Parkland

Budget & Finance Committee

Agenda

Committee Members

Ramon Miguez, PE - Chair
Don O'Bannon, Esq
Eric G. Bing, MD, PhD
John Proctor
Lisa Sutter

Agenda for the ***Budget and Finance Committee*** meeting of the Dallas County Hospital District is scheduled for ***Tuesday, November 15, 2022 at 11:30 AM*** at 5200 Harry Hines Blvd (WISH Building) Dallas, TX 75235, Executive Conference Room 02-175. (If assistance is needed in locating the room, please see the Administration receptionist on the 4th floor, 04-131.) A quorum will be physically present at the location of the meeting. Videoconferencing access is also possible via Webex. That application is available at https://www.webex.com/downloads.html. Teleconferencing access is possible by calling +1-415-655-0001. Both virtual access forms require inputting (meeting number: 2624 676 7859; meeting password: 1234) to join the meeting. The ***Budget and Finance Committee*** reserves the right to exercise discretion and may convene in Executive Session as permitted by Texas Government Code §§551.071 (consultation with attorney), 551.072 (deliberations regarding real estate), 551.074 (personnel matters), 551.076 (deliberations regarding security devices or security audits), 551.078 and/or 551.0785 (deliberations by medical committee or by governmental body that administers a public insurance, health or retirement plan regarding individuals' medical or psychiatric records), 551.085 (deliberation by governing board of certain providers of health care services), 551.087 (deliberation regarding economic development negotiations), 551.088 (deliberation regarding test item); Texas Government Code §418.183 (deliberation of information under §§418.175 – 418.182 for purposes of disaster management or disaster planning); Texas Health & Safety Code §161.032 (medical committee or medical peer review committee records, information or reports; and/or medical committee or medical peer review committee proceedings under Tex. Health & Safety Code Chapter 161 and/or Tex. Occ. Code Chapters 151 and 160); and/or as otherwise authorized by law on any item listed below. The ***Budget and Finance Committee*** may consider any of the agenda items in open or executive session and may continue the meeting as necessary to accomplish the business at the time and place designated by the Chair to reconvene.

		PAGE	TIME (MIN)	PRESENTER(S)
I.	**Declare a Quorum Present/Call to Order/Mission Statement** ***Advance Wellness | Relieve Suffering | Develop and Educate*** **I CARE** **I**ntegrity **C**ompassion and Collaboration **A**ccountability **R**espect **E**quity			Chair
II.	**Public Comments Regarding Agenda Items** *See public comment registration information and rules at* *https://www.parklandhospital.com/board-of-managers*			
III.	**Reports Requiring Deliberation(s) or Approval(s)**			
A.	Approve Contracts over $200,000	*2*	25	Pamela Bryant
B.	Approve Investment (Public Funds) Policy, 8311-1-04	*35*	5	Joe Mayer
C.	Approve Investment Officers	*51*	5	Joe Mayer
D.	Parkland Financial Performance Presentation	*53*	25	Rick Humphrey
IV.	**Action Item**			
A.	The Board may take action on any agenda item(s) above			Chair
V.	**Closing Remarks**			Chair
VI.	**Adjourn**			Chair

Parkland

Approve Contracts over $200,000

Full Board - Contracts for Approval

Item	Page No.	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.	MWBE %	MWBE Gender	MWBE Ethnicity
November 17, 2022													
NON-SOLE SOURCE CONTRACTS - Sorted by Size													
N1	5	Expense	Convenience Store Products and Distribution Services	McLane Express dba The C.D. Harnett Company	12/1/2022 - 11/30/2027	$1,672,000	$1,672,000	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Solomon Melesse, Nutrition Services	0%	N/A	N/A
N2	7	Capital	Volusion E10 Ultrasound System	GE Healthcare	Last Signature - 1 Year	$1,327,549	$1,327,549	GPO Purchase	Yes	Patrick Eaton, Clinical Engineering	0%	N/A	N/A
N3	9	Capital	Masimo Voyager and Intubation Chamber	International Biomedical	Last Signature - 11/25/2023	$668,083	$668,083	GPO Purchase	Yes	Marcus Cooper, Clinical Engineering	0%	N/A	N/A
N4	11	Expense	Mod #10 Mail Services for the Pharmacy	Castle Business Solutions	12/1/2015 - 2/1/2023	$350,000	$4,476,509	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Carrie Berge, Pharmacy Administration	100%	Black or African American	Female
N5	13	Capital	Cardiosave, Aortic Balloon Pumps	Getinge US Sales	Last Signature - 10/31/2023	$244,094	$244,094	GPO Purchase	Yes	Shika Shakelli, Clinical Engineering	0%	N/A	N/A

Full Board - Contracts for Approval

Item	Page No.	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.	MWBE %	MWBE Gender	MWBE Ethnicity
S1	15	Expense	Bond III Reagents IHC	Leica Microsystems, Inc.	Last Signature - 5 Years	$2,542,380	$2,542,380	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Stephanie Nobles, Laboratory	0%	N/A	N/A
S2	17	Expense	Mod to Add Funds Instrumentation and Disposables Da Vinci Robot	Intuitive Surgical	1/14/2020 - 12/30/2024	$1,602,000	$9,413,911	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, OR Administration	0%	N/A	N/A
S3	19	Expense	IHC Antibodies/Stains	BioCare Medical	Last Signature - 1 Year	$1,000,000	$1,000,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz, Pathology	0%	N/A	N/A
S4	21	Expense	Spine Products	Stryker Spine	Last Signature - 5 Years	$950,000	$950,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Surgical Services Administration	0%	N/A	N/A
S5	23	Capital	Arctic Sun Stat Temp Management System	Bard Medical Division, C. R. Bard, Inc.	Last Signature - 4 Years	$294,380	$294,380	Sole Source	Yes	Marcus Cooper, Clinical Engineering	0%	N/A	N/A
S6	25	Expense	Myosure & Aquilex Disposables	Hologic Sales and Service, LLC	Last Signature - 2 Years	$209,000	$209,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan, Perioperative Services Admin	0%	N/A	N/A
S7	27	Expense	Mod to Add Funds Spine Implants	Integra Lifesciences Corporation	1/1/2021 - 12/31/2022	$205,000	$1,105,000	Sole Source Modification	Yes	Cheston Chan, Surgical Services Administration	0%	N/A	N/A
S8	29	Expense	Mod #4 FACS Flow Cytometry Testing Reagents	BD Biosciences	9/26/2018 - 2 Years from Last Signature	$200,000	$1,305,557	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz, Pathology	0%	N/A	N/A
S9	31	Expense: Court Approval	Mod #4 Termination of Lease Agreement – Chase Building	University of Texas Southwestern Medical Center (UTSW)	3/1/2016 - 3/31/2023	($2,903,332)	$15,404,221	Sole Source Modification	Yes	Beall Carothers, Planning Design & Construction	0%	N/A	N/A

Parkland

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Convenience Store Products and Distribution Services	
Business Owner: Solomon Melesse	**Business Owner Dept:** Nutrition Services	**Contract Number:** PONCP-21368
Vendor/Supplier/Contractor: McLane Express dba The C.D. Harnett Company	**Source Selection Methodology:** Request for Proposals (Best Value)	**Fair and Reasonable Price Determination:** Adequate Competition

Revenue, Expense or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	12/1/2022 – 11/30/2025	$1,072,000
Out Years:	2 Year(s)	+$600,000
Total:	12/1/2022 – 11/30/2027	$1,672,000

Lowest Bidder

Is this contractor the lowest bidder/supplier? Yes
If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes
Does this contract have an IT Component? No
Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, but supplier diversity received their corporate plan.
Were M/WBE's Directly Solicited? None available, per Supplier Diversity
Number Responding M/WBE's: 0
What % of this contract is M/WBE? 0%
M/WBE Race/Ethnicity? N/A
M/WBE Gender? N/A

Submitted By (Division VP): Eric Walker, Vice President, Support Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Convenience Store Products and Distribution Services

VENDOR: McLane Express dba The C.D. Harnett Company

COST:		
	Base Term:	$1,072,000
	Out Years:	+ $600,000
	Total:	$1,672,000

Recommendation
Approve this contract for Convenience Store Products and Distribution Services.

Background
A Request for Proposal (RFP) was issued requiring distribution services for products such as candy bars, snacks, sundries, microwavable soups and meals. Vendor B responded stating that they cannot meet quantities required, Vendor C responded that they were not interested. Vendor D and Vendor E did not respond to the bid.

Fair and Reasonable Price Determination
This category was solicited through a competitive environment which indicates this is market price. The vendor will be holding prices firm for five years comparing the current prices against the new prices pricing is 39% lower on the new price sheet.

Financial Forecast

Base Term	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**Totals**
Expenses / Consumables	$371,556	$339,333	$333,333	$27,778			$1,072,000
Out Years	**FY2022**	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**Totals**
Expenses / Consumables				$275,000	$300,000	$25,000	$600,000
Totals	**$371,556**	**$339,333**	**$333,333**	**$302,778**	**$300,000**	**$25,000**	**$1,672,000**

Document Contact/Author:	Petra Townsend

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Volusion E10 Ultrasound System	
Business Owner: Patrick Eaton	**Business Owner Dept:** Clinical Engineering	**Contract Number:** POCP-22001
Vendor/Supplier/Contractor: GE Healthcare	**Source Selection Methodology:** GPO Purchase	**Fair and Reasonable Price Determination:** Adequate Competition

Revenue, Expense or Capital:

Capital

	Contract Dates	Contract Price
Base Term:	Last Signature – 1 Year	$1,327,549
Out Years:	0 Year(s)	+$0
Total:	Last Signature – 1 Year	$1,327,549

Lowest Bidder

Is this contractor the lowest bidder/supplier? GPO Purchase

If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes

FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.

Were M/WBE's Directly Solicited? N/A-no solicitation performed

Number Responding M/WBE's: N/A-no solicitation performed

What % of this contract is M/WBE? 0%

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

Submitted By (Division VP): John Raish, Senior Vice President, Support Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Volusion E10 Ultrasound System

VENDOR: GE Healthcare

COST:		
	Base Term:	$1,327,549
	Out Years:	+ $0
	Total:	$1,327,549

Recommendation
Approve this contract for Volusion E10 Ultrasound System.

Background
We are buying 9 ultrasound units to replace ultrasounds that are scheduled for replacement and no longer fully meet departmental needs. This is part 2 of 2 in our multiyear equipment replacement plan for WISH sonography. We did a side-by-side demonstration of 4 vendors to determine optimum model for department.

Fair and Reasonable Price Determination
The GPO contract and pricing was obtained in a solicitation process performed by Vizient. Market research conducted through ECRI shows that Parkland price is 1.5% lower than the average for other facilities. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2023
Equipment / Licenses	$1,327,549

Document Contact/Author:	Andrew Barter

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Masimo Voyager and Intubation Chamber	
Business Owner: Marcus Cooper	**Business Owner Dept:** Clinical Engineering	**Contract Number:** POCP-21970
Vendor/Supplier/Contractor: International Biomedical	**Source Selection Methodology:** GPO Purchase	**Fair and Reasonable Price Determination:** Adequate Competition

Revenue, Expense or Capital:

Capital

	Contract Dates	Contract Price
Base Term:	Last Signature – 11/25/2023	$668,083
Out Years:	0 Year(s)	+$0
Total:	Last Signature – 11/25/2023	$668,083

Lowest Bidder

Is this contractor the lowest bidder/supplier? GPO Purchase

If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes

FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.

Were M/WBE's Directly Solicited? N/A-no solicitation performed

Number Responding M/WBE's: N/A-no solicitation performed

What % of this contract is M/WBE? 0%

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

Submitted By (Division VP): John Raish, Senior Vice President, Support Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Masimo Voyager and Intubation Chamber

VENDOR: International Biomedical

COST:		
	Base Term:	$668,083
	Out Years:	+ $0
	Total:	$668,083

Recommendation
Approve this contract for Masimo Voyager and Intubation Chamber.

Background
We are replacing 4 infant transport incubators. The current 4 are End of Support and End of Life and must be replaced as they are not repairable. We have 1 of the newer units at Parkland and need these to match the current unit.

Fair and Reasonable Price Determination
The GPO contract and pricing was obtained in a solicitation process performed by Vizient. Market research conducted through ECRI shows that Parkland price is 1% higher than the average for other facilities. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2023
Equipment / Licenses	$668,083

Document Contact/Author:	Andrew Barter

Board Approval Request For Modification to Contract or Funding

BOM Date: November 17, 2022	**Modification:** Mod # 10 Mail Services for the Pharmacy	
Business Owner: Carrie Berge	**Business Owner Dept:** Pharmacy Administration	**Contract Number:** PONCS-18236 A9
Vendor/Supplier: Castle Business Solutions **Basis of Original Contract Award** Request for Proposals (Low Price/Tech Accept) **Basis of this Modification** Non-Sole Source Modification	BOM Approved Contract Total (8/23/2022):	$4,126,509
Revenue, Expense or Capital: Expense	Modification # 10 Amount:	$350,000
Original Start Date: 12/1/2015 **Current Expiration:** 11/30/2022 **Mod Start Date:** 12/1/2022 **Expiration after this Mod:** 2/1/2023	New Contract Amount:	$4,476,509

Approvals

Has the final modification been approved by Legal for legal sufficiency?	Yes
Does this modification have an IT Component?	No
Does this modification have a Construction Component?	No

Financial

Is Funding included in the applicable FY Budget?	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
FTE Impact:	None

Diversity

Current M/WBE Participation?	100%
M/WBE Race/Ethnicity?	Black or African American
M/WBE Gender?	Female

Submitted By (Division VP): Vivian Johnson, Senior Vice President, Clinical Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 10 Mail Services for the Pharmacy

VENDOR: Castle Business Solutions

COST:

BOM Approved Contract Total (8/23/2022):	$4,126,509
Modification # 10:	+ $350,000
Total:	$4,476,509

Recommendation
Approve this contract modification for Mail Services for the Pharmacy.

Background
The request is for the pharmacy prescription mail services. As part of a strategy to reduce pharmacy lobby traffic to reduce the risk of COVID spread, the pharmacy staff has been encouraging the use of Parkland mail order services. Before the COVID pandemic, mail order prescriptions accounted for 7% of Parkland prescriptions. During COVID mail order services increased to 20% and had since settled around 11.5% of Parkland prescriptions. A project improvement from FY2018 included adding cold chain mail orders to mail refrigerated products such as insulin. Mail order shipping costs have increased yearly over the last five years. The funds are being added due to mail service fee and volume increases. The Request for Proposal (RFP) was completed in FY2022 and award is currently pending.

Fair and Reasonable Price Determination
A fair and reasonable price was determined through adequate competition for the existing contract.

Financial Forecast

Current Contract Amount	FY2023	Total
$4,126,509	$350,000	$4,476,509

Document Contact/Author:	Stephanie Toth

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Cardiosave, Aortic Balloon Pumps	
Business Owner: Shika Shakelli	**Business Owner Dept:** Clinical Engineering	**Contract Number:** POCP-21962
Vendor/Supplier/Contractor: Getinge US Sales	**Source Selection Methodology:** GPO Purchase	**Fair and Reasonable Price Determination:** Adequate Competition

Revenue, Expense or Capital:

Capital

	Contract Dates	Contract Price
Base Term:	Last Signature – 10/31/2023	$244,094
Out Years:	0 Year(s)	+$0
Total:	Last Signature – 10/31/2023	$244,094

Lowest Bidder

Is this contractor the lowest bidder/supplier? GPO Purchase

If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes

FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.

Were M/WBE's Directly Solicited? N/A-no solicitation performed

Number Responding M/WBE's: N/A-no solicitation performed

What % of this contract is M/WBE? 0%

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

Submitted By (Division VP): John Raish, Senior Vice President, Support Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Cardiosave, Aortic Balloon Pumps

VENDOR: Getinge US Sales

COST:		
	Base Term:	$244,094
	Out Years:	+ $0
	Total:	$244,094

Recommendation
Approve this contract for Cardiosave, Aortic Balloon Pumps.

Background
We are purchasing 4 Intra-Aortic Balloon Pumps to replace our existing Getinge Maquet Intra-Aortic Balloon Pumps. This Equipment is used in the ECMO department for patients who are awaiting Coronary Artery Bypass Graft Surgery to provide consistency with the transfer. Work order history indicates an increase in Battery Maintenance Required codes and Corrective Maintenances over the last two years; this equipment will be at the end of support on December 31, 2024, but due to age, increase in CM work orders, and criticality of the equipment, it is recommended that we proactively replace these. This Manufacturer was selected based on maintaining our existing workflow; our current systems are by Getinge Maquet, and the new systems will be an upgraded version. As well, this purchase would be under our GPO Vizient Contract.

Fair and Reasonable Price Determination
The GPO contract and pricing was obtained in a solicitation process performed by Vizient. Market research conducted through ECRI shows that Parkland price is 2% higher than the average for other facilities. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2023
Equipment / Licenses	$244,094

Document Contact/Author:	Andrew Barter

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Bond III Reagents IHC	
Business Owner: Stephanie Nobles	**Business Owner Dept:** Laboratory	**Contract Number:** POCP-21818
Vendor/Supplier/Contractor: Leica Microsystems, Inc.	**Source Selection Methodology:** Sole Source	**Fair and Reasonable Price Determination:** Market Price

Revenue, Expense or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	Last Signature – 5 Years	$2,542,380
Out Years:	0 Year(s)	+$0
Total:	Last Signature – 5 Years	$2,542,380

Lowest Bidder

Is this contractor the lowest bidder/supplier? N/A-Sole Source

If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.

FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.

Were M/WBE's Directly Solicited? N/A-no solicitation performed

Number Responding M/WBE's: N/A-no solicitation performed

What % of this contract is M/WBE? 0%

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

Submitted By (Division VP): Vivian Johnson, Senior Vice President, Clinical Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Bond III Reagents IHC

VENDOR: Leica Microsystems, Inc.

COST:		
	Base Term:	$2,542,380
	Out Years:	+ $0
	Total:	$2,542,380

Recommendation
Approve this contract for Bond III Reagents IHC.

Background
The Leica Bond III instrument is for Immunohistochemistry (IHC) testing in the Anatomy & Physiology Histology lab. This specific instrument is a one of kind in that it is the only advanced staining module that can perform all of the following: IHC (Immunohistochemistry), ISH (In situ hybridization), IF(Immunofluorescence), FISH (Fluorescence in situ hybridization), and RNAscope (Ribonucleic Acid scope).

Fair and Reasonable Price Determination
Market research conducted through ECRI shows that the Parkland pricing is discounted at 50% lower for Bond Ancillary Reagents, Bond consumables, Bond covertiles, and Bond RTU's, 40% lower for Bond ISH Probes, and 30% lower for Novocastra Concentrates than the average for other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	Totals
Expenses / Consumables	$466,103	$508,476	$508,476	$508,476	$508,476	$42,373	$2,542,380

Sole Source Justification
Contract is for a good or service for which there is only one acceptable source. The product has no competition. This is the only product that offers multiple testing modalities with one instrument.

Document Contact/Author:	Tamisha Smallwood

Board Approval Request For Modification to Contract or Funding

BOM Date: November 17, 2022	**Modification:** Mod to Add Funds Instrumentation and Disposables Da Vinci Robot	
Business Owner: Cheston Chan	**Business Owner Dept:** OR Administration	**Contract Number:** POCP-21980 A2
Vendor/Supplier: Intuitive Surgical **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (11/19/2019):	$7,811,911
	Modifications Totaling < $100,000 Previous Modification to Add Funds:	$99,000
Revenue, Expense or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Current Modification to Add Funds:	$1,503,000
Original Start Date: 1/14/2020 **Current Expiration:** 12/30/2024 **Mod Start Date:** 11/18/2022 **Expiration after this Mod:** 12/30/2024	New Contract Amount:	$9,413,911

Approvals

Has the final modification been approved by Legal for legal sufficiency?	No change to contract document
Does this modification have an IT Component?	No
Does this modification have a Construction Component?	No

Financial

Is Funding included in the applicable FY Budget?	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
FTE Impact:	None

Diversity

Current M/WBE Participation?	0%
M/WBE Race/Ethnicity?	N/A
M/WBE Gender?	N/A

Submitted By (Division VP): Donna Hale, Vice President, Nursing Periop

Parkland

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

SUBJECT: Mod to Add Funds Instrumentation and Disposables Da Vinci Robot

VENDOR: Intuitive Surgical

COST:

BOM Approved Contract Total (11/19/2019):	$7,811,911
Previous Mod to Add Funds:	$99,000
Current Mod to Add Funds:	+ $1,503,000
Total:	$9,413,911

Recommendation
Approve this contract modification for Instrumentation and Disposables Da Vinci Robot.

Background
Additional funding is needed due to significant increase in Intuitive DaVinci robot usage in colorectal and general surgery surgical service lines.

Fair and Reasonable Price Determination
Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is consistent with the average for other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Contract Amount	FY2023	FY2024	FY2025	Total
$7,811,911	$734,250	$801,000	$66,750	$9,413,911

Sole Source Justification
This contract is for a good or service for which there is only one acceptable source. Limitations are imposed on the products/services by intellectual property and proprietary restrictions.

Document Contact/Author:	Cheryl Robertson

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** IHC Antibodies/Stains	
Business Owner: Tim Lenz	**Business Owner Dept:** Pathology	**Contract Number:** POCP-22029
Vendor/Supplier/Contractor: BioCare Medical	**Source Selection Methodology:** Sole Source	**Fair and Reasonable Price Determination:** Market Price

Revenue, Expense or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	Last Signature – 1 Year	$1,000,000
Out Years:	0 Year(s)	+$0
Total:	Last Signature – 1 Year	$1,000,000

Lowest Bidder

Is this contractor the lowest bidder/supplier? N/A-Sole Source

If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.

FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.

Were M/WBE's Directly Solicited? N/A-no solicitation performed

Number Responding M/WBE's: N/A-no solicitation performed

What % of this contract is M/WBE? 0%

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

Submitted By (Division VP): Vivian Johnson, Senior Vice President, Clinical Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: IHC Antibodies/Stains

VENDOR: BioCare Medical

COST:		
	Base Term:	$1,000,000
	Out Years:	+ $0
	Total:	$1,000,000

Recommendation
Approve this contract for IHC Antibodies/Stains.

Background
Biocare's antibodies run with our Immunohistochemistry stains on our automated instruments. The stains test for antigen expression in tissues to aid in the diagnosis of patient's tissue sample and in overall treatment plan for the patient. These reagents allow for accurate testing and faster turn-around time. CAP requires validation of antibodies and reagents before they are tested on patient samples**.**

Fair and Reasonable Price Determination
Market research conducted through ECRI shows that the Parkland's pricing is 9% higher than median Market pricing for products that Parkland is purchasing. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2023	FY2024	Totals
Expenses / Consumables	$916,667	$83,333	$1,000,000

Sole Source Justification
Anatomic Pathology currently use these unique reagents that have been validated on the instruments and have been reliable in terms of accurate testing. Because the validation and quality assurances with these antibodies has been completed, we are requesting a year only on this agreement and will further evaluate the market for a solicitation.

Document Contact/Author:	Petra Townsend

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Spine Products	
Business Owner: Cheston Chan	**Business Owner Dept:** Surgical Services Administration	**Contract Number:** POCP-21865
Vendor/Supplier/Contractor: Stryker Spine	**Source Selection Methodology:** Sole Source	**Fair and Reasonable Price Determination:** Market Price

Revenue, Expense or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	Last Signature – 3 Years	$570,000
Out Years:	2 Year(s)	+$380,000
Total:	Last Signature – 5 Years	$950,000

Lowest Bidder

Is this contractor the lowest bidder/supplier?	N/A-Sole Source
If not, what premium will be paid for this contract over the lowest bidder?	N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency?	Yes
Does this contract have an IT Component?	No
Does this contract have a Construction Component?	No

Financial

Is Funding included in the applicable FY Budget?	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
FTE Impact:	None

Diversity

Potential for M/WBE engagement:	Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.
Were M/WBE's Directly Solicited?	N/A-no solicitation performed
Number Responding M/WBE's:	N/A-no solicitation performed
What % of this contract is M/WBE?	0%
M/WBE Race/Ethnicity?	N/A
M/WBE Gender?	N/A

Submitted By (Division VP): Donna Hale, Vice President, Nursing Periop

Parkland

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

SUBJECT: Spine Products

VENDOR: Stryker Spine

COST:		
	Base Term:	$570,000
	Out Years:	+ $380,000
	Total:	$950,000

Recommendation
Approve this contract for Spine Products.

Background
The spinal products include implants used in surgeries to facilitate fusion, correct deformities, stabilize/strengthen the spine and include, but are not limited to, rods, pedicle screws, hooks, plates and cages. These implants are exempt from the competitive procurement rules.

Fair and Reasonable Price Determination
Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through Vizient shows that the Parkland price is in line with other member hospitals with similar market share with Stryker.

Financial Forecast

Base Term	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**	**Totals**
Expenses / Consumables	$15,833	$190,000	$190,000	$174,167			$570,000
Out Years	**FY2023**	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**FY2028**	**Totals**
Expenses / Consumables				$15,833	$190,000	$174,167	$380,000
Totals	**$15,833**	**$190,000**	**$190,000**	**$190,000**	**$190,000**	**$174,167**	**$950,000**

Sole Source Justification
This contract is for a good or service for which it is impractical to obtain competition. Implants, heart valves, bone screws, prosthetics, etc. are patient care devices and are exempt.

Document Contact/Author:	Bryson Hendrix

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Arctic Sun Stat Temp Management System	
Business Owner: Marcus Cooper	**Business Owner Dept:** Clinical Engineering	**Contract Number:** POCP-21952
Vendor/Supplier/Contractor: Bard Medical Division, C. R. Bard, Inc.	**Source Selection Methodology:** Sole Source	**Fair and Reasonable Price Determination:** Market Price

Revenue, Expense or Capital:

Capital

	Contract Dates	Contract Price
Base Term:	Last Signature – 4 Years	$294,380
Out Years:	0 Year(s)	+$0
Total:	Last Signature – 4 Years	$294,380

Lowest Bidder

Is this contractor the lowest bidder/supplier? N/A-Sole Source
If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes
Does this contract have an IT Component? Yes; and IT approved
Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes
FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.
Were M/WBE's Directly Solicited? N/A-no solicitation performed
Number Responding M/WBE's: N/A-no solicitation performed
What % of this contract is M/WBE? 0%
M/WBE Race/Ethnicity? N/A
M/WBE Gender? N/A

Submitted By (Division VP): John Raish, Senior Vice President, Support Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Arctic Sun Stat Temp Management System

VENDOR: Bard Medical Division, C. R. Bard, Inc.

COST:		
	Base Term:	$294,380
	Out Years:	+ $0
	Total:	$294,380

Recommendation
Approve this contract for Arctic Sun Stat Temp Management System.

Background
We are replacing existing hyper/hypothermia units with the new Arctic Sun. The current devices are End of Support and End of Life.

Fair and Reasonable Price Determination
Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is 7.4% lower than the average for other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2023
Equipment / Licenses	$294,380

Sole Source Justification
This contract is for a good or service for which there is only one acceptable source. The products/services are additions or modifications to a fleet of equipment awarded through a competitive process to a single vendor. This purchase constitutes the remainder of the units that are used for of this level of acuity. Compatibility with other devices at Parkland. This is the device of choice for all nursing units.

Document Contact/Author:	Andrew Barter

Board Approval Request For Contracts Over $200,000

BOM Date: November 17, 2022	**Product or Service:** Myosure & Aquilex Disposables	
Business Owner: Cheston Chan	**Business Owner Dept:** Perioperative Services Admin	**Contract Number:** POCP-22015
Vendor/Supplier/Contractor: Hologic Sales and Service, LLC	**Source Selection Methodology:** Sole Source	**Fair and Reasonable Price Determination:** Market Price

Revenue, Expense or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	Last Signature – 2 Years	$209,000
Out Years:	0 Year(s)	+$0
Total:	Last Signature – 2 Years	$209,000

Lowest Bidder

Is this contractor the lowest bidder/supplier? N/A-Sole Source

If not, what premium will be paid for this contract over the lowest bidder? N/A

Approvals

Has the final contract been approved by Legal for legal sufficiency? Yes

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.

FTE Impact: None

Diversity

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, and vendor does not have a corporate plan.

Were M/WBE's Directly Solicited? N/A-no solicitation performed

Number Responding M/WBE's: N/A-no solicitation performed

What % of this contract is M/WBE? 0%

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

Submitted By (Division VP): Donna Hale, Vice President, Nursing Periop

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Myosure & Aquilex Disposables

VENDOR: Hologic Sales and Service, LLC

COST:		
	Base Term:	$209,000
	Out Years:	+ $0
	Total:	$209,000

Recommendation
Approve this contract for Myosure & Aquilex Disposables.

Background
We are purchasing the necessary disposables for capital equipment previously purchased and owned by Parkland. These products are proprietary to the Hologic equipment that Parkland owns.

Fair and Reasonable Price Determination
Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is 3% higher than the average for other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2023	FY2024	FY2025	Totals
Expenses / Consumables	$95,792	$104,500	$8,708	$209,000

Sole Source Justification
These products are proprietary to the Hologic equipment that Parkland owns.

Document Contact/Author:	Bryson Hendrix

Board Approval Request For Modification to Contract or Funding

BOM Date: November 17, 2022	**Modification:** Mod to Add Funds Spine Implants	
Business Owner: Cheston Chan	**Business Owner Dept:** Surgical Services Administration	**Contract Number:** POCP-18029 A2
Vendor/Supplier: Integra Lifesciences Corporation **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (8/25/2020):	$900,000
	Modifications Totaling < $100,000 Previous Modification to Add Funds:	$99,000
Revenue, Expense or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Current Modification to Add Funds:	$106,000
Original Start Date: 1/1/2021 **Current Expiration:** 12/31/2022 **Mod Start Date:** 11/17/2022 **Expiration after this Mod:** 12/31/2022	New Contract Amount:	$1,105,000

Approvals

Has the final modification been approved by Legal for legal sufficiency?	No change to contract document
Does this modification have an IT Component?	No
Does this modification have a Construction Component?	No

Financial

Is Funding included in the applicable FY Budget?	Yes
FTE Impact:	None

Diversity

Current M/WBE Participation?	0%
M/WBE Race/Ethnicity?	N/A
M/WBE Gender?	N/A

Submitted By (Division VP): Donna Hale, Interim Vice President, Nursing Periop

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod to Add Funds Spine Implants

VENDOR: Integra Lifesciences Corporation

COST:

BOM Approved Contract Total (8/25/2020):	$900,000
Previous Mod to Add Funds:	$99,000
Current Mod to Add Funds:	+ $106,000
Total:	$1,105,000

Recommendation
Approve this contract modification for Spine Implants.

Background
This project is for the procurement of Spine Implant items used by the Surgical Team for repair of the lining of the brain and spinal cord. These products are the necessary complement implant products used alongside instrument implant products procured from our standard spinal implant vendors.

Fair and Reasonable Price Determination
Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is higher than other member hospitals. Renegotiations are in progress for the January 1, 2023 renewal. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Contract Amount	FY2023	Total
$900,000	$205,000	$1,105,000

Sole Source Justification
This contract is for a good or service for which it is impractical to obtain competition. Implants, heart valves, bone screws, prosthetics, etc. are patient care devices and are exempt.

Document Contact/Author:	Bryson Hendrix

Board Approval Request For Modification to Contract or Funding

BOM Date: November 17, 2022	**Modification:** Mod # 4 FACS Flow Cytometry Testing Reagents	
Business Owner: Tim Lenz	**Business Owner Dept:** Pathology	**Contract Number:** POCP-19730 A3
Vendor/Supplier: BD Biosciences **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (7/27/2021): Modifications Totaling < $100,000 Modification # 2: Modification # 3:	$1,105,557 $0 $39,482
Revenue, Expense or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 4:	$160,518
Original Start Date: 9/26/2018 **Current Expiration:** 11/30/2022 **Mod Start Date:** Last Signature **Expiration after this Mod:** 2 Years	New Contract Amount:	$1,305,557

Approvals

Has the final modification been approved by Legal for legal sufficiency?	Yes
Does this modification have an IT Component?	No
Does this modification have a Construction Component?	No

Financial

Is Funding included in the applicable FY Budget?	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
FTE Impact:	None

Diversity

Current M/WBE Participation?	0%
M/WBE Race/Ethnicity?	N/A
M/WBE Gender?	N/A

Submitted By (Division VP): Vivian Johnson, Senior Vice President, Clinical Services

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 4 FACS Flow Cytometry Testing Reagents

VENDOR: BD Biosciences

COST:

BOM Approved Contract Total (7/27/2021):	$1,105,557
Modification # 2:	$0
Modification # 3:	$39,482
Modification # 4:	+ $160,518
Total:	$1,305,557

Recommendation
Approve this contract modification for FACS Flow Cytometry Testing Reagents.

Background
Flow Cytometry analysis is used at Parkland primarily to perform counts of CD4 lymphocytes from blood samples. This specialized testing quantitates a key immune system cell, used as a measure of a patient's overall immune status as well as to assess the response to therapeutic interventions. CD4 counts are used in the care of transplant recipients, patients with HIV, and patients with certain types of cancer. Currently, Pathology performs 15,000 flow cytometry tests per year on two BD Biosciences analyzers which Parkland owns. The reagents and supplies for these analyzers are only available as a sole source from BD Biosciences; this is our current vendor for these products.

Fair and Reasonable Price Determination
Although the item being purchased is a sole source for the reasons discussed below, this item is sold in substantial quantities in the commercial marketplace. Market research conducted through ECRI shows that the Parkland price is comparable to other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Contract Amount	FY2023	FY2024	FY2025	Total
$1,105,557	$91,667	$100,000	$8,333	$1,305,557

Sole Source Justification
Contract approval is requested for supplies and reagents for the Canto and FACSLyric flow cytometry Analyzers. The tests performed on these analyzers are CD3 and CD4 cell counts. Parkland owns the analyzers and these are the proprietary reagents that will work with the equipment.

Document Contact/Author:	Petra Townsend

Board Approval Request For Modification to Contract or Funding

BOM Date: November 17, 2022	**Modification:** Mod # 4 Termination of Lease Agreement – Chase Building	
Business Owner: Beall Carothers, Director Real Estate Development	**Business Owner Dept:** Planning Design & Construction	**Contract Number:** POCRE-19355 A2
Vendor/Supplier: University of Texas Southwestern Medical Center (UTSW) **Basis of Original Contract Award** Real Estate – Exemption **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (1/29/2019):	$18,307,553
	Modifications Totaling < $100,000 Modification # 3 Amount:	($501,455)
Revenue, Expense or Capital: Expense: Court Approval	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 4 Amount:	($2,401,877)
Original Start Date: 3/1/2016 **Current Expiration:** 5/31/2024 **Mod Start Date:** N/A **Expiration after this Mod:** 3/31/2023	New Contract Amount:	$15,404,221

Approvals

Has the final modification been approved by Legal for legal sufficiency? Yes
Does this modification have an IT Component? No
Does this modification have a Construction Component? No

Financial

Is Funding included in the applicable FY Budget? Yes
FTE Impact: None

Diversity

Current M/WBE Participation? 0%
M/WBE Race/Ethnicity? N/A
M/WBE Gender? N/A

Submitted By (Division VP): John Raish, Senior Vice President, Support Services

Parkland

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH & HOSPITAL SYSTEM
BOARD BRIEFING DOCUMENT

SUBJECT: Mod # 4 Termination of Lease Agreement – Chase Building

VENDOR: University of Texas Southwestern Medical Center (UTSW)

COST:

BOM Approved Contract Total (1/29/2019):	$18,307,553
Modification # 3:	($501,455)
Modification # 4:	+ ($2,401,877)
Total:	$15,404,221

Recommendation
Approve this contract modification for Termination of Lease Agreement – Chase Building.

Background
Parkland has administrative and clinical functions housed at the Chase building located at 6300 Harry Hines Boulevard. Due to UTSW's desire to demolish the facility, an early termination payment to Parkland in the amount of $2,401,877 will be made by UTSW. Parkland is relocating all Chase clinics (PPCC, Maple WISH and Behavioral Health) to Moody Outpatient Center 6th Floor and the remaining administrative functions (Legal Affairs, IT, EPMO, Corporate Compliance, etc.) to 8435 Stemmons Freeway. Due to favorable market rent conditions negotiated for the premises at 8435 Stemmons, it is anticipated Parkland will save approximately $1.1M in rental expense for the period of 4-1-23 to 5-31-24.

Fair and Reasonable Price Determination
Parkland is receiving a fair price for early lease termination as confirmed by independent valuation experts.

Financial Forecast

Current Contract Amount	FY2021	FY2022	FY2023	Total
$18,307,553	($501,455)	$0	($2,401,877)	$15,404,221

Note, in January 2019, Parkland Board approved lease expense in the amount of $18,307,553. As per the Third Amendment to Lease dated 4-26-21, the lease modification decreased Parkland's square footage by 12,000 square forage and therefor decreased lease expense by $501,455. The lease modification was the result of damage to premises caused by Winter Storm Uri which occurred in 2021. The Third Amendment resulted in reducing the overall contract amount to $17,806,098 as referenced above in the Financial Forecast section.

A further rental reduction of $2,401,877 by way of lease termination fee as paid by UTSW to Parkland as contemplated herein revises the total contract value to $15,404,221 ($17,806,098 - $2,401,877).

Sole Source Justification
N/A – Real Estate Exemption

Document Contact/Author:	Beall Carothers, Director Real Estate Development

CONTRACT RESOLUTION
Board of Managers
November 17, 2022

PARKLAND HEALTH

RESOLUTION NO. _____

Be it resolved, the Parkland Health Board of Managers, by a vote of _____ Yes and _____ Nay, does by this resolution (adopt/reject) _____ the following:

WHEREAS, Parkland Health management requested approval for certain contracts and approval/rejection is as checked below:

Approved	Rejected	Withdrawn	Type	Service or Product	Vendor	Contract Term	Aggregate Contract Amount Approved	Budgeted
			Expense	Convenience Store Products and Distribution Services	McLane Express dba The C.D. Harnett Company	12/1/2022 - 11/30/2027	$1,672,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Capital	Volusion E10 Ultrasound System	GE Healthcare	Last Signature - 1 Year	$1,327,549	Yes
			Capital	Masimo Voyager and Intubation Chamber	International Biomedical	Last Signature - 11/25/2023	$668,083	Yes
			Expense	Mod #10 Mail Services for the Pharmacy	Castle Business Solutions	12/1/2015 - 2/1/2023	$4,476,509	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Capital	Cardiosave, Aortic Balloon Pumps	Getinge US Sales	Last Signature - 10/31/2023	$244,094	Yes
			Expense	Bond III Reagents IHC	Leica Microsystems, Inc.	Last Signature - 5 Years	$2,542,380	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod to Add Funds Instrumentation and Disposables Da Vinci Robot	Intuitive Surgical	1/14/2020 - 12/30/2024	$9,413,911	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	IHC Antibodies/Stains	BioCare Medical	Last Signature - 1 Year	$1,000,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Spine Products	Stryker Spine	Last Signature - 5 Years	$950,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Capital	Arctic Sun Stat Temp Management System	Bard Medical Division, C. R. Bard, Inc.	Last Signature - 4 Years	$294,380	Yes
			Expense	Myosure & Aquilex Disposables	Hologic Sales and Service, LLC	Last Signature - 2 Years	$209,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod to Add Funds Spine Implants	Integra Lifesciences Corporation	1/1/2021 - 12/31/2022	$1,105,000	Yes
			Expense	Mod #4 FACS Flow Cytometry Testing Reagents	BD Biosciences	9/26/2018 - 2 Years from Last Signature	$1,305,557	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense: Court Approval	Mod #4 Termination of Lease Agreement – Chase Building	University of Texas Southwestern Medical Center (UTSW)	3/1/2016 - 3/31/2023	$15,404,221	Yes

THEREFORE, BE IT RESOLVED, that the Parkland Health Board of Managers approves these contracts as noted.

Dated this 17th of November, 2022.

_____
Marjorie D. Petty, JD
Chair

_____
Steve Roth, JD, MPH
Assistant Secretary

Marjorie Petty, JD, Chair	Yes _____	No _____	Abstain _____	Absent _____
Don O'Bannon, Esq.	Yes _____	No _____	Abstain _____	Absent _____
Jeff Tillotson, JD	Yes _____	No _____	Abstain _____	Absent _____
Eric G. Bing, MD, PhD	Yes _____	No _____	Abstain _____	Absent _____
Todd Furniss, JD	Yes _____	No _____	Abstain _____	Absent _____
Reina Gonzalez, JD	Yes _____	No _____	Abstain _____	Absent _____
Ramon Miguez, PE	Yes _____	No _____	Abstain _____	Absent _____
Farida Minner, RN	Yes _____	No _____	Abstain _____	Absent _____
Elizabeth Palacios, MD	Yes _____	No _____	Abstain _____	Absent _____
John Proctor	Yes _____	No _____	Abstain _____	Absent _____
Lisa Sutter	Yes _____	No _____	Abstain _____	Absent _____

Parkland

Approve Investment (Public Funds) Policy, 8311-1-04

Investment Policy	8311-1-04	Published: 11/17/21
Fiscal		Page 1 of 15

PURPOSE:

It is the policy of the Dallas County Hospital District (the District), d/b/a Parkland Health ~~& Hospital System~~ (~~PHHS~~Parkland), to invest all available hospital operating and bond funds and related reserves in a manner that provides maximum security and the best commensurate yield while meeting the daily cash flow demands of the District and conforming to the legal and administrative guidelines set forth herein. Parkland Community Health Plan, Inc. (PCHP) funds are covered by this Policy, but are managed as separately invested assets.

The purpose of this Investment Policy is to comply with Chapter 2256 of the Texas Government Code (Public Funds Investment Act), which requires each subject entity to adopt a written policy regarding the investment of its funds and funds under its control. The Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the District's funds.

SCOPE:

This Policy shall govern the investment of all hospital operating and bond funds and related reserves under the control of the District. This policy does not cover funds contained within the Parkland Foundation and ~~PHHS~~Parkland employee benefit plans (which are managed pursuant to separate Investment Policies). In order to ensure optimum investment yields and liquidity, the District combines all of its cash, excluding that of bond program funds held in a separate trust relationship, the PCHP, the Parkland Foundation and ~~PHHS~~Parkland employee benefit plans.

POLICY:

1. Investment of the funds covered by this Policy shall be governed by the following investment objectives, in order of priority.

   A. Safety: Safety of principal is the primary objective of the Investment Policy. Investment of the District's funds shall be undertaken in a manner that seeks to ensure the preservation of capital for the overall portfolio. To attain this objective, investment in only high quality securities and diversification are required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

B. Liquidity: The District's investment portfolio shall remain sufficiently liquid to enable the District to meet all operating requirements that might be reasonably anticipated while also seeking maximum yield.

C. Yield: The District's investment portfolio shall be designed with the objective of attaining the best yield, throughout budgetary and economic cycles, commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

2. Investment Officers

A. The District's Board of Managers shall designate by resolution all officers and employees responsible for, and authorized to, manage and invest funds controlled by the District (Investment Officers). The Investment Officers shall be the individuals primarily responsible for investment activity under this Policy. The authority to manage the District's funds is effective until rescinded by the Board of Managers or until termination of the person's employment from the District. A minimum of two Investment Officers shall approve purchases of investment instruments.

B. Investment Officers acting in accordance with this policy and all other applicable laws, are relieved of personal responsibility and liability in the management of the investment portfolio, provided that:

C. The Investment Officer acts in accordance with the standard of prudence described below;

1) The Investment Officer does not act in violation of the ethics and conflict of interest standards contained in this policy;

2) The Investment Officer does not act with reckless disregard, fraud, or intentional misconduct; and

3) Deviations from expectations are reported in a timely fashion to the Board of Managers and appropriate action is taken to control adverse developments.

4) The Board of Managers, at its discretion, may designate an Investment Management Firm which meets industry standards as an Investment Officer in order to manage all, or a portion of, the District's invested funds in accordance with this Policy.

3. Investment Training

   A. Investment Officers are required to attend at least one training session, provided by an independent source, within twelve months of assuming investment-related duties under this Policy. Such training must include education in investment controls, security risks, strategy risks, market risks, diversification, and compliance with the Public Funds Investment Act. After the initial training session, each Investment Officer is required to receive not less than ten hours of related instruction at least once during a two-year period beginning with the first day of the fiscal year and consists of the next two fiscal years after this date. Current approved training providers are:

      1) Government Treasurers' Organization of Texas (GTOT)

      2) Government Finance Officer's Assoc. of Texas (GFOAT)

      3) Center for Public Management, Univ. of North Texas (UNT)

      4) Texas Municipal League (TML)

      5) Virtual Learning Concepts (web-based)

      6) TexPool Academy Online

      7) Texas State University (web-based)

   B. Additional training providers may be approved by the Board of Managers and included in the Investment Policy at the next review.

4. Prudence

   A. The standard of prudence to be applied by Investment Officers shall be the "prudent investor" rule. This rule states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived".

   B. In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into

consideration the investment of all funds over which the official had responsibility rather than consideration as to the prudence of a single investment.

5. Ethics and Conflicts of Interest

   A. Investment Officers involved in the investment process are to refrain from personal business activity that could conflict with proper execution of the investment process, or which could impair their ability to make impartial investment decisions.

   B. Investment Officers must file a disclosure statement with the Texas Ethics Commission and the District's Board of Managers if:

      1) The Investment Officer has a personal business relationship with a business organization offering to engage in an investment transaction with the District; or

      2) The Investment Officer is related within the second degree by affinity or consanguinity (Immediate Family Member), as determined under Chapter 573 of the Texas Government Code (see attachment), to an individual seeking to transact investment business with the District.

   C. An Investment Officer has a personal business relationship with a business organization if:

      1) The Investment Officer or, their Immediate Family Member, owns 5 percent or more of the voting stock or shares of the business organization or owns $5,000 or more of the fair market value of the business organization;

      2) Funds received by the Investment Officer or their Immediate Family Member, from the business organization exceed 5 percent of his/her gross income for the previous year;

      3) The Investment Officer, or their Immediate Family Member is, or has been within the last year, an employee, director or officer of the business organization; or

      4) The Investment Officer or their Immediate Family Member has acquired from the business organization, during the previous year, investments with a book value of $2,500 or more for his/her personal account.

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6. Authorized Investments

A. District funds governed by this Policy may be invested in the instruments described below, all of which are authorized by the Public Funds Investment Act. Investment of District funds in any instrument or security not authorized for investment under the Public Funds Investment Act is prohibited.

B. An investment that requires a minimum rating under this section does not qualify as an authorized investment during the period the investment does not have the minimum rating. The District (and Investment Officer) shall take all prudent measures consistent with this Policy to liquidate an investment that does not have the minimum rating.

C. Authorized:

1) Obligations, including letters of credit, of the United States of its agencies and instrumentalities.

2) Direct obligations of the State of Texas or its agencies and instrumentalities.

3) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by~~,~~ or backed by the full faith and credit of the State of Texas or the United States or their respective agencies or instrumentalities.

4) Obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent.

5) Fully collateralized Certificates of Deposit issued by state or national banks domiciled in this state that are:

a) guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), or its successor; or

b) secured by authorized investments described in 1 – 4 above (which are intended to include all direct federal agency or instrumentality issued mortgage-backed securities) that have a market value of not less than 102% of the principal amount, plus accrued interest, of the certificates, or

in any other manner and amount provided by law for deposits of public entities.

6) Fully collateralized repurchase agreements, provided the District has on file a signed Master Repurchase Agreement which details eligible collateral, collateralization ratios, standards for collateral custody and control, collateral valuation, and conditions for agreement termination and also provided that the repurchase agreement:

   a) has a defined termination date;

   b) is secured by obligations of the United States or its agencies and instrumentalities that have a market value of not less than the principal amount, plus accrued interest, of the repurchase agreement;

   c) requires the securities being purchased by the District to be assigned to the District, held in the District's name, and deposited at the time of the investment is made with the District's custodian or a third-party selected and approved by the District; and

   d) is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

7) Domestic commercial paper with a stated maturity of 270 days or less which is rated not less than A-1, P-1, or an equivalent rating by two nationally recognized rating agencies.

8) No-load money market mutual funds that are registered with and regulated by the Securities and Exchange Commission that:

   a) have a dollar-weighted average stated maturity of 90 days or fewer;

   b) seek to maintain a stable net asset value of $1 per share; and

   c) have provided the District with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940.

   d) maintain a minimum rating of AAA or equivalent by at least one nationally recognized rating agency.

9) The Public Funds Investment Act restricts investment in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

10) Local Government Investment Pools created under the Interlocal Cooperation Act of Texas and which conform to the requirements set forth in Section 2256.016 of the Public Funds Investment Act that:

   a) have a dollar-weighted average stated maturity of 90 days or fewer;

   b) seek to maintain a stable net asset value of $1 per share; and

   c) have provided the District with a prospectus and other information as appropriate; and

   d) maintain a minimum rating of AAAm or equivalent by at least one nationally recognized rating agency.

11) Mortgage pass-through securities directly issued by a Federal Agency or Instrumentality of the United States, including Government National Mortgage Association ("GNMA or Ginnie Mae"), Federal National Mortgage Association ("FNMA or Fannie Mae") or Federal Home Loan Mortgage Corporation ("FHLMC or Freddie Mac"), collectively referred to as "Agency Mortgage Backed Securities" or "Agency MBS." Such eligible Agency MBS securities consist of pools of 15-year and 30-year residential mortgages that are in compliance with criteria established by each of the government sponsored mortgage issuers, including provisions for maximum principal, loan-to-value and borrower credit qualifications. As such, each agency mortgage issuer guarantees the payment of principal and interest to investors in their respective pass-through securities, and the principal due investors is secured by a first lien against the underlying residential properties.

D. Not Authorized:

1) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.

2) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.

3) Collateralized mortgage obligations.

4) Short sales, margin purchases, or leverage in the portfolio.

5) Option or futures contracts, commodities, or direct real estate investments.

6) Corporate bonds, convertible bonds, or equity shares.

7) Obligations of any foreign banks or other entities issued outside of the United States.

7. Investment Selection

A. It is the policy of the District to require competitive bidding for all individual security purchases and sales except for:

1) Transactions with money market mutual funds and local government investment pools (which are deemed to be made at prevailing market rates);

2) Treasury and agency securities purchased at issue through an approved broker/dealer or financial institution; or

3) Investments purchased by an Investment Management Firm.

B. At least three bids or offers must be solicited for all other transactions involving individual securities. In situations where the exact security being offered is not offered by other broker/dealers, offers on the closest comparable investment may be used to establish a fair market price for the security.

8. Sale of Securities

A. The District may hold securities to maturity. However, securities may be sold with explicit approval of the VP & Controller, Sr. VP-Finance, or the Executive VP & Chief Financial Officer for purposes of liquidity, safety, or yield enhancement. Investments administered by an Investment Management Firm may be actively traded provided the strategy adds value through issue selection, yield curve structure, convexity, and diversification in order to provide safety of principal and lower portfolio risks.

9. Diversification and Maximum Maturities

A. The District attempts to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District will not directly invest in:

1) Individual securities maturing more than ten (10) years from the date of purchase.

2) Individual eligible Agency MBS as defined previously herein that exhibit average life characteristics and price sensitivity that exceeds that of a five (5) year security. While each eligible mortgage pool will specify a stated final maturity equal to the last contractual payment date due on the mortgages in the pool, such mortgage pass-through pools exhibit aggregate monthly cash flows that create predictable price volatility or average life / average maturity characteristics significantly shorter than the stated final maturity of the pool. (Example: a 30-year FNMA 6.00% mortgage pool may have a "stated final maturity" of 2035, but exhibit an average maturity of only three and a half (3.5) years). Mortgage pass-through securities otherwise authorized by this section must have average life / price sensitivity characteristics less than five (5) years at the time of purchase.

3) In order to ensure the ability to meet obligations and to minimize potential liquidation losses, the dollar-weighted average maturity (WAM) of the District’s pooled portfolio shall not exceed two (2) years. For the PCHP portfolio, the WAM shall not exceed 2 years. The portion of the District’s pooled portfolio managed by an Investment Management Firm shall not have a WAM greater than three (3) years. In addition, the individual investment portfolios of the District and PCHP will each be diversified to limit market and credit risk by observing the following limitations:

Investment Type	Maximum Portfolio Ratio	Maturity Limit	Minimum Rating
U.S. Treasuries	100% Overall	10 years	N/A
U.S. Agencies & Instrumentalities	100% Overall 40% per Issuer	10 years	AA
Municipals	10% Overall 5% per Issuer	5 years	AA
Certificates of Deposit	40% Overall	2 years	N/A
Repurchase Agreements	40% Overall 20% per Issuer	270 days	N/A
Commercial Paper	40% Overall 5% per Issuer	270 days	A1 – P1
Money Market Mutual Funds	100% Overall	N/A	AAA
Local Government Investment Pools	100% Overall	N/A	AAA
U.S. Agency/ Instrumentality Mortgage Pass-Through Securities	25% Overall	5 years *	AAA
• Eligible securities must exhibit average life / maturity characteristics less than 5 years at the time of purchase.			

10. Authorized Broker Dealers

A. Any broker/dealer wishing to do business with the District must provide the following:

1) most recent audited financial statements;

2) proof of current certification by the Financial Industry Regulatory Authority (FINRA; formerly the National Association of Securities Dealers (NASD)); or

3) proof of current registration with the Texas State Securities Commission;

4) completed Broker/Dealer Questionnaire;

5) resumes of designated brokers.

B. The Treasury Director reviews all submitted documents, checks backgrounds and references as may be appropriate, and presents findings and recommendations to the Investment Officers.

C. The Investment Officers, after consideration of the broker/dealer's qualifications, may propose acceptance of the application to the Board of Managers.

D. Approved broker/dealers are provided with a copy of the District's Investment Policy so that they may read and understand the District's investment parameters. A qualified representative of the approved broker/dealer firm must execute a written instrument acknowledging that the firm has:

1) received and reviewed the District's Investment Policy; and

2) implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and the organization that are not authorized by the District's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the District's entire portfolio or requires an interpretation of subjective investment standards.

E. The list of approved broker/dealers must be reviewed, no less than annually, by the Board of Managers.

11. Delivery vs. Payment

    A. All marketable securities are purchased using the delivery vs. payment method. Payment for securities purchased is made only upon verification that the correct securities were received by the custodian. Payment may be made in a simultaneous transaction but may not be made before delivery of the securities occurs.

12. Safekeeping and Custody:

    A. The District shall contract with a bank or banks for safekeeping of securities either owned by the District as part of its investment portfolio or held as collateral to secure demand or time deposits. Securities owned by the District shall be held in the District's name as evidenced by safekeeping receipts of the institution holding the securities.

    B. Collateral for bank deposits shall be held by a third party custodian designated by the District and pledged to the District as evidenced by safekeeping receipts of the institution with which the collateral is deposited. Collateral may be held by the depository bank's trust department, a Federal Reserve Bank or branch of a Federal Reserve Bank, a Federal Home Loan Bank, or a third party bank approved by the District.

13. Collateral

    A. Consistent with the requirements of the Public Funds Collateral Act, the District requires full collateralization of all uninsured collected bank balances plus accrued interest, if any. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on deposits, less the amount insured by the FDIC. The Treasury Director is responsible for approving pledges, releases, and substitutions of collateral and for monitoring the market value of the pledged securities to ensure that it is adequate. Eligible collateral shall be limited to Authorized Investments A) – D) of section 6 of this Policy.

14. Strategy

    A. For the ~~PHHS~~PARKLAND and PCHP portfolios, investments are generally "laddered" to mature according to forecasted cash needs and are held to

maturity. In addition, the portfolios are conservatively invested according to the following considerations listed in order of importance:

1) Suitability - All investments will be placed in appropriate instruments that are allowed by this Policy and with which the District's Investment Officers are thoroughly familiar.

2) Safety - Investments will be placed in instruments that offer low credit risk and minimal price volatility with the primary objective of preserving invested principal.

3) Liquidity - Securities will be selected to mature according to forecasted cash needs and to provide for contingencies.

4) Marketability - In order to further protect the District's assets from loss in the event that an early liquidation becomes necessary or desirable, a healthy trading market must exist for any securities maturing more than six (6) months from the purchase date.

5) Diversification - The investment portfolios will be diversified among specific issuers and investment types according to this Policy in order to minimize exposure to market and credit risk.

6) Yield - Investments will be selected which maximize return on invested principal subject to the above considerations.

7) Trading – Trading securities with the intent to profit from short-term changes in interest rates and/or security valuations is only permitted by an Investment Management Firm.

15. Portfolio Reporting and Controls

A. Not less than quarterly, the Treasury Director shall prepare a report of investment activity for presentation to the Board of Managers. This report will describe the investment position for the end of the period. The report will detail balances and changes in market and book values as well as fully accrued interest for the reporting period; state the maturity date of each investment held as of the reporting date; and state the compliance of the investment portfolio with this Investment Policy. Market values will be obtained from a reputable and

independent source that is disclosed in the quarterly report. This report will be signed by the Board authorized Investment Officers.

B. In connection with the annual financial audit, a review of management controls on investments and adherence to this Policy will be performed and the results will be reported to the Board of Managers. The annual audit by the District's independent auditors will include a review of the quarterly investment reports, the results of which shall be presented to the Board of Managers.

16. Investment Management Firms

A. The District may contract with an accredited investment management firm for purposes of managing the DCHD and PCHP investment portfolios. The firm must be registered either under the federal Investment Advisors Act of 1940 or with the Texas State Securities Board. The firm is required to review this policy and confirm acceptance of its terms annually. The firm will only be accountable for the DCHD and PCHP assets in the custody accounts under its control. In accordance with the Public Funds Investment Act, the DCHD Board of Managers must approve by resolution the renewal of the investment management firm's contract every two years.

17. Investment Policy Review and Adoption

A. Not less than annually, the Board of Managers shall adopt a written instrument by resolution stating that it has reviewed the Investment Policy and that the written instrument so adopted shall record any changes made to the Policy.

DEFINITIONS:

N/A

REFERENCES:

N/A

APPENDIX 1

Consanguinity and Affinity Relationship Chart

Officer or Employee					
Consanguinity (Includes individuals related by blood to the Officer or Employee)			Affinity (Includes the Officer's or Employee's Spouse and individuals related to the Spouse)		
First Degree	Second Degree	Third Degree	First Degree	Second Degree	Third Degree
Father or Mother	Grandparents	Great Grandparents	Spouse	Grandparents	Great Grandparents
Son or Daughter (& Spouse)	Grandchildren (& Spouse)	Great Grandchildren (& Spouse)	Father or Mother	Grandchildren	Great Grandchildren
	Uncle or Aunt (& Spouse)	Great Uncle or Aunt (& Spouse)	Son or Daughter	Uncle or Aunt	Great Uncle or Aunt
	First Cousin (& Spouse)	Children of Great Uncle or Aunt (& Spouse)		First Cousin	Children of Great Uncle or Aunt
	Nephew or Niece (& Spouse)	Second Cousin (& Spouse)		Nephew or Niece	Second Cousin
	Brother or Sister (& Spouse)	Children of First Cousin (& Spouse)		Brother or Sister	Children of First Cousin
		Grand Nephew or Niece (& Spouse)			Grand Nephew or Niece

An Officer or Employee is the starting point from which all degrees of relationship are calculated. Under the Degrees of Consanguinity, where Spouse is indicated, the relationship of the spouse is in the same degree as that of the person related by consanguinity, but the spouse is related only by affinity.

Parkland

Approve Investment Officers

Resolution No. _____

A RESOLUTION OF THE DALLAS COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS APPROVAL OF INVESTMENT OFFICERS

Be it resolved, the Dallas County Hospital District Board of Managers by a vote of _____ Yea and _____ Nay, Does By This Resolution (adopt/reject) _____ the following:

WHEREAS, the Dallas County Hospital District has established a program for independent investment of its available cash balances and has formulated an Investment Policy to guide this program; and

WHEREAS, the Texas Public Funds Investment Act requires the governing board of each governmental entity to designate by official order those individuals primarily responsible for investing activities of that entity.

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers of the Dallas County Hospital District that the following individuals are hereby authorized to invest District funds as the Dallas County Hospital District's Investment Officers, per the Investment Policy. This authority is extended until rescinded by the District or upon termination of the Investment Officer.

Richard Humphrey	EVP & CFO	_____
Joe Mayer	Treasury Director	_____
Christi Paul	Treasury Manager	_____

Dated this 17th day of November, 2022.

_____	_____
Marjorie Petty, JD	Steven Roth, JD, MPH
Chair	Assistant Secretary

Marjorie Petty, JD	Yes_____	No_____	Abstain _____	Absent_____
Don O'Bannon, Esq	Yes_____	No_____	Abstain _____	Absent_____
Jeff Tillotson, JD	Yes_____	No_____	Abstain _____	Absent_____
Eric G. Bing, MD, PhD	Yes_____	No_____	Abstain _____	Absent_____
Todd Furniss, JD	Yes_____	No_____	Abstain _____	Absent_____
Reina Gonzalez, JD	Yes_____	No_____	Abstain _____	Absent_____
Ramon Miguez, PE	Yes_____	No_____	Abstain _____	Absent_____
Farida Minner, RN	Yes_____	No_____	Abstain _____	Absent_____
Elizabeth Palacios, MD	Yes_____	No_____	Abstain _____	Absent_____
John Proctor	Yes_____	No_____	Abstain _____	Absent_____
Lisa Sutter	Yes_____	No_____	Abstain _____	Absent_____

Parkland

Parkland Financial Performance Presentation

Executive Summary for the Month of October 2022 & YTD 2022 (Hospital Only)

For the month of October, Parkland Health recognized a net income equivalent to budgeted net income and an unfavorable change of ($6.6M) compared to the prior year net income of $6.6M.

Parkland Health's operating margin and operating cash flow margin for the month of October are (2.0%) and 1.6%, respectively. The operating margin unfavorable compared to budget of (0.8%) and the operating cash flow margin is also unfavorable compared to budget of 2.8%. Parkland Health's operating margin is unfavorable compared to the prior year operating margin of 3.1% and unfavorable to the operating cash flow margin of 6.5% from the prior year.

Parkland Health's patient cash collections in October were $70.8M which is below budget by ($21.0M) and ($10.8M) lower than the prior year. Parkland Health's days cash on hand of 187 days for the month is an increase of 30 days compared to prior month of 157 days and greater compared to the prior year October of 165 days, an increase of 22 days.

Volume variances to budget:

Patient Volume	October Actual	October Budget	Variance Actual to Budget	% Variance Actual to Budget
Adjusted Patient Days (Total patient charges/inpatient charges)	53,689	51,073	2,616	5.1%
Equivalent Patient Days (inpatient only)	26,431	26,902	(471)	(1.8%)
Ambulatory Visits	102,492	110,543	(8,051)	(7.3%)
Emergency Room Visits	19,874	18,275	1,599	8.7%
Deliveries	1,073	1,142	(69)	(6.0%)
Surgeries-Total	1,784	1,731	53	3.1%
Total Adult Average Daily Census (ADC) including observation	784	794	(10)	(1.3%)
Neonatal ICU ADC	70	73	(3)	(4.1%)
Total Average Daily Census	854	867	(13)	(1.5%)

Volume and Patient Revenues

- Gross patient revenue is an indicator of Parkland Health's overall volume of activity and patient mix. From the perspective of gross patient revenue, Parkland Health's total dollar volume of gross patient revenue is ($23.5M) or (3.1%) lower than budget for the month. This unfavorable variance is due to inpatient revenue below budget by ($26.1M) or (8.9%), outpatient revenue less than budget by ($7.4M) or (1.9%) and emergency room revenue greater than budget by $10.0M or 12.0%. Compared to prior year's gross patient revenues for the month, total patient revenue is higher by $16.1M or 2.2% with an inpatient revenue increase of $2.7M or 1.0%, outpatient

revenues almost equivalent to the prior year, and emergency room revenues higher by $13.4M or 17.0%.

- Parkland Health's gross patient revenue for the month of October is comprised of 36.5% IP revenue, 50.9% OP revenue, and 12.6% ED revenue. This is compared to a budget for the month of 38.8% IP, 50.3% OP, and 10.9% ED.

- Equivalent Patient Days, which is the sum of traditional inpatient + observation + short stay census days, is 1.8% lower than budget and (0.7%) below the prior year. The Average Length of Stay (ALOS) for Adult decreased by 0.37 days or 5.8% favorable to budget and the Neonatal ICU ALOS increased by 0.43 days or 2.4% unfavorable to budget. Compared to the previous year, the ALOS for Adult was lower by 6.4% which is favorable and the ALOS for Neonatal ICU was 0.9% favorable to the prior year.

  The actual mix of inpatient services that drive Equivalent Patient Days is different than Parkland Health's budget for October as described below:

  - Total Inpatient Discharges were higher than budget by 5.3% and 8.4% above the prior year,
  - Observation/Short Stay Discharges are (10.0%) lower than budget but (10.6%) lower than the prior year,
  - Total Adjusted Patient Days (a proxy for overall inpatient and outpatient volume) are 5.1% higher than budget and 1.1% above the prior year,
  - Inpatient surgery cases are 10.8% favorable to budget and 7.6% favorable to the prior year.
  - Surgeries of all types are 3.1% higher than budget and 4.7% above the prior year.
  - Deliveries are (6.0%) lower than budget and (3.3%) below the prior year.

- The volume of Parkland Health's Outpatient, Ambulatory and ED services to the community that integrate with and impact Parkland Health's inpatient business is also different than budget, especially ambulatory visits.

  - Total outpatient visits of 102,492 for October are (7.3%) lower than budget of 110,543 but (6.9%) lower than the prior year of 110,065. Outpatient visits include the following types:

    - COPC Visits; 44.8% of total outpatient visits
    - Outpatient Clinic Visits at Parkland Health; 36.1% of total outpatient visits
    - Women's Health Centers Visits; 19.1% of total outpatient visits

  - Approximately 63.9% of all outpatient visits are completed at the COPCs, Women's Health Centers or Community Centers. This statistic indicates that patients have access to care closer to their home and in lower cost settings other than the hospital-based clinics.

- Total ED visits are 8.7% higher than budget for October and 6.6% above the prior year. The "left without being seen" statistic of 2.6% is unfavorable to budget of 1.5% and unfavorable to the prior year statistic of 1.8%.

- Outpatient Surgery cases performed at the hospital are greater than budget by 7.5% but 15.8% higher than the prior year. Day Surgery cases performed at the ASC are (12.9%) lower than budget and (12.3%) below the prior year.

- The October Case Mix Index (CMI) for Adult Acute of 1.91 is (20.7%) lower than the prior year, the Rehabilitation CMI of 1.22 is (0.8%) below the prior year and the NICU CMI of 3.35 is (5.6%) lower than the prior year. The WISH CMI 0.88 is (1.1%) below the prior year and the Psychiatry CMI of 1.18 is (3.3%) below the prior year.

- Parkland Health's actual patient cash collection rate from payors as a percentage of gross revenue is 9.6% for the month compared to a goal of 12.1%. Days in AR were 47 days compared to last month of 52 days.

- Parkland Health's October payor mix for gross patient revenue is:

Payor	MTD Actual October FY23	MTD Budget October FY23	Variance/ Actual to Budget	MTD Actual October FY22
Charity – Self Pay	47.3%	43.9%	3.4%	50.4%
Medicaid	28.2%	31.2%	(3.0%)	25.5%
Medicare	16.6%	16.7%	(0.1%)	14.9%
Commercial	7.9%	8.2%	(0.3%)	9.2%
Total	**100.0%**	**100.0%**	0.0%	**100.0%**

Covid-19 Stimulus Funds

In October, Parkland Health recognized Stimulus Funds of $4.1 from the Federal Emergency Management Agency (FEMA).

Other Operating Revenues

Other operating revenues are $2.0M higher than budget for the month of October primarily due to increases in Replacement Drugs.

Operating Expenses

October's operating expenses (excluding depreciation) are $201.0M. This is ($5.4M) or (2.6%) lower than the budgeted operating expenses and more than the prior year by $19.6M or 10.8%. Variances for the month include the following:

Salaries, Benefits and FTEs

- Salaries and Benefits as a percentage of operating revenue are 57.5% compared to a budget of 56.6%, and prior year of 53.1%.
- Salaries and benefits are $117.4M which is ($2.9M) or (2.4%) below the budget for the month.
- Salaries (including contract labor) are $96.3M or 2.4% less than budget for the month.
- Actual FTE count (excluding both nursing homes and jail FTEs) for October was 12,068 compared to a budget of 11,944 and actual FTEs of 11,600 in the prior year. Total FTEs are 124 or 1.0% higher than budget and 468 or 4.0% above the prior year.
- Productivity - The 6.7 FTEs per Adjusted Occupied Bed (AOB), which excludes both nursing homes and jail FTEs, is lower than budget of 7.0 FTEs per AOB for the month and higher than the prior year actual FTEs of 6.6 FTEs per AOB.

Purchased Medical Services

Purchased medical services are ($0.7M) lower than budget for the month due to a decrease in Medical Technical Services and Medical Professional Services.

Supplies, Fees, Pharmaceuticals and Other Expenses

Supplies, Fees, Pharmaceuticals and Other Expenses are ($1.8M) lower compared to budget for the month primarily due to decreases in Medical/Surgical Implants, Professional/Consulting Fees and Maintenance Expense.

Non-operating Revenues (Expenses)

Non-operating revenues of $4.09M are favorable to budget by $2.4M or 147.7% for the month primarily due to an increase in Interest Income.

GENERAL INFORMATION

Key Operating Statistics/Charts

Volume-related (slides)

- **Hospital Discharges**
- **Total Average Daily Census**
- **Average Length of Stay**
- **Case Mix Index**
- **Total Emergency Visits** include Urgent Care Visits, as well as hospital Emergency Room visits.
- **Total Ambulatory Visits**
- **Surgeries** includes both inpatient and day surgery.
- **Deliveries**
- **Adjusted Patient Days** are a summation of inpatient activity (IP Census Days + Observation Days + Short Stay Days).

Labor and Operating Cost Efficiency

Evaluating Parkland Health's overall patient activity level and Parkland Health's cost structure in relation to that activity uses a common and standard industry factor called "Adjusted Patient Days". It is a calculated number based on revenue. The calculation uses Parkland Health's inpatient census days and extrapolates from them an estimate of "Adjusted Patient Days" that essentially incorporates both inpatient days and a "notional" value of estimated outpatient activity. The outpatient segment is calculated with a gross charge-based formula. The actual formula is described in the Glossary of Terms.

YTD Staffing Information

FTEs are Parkland Health's largest cost element. Volume alone is not the only driver, nor even the most important driver, of Parkland Health's staffing patterns – quality and safety come first. The leadership team is keenly focused on understanding how to better balance all these factors to deliver the highest quality care at the lowest feasible resource cost.

FTE per Adjusted Occupied Bed (AOB)

Parkland Health attempts to adjust staffing levels for actual patient activity. Flexing FTEs can be complicated and does not necessarily follow a linear pattern with volume. (Refer to the FTEs per Adjusted Occupied Bed slide).

Total Operating Cost per Adjusted Patient Days and Total Supply Cost per Adjusted Patient Day

Total Operating Cost per Adjusted Patient Days for the current month are lower than budget due to higher adjusted patient days. The Supply Cost per Adjusted Patient Day is also lower than budget due to higher adjusted patient days which tends to skew the supply cost metric upward for the month.

Receivables and Collections Management

- ***Patient Cash Collections and Total Cash Collections:*** *Any increases* in cash collections is a reflection of the concerted efforts by the Revenue Cycle team to resolve delays in billing due to claim edits and the identification of a funding source for uninsured patients.

- ***Days Cash on Hand:*** Days cash on hand is a factor of cash balances compared to the required daily cash outlays needed to operate the organization.

- ***Days in Accounts Payable:*** The Days in Accounts Payable (AP) metric is calculated using the mathematical formula of total current liabilities less deferred revenues divided by total operating expenses less depreciation divided by the total days in the period of calculation. This metric represents the number of days on average it takes to pay outstanding accounts payable.

- ***Days in Patient Accounts Receivable:*** The Days in Accounts Receivable (AR) metric is calculated using the traditional mathematical formula of Net Accounts Receivable divided by Average Daily Net Patient Service Revenue (refer to the Days in Patient AR slide). Parkland Health's large proportion of Medicaid Pending Accounts Receivable – compared to most hospitals -- means that this traditional, industry-standard formula handicaps Parkland Health's comparison to most hospitals. It does not fully reflect the high degree of success Parkland Health's Patient Financial Services team delivers in collecting cash since the "degree of difficulty" of Parkland Health's collection efforts is much higher than most hospitals experience.

Budget and Finance Committee

Parkland Health & Hospital System

Financial Updated as of October 2022

November 15, 2022

Parkland

Parkland

Income Statement
MTD & YTD October 2022

Hospital (exc NH)
Income Statement
MTD & YTD October 2022

PHHS Without Nursing Homes MTD

(Dollars in Thousands)	FY 23 Actual	FY 23 Budget	Var From Budget	%Var From Budget	FY 22 Actual	Var FY23-22	%Var FY23-22
REVENUES							
Net Patient Revenues	$75,432	$85,501	$ (10,069)	-11.8%	$76,144	$ (712)	-0.9%
Net Ad Valorem Taxes	66,899	66,899	-	0.0%	63,743	3,156	5.0%
Government Programs	39,731	39,731	-	0.0%	37,155	2,576	6.9%
Stimulus Funds	4,167	4,167	-	0.0%	1,201	2,966	247.0%
Other	18,079	16,027	2,052	12.8%	15,748	2,331	14.8%
OPERATING REVENUES	204,308	212,325	(8,017)	-3.8%	193,991	10,317	5.3%
EXPENSES							
Salaries and Benefits	117,405	120,272	2,867	2.4%	103,040	(14,365)	-13.9%
Purchased Medical Services	23,318	24,008	690	2.9%	21,185	(2,133)	-10.1%
Supplies	39,486	39,271	(215)	-0.5%	36,350	(3,136)	-8.6%
Other	20,876	22,928	2,052	8.9%	20,895	19	0.1%
Depreciation	7,215	7,451	236	3.2%	6,545	(670)	-10.2%
OPERATING EXPENSES	208,300	213,930	5,630	2.6%	188,015	(20,285)	-10.8%
OPERATING INCOME (LOSS)	**$ (3,992)**	**$ (1,605)**	**$ (2,387)**	**148.7%**	**$ 5,976**	**$ (9,968)**	**-166.8%**
Grants and Contributions	4,020	3,025	995	32.9%	3,140	880	28.0%
Other nonoperating revenues (expenses)	(3)	(1,403)	1,400	99.8%	(2,498)	2,495	99.9%
Nonoperating Income	4,017	1,622	2,395	147.7%	642	3,375	525.7%
Total Net Income (Loss)	$ 25	$ 17	$ 8	47.1%	$ 6,618	$ (6,593)	-99.6%
Cash Flow Margin	$ 3,223	$ 5,846	$ (2,623)	-44.9%	$ 12,521	$ (9,298)	-74.3%
Operating Cash Flow Margin %	1.6%	2.8%			6.5%		
Operating Margin %	-2.0%	-0.8%			3.1%		

Total All Entities
Income Statement
MTD & YTD October 2022

All Entities Month to Date Income Statement

(Dollars in Thousands)	FY 23 Actual	FY 23 Budget	Var From Budget	%Var From Budget	FY 22 Actual	Var FY23-22	%Var FY23-22
REVENUES							
Net Patient Revenues	$ 99,271	$ 110,542	$ (11,271)	-10.2%	$ 100,046	$ (775)	-0.8%
Net Ad Valorem Taxes	66,899	66,899	-	0.0%	63,743	3,156	5.0%
Government Programs	41,766	41,766	-	0.0%	39,530	2,236	5.7%
Stimulus Funds	4,167	4,167	-	0.0%	1,201	2,966	247.0%
Premium Revenues	96,234	67,168	29,066	43.3%	55,490	40,744	73.4%
Other	20,669	19,899	770	3.9%	19,911	758	3.8%
OPERATING REVENUES	329,006	310,441	18,565	6.0%	279,921	49,085	17.5%
EXPENSES							
Salaries & Benefits	135,034	139,096	4,062	2.9%	119,703	(15,331)	-12.8%
Purchased Medical Service	23,318	24,008	690	2.9%	21,185	(2,133)	-10.1%
Supplies	46,037	46,561	524	1.1%	43,202	(2,835)	-6.6%
Other	65,914	48,370	(17,544)	-36.3%	33,113	(32,801)	-99.1%
Claims	53,431	45,185	(8,247)	-18.3%	50,974	(2,457)	-4.8%
Depreciation	7,465	7,702	237	3.1%	6,762	(703)	-10.4%
OPERATING EXPENSES	331,199	310,922	(20,277)	-6.5%	274,939	(56,260)	-20.5%
OPERATING INCOME (LOSS)	**$ (2,193)**	**$ (481)**	**$ (1,712)**	**355.9%**	**$ 4,982**	**$ (7,175)**	**-144.0%**
Nonoperating Income	4,532	1,009	3,523	349.2%	324	4,208	1298.8%
Total Net Income (Loss)	$ 2,339	$ 528	$ 1,811	343.0%	$ 5,306	$ (2,967)	-55.9%
Cash Flow Margin	$ 5,272	$ 7,221	$ (1,949)	-27.0%	$ 11,744	$ (6,472)	-55.1%
Operating Cash Flow Margin %	1.6%	2.3%			4.2%		
Operating Margin %	-0.7%	-0.2%			1.8%		

Parkland

Key Statistics

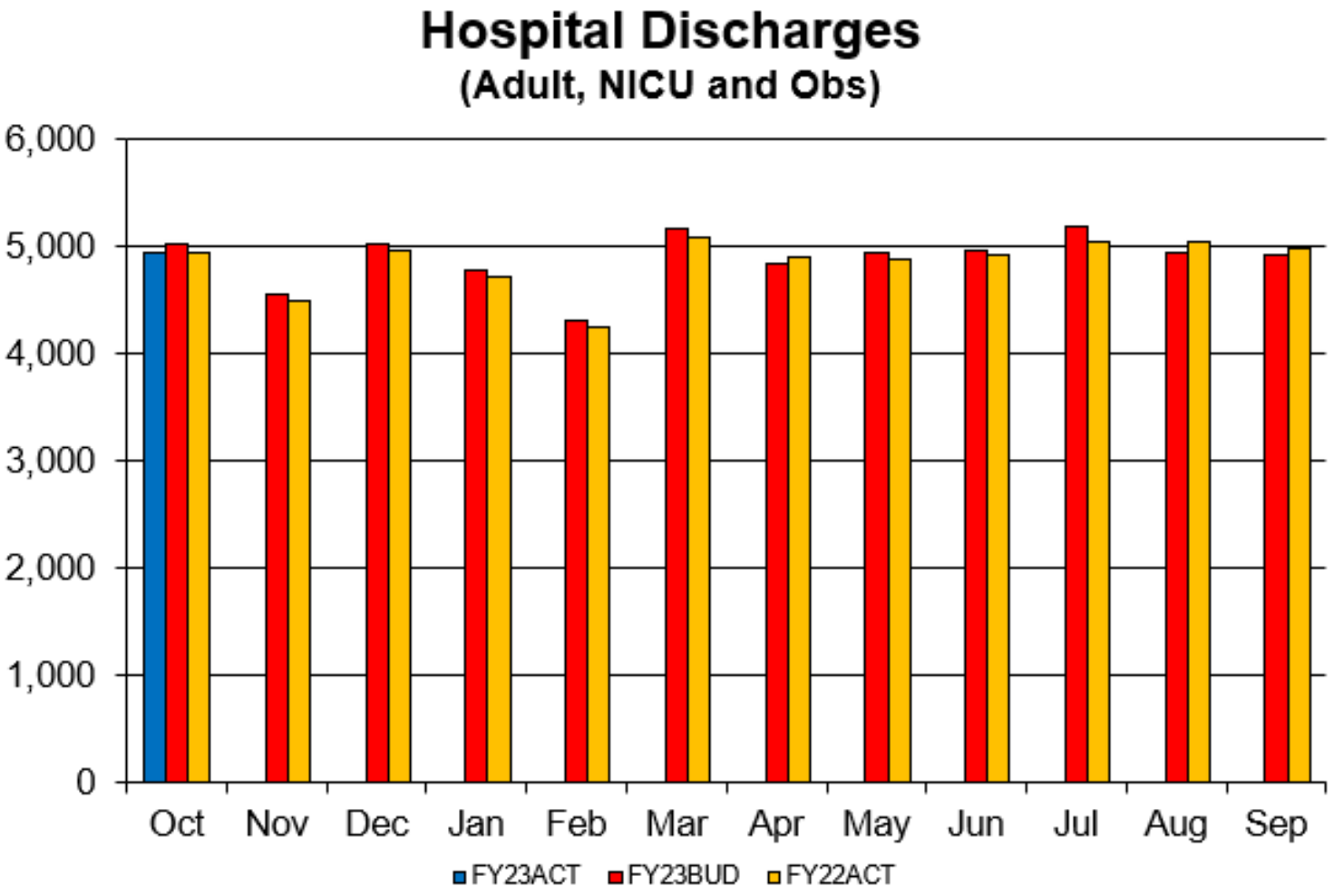
Parkland

Hospital Key Statistics
MTD-YTD October 2022

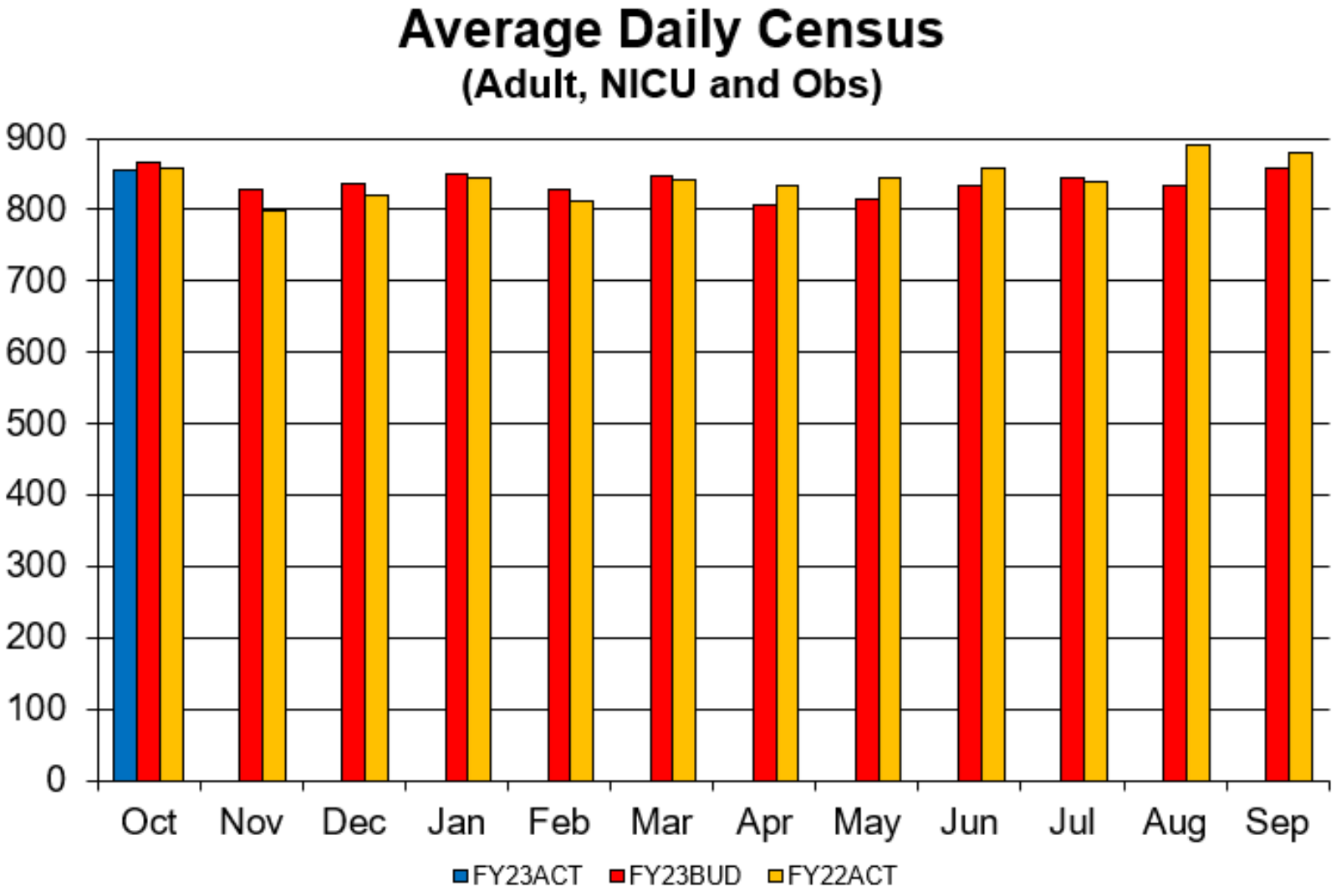
	Actual	Budget	Budget Variance	Budget % Variance	PY Actual	PY Actual % Variance
Hospital Discharges (Adult, NICU and Obs)	4,941	5,015	(74)	-1.5%	4,942	0.0%
Average Daily Census (Adult, NICU and Obs)	854	867	(13)	-1.5%	858	-0.5%
Average Length of Stay (Adult)	6.00	6.37	0.37	5.8%	6.41	6.4%
Case Mix Index (Acute Service Line)	1.91	2.05	(0.14)	-6.8%	2.41	-20.7%
Emergency Visits	19,874	18,275	1,599	8.7%	18,638	6.6%
Ambulatory Visits	102,492	110,543	(8,051)	-7.3%	110,065	-6.9%
Surgeries	1,784	1,731	53	3.1%	1,704	4.7%
Deliveries	1,073	1,142	(69)	-6.0%	1,110	-3.3%

Parkland

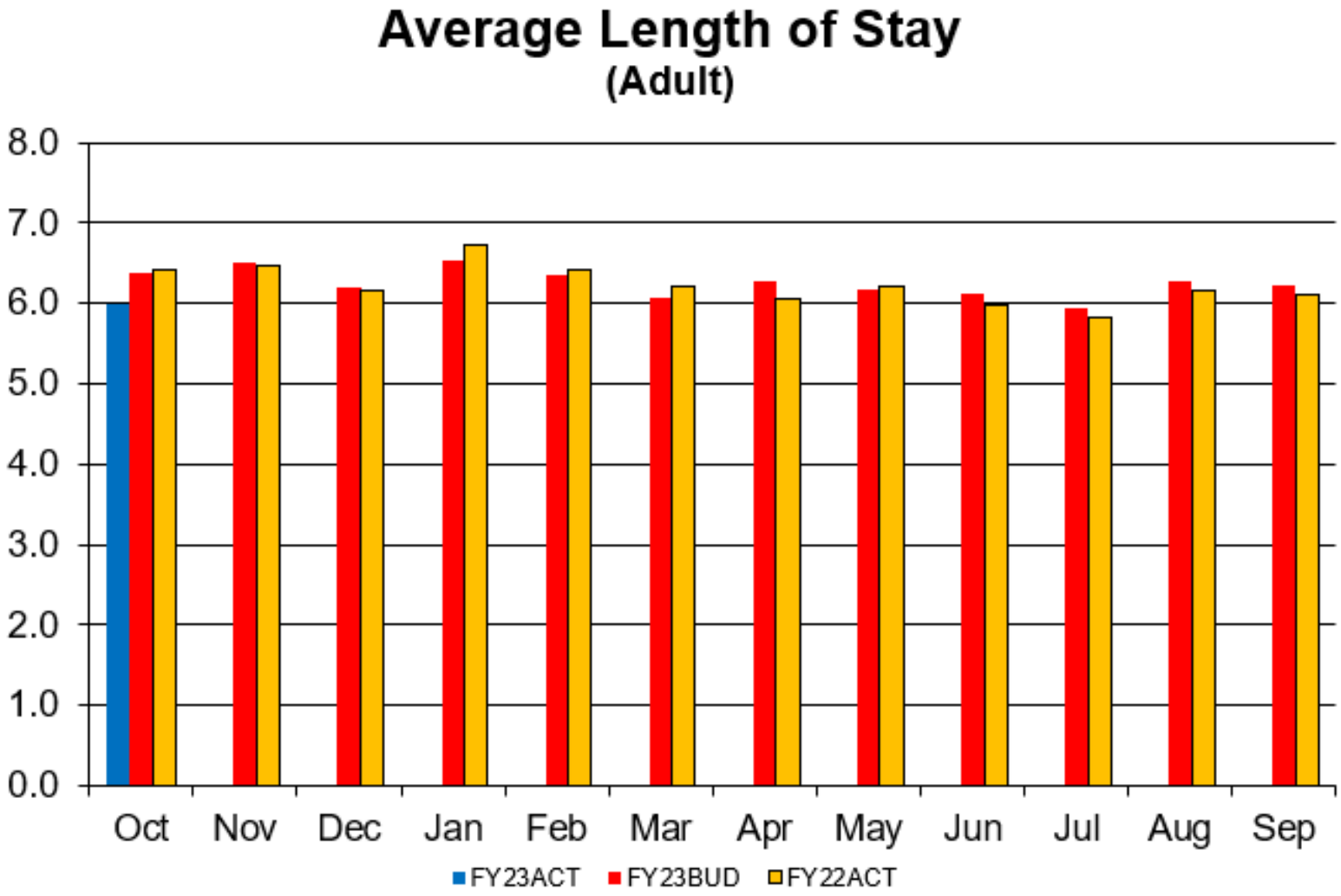
Volumes
Discharges



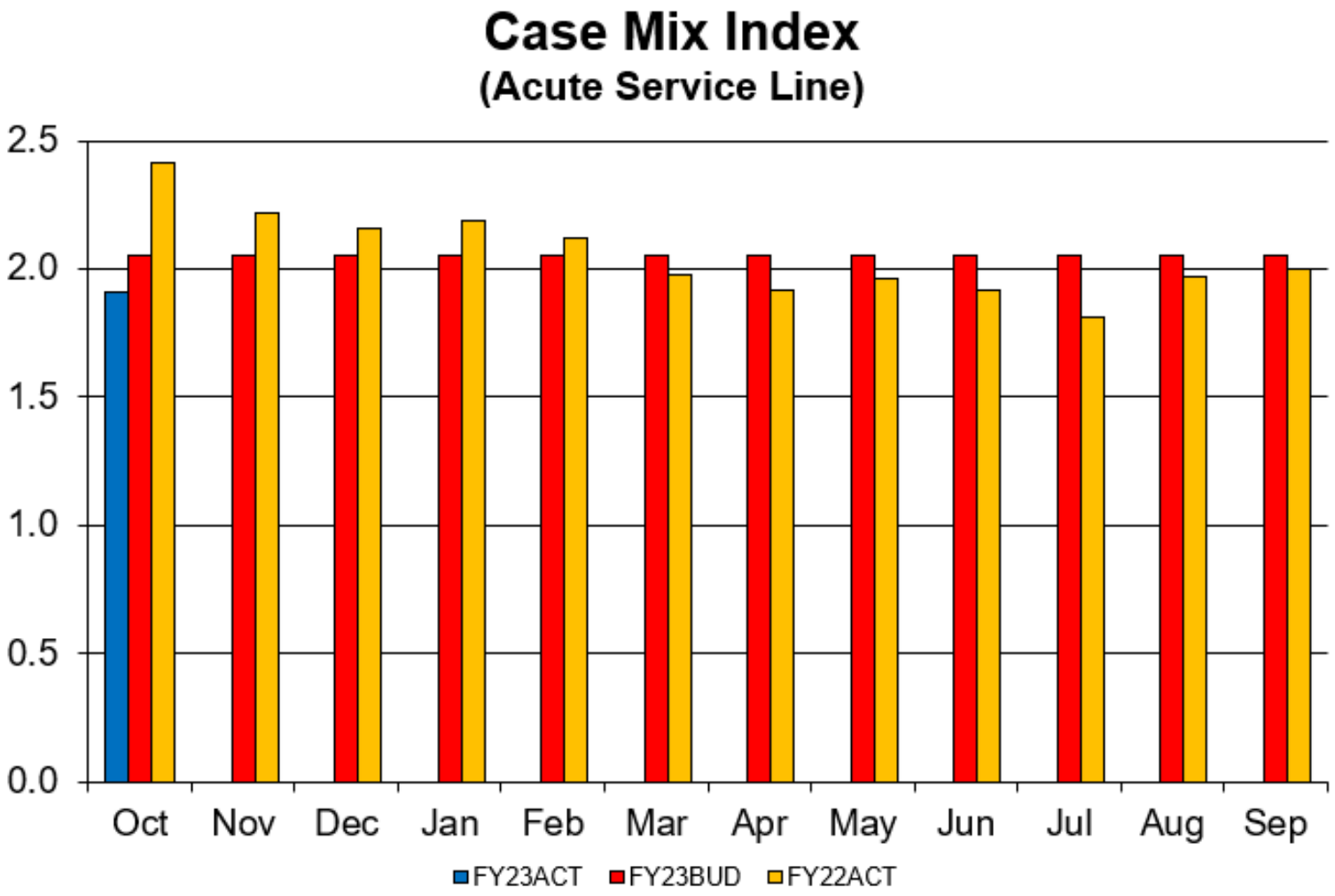
Volumes
Average Daily Census



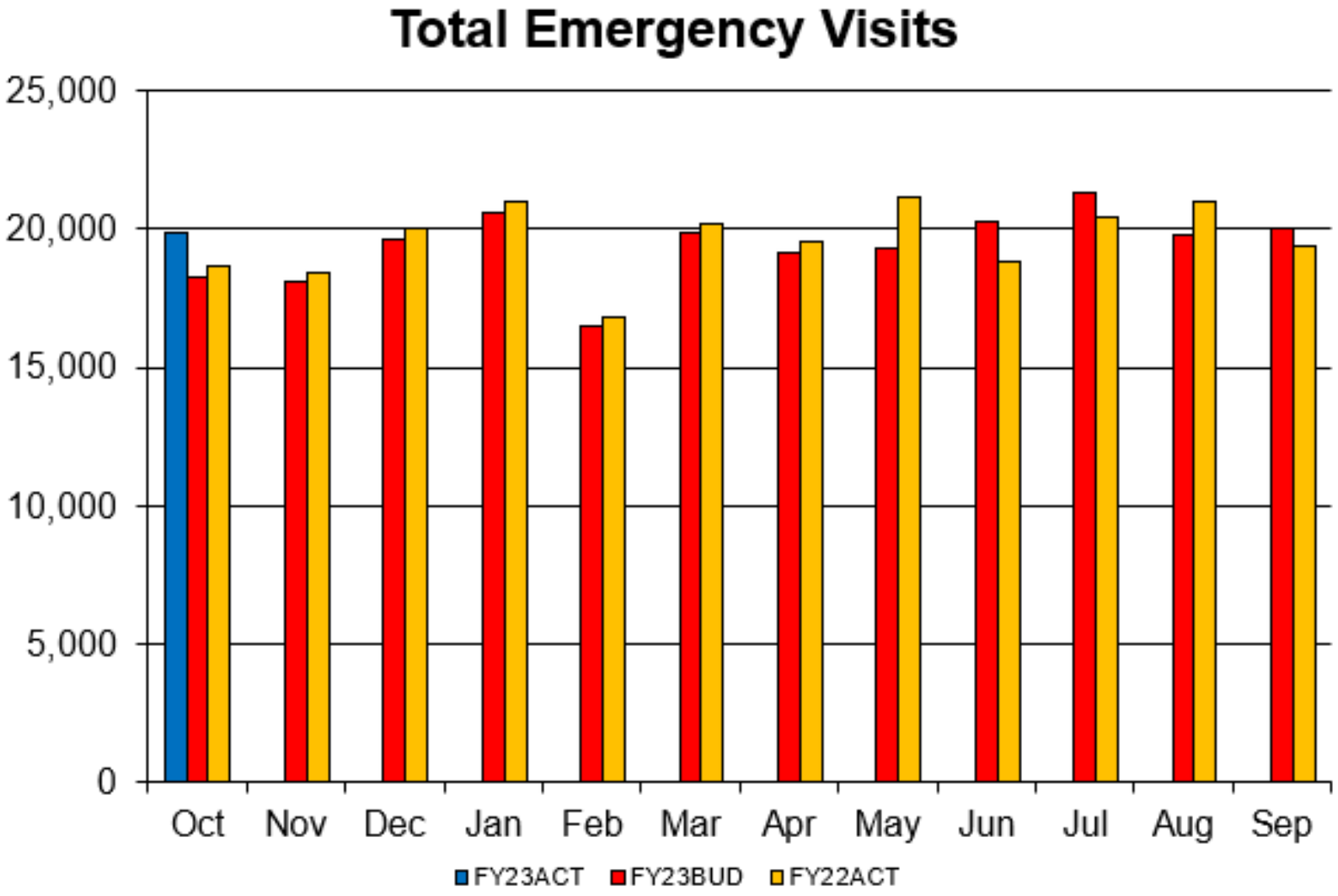
Volumes
Average Length of Stay



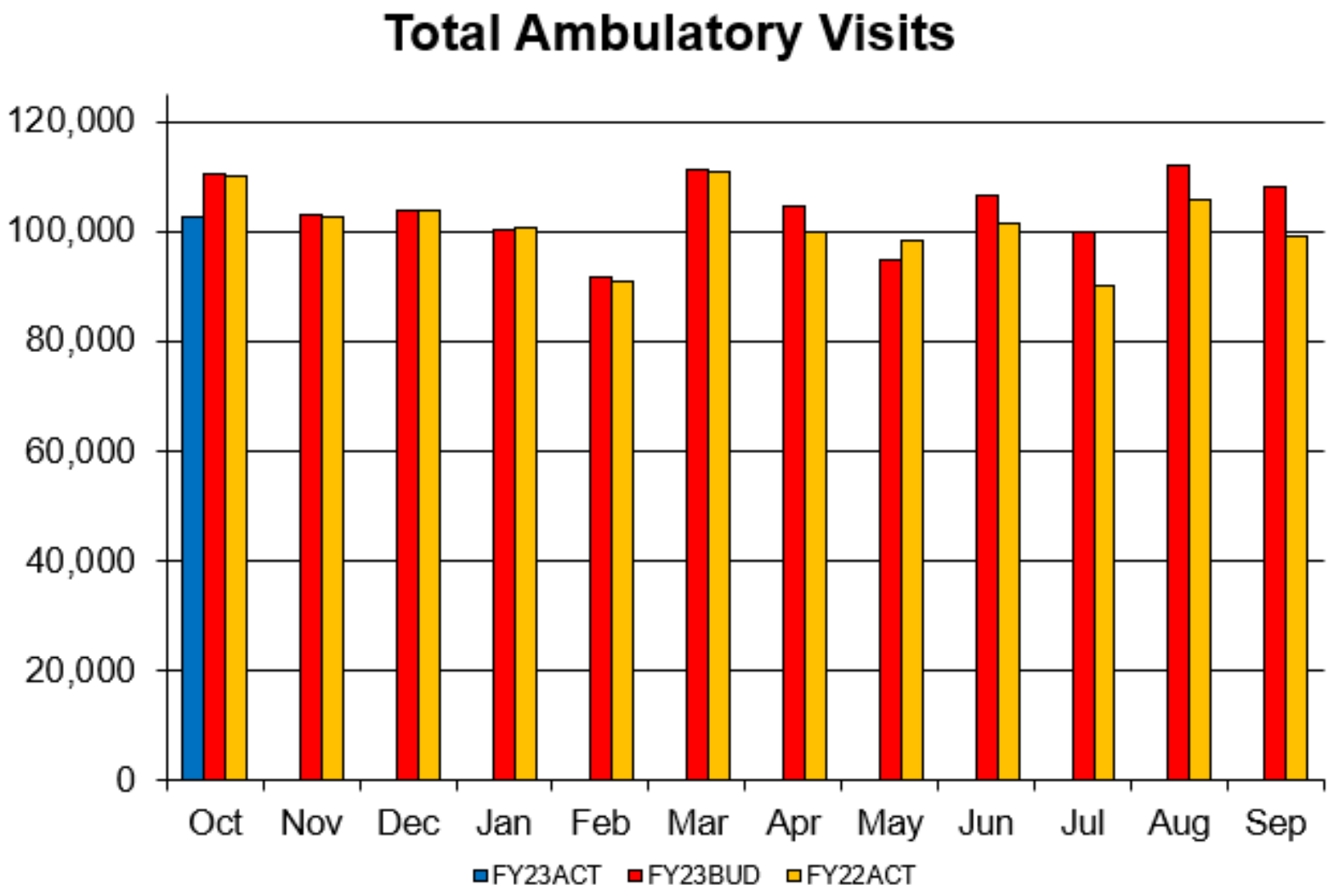
Volumes
Case Mix Index



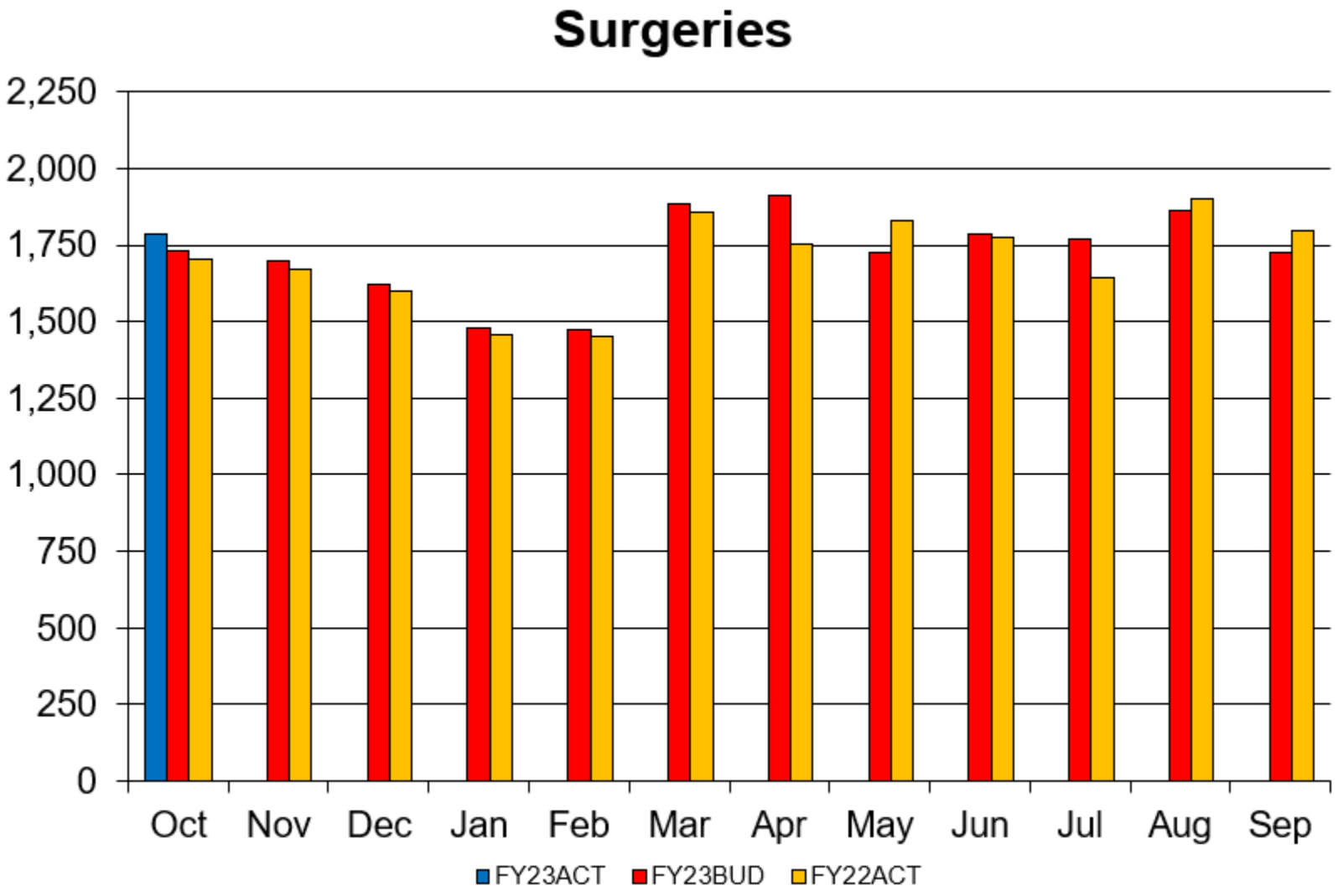
Volumes
Emergency Visits



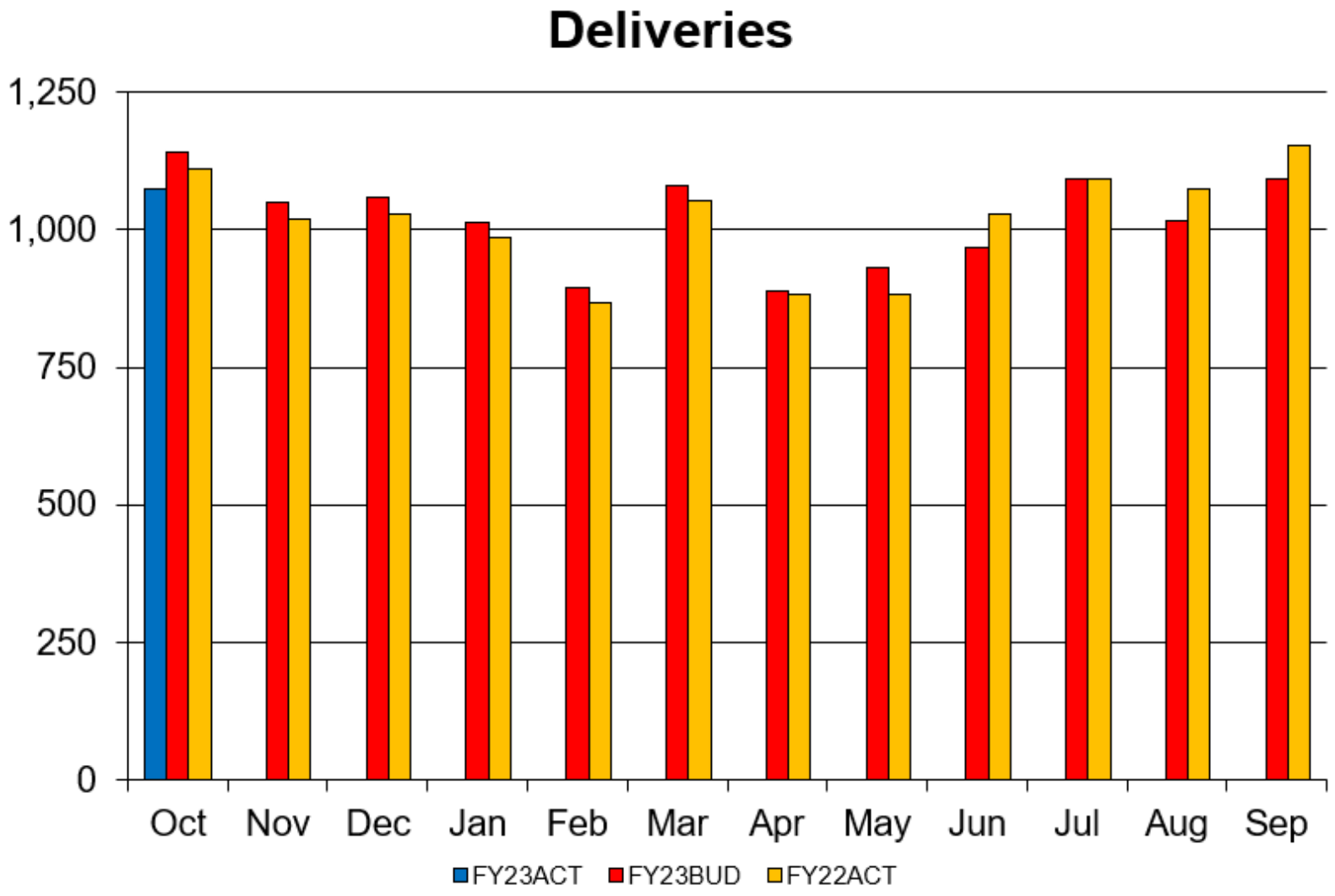
Volumes
Ambulatory Visits



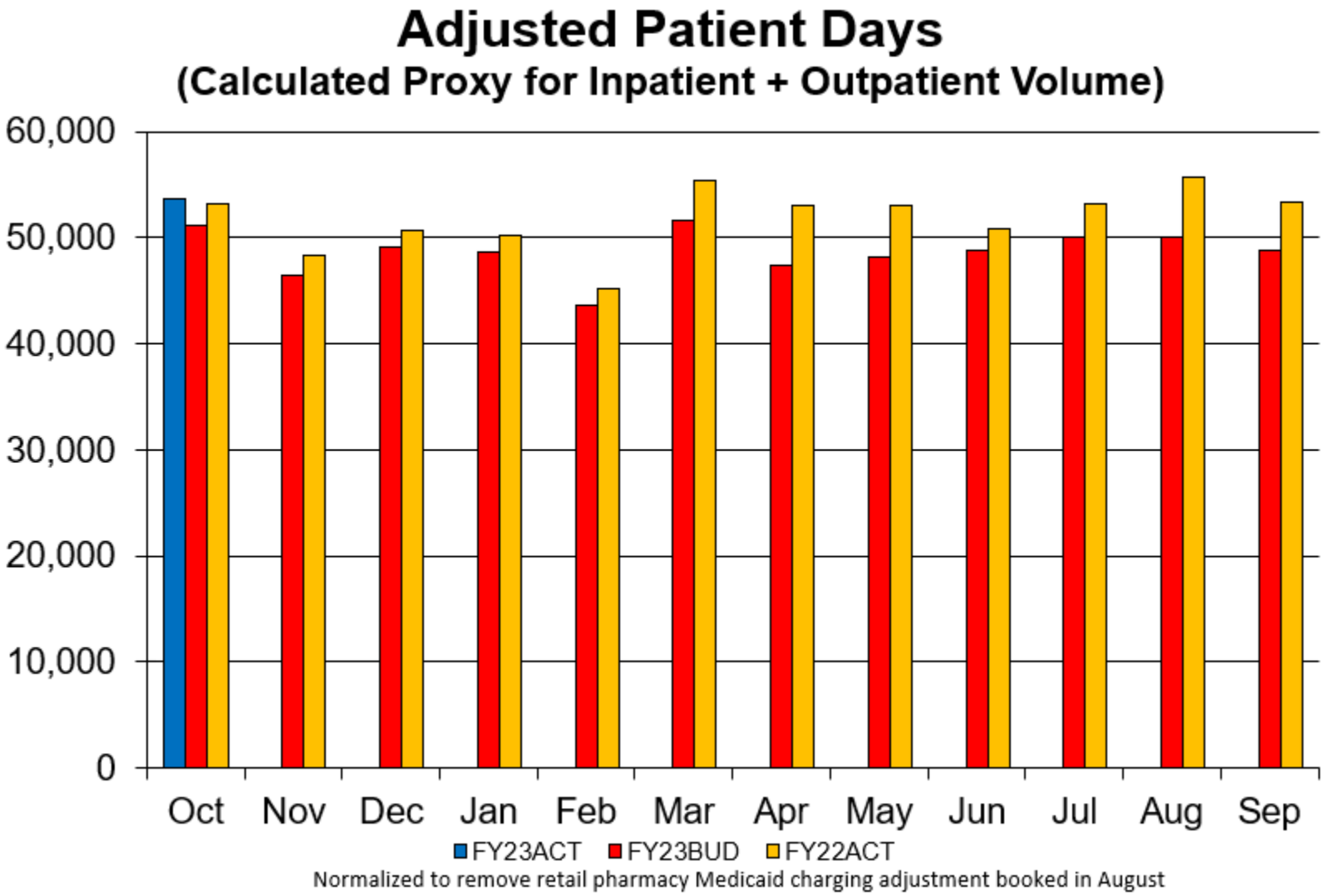
Volumes
Surgeries



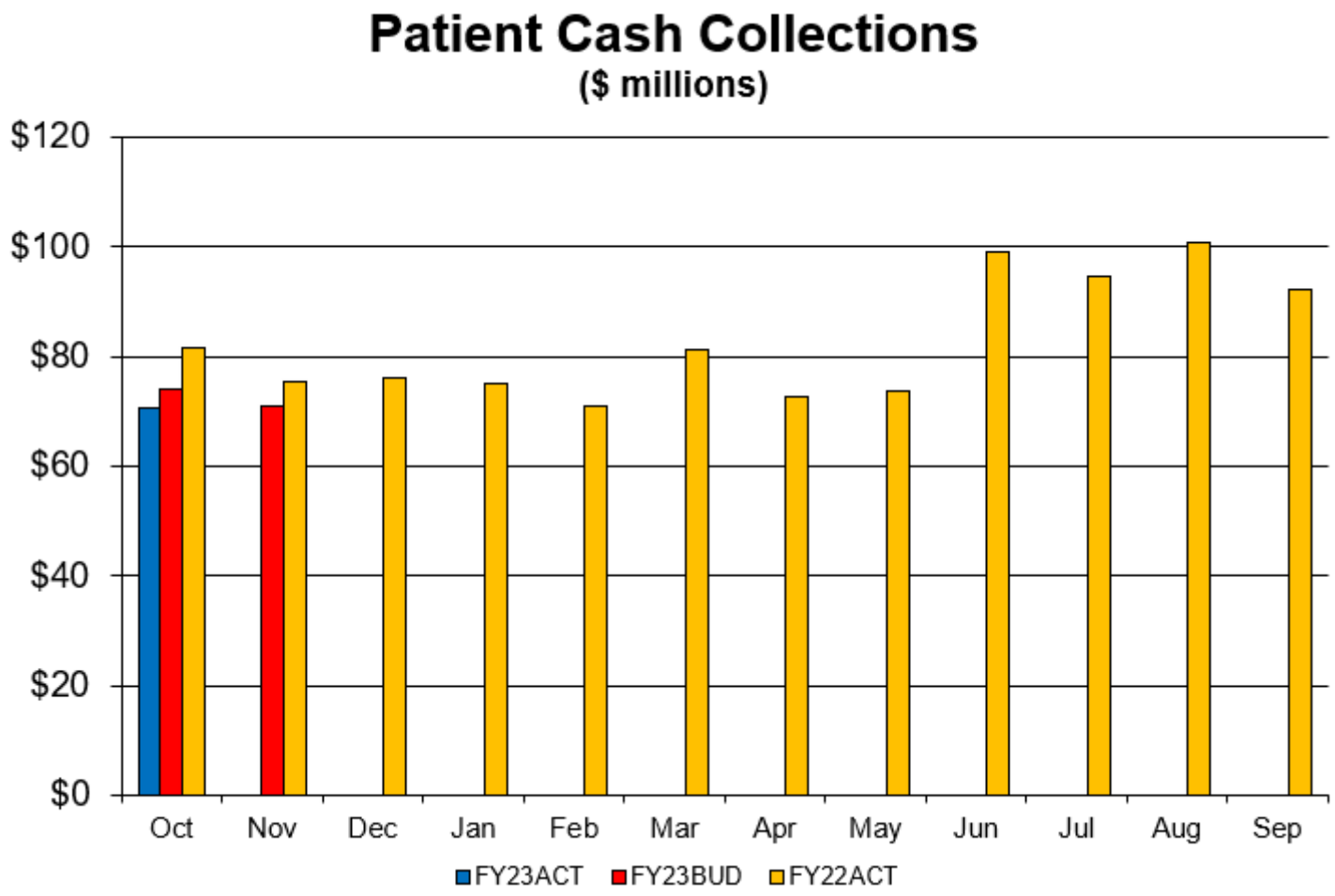
Volumes
Deliveries

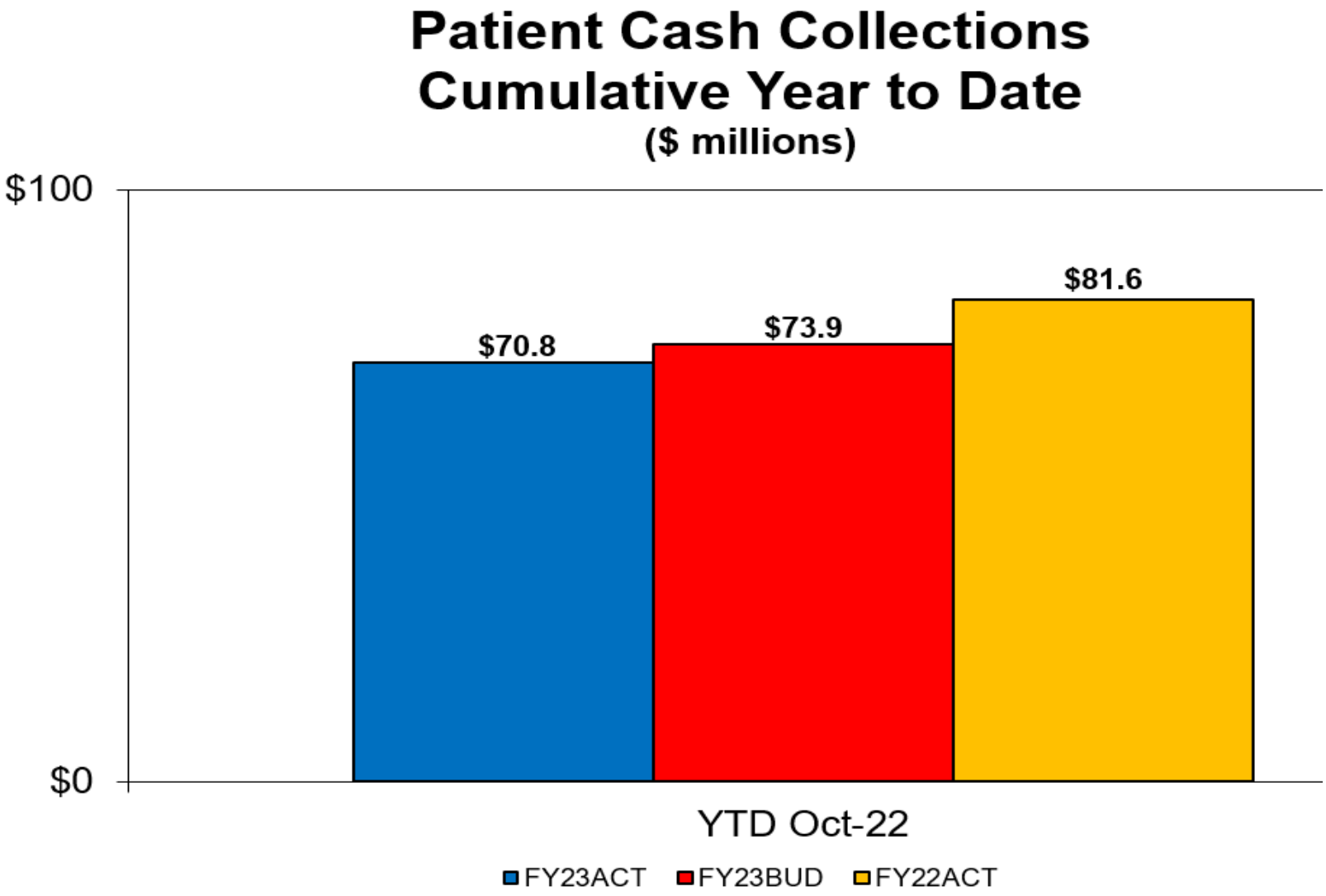


Volumes
Adjusted Patient Days



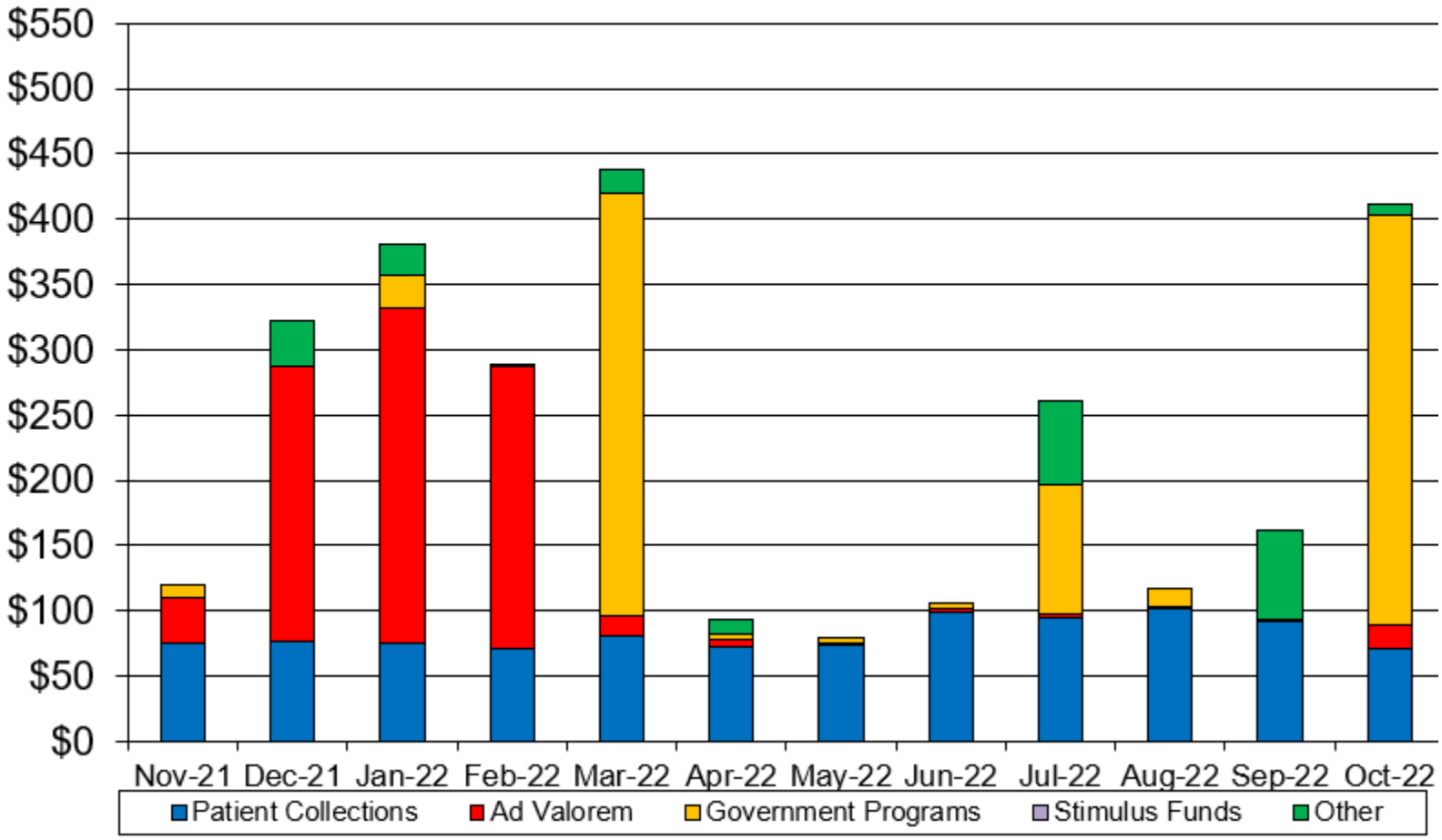
Key Operating Performance Metrics




Patient Cash Collections
Cumulative Year to Date
($ millions)
$100
$0
$70.8
$73.9
$81.6
YTD Oct-22
FY23ACT
FY23BUD
FY22ACT

Key Operating Performance Metrics

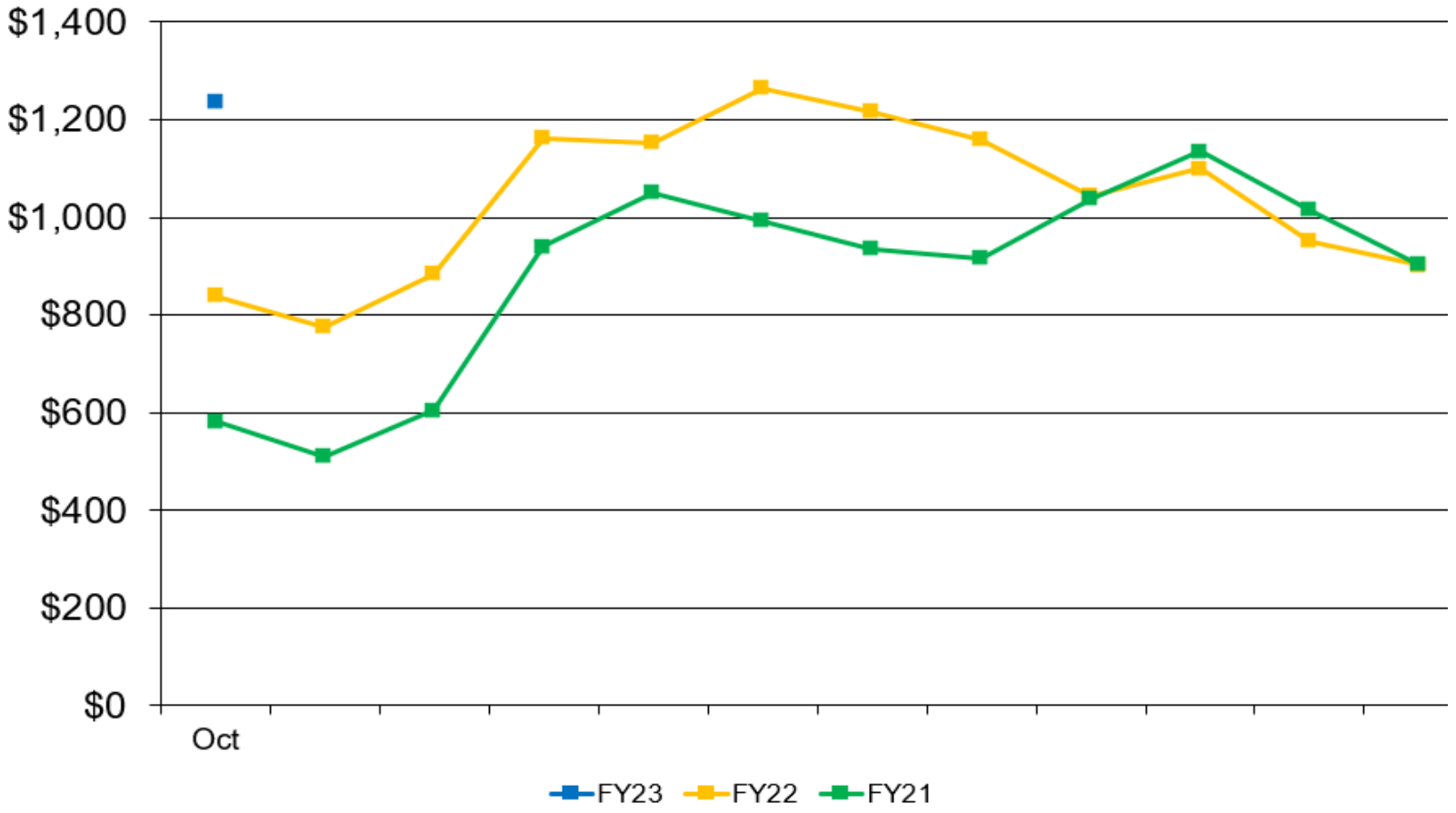
Total Cash Collections
($ millions)



Key Operating Performance Metrics

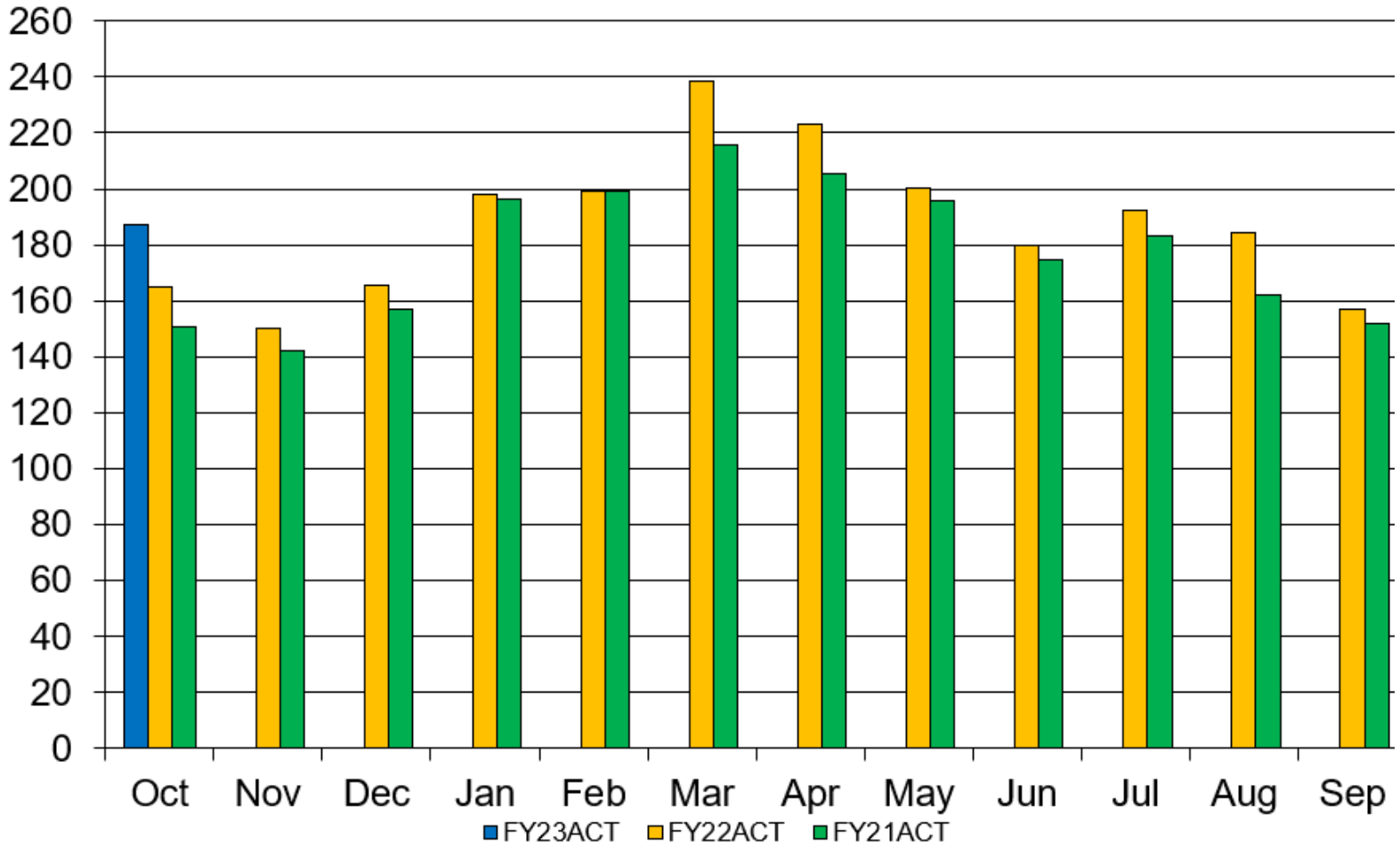
Cash Balance Trending

($ millions)



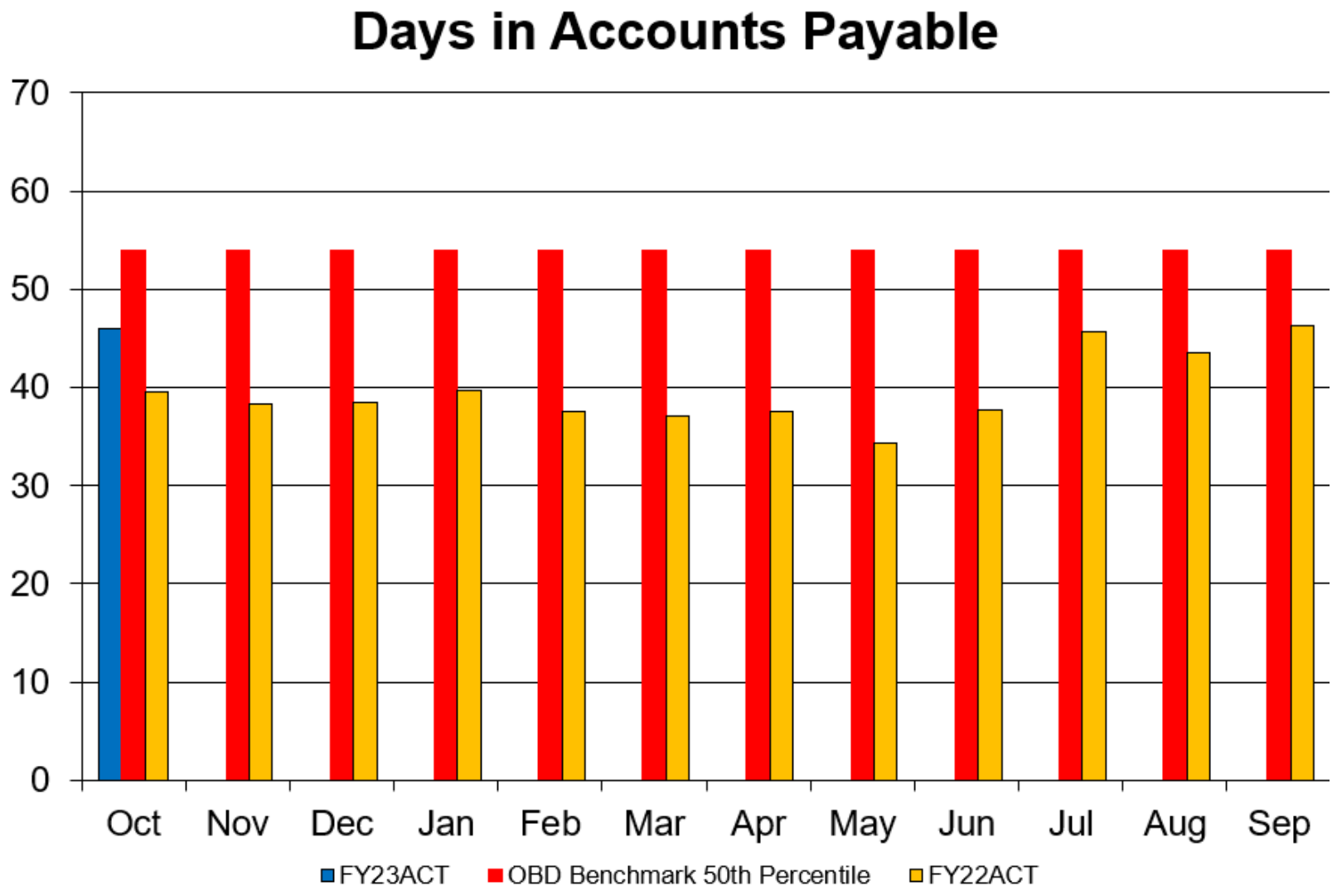
Key Operating Performance Metrics

Days Cash on Hand



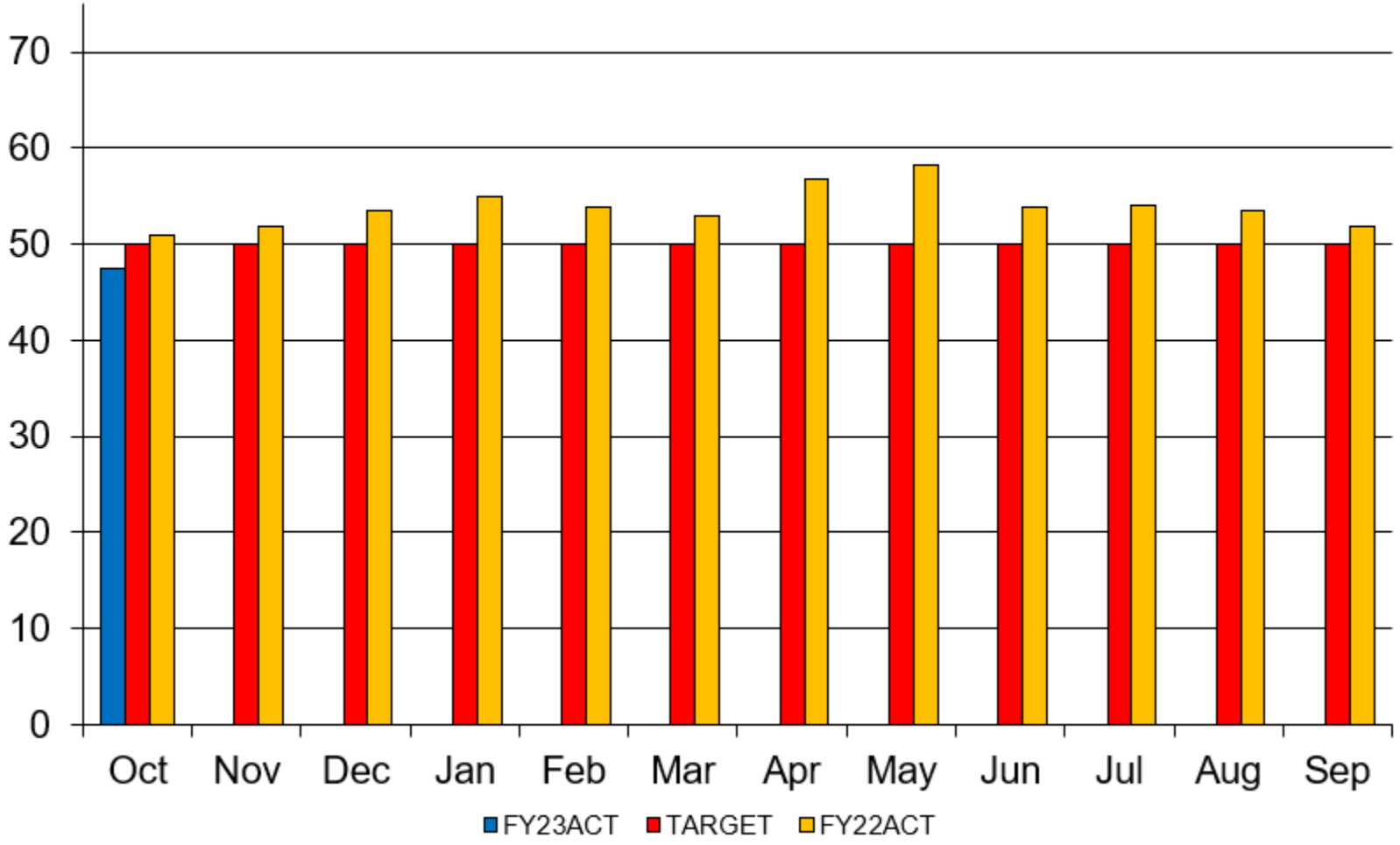
Excludes LPPF and insurance and debt reserves, which are included in total cash

Key Operating Performance Metrics



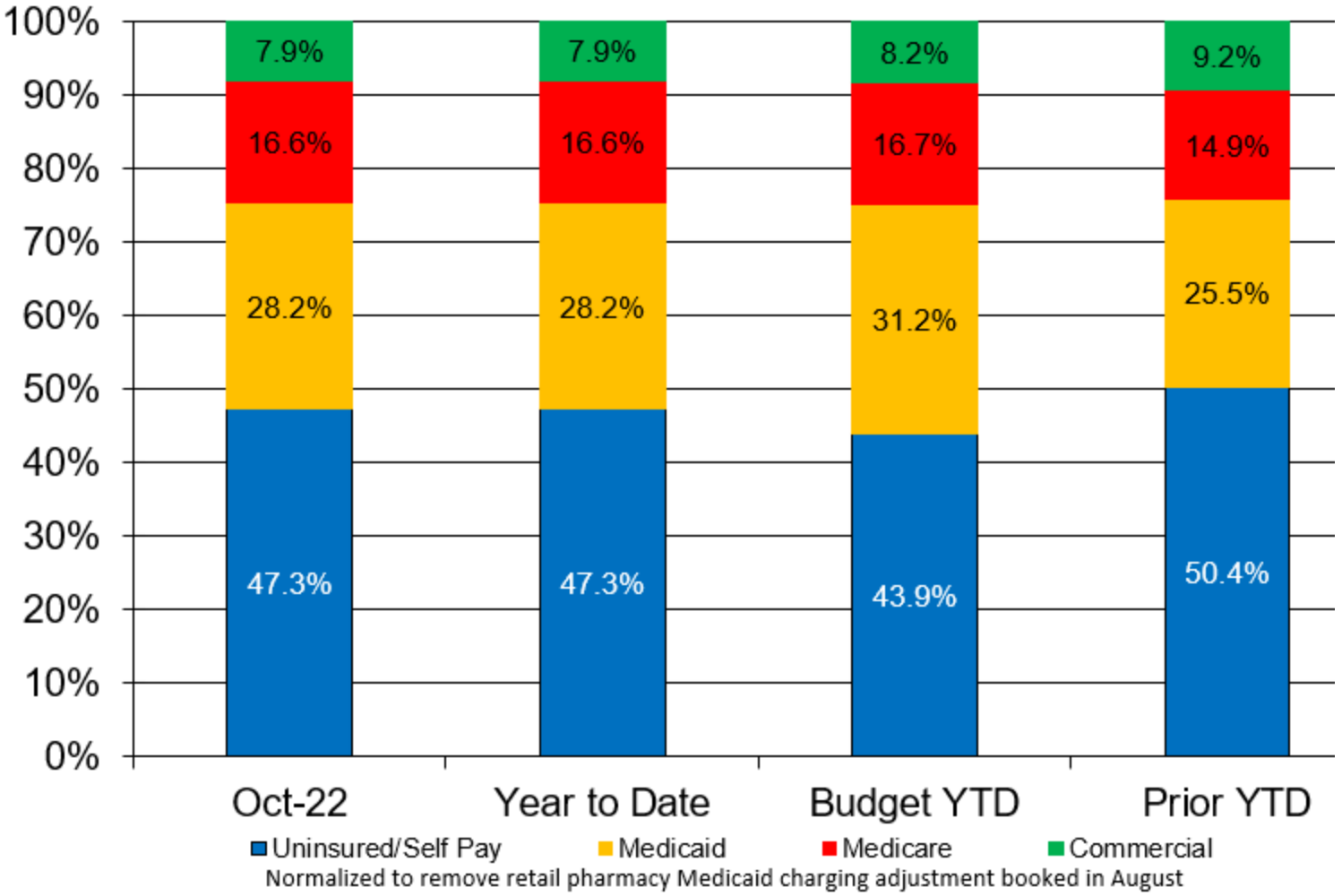
Key Operating Performance Metrics

Days in Accounts Receivable



Key Operating Performance Metrics

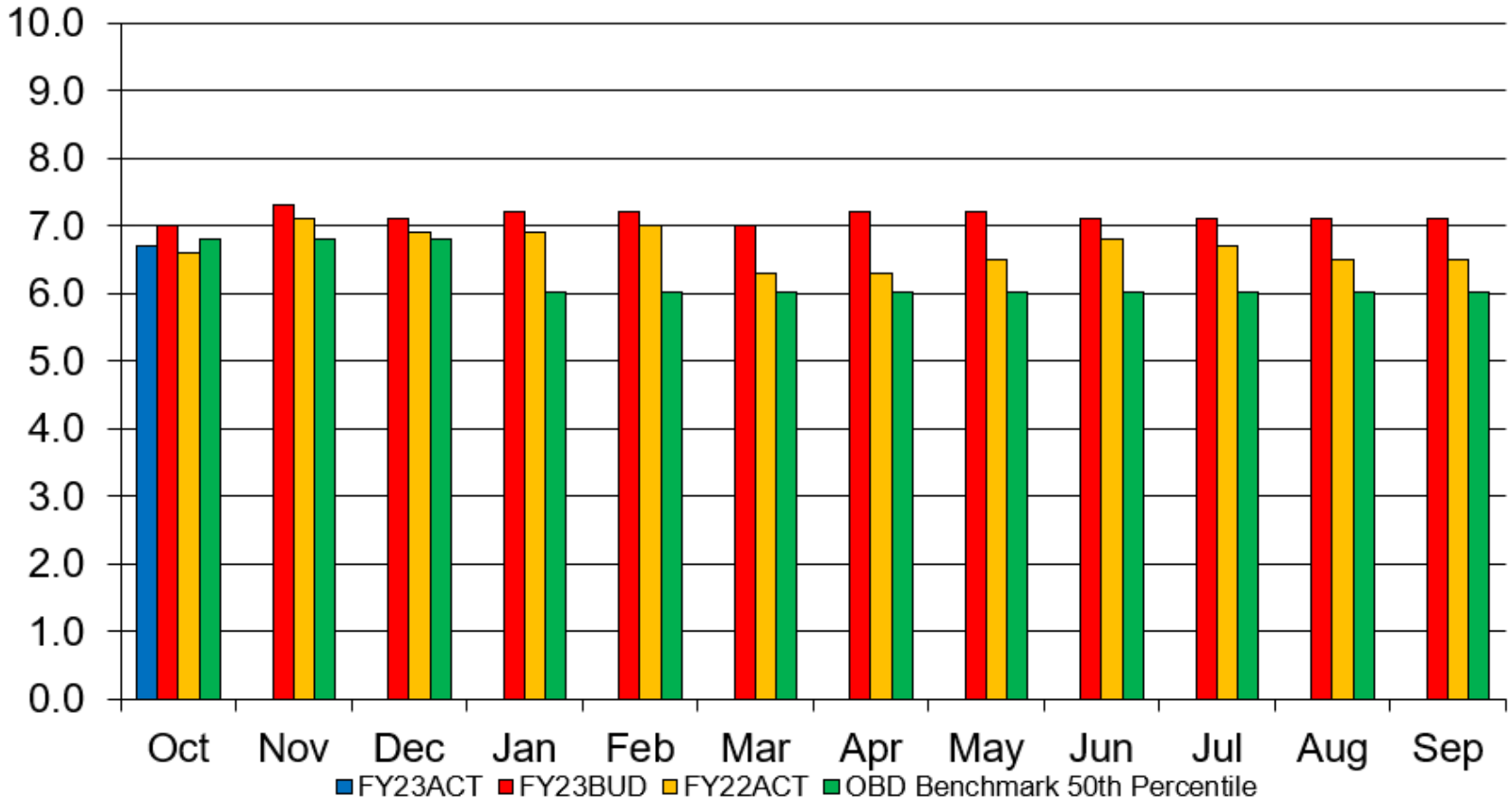
Gross Patient Revenue By Payor Type



Normalized to remove retail pharmacy Medicaid charging adjustment booked in August

FTEs per Adjusted Occupied Bed

(includes Contract Labor and excludes Nursing Homes and Jail)



November 21 OBD Benchmark corrected to average of Q3 CY2020-Q2 CY2021

Parkland

Appendix

PCHP Financial Performance
Current Month – October 2022

PCHP Month to Date Income Statement

(Dollars in Thousands)

	FY 22 Actual	FY 22 Budget	Var From Budget	%Var From Budget	FY 21 Actual	Var FY22-21	%Var FY22-21
REVENUE							
Premium Revenue	$ 60,870	$ 49,508	$ 11,362	23.0%	$ 52,554	$ 8,316	15.8%
Other	35,364	17,660	17,704	100.3%	2,936	32,428	1104.4%
OPERATING REVENUE	96,234	67,168	29,067	43.3%	55,490	40,744	73.4%
EXPENSE							
Administration	9,458	8,597	(861)	-10.0%	8,123	(1,335)	-16.4%
Claims	85,788	59,489	(26,299)	-44.2%	50,974	(34,814)	-68.3%
OPERATING EXPENSE	95,246	68,085	(27,160)	-39.9%	59,096	(36,149)	-61.2%
OPERATING INCOME (LOSS)	**$ 989**	**$ (918)**	**$ 1,907**	**207.7%**	**$ (3,606)**	**$ 4,595**	**127.4%**
Interest and Investment Income	429	55	374	677.3%	65	364	555.6%
Unrealized Gain (Loss) on Investments	(163)	16	(179)	-1096.6%	(227)	64	28.4%
Total Net Income (Loss)	$ 1,256	$ (846)	$ 2,102	248.4%	$ (3,768)	$ 5,023	133.3%

Operating Cash Flow Margin %	1.0%	-1.4%	-6.5%
Medical Loss Ratio (excluding UHRIP/NAIP)	86.2%	85.9%	91.5%

PCHP Fiscal Year ends 12/31/2022

PCHP Financial Performance
Calendar YTD – October 2022

PCHP Year to Date Income Statement

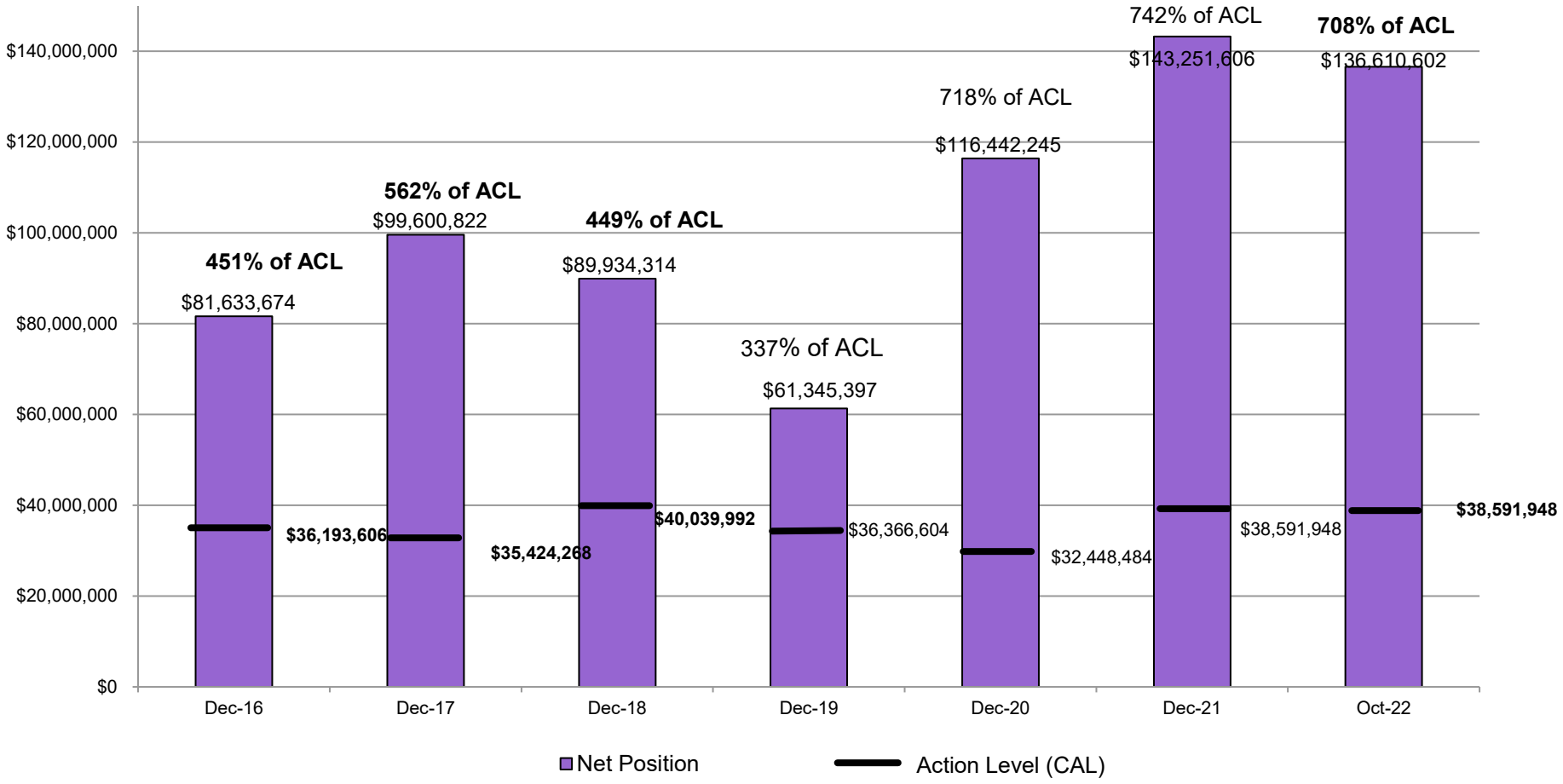
(Dollars in Thousands)

	FY 22 Actual	FY 22 Budget	Var From Budget	%Var From Budget	FY 21 Actual	Var FY22-21	%Var FY22-21
REVENUE							
Premium Revenue	$ 564,354	$ 530,531	$ 33,822	6.4%	$ 497,841	$ 66,513	13.4%
Other	311,539	195,038	116,501	59.7%	143,363	168,176	117.3%
OPERATING REVENUE	875,893	725,569	150,324	20.7%	641,204	234,689	36.6%
EXPENSE							
Administration	93,661	84,408	(9,253)	-11.0%	90,009	(3,651)	-4.1%
Claims	786,457	630,138	(156,319)	-24.8%	531,686	(254,772)	-47.9%
OPERATING EXPENSE	880,118	714,546	(165,572)	-23.2%	621,695	(258,423)	-41.6%
OPERATING INCOME (LOSS)	**$ (4,225)**	**$ 11,023**	**$ (15,248)**	**-138.3%**	**$ 19,509**	**$ (23,734)**	**-121.7%**
Interest and Investment Income	2,386	552	1,833	332.0%	757	1,629	215.3%
Unrealized Gain (Loss) on Investments	(3,227)	163	(3,390)	-2078.5%	(846)	(2,380)	-281.2%
Total Net Income (Loss)	$ (5,066)	$ 11,738	$ (16,804)	-143.2%	$ 19,419	$ (24,485)	-126.1%

Operating Cash Flow Margin %	-0.5%	1.5%	3.0%
Medical Loss Ratio (excluding UHRIP/NAIP)	83.6%	83.5%	73.5%

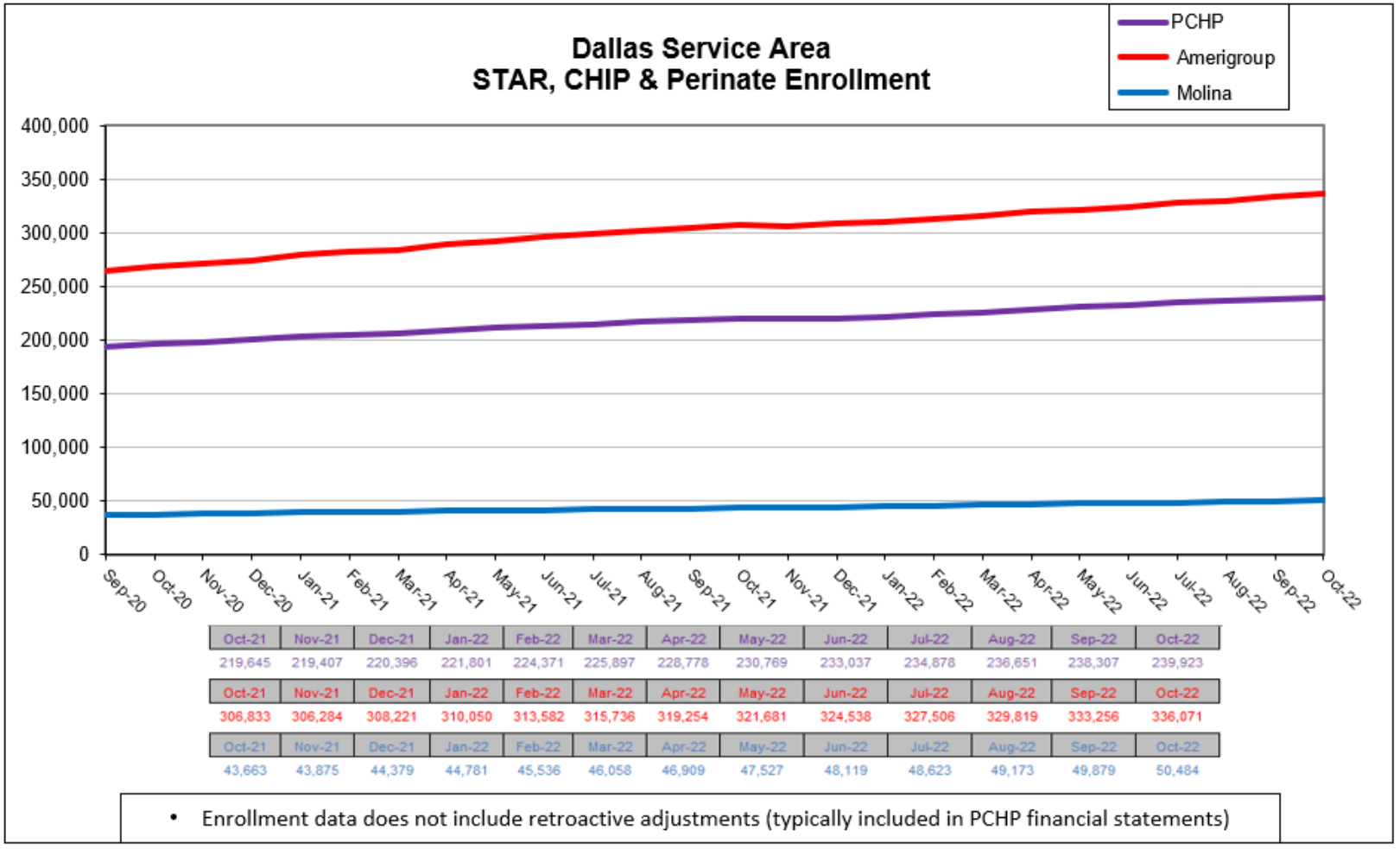
PCHP Fiscal Year ends 12/31/2022

PCHP Net Position vs Risk-Based Capital Requirements as of October 2022



- **Black bar represents Company Action Level (CAL aka Action Level) which = 200% of Authorized Control Level (ACL)**
- **As of Dec 2021, Action Level was $38,591,948 and ACL was $19,295,974**

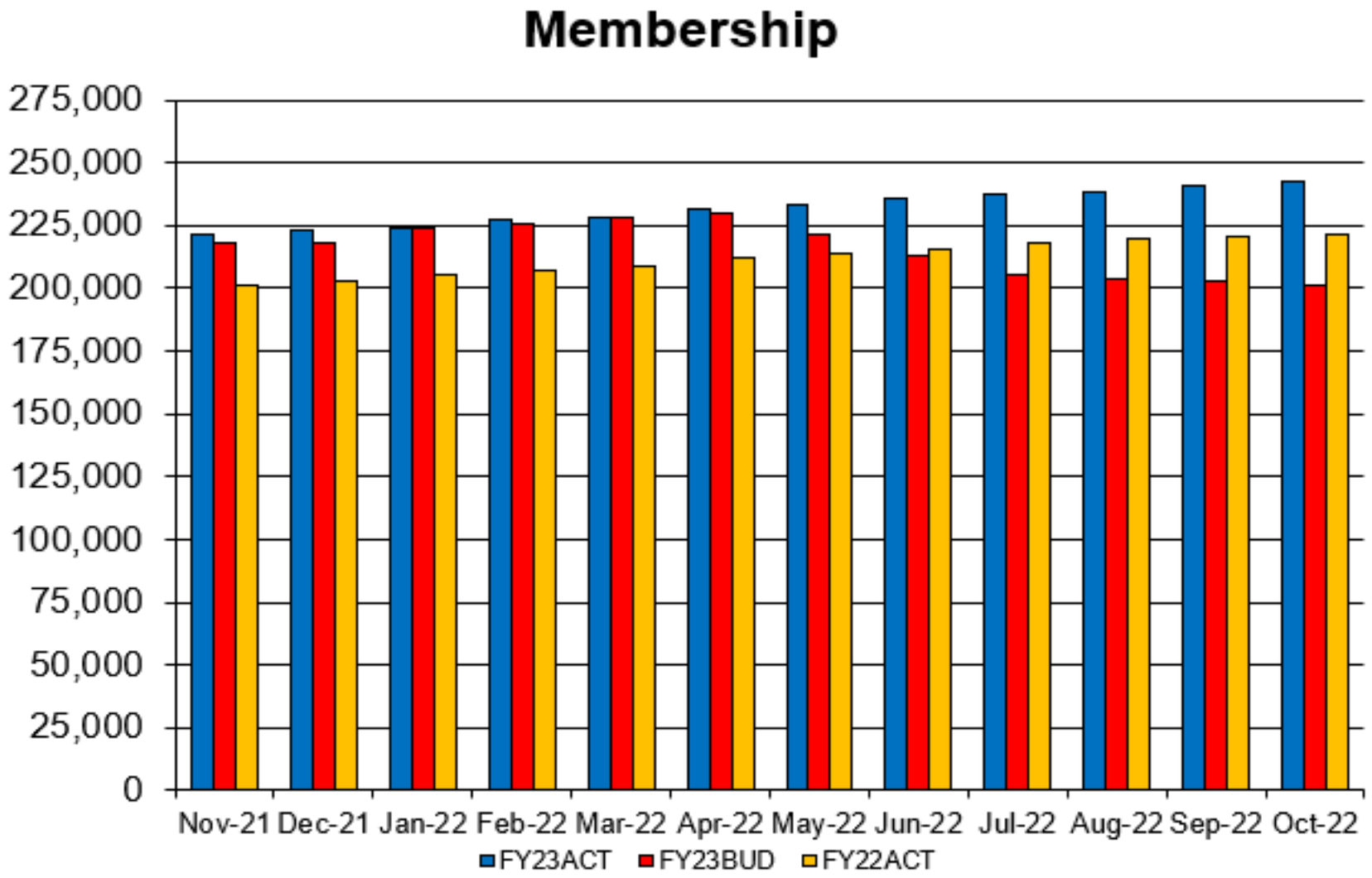
PCHP Enrollment



Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
219,645	219,407	220,396	221,801	224,371	225,897	228,778	230,769	233,037	234,878	236,651	238,307	239,923
Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
306,833	306,284	308,221	310,050	313,582	315,736	319,254	321,681	324,538	327,506	329,819	333,256	336,071
Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
43,663	43,875	44,379	44,781	45,536	46,058	46,909	47,527	48,119	48,623	49,173	49,879	50,484

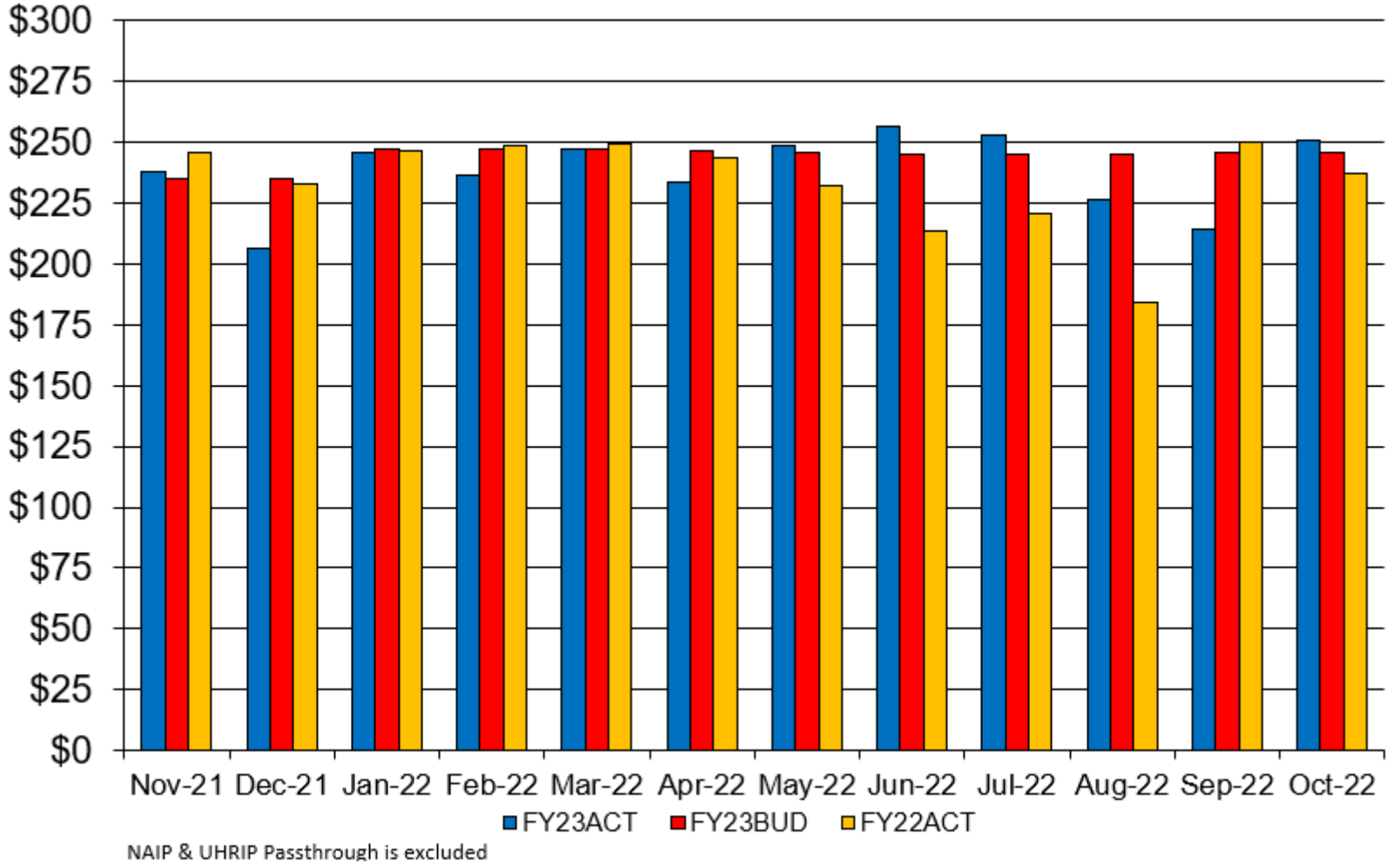
- Enrollment data does not include retroactive adjustments (typically included in PCHP financial statements)

Key Operating Performance Metrics



Key Operating Performance Metrics

Premium Revenue PMPM



NAIP & UHRIP Passthrough is excluded

Balance Sheet

Balance Sheet Combined as of October 31, 2022 & 2021

PARKLAND HEALTH & HOSPITAL SYSTEM
BALANCE SHEET
October 31, 2022 and 2021

(Dollars in Thousands)	FYE 2023 PHHS	FYE 2023 PCHP	FYE 2023 PCCI	FYE 2023 FDN/AUX	FY 2023 Total	FY 2022 Total
Assets						
Current Assets						
Cash, Cash Equivalents & Investments	$ 894,248	$ 224,529	$ -	$ 35,116	$ 1,153,893	$ 1,130,199
Net Ad Valorem Taxes Receivable	7,790	-	-	-	7,790	755,905
Net Patient Accounts Receivable	182,016	-	-	-	182,016	179,567
Other Receivables	91,155	40,553	688	(99)	132,297	120,808
Inventories & Other Assets	51,145	-	218	150	51,513	43,599
Total Current Assets	1,226,354	265,082	906	35,167	1,527,509	2,230,078
Capital Assets, Net						
Construction in Progress	44,930	-	-	-	44,930	247,379
Property, Plant, and Equipment	1,610,464	-	7,522	39	1,618,025	1,415,245
Total Net Capital Assets	1,655,394	-	7,522	39	1,662,955	1,662,624
Long Term Assets						
Other Noncurrent Assets	-	-	1,179	4,100	5,279	4,442
Total Other Long Term Assets	-	-	1,179	4,100	5,279	4,442
Assets Limited to Use:						
New Parkland Relocation	28,013	-	-	-	28,013	28,013
Community Service Capital Expansion	-	-	-	-	-	22,488
Breast Center	-	-	-	-	-	0
Irving Clinic - Foundation Repair	3,777	-	-	-	3,777	5,280
Routine Capital	292,136	-	-	-	292,136	118,693
Debt Service	3,406	-	-	-	3,406	4,100
LPPF	131,070	-	-	-	131,070	41,847
Insurance Reserves	12,758	-	-	-	12,758	11,560
Total Assets Limited to Use	471,160	-	-	-	471,160	231,981
Deferred Outflows of Resources	135,324	-	-	-	135,324	167,090
Total Assets	$3,488,232	$265,082	$ 9,607	$ 39,306	$3,802,227	$4,296,215

Balance Sheet Combined as of October 31, 2022 & 2021

(Dollars in Thousands)	FYE 2023				FY 2023	FY 2022
	PHHS	PCHP	PCCI	FDN/AUX	Total	Total
Liabilities and Net Position						
Current Liabilities						
Accounts Payable	$ 342,267	$ 32,257	$32,310	$ 1,368	$ 408,202	$ 320,606
Accrued Payroll & Benefits	125,095	-	1,052	-	126,147	106,832
Claims Payable	-	96,016	-	-	96,016	118,446
Deferred Ad Valorem Taxes	(67,593)	-	-	-	(67,593)	701,176
Interest Payable	6,236	-	-	-	6,236	6,085
Due to Third Party	(31,879)	-	-	-	(31,879)	(28,584)
Other Current Liabilities	34,776	199	440	1,558	36,973	50,550
Total Current Liabilities	408,902	128,472	33,802	2,926	574,102	1,275,111
Long Term Debt	599,016	-	-	-	599,016	590,134
Net Pension Liability	402,616	-	-	-	402,616	469,795
Other Non-Current Liabilities	19,531	-	-	-	19,531	18,894
Total Liabilities	$1,430,065	$ 128,472	$33,802	$ 2,926	$1,595,265	$2,353,934
Deferred Inflows of Resources	137,931	-	-	-	137,931	119,498
Net Position	1,920,236	136,611	(24,195)	36,380	2,069,032	1,822,783
Total Liabilities and Net Position	$3,488,232	$ 265,082	$ 9,607	$ 39,306	$3,802,227	$4,296,215

Parkland

Statement of Cash Flow and Routine Capital

Cash Flow Combined
MTD & FYTD October 2022

(Dollars in Thousands)	FYE 2023				FY 23	FY 22
	PHHS	PCHP	PCCI	FDN/AUX	Total	Total
Cash Flows from Operating Activities:						
Receipts from Customers	$ 72,293	$ 96,758		$ 147	$ 169,198	$ 876,845
Ad Valorem Tax Receipts	17,624			-	17,624	16,996
Government Programs	314,629			-	314,629	175,120
Stimulus Funds	-			-	-	-
Other Receipts	7,448		828	-	8,276	(11,874)
Donations Received	-			528	528	13,594
Contributions Paid to/from Foundation				(261)	(261)	-
Payments for Medical Claims Costs	-	(29,769)		-	(29,769)	(593,600)
Payments to Suppliers	(59,841)	(55,190)	(189)	24	(115,196)	(124,151)
Payments to Employees	(121,492)	(1,964)	(561)	(355)	(124,372)	(137,311)
Net Cash Flow from Operations	230,661	9,835	78	83	240,657	215,619
Cash Flows from Capital and Financing Activities:						
Purchases of Capital assets	(1,388)		(78)	1	(1,465)	(38,661)
Sale of Capital Assets	-			-	-	9,625
Interest Received	1,925	277		432	2,634	1,323
Interest Paid	(779)			-	(779)	(47)
Bond Principal Paid	-	-	-	-	-	-
Net Cash Flows from Capital and Financing Activities	(242)	277	(78)	433	390	(27,760)
Net Change in Cash	$ 230,419	$ 10,112	$ -	$ 516	$ 241,047	$ 187,859
Beginning Cash Balance	1,003,418	214,417	-	34,597	1,252,432	1,128,283
Ending Cash Balance	$ 1,233,837	$ 224,529	$ -	$ 35,113	$ 1,493,479	$ 1,316,142

Routine Capital Summary (FY22 Only)
October 31, 2022

CAPITAL SPENDING SUMMARY
Year to Date thru October 31, 2022

2023 Budget Only

(Dollars in Thousands)

Description	Amount
Capital Budget Spent (YTD)	$ -
Committed	-
Total	-
FY23 Capital Budget	$ 58,819
% Total Capital Funding Spent or Committed	0.0%

Parkland

Statistics
MTD & YTD October 2022

Parkland Health & Hospital System

	Month					Fiscal Year to Date					FY 2023
	Oct-22 Actual	Oct-22 Budget	Oct-21 Actual	% Var Budget	% Var FY22-21	Oct-22 Actual	Oct-22 Budget	Oct-21 Actual	% Var Budget	% Var FY22-21	Annual Budget
Hospital Discharges (Adult/Infant Inpatient, Observation)											
Adult Inpatient	3,009	2,873	2,789	4.7%	7.9%	3,009	2,873	2,789	4.7%	7.9%	33,369
Neonatal ICU	117	126	122	-7.1%	-4.1%	117	126	122	-7.1%	-4.1%	1,239
Newborn Nursery / Room-in	1,043	960	935	8.6%	11.6%	1,043	960	935	8.6%	11.6%	10,951
Total Inpatient Discharges	4,169	3,959	3,846	5.3%	8.4%	4,169	3,959	3,846	5.3%	8.4%	45,559
Observation Discharges	1,815	2,016	2,031	-10.0%	-10.6%	1,815	2,016	2,031	-10.0%	-10.6%	24,070
Total Hospital Discharges	5,984	5,975	5,877	0.2%	1.8%	5,984	5,975	5,877	0.2%	1.8%	69,629
Total Hospital Discharges (excluding Newborn Nursery)	4,941	5,015	4,942	-1.5%	0.0%	4,941	5,015	4,942	-1.5%	0.0%	58,678
Inpatient Posted Census Days											
Adult Inpatient	18,052	18,312	17,879	-1.4%	1.0%	18,052	18,312	17,879	-1.4%	1.0%	208,374
Neonatal ICU	2,163	2,276	2,275	-5.0%	-4.9%	2,163	2,276	2,275	-5.0%	-4.9%	24,275
Newborn Nursery / Room-in	2,349	2,286	2,252	2.8%	4.3%	2,349	2,286	2,252	2.8%	4.3%	25,280
Total Inpatient Posted Census Days	22,564	22,874	22,406	-1.4%	0.7%	22,564	22,874	22,406	-1.4%	0.7%	257,929
Average Length of Stay											
Adult	6.00	6.37	6.41	5.8%	6.4%	6.00	6.37	6.41	5.8%	6.4%	6.24
Neonatal ICU	18.49	18.06	18.65	-2.4%	0.9%	18.49	18.06	18.65	-2.4%	0.9%	19.6
Case Mix Index											
Acute	1.91	2.05	2.41	-6.8%	-20.7%	1.91	2.05	2.41	-6.8%	-20.7%	2.05
Adult Average Inpatient Available Beds (less L&D)	744	744	746	0.0%	-0.3%	744	744	746	0.0%	-0.3%	744
Observation Unit Beds	58	58	58	0.0%	0.0%	58	58	58	0.0%	0.0%	0
Adult Inpatient Occupancy Rate	71%	73%	72%	-2.7%	-1.4%	71%	73%	72%	-2.7%	-1.4%	71%
Adjusted Patient Days											
Inpatient Days x (Total Charges/Inpatient Charges)	53,689	51,073	53,126	5.1%	1.1%	53,689	51,073	53,126	5.1%	1.1%	583,976
Equivalent Patient Days											
Adult Census, NNICU, and Observation Days	26,431	26,902	26,616	-1.8%	-0.7%	26,431	26,902	26,616	-1.8%	-0.7%	305,711
Adjusted Occupancy Rate (includes Observation)											
Medicine/ Surgery	93%	94%	93%	-1.1%	0.0%	93%	94%	93%	-1.1%	0.0%	92%
Psych	100%	99%	99%	1.0%	1.0%	100%	99%	99%	1.0%	1.0%	99%
Rehab	99%	97%	100%	2.1%	-1.0%	99%	97%	100%	2.1%	-1.0%	97%
WISH *(Less: Newborn Nursery, NNICU, and L&D)*	81%	82%	80%	-1.2%	1.3%	81%	82%	80%	-1.2%	1.3%	77%

Parkland

Statistics
MTD & YTD October 2022

Parkland Health & Hospital System

	Month					Fiscal Year to Date					FY 2023
	Oct-22 Actual	Oct-22 Budget	Oct-21 Actual	% Var Budget	% Var FY22-21	Oct-22 Actual	Oct-22 Budget	Oct-21 Actual	% Var Budget	% Var FY22-21	Annual Budget
Average Daily Inpatient Census											
Medicine/ Surgery	392	402	400	-2.5%	-2.0%	392	402	400	-2.5%	-2.0%	392
Psych	28	28	25	0.0%	12.0%	28	28	25	0.0%	12.0%	28
Rehab	18	15	13	20.0%	38.5%	18	15	13	20.0%	38.5%	15
WISH *(Less: Newborn Nursery, NNICU, and L&D)*	117	119	113	-1.7%	3.5%	117	119	113	-1.7%	3.5%	111
L&D	28	26	26	7.7%	7.7%	28	26	26	7.7%	7.7%	25
Total Adult Inpatient	583	590	577	-1.2%	1.0%	583	590	577	-1.2%	1.0%	571
Observation	201	204	208	-1.5%	-3.4%	201	204	208	-1.5%	-3.4%	200
Total Adult Average Daily Census	784	794	785	-1.3%	-0.1%	784	794	785	-1.3%	-0.1%	771
Neonatal ICU	70	73	73	-4.1%	-4.1%	70	73	73	-4.1%	-4.1%	67
Total Average Daily Census	854	867	858	-1.5%	-0.5%	854	867	858	-1.5%	-0.5%	838
Deliveries	1,073	1,142	1,110	-6.0%	-3.3%	1,073	1,142	1,110	-6.0%	-3.3%	12,229
Surgeries											
Day Surgery Cases (Hospital)	644	599	556	7.5%	15.8%	644	599	556	7.5%	15.8%	7,017
Day Surgery Cases (ASC)	420	482	479	-12.9%	-12.3%	420	482	479	-12.9%	-12.3%	5,415
Total Day Surgery Cases	1,064	1,081	1,035	-1.6%	2.8%	1,064	1,081	1,035	-1.6%	2.8%	12,432
Inpatient Cases	720	650	669	10.8%	7.6%	720	650	669	10.8%	7.6%	8,236
Total Surgical Cases	1,784	1,731	1,704	3.1%	4.7%	1,784	1,731	1,704	3.1%	4.7%	20,668
Emergency Services (unduplicated patients)											
Arrivals Count	19,158	17,919	18,126	6.9%	5.7%	19,158	17,919	18,126	6.9%	5.7%	218,547
Treated Patients Count	18,656	17,654	17,804	5.7%	4.8%	18,656	17,654	17,804	5.7%	4.8%	214,442
Percent Left w/o Being Seen	2.6%	1.5%	1.8%	-73.3%	-44.4%	2.6%	1.5%	1.8%	-73.3%	-44.4%	1.9%
Emergency Visit Counts (includes multiple visits)											
Main ED	12,902	11,754	11,795	9.8%	9.4%	12,902	11,754	11,795	9.8%	9.4%	152,126
Psych / EOU ED	1,023	899	890	13.8%	14.9%	1,023	899	890	13.8%	14.9%	10,399
Urgent Care - ED	4,303	3,961	4,279	8.6%	0.6%	4,303	3,961	4,279	8.6%	0.6%	49,845
ICC ED (OB/Gyn Intermediate Care)	1,646	1,661	1,674	-0.9%	-1.7%	1,646	1,661	1,674	-0.9%	-1.7%	20,511
Total Emergency Visit Counts	19,874	18,275	18,638	8.7%	6.6%	19,874	18,275	18,638	8.7%	6.6%	232,881
Ambulatory Visits											
COPC Visits	45,887	51,014	52,023	-10.1%	-11.8%	45,887	51,014	52,023	-10.1%	-11.8%	555,621
Women's Health Centers Visits	19,596	19,950	19,698	-1.8%	-0.5%	19,596	19,950	19,698	-1.8%	-0.5%	242,831
OPC Visits	37,009	39,579	38,344	-6.5%	-3.5%	37,009	39,579	38,344	-6.5%	-3.5%	447,658
Total Ambulatory Visits	102,492	110,543	110,065	-7.3%	-6.9%	102,492	110,543	110,065	-7.3%	-6.9%	1,246,110

Key Operating Performance Metrics

Staffing Information:	YTD 2023 Actual	YTD 2023 Budget	YTD 2023 Variance	YTD 2022 Actual	FY23 to FY22 Variance
Contract Labor and excludes Nursing Homes and Jail	12,068	11,944	(124)	11,600	(468)
Productivity:					
Paid Hours/Adjusted Patient Day	3	4	1	4	1
Labor Rates:					
Average Hourly Rate	$ 39.35	$ 42.32	$ 2.97	$ 38.70	$ (0.65)

Parkland

Truven Comparative Peer Group

FACILITY NAME	City	ST
Denver Health	Denver	CO
Erlanger Medical Center	Chattanooga	TN
Georgia Regents Health System	Augusta	GA
Harborview Medical Center	Seattle	WA
Harris Health - Ben Taub	Houston	TX
Harris Health - Lyndon B. Johnson General Hospital	Houston	TX
Harris Health - Quentin Mease	Houston	TX
JPS Health Network	Fort Worth	TX
OSU Medical Center - Academic Medical Center	Columbus	OH
OSU Medical Center - University Hospital East	Columbus	OH
Parkland Health & Hospital System	Dallas	TX
San Francisco General Hospital	San Francisco	CA
Shands at University of Florida	Gainesville	FL
Shands Jacksonville	Jacksonville	FL
Stony Brook University Medical Center	Stony Brook	NY
Temple University Hospital	Philadelphia	PA
The U of A Medical Center - University Campus	Tucson	AZ
UAMS Medical Center	Little Rock	AR
UCSD - Health System, San Diego	San Diego	CA
University Health System	San Antonio	TX
University Medical Center of El Paso	El Paso	TX
University of Alabama Hospital	Birmingham	AL
University of California Davis Medical Center	Davis	CA
University of California Irvine Medical Center	Irvine	CA
University of Chicago Hospitals	Chicago	IL
University of Colorado Hospital	Aurora	CO
University of Illinois Medical Center at Chicago	Chicago	IL
University of Kansas Hospital	Kansas City	KS
University of Kentucky Hospital	Lexington	KY
University of New Mexico Hospitals	Albuquerque	NM
University of Texas Medical Branch, Galveston	Galveston	TX
University of Utah Hospitals & Clinics	Salt Lake City	UT

Glossary of Terms

Total Hospital Discharges	The number of inpatients who left the hospital to return home or were transferred to another facility
Total Average Daily Census	Equivalent Patient Days / Number of Days in the Month
Average Length of Stay	Total Inpatient Census Days / Total Discharged Cases
Case Mix Index	The weighted average diagnosis-related group (DRG) value for Parkland (Total CMS MS DRG Assigned Weights / Total Discharged Cases)
Total Emergency Service Visits	Emergency Room Visits includes Main ED, Psych ED, Urgent Care ED, and ICC ED (OB/Gyn Intermediate Care)
Total Ambulatory Visits	Hospital Clinic Visits + Hospital Community Visits + Wish Clinical Visits + COPC Clinical Visits
Surgeries	Main Operating Room Cases + Main Day Surgery Cases
Deliveries	Inpatient + Outpatient Deliveries
Adjusted Patient Days	Inpatient Days x (Total Charges/Inpatient Charges)
Operating Margin	(Total Operating Revenue + Gov't Subsidies - Total Operating Expenses) / (Total Operating Revenue + Government Subsidies)
Operating Cash Flow Margin	(Total Operating Revenue + Gov't Subsidies - Total Operating Expenses + Interest & Depreciation) / (Total Operating Revenue + Gov't Subsidies)
Days Cash on Hand	The number of Days that Parkland could continue to pay its obligations with no new cash resources becoming available
Days in Accounts Payable	The average number of days it takes to pay outstanding bills, defined as (Total Current Liabilities - Deferred Revenue) / ((Total Opererating Expenses - Depreciation) / Days in Period)
Days In Accounts Receivable	The average time that it takes Parkland to collect a patient account

Parkland

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