



**MAVERICK COUNTY HOSPITAL DISTRICT
REGULAR BOARD MEETING
MINUTES
MARCH 01, 2016**

I. CALL TO ORDER: Meeting was called to order by Chairman JM Farias at 4:03 p.m.

II. ROLL CALL:

Mr. Farias presided over the meeting and recognized the members present:

Present: Mr. JM Farias – Chairman, Mr. Ronald Hixson – Vice Chairman, Mr. Humberto Duran – Secretary/Treasurer, Mr. Ricardo Calderon – Trustee
Mr. Alex Fuller – Legal Counsel, Mrs. Terri Contreras – CHD CEO, Mr. Nestor Bonilla – MCHD CFO, Mrs. Monica Nandin-PSG Director, Mrs. Kathy Vidal-MFAP Director, Mr. Marcos Treviño-RWP Director and members of the Media

III. VISITOR RECOGNITION:

Chris Clark - BKD Auditors Presentation
Carlos Hernandez, MD
Mr. George Baxter

Mr. Chris Clark, representing BKD Auditors, addressed the board and handed the Annual Audit Report to them. He explained how MCHD was evaluated with no discrepancies. Mr. Clark told the board that he received great cooperation from Mrs. Terri Contreras and her team. He mentioned that the biggest change that occurred in 2015 was the adoption of a new accounting standard that required governmental entities to record in their financial statements any net pension asset or net pension obligation. He stated that the district is in a positive position. Mr. Clark also provided different years for comparison. Some of the topics he covered were account receivables, contributions, property tax, non-operating income, OCR relating to HIPPA to name a few.

After this presentation, Mr. Calderon asked to have them follow up with the Administration with a brief question and answer session, the board requested if this firm could assist PSG.

Mr. JM Farias asked the board to make a motion to move down to New Business, item B. Mr. Humberto Duran made motion to skip over to New Business Letter B. Motion was seconded by Mr. Ronald Hixson. Vote was three in favor with one abstention. Motion carried.

VI. NEW BUSINESS:

B. Discussion and acceptance of Maverick County Hospital District FYE2015 Annual Independent Fiscal Audit. Motion was made by Mr. Ronald Hixson to approve the report. Motion was seconded by Mr. Humberto Duran. Vote was three in favor and one abstention. Motion carried

III. VISITOR RECOGNITION: Continued

After approval to move back to Visitor Recognition, Mr. JM Farias recognized Dr. Carlos Hernandez. Dr. Hernandez brought to the attention to the Board that FDRMC is a private hospital owned by UHS. MCHD used to own that hospital and was sold to UHS. The wisdom of the Board at that time is that they created an Advisory Board that will supervise, oversee the operation of FDRMC. At this time Dr. Hernandez said that they are having several issues at one Advisory Board meeting. Dr. Hernandez said that he was elected this year as Chairman of that Advisory Board and the UHS has requested two of their employees to be voting members with that Advisory Board. Dr. Hernandez stated that he had recommended against it and there was a motion and it was seconded and he was not able to voice his concern at that moment and the vote carried. He informed UHS that that vote is invalid. He explained he was present and had stepped out of the meeting to answer a call from the emergency room. Upon his return to the meeting the vote was carried without discussion and without all the present members to be able to express their concern. He continued to explain that when UHS bought the hospital they signed a contract for 25 years where MCHD would be able to use this advisory Board to recommend what and how to perform the best for the community. The reason this board was created was to supervise and provide the best care for the community. Dr. Hernandez continued with concerns regarding, the Medical Community and some of the Board members of the Advisory Board, consider it a threat to the community to allow UHS to have two voting members. Dr. Carlos Hernandez addressed another concern that UHS Corporation is trying to control the Medical Staff. There is a doctor who has already applied for privileges at the hospital for more than six months and he has not been granted at least the process to study the application and denied or approved his privileges. He added that they see that as a threat to the independence of the medical doctors which are not employees of UHS and who are willing to come to our town which is a rural area, underserved area. He stated the Hospital District should address this and this should be stopped. He told the board that he came to them as the previous owners of this hospital, as the representatives of the community to how UHS is performing. He stated that UHS being a Fortune 500 Corporation, with a lot of money and power to control this small community. He added, I ask you to please intervene and control this threat.

Mr. Ricardo Calderon told Dr. Hernandez that we have some of the MCHD Board members who are members of that Advisory Board. Dr. Hernandez agreed and added that the wisdom of this board when it sold the hospital was to put those members permanently. Mr. Farias, Juan Martinez, Ronald Hixson and George Garza, and he added that unfortunately Dr. Mittal resigned, she no longer is on the board.

Mr. Calderon asked if that motion was to grant them voting power to the two UHS members, rescinded by the Advisory Board. Dr. Hernandez said that at the moment he returned to the room, yes. Unfortunately Dr. Ronald Hixson made the motion, and he did not want to rescind the motion. He added that they had another special meeting where he informed UHS that motion was not carried correctly and that they did not follow the Robert Rules of Order and he was not given the opportunity to express his concerns before the vote was carried. He stepped out of the Board meeting for a few seconds and when he returned the motion had carried without his expression of concerns.

Mr. Calderon asked if he was Chairman of that board and Dr. Hernandez answered that he was not at the time. He was elected that day but was not executing his power, it was Mr. Juan Martinez who was Chairman. Mr. Calderon asked the status of this situation if it was approved and how did our MCHD Board Members vote on that issue. Dr. Hernandez said that it was unanimous including Dr. Galizia.

Mr. Farias said that he did not hear the comments from Dr. Hernandez, and that he was troubled because he did not have the opportunity to say some things and rescind his vote. Mr. Hixson said that he did, but he left. Dr. Hernandez stated that he did not leave, he just answered an emergency call, because he is a doctor. Mr. Hixson said "No, you left the room". Yes or no? Dr. Hernandez answered that he did not come to do a polemic, he just came to present a concern and he apologized again but he would have to leave because he had a delivery at this time. He showed his call from his cell phone and he left.

A brief Discussion continued on this and it was agreed that they needed to look at this more closely. Mr. Alex Fuller, Legal Counsel, said that action could not be taken today but he would be happy to pull those documents out and get a report back to the board. Mr. Farias said that Mr. Alex Fuller will analyze this situation for the board to advise them.

Mr. George Baxter, representing Maverick County Environmental and Public Health Association, was recognized to speak. His request is for MCHD continue to support their group in opposing the Dos Republicas Coal Mine and to appeal the petition the December third Court of Appeals in Austin denied their appeal by all four entities mentioned to overturn the railroad commission permit. Next step is to appeal this petition the Texas Supreme Court. Extension by the Commissioners Court, ask the MCHD board to help the decision by the county, financially. Incidentally, he added, the City has not yet made a decision and the City Council will decide at 5:30 today.

Motion to move under New Business Letter A.

Motion by Dr. Ronald Hixson to skip over to section A. Motion was seconded by Mr. Humberto Duran. Vote was unanimous.

VI. NEW BUSINESS: A. Discussion with possible action regarding Dos Republicas. Mr. Ronald Hixson stated he wanted to be part of the collaboration that helped support action opposing DRCM, and to help the County and MCEPHA financially.

Mr. Calderon asked if MCHD going to be a part of the appeal or just support financially. Mrs. Celeste Lira of Brin & Brin was disconnected from the phone at this

time and could not be asked. Mr. Fuller informed that if it was just a joint appeal, then whoever is handling the Maverick County legal, would just add MCHD name to the petition and go forward. No need to recreate and it would be cheaper. Mr. Calderon made motion to contribute financially and join the appeal with Maverick County and MCEPHA not to exceed \$15,000.00. Mr. Humberto Duran seconded the motion. Mr. Hixson questioned if the figure would have to be voted on again if the other entities were to finance. Mr. Calderon told Mr. Hixson that he could amend this motion. In the event that the City does not decide to go along, do they go forward with this and it was agreed that yes, to continue to support the MCEPHA. Mr. Calderon made the amendment to his own motion that they stay with the same law firm as the county is using and they add MCHD name to the appeal and MCHD will contribute up to the amount stated. Second to the amendment was made by Mr. Duran. Vote was unanimous. Motion carried.

IV. Review and acceptance of minutes:

A. Regular Board Meeting – January 26, 2016

Motion was made by Mr. Ricardo Calderon to approve the minutes. Motion was seconded by Mr. Ronald Hixson. Vote was three in favor with one abstention. Motion carried.

V. OLD BUSINESS:

A. Discussion with possible action to identify and/or appoint Maverick County Hospital District Board of Directors' vacancy.

Mr. Hixson addressed the board on this issue as he and Mr. Calderon were on this committee. Mr. Hixson made motion to move from number one to number five to see if they could get four votes. With this said, Mr. Calderon commented that the Nominating Committee interviewed the original applicants. Mr. Duran added that not knowing how this would pan out, he would like to go into Executive Session to discuss. Mr. Humberto Duran made motion to go into Executive Session. Motion was seconded by Mr. Ronald Hixson. Vote was unanimous. Motion carried.

XI. Executive Session: The Board will announce it will convene into EXECUTIVE SESSION, pursuant to Section 551.071 of the Government code to consult with its Attorney; Section 551.074 regarding personnel matters, and Health Care Services pursuant to Section 551.085 of the Government Code.

Dos Republicas
Biiu Mathew Lukose, MD
Alvaro E. Rosales, MD
Tanmay Girish Lal, MD
Carlos Hernandez, MD
Ronald Hixson

XII. The Board of Directors may also announce it will go into EXECUTIVE SESSION, if necessary, to receive advise from Legal Counsel regarding any item on this agenda.

After motion was made and carried unanimously, the Board moved into Executive Session at 5:00 p.m.

XIII. Reconvene to Open Session

Return to Open Session with possible action by the Board on items discussed in Executive Session if needed.

The Board reconvened at 5:37 p.m.

Mr. Ricardo Calderon made motion to authorize Mrs. Terri Contreras, CEO, to issue letter of understanding to Dr. Biiu Lukose. Motion was seconded by Mr. Humberto Duran. Vote was unanimous. Motion carried.

Motion was made by Mr. Humberto Duran to re-advertise the vacancy on the MCHD Board of Directors for that position. Motion was seconded by Mr. Ronald Hixson. Vote was unanimous. Motion carried.

V. OLD BUSINESS - Continued

B. Discussion with possible action regarding Uncompensated Care Hospital Affiliation Agreements with Universal Health Services dba Fort Duncan Regional Medical Center.

Mrs. Terri Contreras, CEO, explained that this item was on the agenda at the request of board members who are concerned on the current agreement that MCHD has with contract currently held with FDRMC. As 1115 will end September 2016 and we can default to the original indigent care agreement or renegotiate. If there is an extension do we continue? Discussion was held on this matter. Mr. Ricardo Calderon made motion to authorize Mr. Alex Fuller, Legal Counsel, to review the original agreements and subsequent amendments between the Hospital District and Universal Health Services regarding each of the parties obligations and to report back with recommendations to this board at the next monthly meeting in March. Motion was seconded by Mr. Ronald Hixson. Vote was unanimous, motion carried.

C. Discussion with possible Action Maverick County Hospital District Medical Office Building lease agreement with Fort Duncan Regional Medical Center.

Mrs. Terri Contreras, CEO, stated that this item was brought to the agenda because there was a concern by a board member. Some of the services that MCHD is able to render and some that are not to be because of the current agreement. Mrs. Contreras is requesting that the board allow her to contact UHS and ask if possibly to donate this land to the hospital district or other options, to possibly be a buyer of the land.

Mr. Ricardo Calderon made motion to authorize Mrs. Terri Contreras, CEO, to meet-negotiate with Fort Duncan Universal Health Systems with regard to the lease agreement regarding MCHD building to either have it donated or purchase it and report back to the board at next meeting in March. Mr. Duran asked if he wanted to amend the motion to include the lease-money involved with the 1115 waiver. Mr. Ricardo Calderon accepted the amendment. Motion was seconded by Mr. Ronald Hixson. Vote was unanimous, motion carried.

VI. NEW BUSINESS:

C. Discussion with possible action of MCHD Investment Policy and Broker List.

Mrs. Terri Contreras, CEO, explained that this item was taken to the Finance Committee. The updated Investment Policy is in the packet along with Broker List. The Committee recommends to approve and accept the Investment Policy and Broker List. Also, if there are other individuals who are not on the updated list and would like to be added, and they may approach Administration and bring it to the Board to be added.

Motion was made by Mr. Ricardo Calderon to accept this. Motion was seconded by Mr. Humberto Duran. Vote was unanimous. Motion carried.

D. Discussion with possible action to join Buy Board Co Op.

Mrs. Terri Contreras CEO, explained to the board that it is another GPO to get better pricing on medical supplies and equipment. Mr. Ricardo Calderon made motion to approve this item. Motion was seconded by Mr. Humberto Duran. Vote was unanimous, motion carried.

E. Discussion with possible action to approve joint election agreement with Eagle Pass ISD and Maverick County.

Mrs. Terri Contreras, CEO, informed the board that she was approached by the EPISD attorney on this option for joint elections and they wanted to join and have the cost split three way. Mr. Ricardo Calderon made motion to approve this agreement. Motion was seconded by Mr. Humberto Duran. Vote was unanimous. Motion carried.

F. Discussion with possible action Memorandum of Understanding for MCHD BCCS with: QUAD Counties Council of Alcohol and Drug Abuse, Vida y Salud, HOPE Outreach, Uvalde Memorial Hospital, Dimmit Regional Hospital, Community Health Development Inc.

Mrs. Terri Contreras, CEO, addressed the board on this item to see what the MCHD would like to do with these entities to partner with them and do screenings for BCCS to service individuals in these communities. Mr. Humberto Duran made motion to accept the MOU's Motion was seconded by Mr. Ricardo Calderon. Vote was unanimous. Motion carried.

G. Discussion with possible action to enter into a Provider Services Agreement with MCHD BCCS Program: Vida y Salud, Uvalde Memorial Hospital, Dimmit Regional Hospital, Community Health Development Inc., Graceland Family Care, Family Medical Clinic, Women's Clinic, Luevano Healthcare and ASPEN Medical.

Mrs. Terri Contreras, CEO, addressed this item and explained the Provider Services Agreements for BCCS with the different health providers in surrounding program covered counties. Mr. Ricardo Calderon made motion to approve all the agreements. Motion was seconded by Mr. Humberto Duran. Vote was unanimous. Motion carried.

VII. Presentation of monthly Financial Reports

September - December 2015 through January 2016 – Nestor Bonilla, CFO

At the request of the board, Mr. Nestor Bonilla, CFO, was instructed to present the January 2016 as the board packet included all other information and the members had time to review and had no questions at this time.

VIII. Administrator Reports –October 2015 through February 2016
Terri Contreras, CEO

IX. Committee Reports:

Building and Grounds Committee Meeting – October 20, 2015

BCCS Committee Meeting – November 20, 2015

Diabetes Committee Meeting – December 08, 2015

Finance Committee Meeting – February 18, 2015

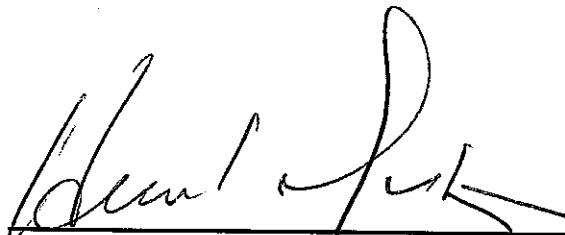
X. Chairperson's Docket:

At this time Mr. Ricardo Calderon addressed Chairman JM Farias and said that it was Election Day and some employees advised him that they had not had the opportunity to go vote he would like to make a motion to adjourn the meeting.

XIV. Adjournment

Mr. Ricardo Calderon made motion to adjourn the meeting. Motion was seconded by Mr. Humberto Duran. Vote was unanimous. Motion carried.

Time: 6 11 p.m.



Board Chairman Date
3/22/16



Board Secretary/Treasurer Date