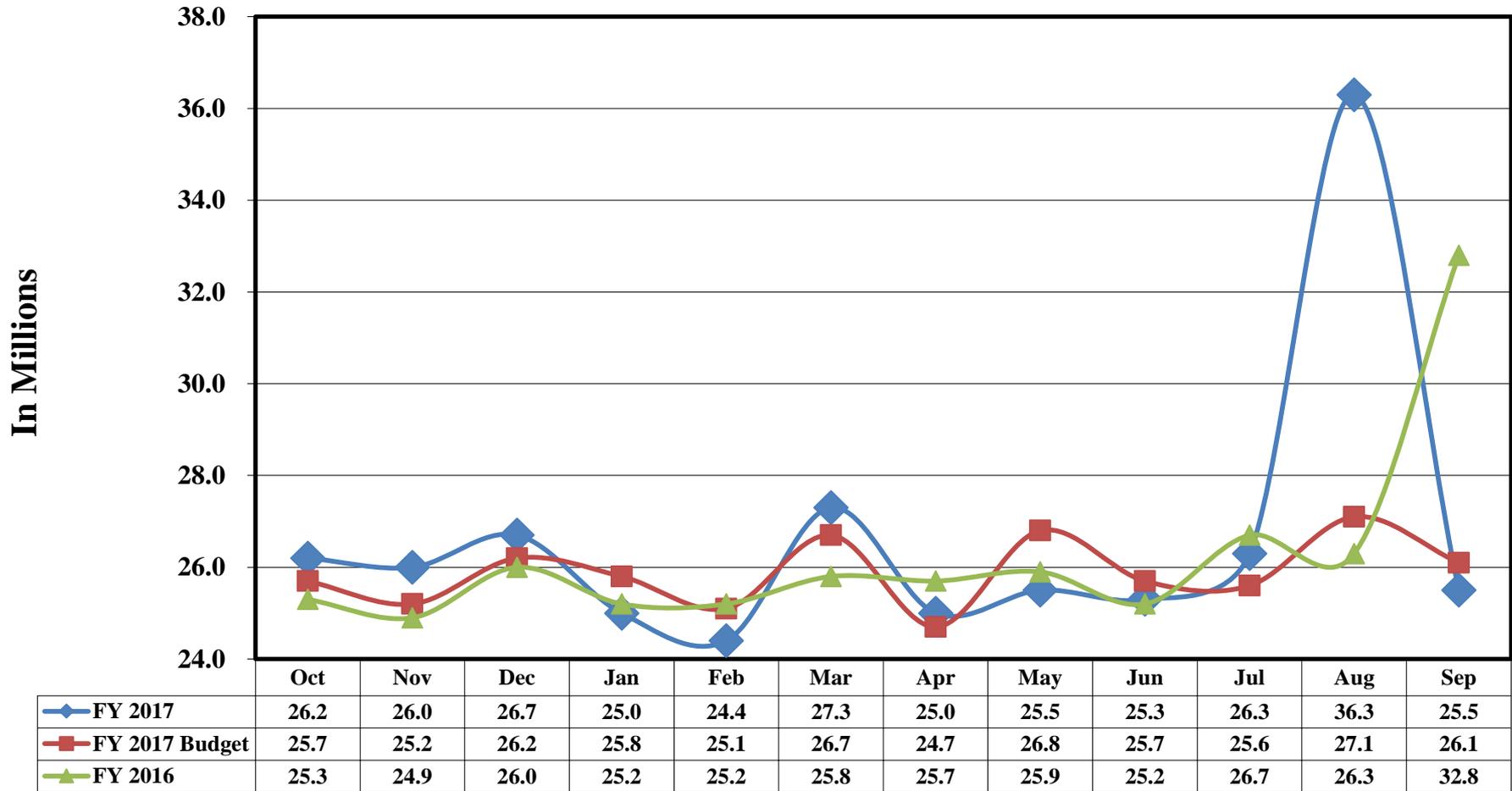
(Blended)



◆ FY 2017	4.1	4.9	4.8	4.7	4.5	4.9	4.1	4.4	4.9	4.7	4.8	4.2
■ FY 2017 Budget	4.7	4.6	4.7	4.7	4.7	5.0	4.4	4.6	4.6	4.4	4.7	4.5
▲ FY 2016	4.4	4.7	5.1	4.1	4.9	4.9	4.6	4.6	4.6	5.2	4.8	4.8

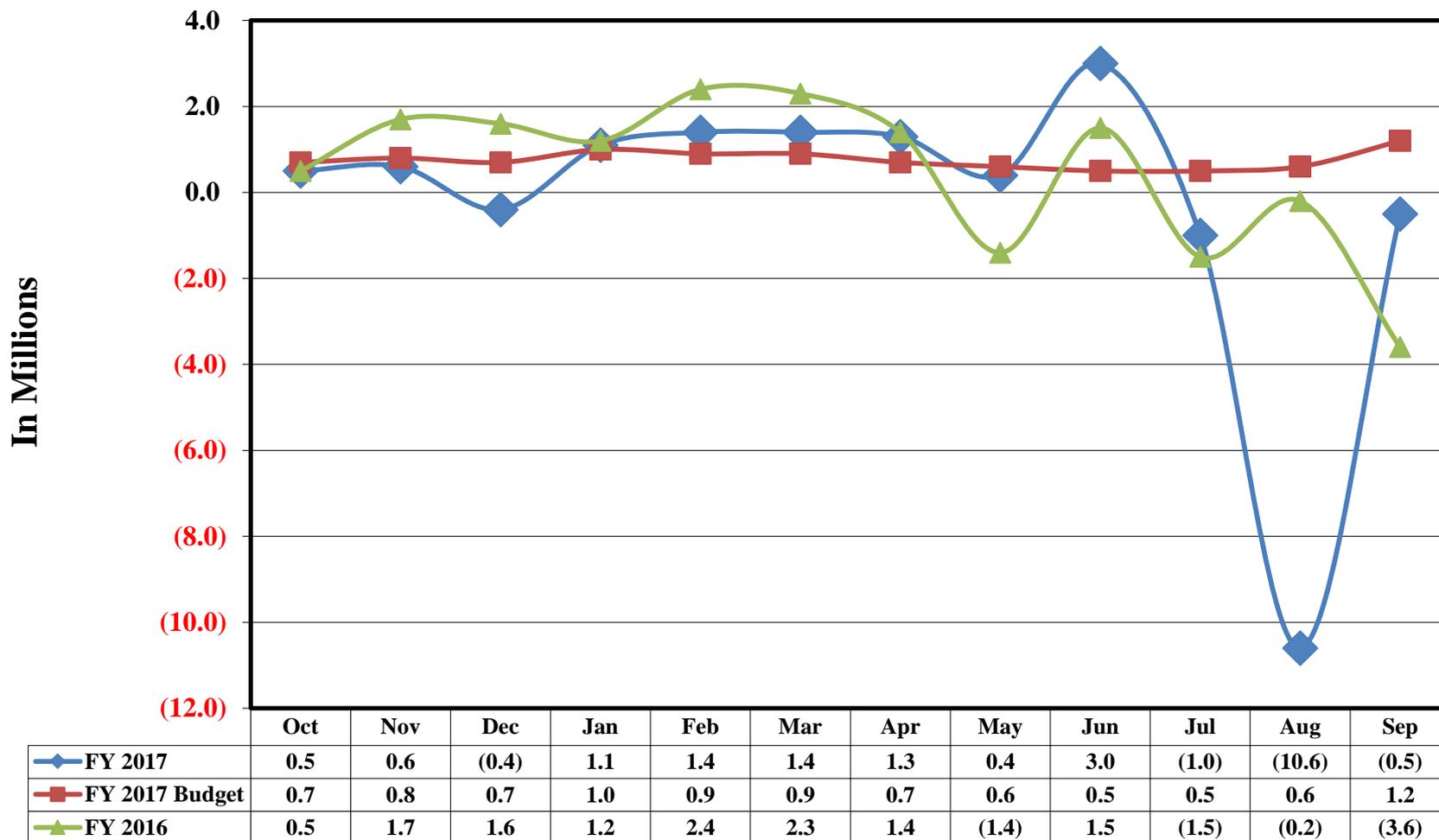
# Total Operating Expense

## (Blended)

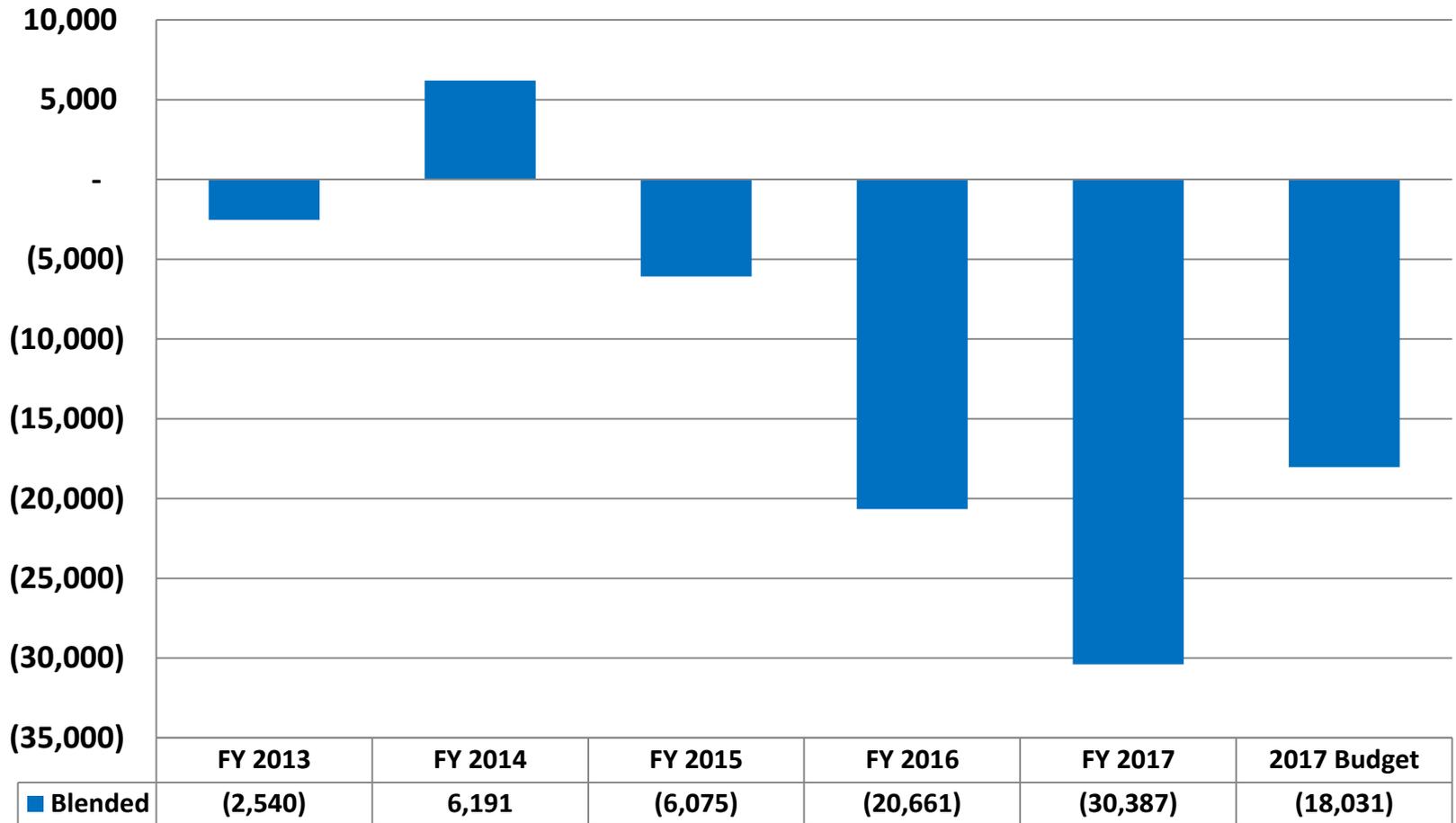


# Earnings Before Interest, Depreciation & Amortization (EBIDA)

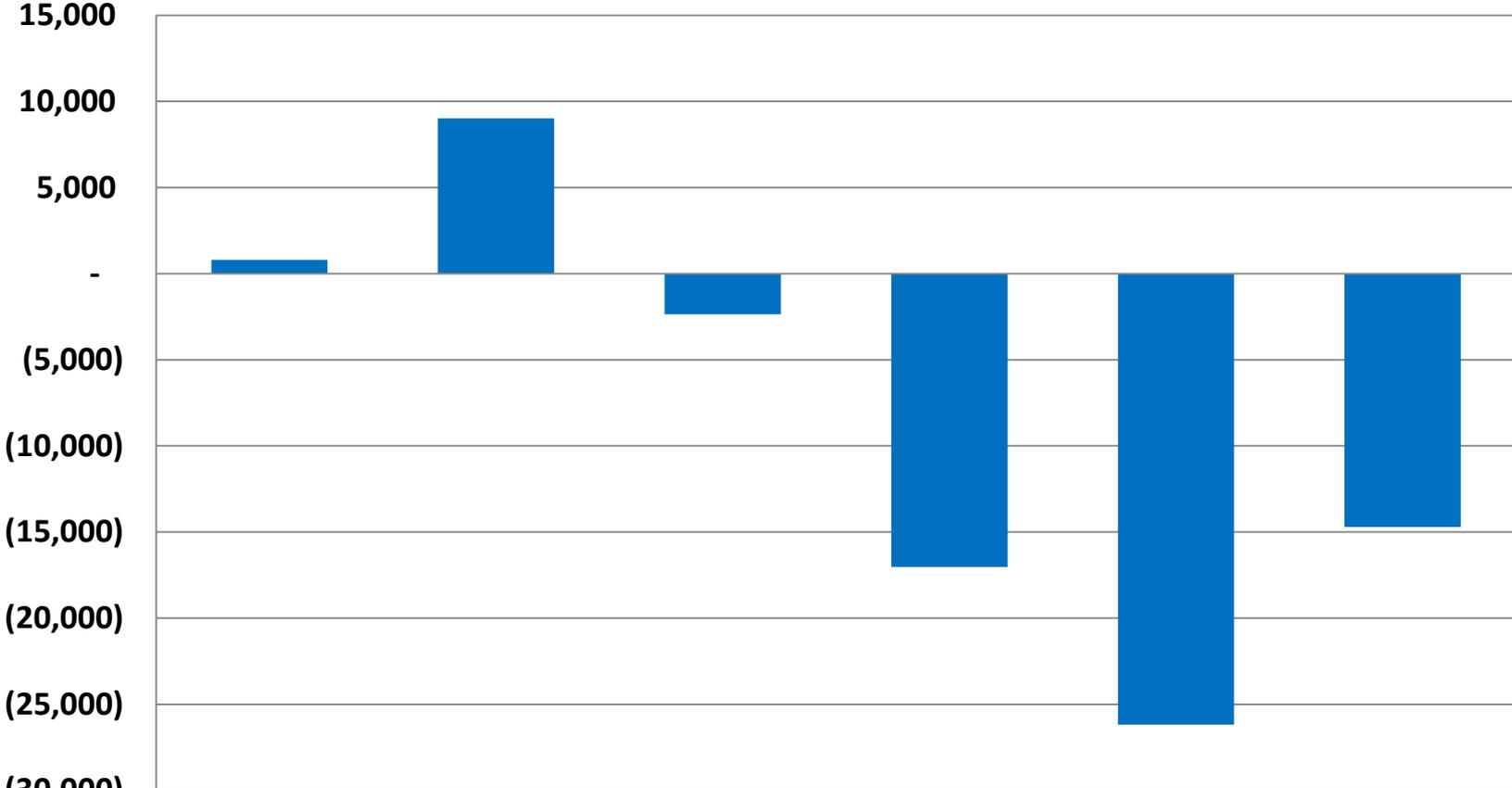
Blended Operations



# Net Gain (Loss) from Operations



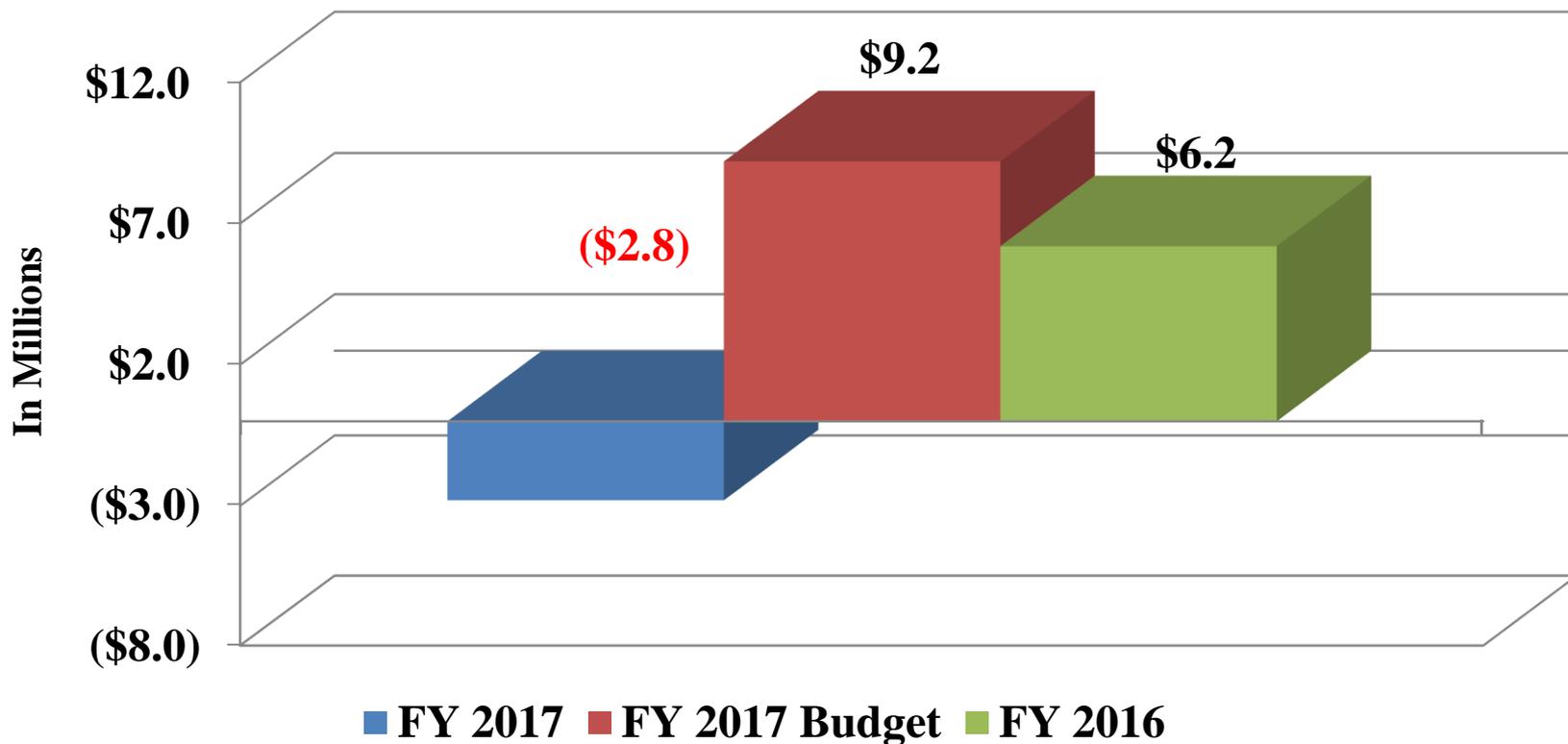
# Change in Net Position



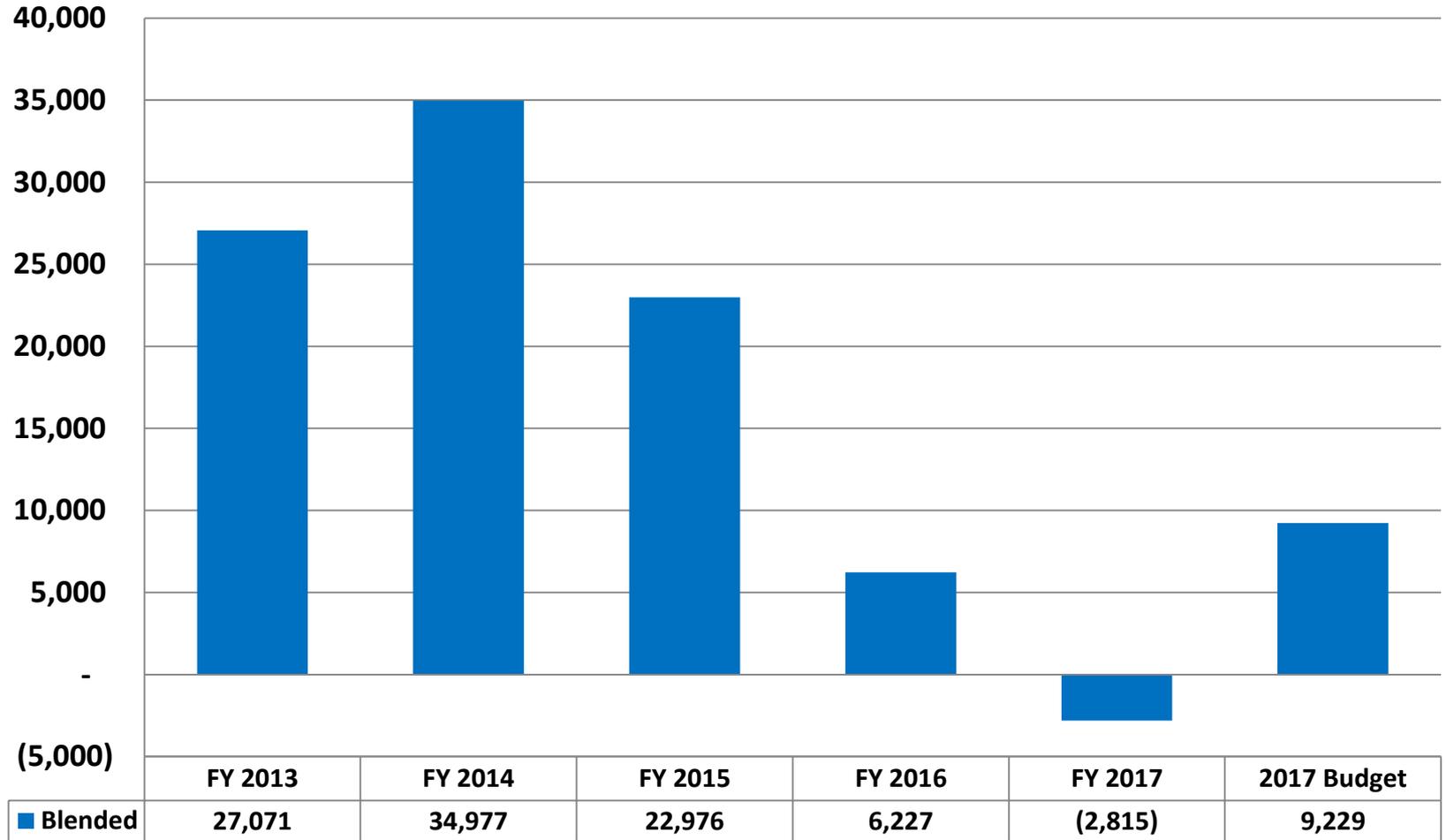
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	2017 Budget
■ Blended	802	9,013	(2,360)	(17,029)	(26,183)	(14,716)

# Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations – Year to Date



# EBIDA







November 7, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
 BOARD OF DIRECTORS**

**Item to be considered:**

Medical Staff and Allied Health Professionals Staff Applicants

**Statement of Pertinent Facts:**

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

**Medical Staff:**

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

**Allied Health:**

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

\*Please grant temporary Privileges

**Advice, Opinions, Recommendations and Motions:**

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

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

November 7, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
 BOARD OF DIRECTORS**

**Item to be considered:**

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

**Statement of Pertinent Facts:**

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

**Medical Staff:**

<b>Applicant</b>	<b>Department</b>	<b>Staff Category</b>	<b>Specialty/Pri vileges</b>	<b>Group</b>	<b>Dates</b>
Anderson, Errol MD	Radiology	Active	Diagnostic Radiology	MCH ProCare	12/01/2017 – 11/30/2019
Auringer, Michael MD	Family Medicine	Courtesy	Family Medicine	MCH ProCare	12/01/2017 – 11/30/2018
Eilers, Mark MD	Surgery	Associate	Orthopedic Surgery	Basin Orthopedic Surgical Specialists	12/01/2017 – 11/30/2018
Griffeth, Landis MD	Radiology	Telemedicine	Teleradiology	American Rad. Assoc	12/01/2017 – 11/30/2019
Grossman, Stanley MD	Radiology	Telemedicine	Teleradiology	American Rad. Assoc	12/01/2017 – 11/30/2019
Guillen, Phillip MD	Surgery	Associate	Orthopedic Surgery	WTX Orthopedics	12/01/2017 – 11/30/2018
Huerta, Christopher MD	Emergency Medicine	Associate to Active	Emergency Medicine	BEPO	12/01/2017 – 11/30/2019
Islam, Sajjadul MD	Radiology	Active	Diagnostic Radiology	WTX Imaging	12/01/2017 – 11/30/2019
Joyner, Kristen MD	Radiology	Telemedicine	Teleradiology	American Rad. Assoc	12/01/2017 – 11/30/2019
Kaczor, Joseph MD	Radiology	Active	Radiation Oncology	TX Oncology	12/01/2017 – 11/30/2019
Kadir, Abdul MD	Medicine	Active	Neurology	Private	12/01/2017 – 11/30/2019
Latifi, Hamid MD	Radiology	Telemedicine	Teleradiology	American RAD	12/01/2017 – 11/30/2019
Onyia, Barbara MD	Medicine	Associate	Internal Medicine	MCH ProCare	12/01/2017 – 11/30/2018
Shailendri, Philip MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019
Porter, Douglas MD	Medicine	Telemedicine	Electroneuromonitoring	RTNA	12/01/2017 – 11/30/2019
Reddy, Varadareddy MD	Radiology	Active	Diagnostic Radiology	Private	12/01/2017 – 11/30/2019
Robinette, Alison MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019
Rodenko, George MD	Radiology	Active	Diagnostic Radiology	MCH ProCare	12/01/2017 – 11/30/2019
Schroeder, Russell MD	Radiology	Active	Diagnostic Radiology	MCH ProCare	12/01/2017 – 11/30/2019
Slone, Richard MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019
Talmi, Danit MD	Radiology	Telemedicine	Teleradiology	VRAD	12/01/2017 – 11/30/2019



**Allied Health Professionals:**

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

**Advice, Opinions, Recommendations and Motions:**

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

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

November 7, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
 BOARD OF DIRECTORS**

**Item to be considered:**

Change in Clinical Privileges

**Statement of Pertinent Facts:**

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

**Change in Clinical Privileges:**

<b>Staff Member</b>	<b>Department</b>	<b>Privilege</b>
Kadir, Abdul MD	Medicine	Add: Intracerebral hemorrhages manage and treat
Islam, Sajjadul MD	Radiology	Delete: Catheter angioplasty; Cavernosography; Central Venous Catherization; Chemoembolization; Chemoneurolysis; Chest Drainage procedures; Cisternography; Diagnostic Angiography; Diagnostic Arteriography; Embolization and infusion procedures; Endovascular stents, placement; Inferior Vena Cava Filter insertion; Lung biopsy, percutaneous; Lymphography; Mass-biopsy, aspiration; Neuro and non-neuro embolization procedures; Nuclear Isotype therapy, for thyroid malignancy; Percutaneous abscess and fluid drainage procedures; Percutaneous Nephrostomy, management of; Percutaneous Stone Treatment; Percutaneous Vertebroplasty; Pneumocystography; Pneumoencephalography; Pulmonary Angiography; Radiofrequency Catheter Ablation; Renal mass biopsy; Renal procedures, percutaneous diagnostic/interventional; Specimen radiography, including paraffin block radiography; Thrombolytic therapy, intravenous; Urethral interventions; Uterine artery embolization; Vascular occlusions (therapeutic); Venous access, via percutaneous introduction techniques; Intra-aortic balloon pump, chest radiography preferred placement of; Left ventricular assist device, chest radiography preferred placement of;
Odumusi, Kolawole MD	Pediatrics	Circumcision
Onyia, Barbara MD	Medicine	Add: Medical ophthalmology, diagnose and manage or refer to other specialist

**Advice, Opinions, Recommendations and Motions:**

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

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



November 7, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

Item to be considered:

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

**Statement of Pertinent Facts:**

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

**Resignation/ Lapse of Privileges:**

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

Advice, Opinions, Recommendations and Motion:

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

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



November 7, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
 BOARD OF DIRECTORS**

**Item to be considered:**

Change in Medical Staff or AHP Staff Category

**Statement of Pertinent Facts:**

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

**Staff Category Change:**

<b>Staff Member</b>	<b>Department</b>	<b>Category</b>
Huerta, Christopher MD	Emergency Medicine	Associate to Active

**Change in Credentialing Date:**

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

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

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

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



MEDICAL CENTER  
HEALTH SYSTEM

# Audit Committee Report

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October 17, 2017



# Topics



- **Weaver Introduction**
- **2017 / 2018 Project Plan Status**
- **Completed Project Results**
  - **Debt Service / GASB 68 Ratio**
  - **Cerner Capitalization**
  - **Prior Year Audit Deficiencies**
- **Discussion**

# Weaver Introduction



## Weaver Team

- David Duree, Relationship Partner [David.Duree@Weaver.com](mailto:David.Duree@Weaver.com)
- John Wauson, Engagement Partner [John.Wauson@Weaver.com](mailto:John.Wauson@Weaver.com)

## Weaver Services

- Weaver has been executing outsourced internal audit projects on behalf of MCHS for more than 10 years.
- Audit projects performed by Weaver are focused on financial activities and audit activities are directed by Management and the Audit Committee.
- In recent years, our project plan has been based on assisting management with remediating deficiencies identified through the external financial statement audit.

# 2017/2018 Project Status



Process	Category	Summary Procedures	Status	
<b>Project Plan Period: April 2017 - March 2018</b>				
1	Engagement Administration	Administration	Communication on audit plan coordination, project management and audit committee presentations. Participation in the regular, recurring finance committee meetings of the System.	<b>Continuous</b>
2	Debt Service Ratio	Financial	Weaver will calculate the current debt-service coverage ratio to ensure that covenant requirements are being met and evaluate the changes in the ratio since year-end.	<b>Complete</b>
3	GASB 75 Impact Analysis	Financial	Weaver will work with management to assess the impact of the GASB 75 standards for calculating and reporting post-employment benefits. The GASB 75 standard <b>is not</b> effective until the 2018 fiscal year for the System. We will work with management to evaluate GASB 75 valuation data (once it becomes available) and implement this new accounting standard for the close of the FY 2018 financials.	<b>In Process</b>
4	Cerner Capitalization Testing	Financial	The System has incurred, and capitalized significant costs over the last 18 months associated with the Cerner implementation. Weaver will identify the individual transactions recorded and capitalized for Cerner and perform testing procedures to validate that transactions have been properly classified and recorded.	<b>Complete</b>
5	Audit Deficiencies	Financial	The financial statement audit for the year ended September 30, 2016 performed by BKD identified several audit adjustments, which resulted in a significant control deficiency. Weaver will assist the System with evaluating and strengthening the procedures and internal controls in place for the following areas to ensure prior year deficiencies are remediated before year end: <ul style="list-style-type: none"> <li>i. Estimated amounts due to/from third party payers</li> <li>ii. Self-insured reserves</li> <li>iii. Net OPEB Obligation and Pension Liability</li> <li>iv. Miscellaneous Assets and Liabilities</li> <li>v. Nursing Home Activity</li> </ul>	<b>Complete</b>
6	Revenue Cycle	Financial	Revenue cycle is an area identified by BKD in the FY 2016 audit as a process with control deficiencies. Our procedures will include walking through and documenting the revenue cycle procedures at the Hospital and evaluating the internal control structure within the process. We will evaluate the appropriateness of system access for individuals involved in the process and the appropriateness of how duties are segregated.	<b>October / November</b>
7	Contractuals and Bad Debt	Financial	Recalculate and validate the contractual and bad debt monitoring calculations prepared by management and evaluate the sufficiency of bad debt reserves.	<b>January / February</b>

# Debt Service / GASB 68 Ratio Project



## Project Scope and Procedures

### Debt Service

- In June 2010 the District issued bonds to fund the construction of the Center for Women and Infants project and refund the District's previously issued series 2002A bonds. The bonds are secured by the District's net revenues and accounts receivable, and are subject to certain restrictive covenants, such as a requirement to maintain a debt-service ratio of at least 110%.
- In fiscal year 2016, the District's debt-service ratio fell below the 110% requirement. As a result, the District has been working with assigned consultants to increase the ratio to and above the required 110%.
- Our procedures included developing an understanding of how management is calculating the debt-service ratio on a monthly basis and recalculating the ratio to ensure accuracy. Additionally, we evaluated the methodology currently being used to perform the calculation, which is a projection of where the hospital will be at the year-end measurement point and validated the balances and calculations used in the ratio analysis.

# Debt Service / GASB 68 Ratio Project



## GASB 68

- In June 2017, the Hospital received the GASB 68 report from TCDRS. This report shows that the pension expense for the Hospital would be approximately \$10M higher than what is recognized through actual cash contributions during the year.
- We worked hand-in-hand with the team at the Hospital to develop a worksheet that calculates and analyzes the impact of the GASB 68 pension expense to fiscal year 2017 financial reporting, including the debt service ratio.

## Results and Recommendations

### Debt Service

- The debt service calculation prepared by management is accurate and agrees to source financial data.

### GASB 68

- As a result of the additional GASB 68 pension expense, the Hospital's debt service ratio for fiscal year 2017 will be less than the 110% threshold bond requirement.
  - Management is currently working with Bond Counsel to determine if the non-cash portion of GASB 68 expense may be excluded for purposes of the debt service calculation.

# Debt Service / GASB 68 Ratio Project



We identified two observations and recommendations associated with the debt service ratio being calculated by management each month.

1. The debt service ratio for purposes of the bond covenant is measured at fiscal year-end, based on actual results for the year. As a result, management must estimate or project what consolidated net revenues will be at year end to calculate the ratio during an interim period. Currently, the estimated annualized consolidated net revenues is calculated evenly based on actual results and project to year-end which assumes that future months will closely mirror prior months within the same year.

We recommend that management calculate the estimated annualized net revenues in multiple variations which may help to monitor the debt-service ratio more effectively. In addition to the current method, we suggest management calculate and evaluate the estimated consolidated net revenues and resulting debt-service ratio based on a rolling 12-month average as well as budgeted net revenues, in comparison to actual YTD results.

# Debt Service / GASB 68 Ratio Project



2. The GASB 68 pension expense was substantially higher (approximately \$10M) than actual pension contributions made by the Hospital during the year. As a result, the debt service calculation was exceeded in the fourth quarter when the TCDRS valuation report became available.

We assisted management with developing a process to estimate, accrue, and budget for excess GASB 68 pension expenses going forward. Management initiated this process and we participated in a call with TCDRS who agreed to provide periodic projections of pension expense going forward to assist management in estimating and planning for increased pension expenses. During the interim months of the 2018 fiscal year, management will accrue 1/12 of the estimated 2018 GASB 68 pension expense.

# Cerner Capitalization Project



## Project Scope and Procedures

- On April 1, 2017 the Hospital went live with a new health information technology system called Cerner. The development and implementation of Cerner began in September 2015 and the Hospital is currently in the process of developing and fine-tuning the new system. There are hundreds of transactions that have been recorded associated with the Cerner implementation.
- The Cerner implementation and development costs can be classified as either an operating expense or a capital expenditure. To track costs associated with Cerner, a department code, 9070, was created to record all operating expenses. Also, a separate Cerner CIP account was created to record all associated capital expenditures.
- The purpose of our engagement was to evaluate a sample of Cerner-related transactions and determine whether the transactions were appropriately classified as an expense or capital expenditure, and help determine if all capitalizable costs were properly capitalized.

# Cerner Capitalization Project



- We performed various procedures designed to understand management's methodology for classifying and tracking Cerner related expenditures, validate the accuracy of transaction classification, and identify potential transactions that were not coded to a Cerner related account or project. Specifically, our procedures included:
  - We interviewed personnel in Accounting and IT to understand the nature of transactions incurred to develop, implement, and train staff on Cerner. Additionally, we inquired to understand the timeline for implementation, key vendors, project management and budget evaluation procedures, and strategy for capitalizing or expensing costs associated with the project.
  - We obtained a population of transactions coded to the Cerner CIP account and selected a sample of transactions based on nature of the expenditure, vendor, and value. We verified that transactions were accurately recorded and capitalized.
  - We obtained a population of transactions coded to the Cerner project code 9070 and selected a sample of transactions based on nature of the expenditure, vendor, and value. We verified that transactions were accurately recorded and expensed, or subsequently reclassified into the Cerner CIP account.

# Cerner Capitalization Project



- Procedures performed, continued:
  - We developed a listing of all vendors with transactions coded to the Cerner CIP account and reconciled it to the Cerner budget worksheet maintained by the CIO to confirm that transactions coded to CIP are accurate and complete for all known vendors working on the project in a development capacity. Also, we reviewed the vendor list with members of the implementation team to identify any potential missing vendors that may have miscoded transactions.
  - We obtained a list of IT project codes specifically assigned to the Cerner implementation and searched transactions across the implementation period that were coded to the Cerner project codes, but not coded to associated Cerner accounts in Aperek. This purpose of this test was to identify and isolate transactions that are related to Cerner but were potentially not coded correctly.

# Cerner Capitalization Project



## Results:

- As a result of our procedures we identified specific transactions that have been provided to management for review and adjustment.
- Our findings included transactions that were both capitalized and should be expenses, as well as transactions that were expensed and should have been capitalized.
- The list of transactions and follow-up items provided to management identifies an approximate net increase to the CIP capital account of \$39k. There are additional items currently being investigated by management which could change this value.

# Audit Deficiency Process Review



## Project Scope and Procedures

- During the FY 2016 audit performed by BKD, there were control deficiencies identified. As a result, these activities were placed on the Weaver project plan to assist management with evaluating the process and design of controls for activities with identified deficiencies.
- The following deficiencies were identified by BKD during the FY 2016 audit and were included in our review:
  - Estimated Amounts Due to/from Third-Party Payers
  - Self-Insured Reserves
  - Net OPEB obligation and pension liability
  - Other miscellaneous assets and liabilities
  - Nursing home activity
- Our procedures included walking through the process with responsible individuals, examining supporting documentation, and observing system functionality associated with the above activities.
- We prepared documentation for each of the above processes, which included a flowchart, control activities list, and points for consideration.

## Results and Recommendations

- Based on our evaluation of the 5 areas, we identified and developed recommendations associated with three root issues:
  1. **Timing of activities at year end** – the primary issue associated with the 5 deficiencies is related to the timing with which the process was started and executed during the FY 2016 year end close procedures. The 5 activities are reliant on data from third parties which requires time to compile. The timing with which this information was requested and available for processing was late into the close process, and after the BKD audit started in some instances.
    - We recommend that management enhance the financial closing checklist, which should include specific tasks to be done each month, and at year end, during the closing process. These tasks should be specific, with an assigned date for completion, and be assigned to a specific person for preparation and review. Additionally, we recommend that the checklist include forward looking questions and actions that need to be initiated prior to the close of the next period. For example, in the months leading up to year end, we suggest management add steps that require third parties be contacted and data is requested with defined due dates so that information is available for year end reporting when needed.

- 2. Consistency of reconciliation activities** – during our review we identified opportunities to enhance the formality and consistency of reconciliation procedures. Specifically, the method with which reconciliations are prepared, documented, linked to supporting documentation, and reviewed is not formally defined.
- We recommend that management develop and implement a formal reconciliation policy that specifically describes the requirements and criteria for account reconciliations. The policy should define the accounts that must be reconciled, frequency with which they should be done, documentation requirements, and preparation and review responsibilities and expectations. Specific considerations for the policy may include:
    - assignment of each account reconciliation to a responsible party
    - method of preparation (i.e. within Sage or via Excel spreadsheet)
    - required preparation and review procedures for all reconciliations
    - identification of key and non-key accounts
    - timing of completion of all key and non-key account reconciliation
    - criteria for adequate support and adequate evidence of review
    - establishment of a threshold or acceptable variance for unreconciled balances on individual reconciliations
    - establishment of a total unreconciled balance threshold for all account reconciliations, in the aggregate.

# Audit Deficiency Process Review



3. **Assignment of preparation and review responsibilities** – we identified instances within the 5 process areas reviewed that the individual preparing the entry was at a level that does not accommodate timely execution and a detailed review procedure.
  - We have provided management with several recommendations to reallocate and push down the preparation of specific journal entries and activities to members of the accounting team which will allow the Assistant Controller and Controller to directly prepare less and provide review and oversight of the accounting activities and journal entry activity.

# Discussion

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Direct: 972.448.9239 | Email: john.wauson@weaver.com



**MEDICAL CENTER  
HEALTH SYSTEM**

**Pre-audit Report to the Audit Committee**

**September 30, 2017**



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# 2017 Audit Planning

Planning for the 2017 audit of Ector County Hospital District d/b/a Medical Center Health System (MCHS) is a process involving communication between the board of directors, management, and BKD. The goal of the process is to design an audit plan that addresses the pertinent internal and external risks to MCHS.

We will conduct our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

An audit of the financial statements does not relieve management or the board of directors of their responsibilities.

<b>Service Provided</b>	<b>Scope</b>
Independent Audit	For the purpose of rendering an opinion on the financial statements as of and for the year ended September 30, 2017
Issue Management Letter	To provide details of our findings and recommendations over internal controls, financial reporting and operational best practices for management and the board of directors to consider
Post-audit Communication	Deliver to the board of directors a qualitative summary of our audit results

# Planned Scope & Timing

Our audit approach emphasizes the areas of higher risk, focusing on the unique characteristics of MCHS’ operating environment, the effectiveness of its internal control and its financial statement amounts and disclosures.

Based on our understanding of MCHS and our assessment of your internal control, we plan our audit to achieve the appropriate level of assurance regarding material misstatements and material weaknesses in internal control over financial reporting.

## Significant **External** Risks and Matters

Risk Area	Audit Approach
<ul style="list-style-type: none"> <li><i>Economic Risk</i> - the current healthcare environment continues to be a potential threat and presents difficult circumstances and challenges for the health care industry. The funding received through the Medicaid Section 1115 and other supplemental payment programs also continues to present a challenge to Texas hospitals in estimating revenue.</li> </ul>	<ul style="list-style-type: none"> <li>Challenge fair value determinations by management, challenge estimates for allowance for doubtful accounts and charity care, challenge supplemental payment program revenues and receivables recorded by management. Challenge disclosures regarding Medicaid revenue concentrations and impact of potential changes on future operating results.</li> </ul>

## Significant **Internal** Risks and Matters

Risk Area	Audit Approach
<ul style="list-style-type: none"> <li><i>Management Override of Controls</i> – the risk that management may override existing and functioning accounting controls is an inherent risk to MCHS.</li> </ul>	<ul style="list-style-type: none"> <li>Review accounting estimates for bias, review selected journal entries and evaluate business rationale for unusual transactions.</li> </ul>
<ul style="list-style-type: none"> <li><i>Revenue Recognition</i> – revenue cut-off and recognition of special Medicaid payments impact the financial statements of MCHS.</li> </ul>	<ul style="list-style-type: none"> <li>Test revenue cut-off and review the status of open cost reports, review correspondence with intermediaries, review management’s estimate of the 2017 cost report settlement. We will also review estimates associated with Medicaid supplemental payment related revenues and receivables in conjunction with available external data and subsequent receipts.</li> </ul>

Risk Area	Audit Approach
<ul style="list-style-type: none"> <li>• <i>Long-term Debt and Construction in Process</i> – MCHS has a significant amount of long-term debt obligations outstanding. This debt has funded some significant construction projects. The debt is subject to performance covenants and the construction projects are material expenditures for MCHS. The volume of associated transactions and related invoices present an increased financial statement risk.</li> </ul>	<ul style="list-style-type: none"> <li>☞ We will read MCHS’s debt agreements and confirm balances outstanding with the trustees and compare this response to the balances recorded on MCHS’s general ledger. We will vouch significant fixed asset additions, test that construction in progress has been appropriately placed into service and depreciated and will test MCHS’s computation of capitalized interest.</li> </ul>
<ul style="list-style-type: none"> <li>• <i>Management Estimates</i> – estimates and judgments made by management materially impact financial statement amounts. The following financial statement areas include material estimates made by management:                             <ul style="list-style-type: none"> <li>■ <i>Allowances for uncollectible accounts and contractual adjustments</i></li> <li>■ <i>Estimated third-party payer settlements, including settlements associated with Medicaid DSH and the UC and DSRIP Pools.</i></li> <li>■ <i>Estimated professional and general liability accruals</i></li> <li>■ <i>Estimated incurred, but not reported, health claims for employees</i></li> <li>■ <i>Post-employment benefit obligations</i></li> <li>■ <i>Sales tax receivable and tax revenue</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>☞ Review management’s estimates and challenge methods and assumptions used. Review historical data and consider this data in light of new economic and other developments that might impact the future collections received or payments made. Perform a “look-back” test to challenge management’s past estimates, looking for both bias and historical accuracy. Review actuarial valuations, challenge the data used by review of open claims listings and assess actuaries’ qualifications.</li> </ul>
<ul style="list-style-type: none"> <li>• <i>Accounting for pensions</i> <ul style="list-style-type: none"> <li>■ <i>Deferred outflows of resources</i></li> <li>■ <i>Deferred inflows of resources</i></li> <li>■ <i>Pension obligation</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>☞ Review actuarial valuations, challenge the data used by the actuary through an analysis of census data and actuarial assumptions. Review recorded pension related balances and consistency with actuarial valuation.</li> </ul>

Risk Area	Audit Approach
<ul style="list-style-type: none"> <li>• <i>Prior Year Audit Adjustments</i> – financial statement elements for which adjustments were proposed in the prior year are considered areas of risk of misstatement in the current year financial statements. Those areas include:                             <ul style="list-style-type: none"> <li>▪ <i>Estimated amounts due to/from third party payers (including supplemental Medicaid funding related balances)</i></li> <li>▪ <i>Self-insured reserves</i></li> <li>▪ <i>Net OPEB obligation and pension liability</i></li> <li>▪ <i>Other miscellaneous assets and liabilities</i></li> <li>▪ <i>Nursing home activity</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Review management’s current year actions taken in regards to each of the areas in which adjustments were proposed during the prior year audit.</li> </ul>
<ul style="list-style-type: none"> <li>• <i>Information Technology</i> – MCHS has a sophisticated and complex ERP which affects multiple areas related to financial reporting.</li> </ul>	<ul style="list-style-type: none"> <li>• Use BKD IT specialists to review controls surrounding security and data integrity. Challenge access controls to identify segregation of duties conflicts.</li> </ul>

We will also perform other audit testing to satisfy ourselves that the material financial statement line items and disclosures are properly stated.

## Accounting and Auditing Matters

We wish to communicate the following significant matters related to the financial statement audit to you that are, in our judgment, relevant to your responsibilities in overseeing the financial reporting process:

### Critical Accounting Policies and Practices

- Preparation of significant estimates
- Internal controls and how those controls are serving to prevent or detect fraudulent activity

### Critical Audit Areas

- Valuation of patient accounts receivable
- Estimates of amounts due to and from third-party payers, including Medicaid Waiver related receivables
- Valuation of sales tax receivable
- Estimates of self-insured risks
- Net pension obligation
- Other post-employment benefit obligations

### Nonaudit Services Performed During the Year Ended September 30, 2017

- Routine advice related to unusual accounting matters

## Consideration of Errors or Fraud

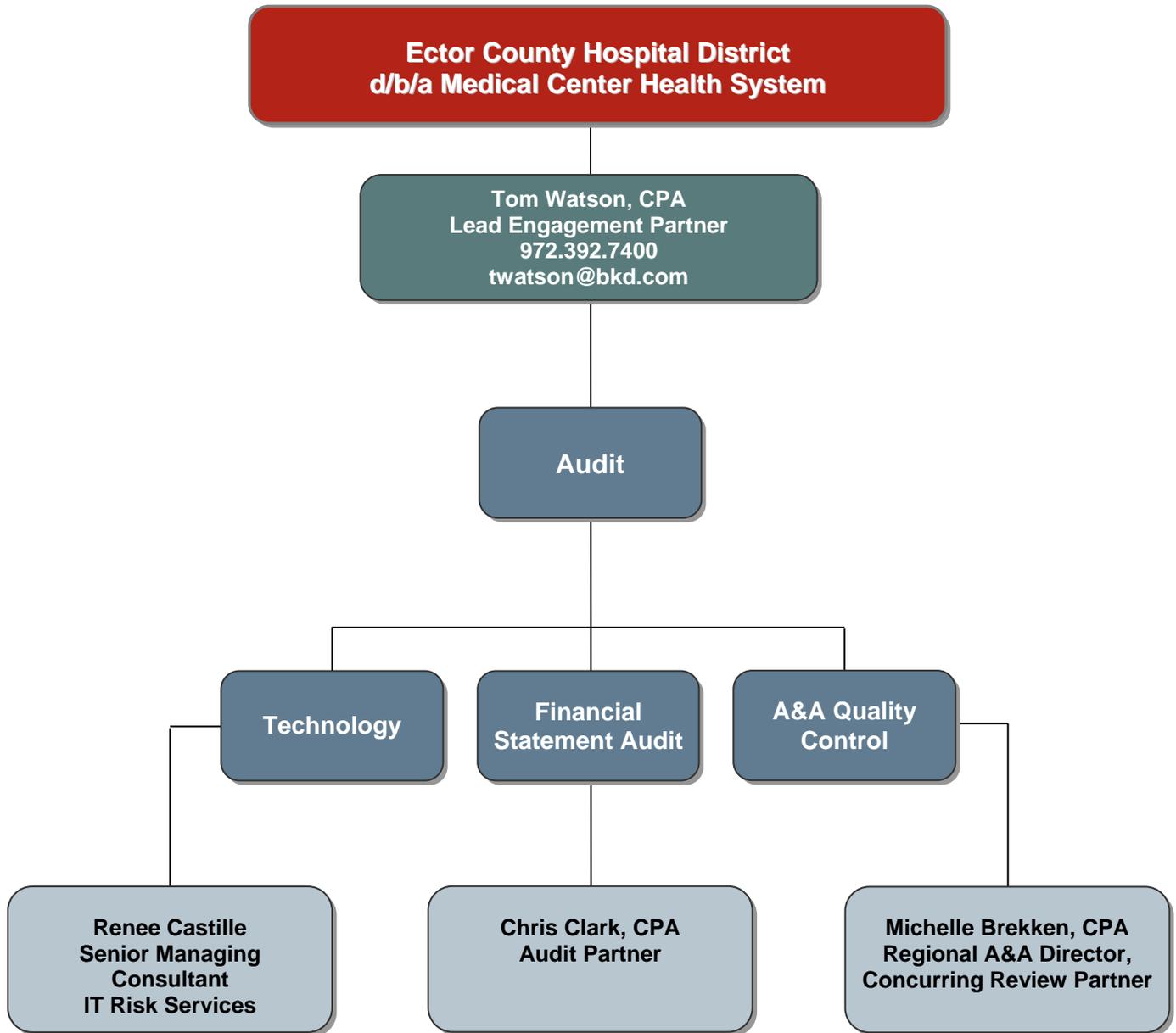
One of the most common questions we receive from the audit committee is, “How do you address fraud in a financial statement audit?” Our responsibility, as it relates to fraud, in an audit of financial statements is addressed in Statement on Auditing Standards No. 99, *Consideration of Fraud in a Financial Statement Audit*.

Statements on Auditing Standards Nos. 104-111 address how we are to assess and respond to the risks of material misstatement due to error or fraud in an audit.

Our audit approach includes such procedures as:

- ▲ Engagement Team Brainstorming
  - Discussions include how and where the engagement team believes MCHS’s financial statements might be susceptible to material misstatement due to errors or fraud, how management could perpetrate and conceal fraudulent financial reporting and how assets of the entity could be misappropriated
  - An emphasis is placed on the importance of maintaining the proper state of mind throughout the audit regarding the potential for material misstatement due to errors or fraud
- ▲ Inquiries of Management and Others
  - Personnel interviewed include the chairman of the audit committee, the chief executive officer, the chief financial officer and others
  - Inquiries are directed toward the risks of errors or fraud and whether personnel have knowledge of any fraud or suspected fraud affecting the entity
- ▲ Reviewing Accounting Estimates for Bias
- ▲ Evaluating Business Rationale for Significant Unusual Transactions
- ▲ Incorporating an Element of Unpredictability Into the Audit Each Year

# Your BKD Engagement Team



## Confirmation of Independence

This communication is to provide you with information regarding our independence with respect to MCHS and to facilitate our discussion with you regarding independence matters.

We are communicating all relationships between our firm or any of its affiliates and MCHS that may reasonably be thought to bear on independence as of the date of this communication. We are not aware of any such relationships.

We hereby confirm that, as of the date of this communication, we are independent with respect to MCHS in compliance with the rules of the American Institute of Certified Public Accountants (AICPA) and other applicable professional organizations and regulatory bodies.

## BKD's Qualifications

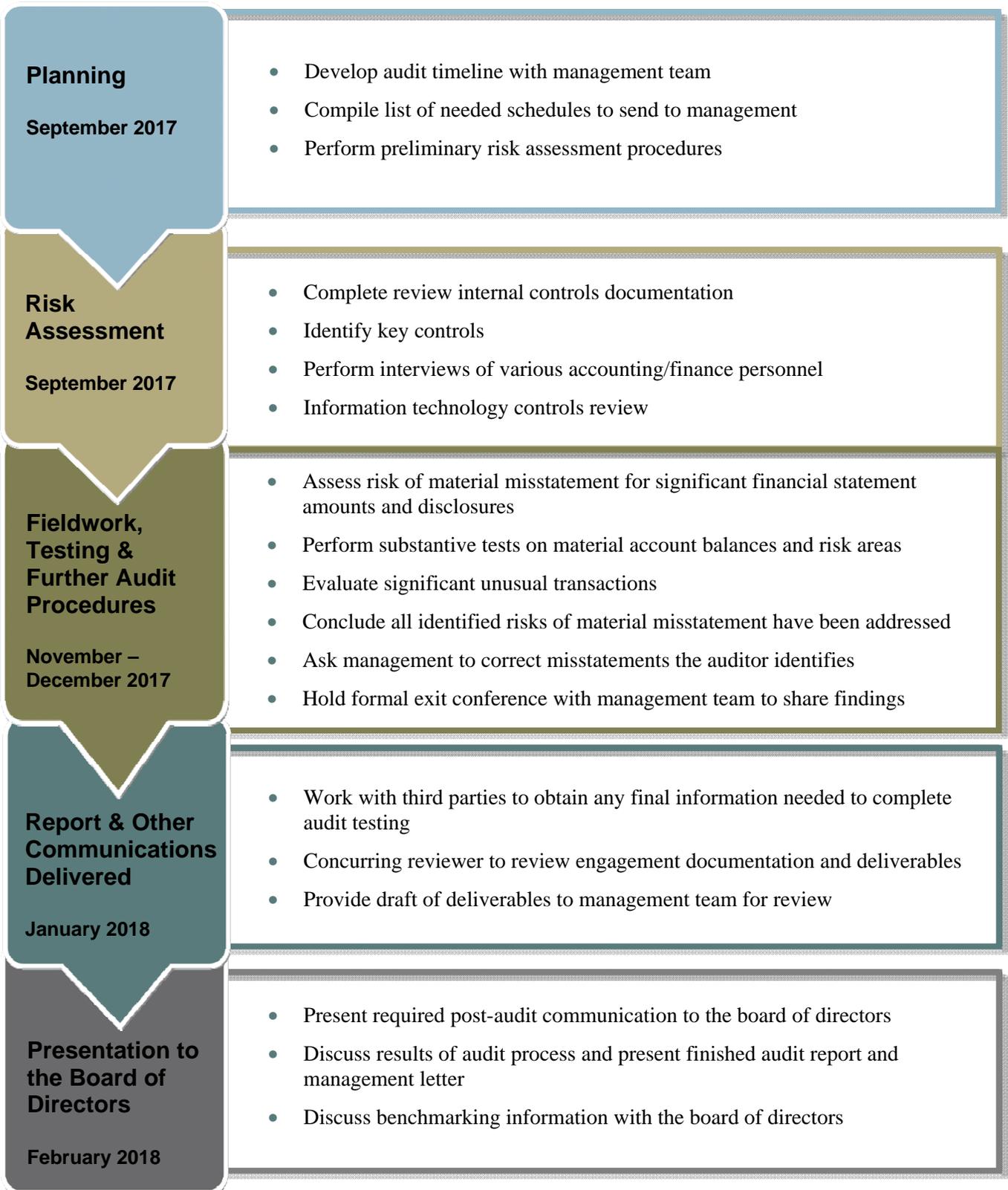
BKD is one of the largest CPA and Advisory firms in the United States. Our 260+ partners and nearly 2,400 employees are located in 35 offices throughout the United States. BKD is a member of the AICPA and its three audit quality centers – Center for Audit Quality, Employee Benefit Plan Audit Quality Center, and Government Audit Quality Center. BKD is also registered with the Public Company Accounting Oversight Board (PCAOB). BKD remains committed to the highest standards of audit quality and fully supports the PCAOB's inspection process in improving audit quality to better meet the needs of investors and serve the public interest. As such, we invite you to view all our inspection reports, which can be found on the PCAOB's website at [www.pcaobus.org](http://www.pcaobus.org) under the "Inspections" tab. Our most recent peer review report was unqualified with no letter of comments and is included as an attachment to this letter.

BKD's largest industry specialty is healthcare, with approximately 25% of our revenue derived from services to the healthcare industry. BKD audits over 700 hospitals, and works with more than 3,500 healthcare clients nationally. Our reimbursement specialists prepare more than 1,000 hospital cost reports each year.

In Texas, BKD audits more than 120 hospitals, and also provides non-profit tax or reimbursement services to numerous other providers. Our team of nearly 60 healthcare specialists in Texas provides audit and reimbursement services to approximately 25% of Texas hospitals.

BKD is represented on the AICPA Healthcare Expert panel and is also involved in multiple state and national healthcare industry organizations such as HFMA, AHLA, NRHA and numerous state associations.

# Audit Timeline: Our Five Phase Approach to Financial Statement Audits



# Required Communications with Audit Committee

## Communicate when event occurs:

- Major issues discussed with management in connection with initial or recurring retention
- Disagreements with management
- Consultations with other accountants
- Serious difficulties encountered in dealing with management when performing the audit
- The adoption of, or change in, an accounting principle
- Methods of accounting for significant unusual transactions and for controversial or emerging areas
- Fraud and illegal acts involving senior management and fraud and illegal acts that cause a material misstatement of the financial statements
- Events or conditions that cause us to conclude that there is substantial doubt about the entity's ability to continue as a going concern

## Communicate on a timely basis, at least annually:

- Our responsibility under GAAS including other information in documents containing audited financial statements
- Significant audit adjustment
- Unrecorded audit differences considered by management to be immaterial
- Sensitive accounting estimates
- Significant deficiency and/or material weakness in internal control
- Overview of planned scope and timing of audit
- Representations the auditor requests from management
- Significant findings or issues arising from the audit that were discussed with management



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

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

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

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

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

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

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

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

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

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

\_\_\_\_\_  
Don Hallmark

\_\_\_\_\_  
David Dunn, Vice President

\_\_\_\_\_  
Richard Herrera

\_\_\_\_\_  
Mary Lou Anderson

\_\_\_\_\_  
Ben Quiroz

\_\_\_\_\_  
Bryn Dodd

## MEMORANDUM

TO: Ector County Hospital Board

FROM: Tony Ruiz, Senior Vice President/Chief Operating Officer

THROUGH: Bill Webster, President/Chief Executive Officer

SUBJECT: THA Smart Ribbon Agreement (IllumiCare)

DATE: November 7, 2017

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### **Objective/Background:**

The IllumiCare Smart Ribbon® through the Texas Hospital Association (THA) is an EMR-agnostic application that is embedded within or hovers over the electronic medical record (EMR). It is designed to give providers real-time clinical and financial intelligence about the current patient being viewed in the EMR. It is informative without being obtrusive. In summary, the main purpose is to decrease costs to the hospital and patient by giving the practitioners the real time costs of medications, labs, and imaging; something many providers have requested to help them contain costs at bedside.

In more detail, the Smart Ribbon includes patient identification, a timer if the patient is on observational status, a cost lookup, tabs that display wholesale costs for medications, labs and radiology, and iatrogenic risks. By hovering over or clicking, the Smart Ribbon reveals additional information.

- Clinicians see a list of scheduled medications ordered by cost per day, highlighting any medications that have a clinically equivalent switch that is significantly cheaper and a look up for cost of medications or tests. Potential drug interactions are listed to help avoid adverse events.
- Labs ordered in the current admission are sorted by cost per test, with the most recent test date noted. For some labs, the test sensitivity and other factors dictate a recommended delay between multiple orders for the same test. The Lab Smart Ribbon indicates when a test is within its recommended interval period. It provides clinicians with a probability of hospital-acquired anemia associated with phlebotomy blood loss. Blood transfusions are expensive for the hospital and potentially problematic for patients.
- IllumiCare presents costs (not hospital charges) for all radiology studies during the current admission and uses a patent-pending method to estimate each patient's historical radiation exposure (based on data captured by IllumiCare for the current and prior admissions).

## **References:**

Parkland in Dallas and Covenant in Lubbock were both contacted by myself and Dr. Sepulveda (with Gary Barnes on the Parkland call). Their CMIOs were both impressed with the ease of working with the company and the financial savings they have seen thus far. For their first sixty (60) days, each hospital saw a decrease of over \$200 per discharge but this can vary month to month based on case mix and other factors. **We estimate a range of \$80-\$300 in reduced costs per discharge from where we compare with our ancillary cost in comparison with other similar sized hospitals in Texas. Based on approximately 13,000 discharges, this translates to \$1.1 million to \$4.0 million annually in expenses.** These are hard dollar savings primarily in medications. We will do a pre-ribbon assessment and post-ribbon assessment that will measure cost and savings after certain periods usually 60-90 days. Parkland, a much larger facility, estimates over \$7 million in savings this year and Covenant has or will install in another five hospitals from the results they have seen thus far.

Both hospitals mentioned that the physicians utilized the Smart Ribbon much more than anticipated with very little education involved since it is very intuitive. Better utilization means better savings. Both Parkland and Covenant said it helps their residents by allowing faculty to meet their obligation of teaching cost containment and gives them a valuable tool from which to learn. At our on-site demonstration Dr. Benton, Regional Chairperson of Family Practice for Texas Tech, felt that it would be a great benefit for this purpose.

## **Additional Benefits:**

The IllumiCare Smart Ribbon team will train and educate our staff and can provide reports such as physician utilization and cost comparison against their peers. Through their system, they can also measure interaction with Smart Ribbon by provider to see where there might be educational opportunities and see if they have changed practice patterns.

## **Term:**

Three (3) Years. Includes a 30 day cancellation without cause by either party upon written notice.

## **Cost:**

THA pre-negotiated a hospital investment discount of 20% (\$10 per discharge vs. \$12.50), the first six months at half price (\$5 per discharge), and a waived implementation fee for hospitals that contract before 2018. Smart Ribbon is not budgeted for but should provide a significant return on investment. It contains a 30 day out clause, without cause, should we not see the value. Based on 12,630 discharges we have a first year cost of \$94,740. This will increase over years two and three due to the six month discount ending for an approximate increase of \$30,000 over years two and three depending on discharges. IllumiCare does not expect any Cerner charges based on past experiences, however, Gary Barnes would rather have \$25,000 in contingency for Cerner and other factors year one only. **Recommended approval for project is \$119,740. Ron Griffin, general counsel, has reviewed the contract and given only minor changes which they are agreeable to. Implementation is expected to take 90 days and they have successful Cerner installs previously.**



205.719.8595  
Birmingham, AL  
illumicare.com

Many studies have shown that giving providers real costs at point of care causes them to order fewer and less expensive tests and medications. IllumiCare® is a workflow-conscious ribbon of information that is displayed within or on top a health system’s electronic medical record (EMR) and gives providers real-time, patient-specific wholesale costs (not charges), risks and other custom data about the patient concurrently being viewed in the EMR.

Medication	Route	Cost
Dificid	PO	\$347.30/day
Piperacillin Sod-Tazobactam Sod	IV	\$45.52/day
Enoxaparin Sodium	SQ	\$18.70/day
Amitiza	PO	\$11.08/day
Pantoprazole Sodium	IV	\$5.25/day

**Risks:**  
 - 10 sched. meds (polypharmacy risk)  
 - 276 mL blood loss (+14% anemia risk)  
 - 135 mSv exposure (+1.4% cancer risk)

It is a “ribbon” of actionable intelligence that appears momentarily on top of or within the EMR screen (it is EMR agnostic). It has no alerts and requires no clicks. If not manipulated, it automatically fades away after several seconds, so as not to impede the EMR workflow. To see how it works, here is a short (1:54) video: [www.illumicare.com/quick-tour](http://www.illumicare.com/quick-tour).

IllumiCare is also an open platform to dynamically present analytics at the point of care based on attributes of the user or patient location. It can literally present a different view for each care setting, provider specialty, patient type, etc., all without changes in implementation. Through APIs, the ribbon can display content (“Apps”) generated by IllumiCare, third parties and/or in-house.

### Apps

### Custom Ribbon Design

### In-Context Display



IllumiCare is influential at the time/place of physician orders without disrupting workflow. And, it is a platform to dynamically present content from outside of the EMR in context with the EMR.