Budget, Finance & Infrastructure Committee

Agenda

Committee Members

Ramon Miguez, PE - Chair
Marjorie Petty, JD
Yasmin Simon, JD
Jeff Tillotson, JD

Agenda for the ***Budget, Finance and Infrastructure Committee*** meeting of the Dallas County Hospital District is scheduled for ***Tuesday, April 21, 2026, 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: 2312 230 9634; meeting password: 1234) to join the meeting. The ***Budget, Finance and Infrastructure 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, Finance and Infrastructure 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.	**Determine a Quorum is Present and Record Attendance/Call to Order/Mission Statement** **I CARE** **I**ntegrity **C**ompassion and Collaboration **A**ccountability **R**espect **E**quity The agenda has been developed by the Chief Governance Officer in consultation with the Committee Chair and reviewed and affirmed by Counsel.			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.	Discussion Regarding Updates to the Board Bylaws Related to the Budget, Finance & Infrastructure Committee Name	*4*	5	Chair
B.	Consideration and Appropriate Action Regarding Contracts over $200,000 (See Attached List of Contracts)	*39*	25	Pamela Bryant
C.	Consideration and Appropriate Action Regarding Capital Substitution (See Attached list of Substitutions)	*75*	5	Rick Humphrey
D.	Update and Report on Current FY26 Facilities Projects (See Attached List of Projects)	*78*	15	Lance Mendiola
E.	Update and Report Regarding Parkland Financial Performance Presentation	*82*	20	Rick Humphrey
IV.	**Possible Deliberation**			
A.	Informational Report on Parkland's Capital Project Summary as of March 2026	*146*		

	PAGE	TIME (MIN)	PRESENTER(S)
B. S&P Index Rating Informational Report	*148*		
V. Action Item			
A. The Board may take action on any agenda item(s) above			Chair
VI. Closing Remarks			Chair
VII. Adjourn			Chair

Item	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.
									April 22, 2026
				Medical Products and Services					
M1	Expense	Mod #1 - AngioJet catheters	Boston Scientific Corporation	4/22/2026 -- 4/21/2027	$66,000	$246,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Shawn Grady/Interventional Radiology
M2	Expense	Mod #1 - Extend Agreement and Add Disposables Used with Owned Equipment	CooperSurgical Inc	5/1/2026 -- 4/30/2028	$225,000	$538,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan/Perioperative Services
M3	Expense	Mod #1 - Add Funding for Immunofluorescence Testing Reagents	Global Focus Marketing & Distribution, LTD	4/22/2026 -- 8/31/2027	$254,000	$598,911	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz/Pathology - Hematology
M4	Expense	Homeless Outreach Medical Services Program (HOMES), Substance Abuse	Homeward Bound, Inc	4/23/2026 -- 9/30/2030	$225,000	$225,000	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Kyla Rankin/HOMES
M5	Expense	Emprint Ablation System Disposables	Medtronic	4/27/2026 -- 4/26/2029	$270,000	$270,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/Main Operating Room
M6	Capital	Endoscopes for the GI Department	Olympus America, Inc.	4/30/2026 – 4/30/2027	$517,578	$517,578	GPO Purchase	Yes	Shika Shakelli/Clinical Engineering
M7	Expense	Mod # 1 Apheresis Kits and Uvadex Prescription	Therakos	2/1/2026 -- 1/31/2027	$285,273	$963,208	Sole Source Modification	Yes	Tanisha Tatum/Apheresis Department
M8	Expense	Mod # 3 Electrophysiology and Cryoablation Products	Medtronic USA, Inc.	4/22/2026-11/14/2026	$501,000	$3,399,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/ Surgical Services Administration

Construction and Facilities									
C1	Expense	Mod #2 - Main Campus Grounds Maintenance	Bare Roots Landscape Design, Inc.	4/23/2026 -- 9/30/2026	$570,000	$4,683,093	Non-Sole Source Modification	Yes	Roderick Stephens/Engineering Services
C2	Expense	Furniture Installation, Purchase, Design, and Monthly Storage	G.L. Seaman and Company	5/1/2026 -- 4/30/2031	$4,000,000	$4,000,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Asma Momin/Parkland Design and Construction
Information Technology									
IT1	Expense	Mod #1 - Warehouse Management System	Tecsys Inc.	5/1/2026 -- 11/30/2028	$718,736	$2,662,686	Non-Sole Source Modification	Yes	Alex Zimmerman/Supply Chain
Hospital Operations									
O1	Expense	Mops and Disposable Towels	Biocycle Services, Inc.	4/25/2026 -- 4/24/2031	$4,800,000	$4,800,000	Invitation for Bids	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Trelita Perry/Environmental Services
O2	Expense	Mod #1 - Third Party Administrator for Workers' Compensation	Cannon Cochran Management Services, Inc.	4/22/2026 -- 10/31/2026	$135,000	$1,635,424	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Sean Doody/Institutional Risk Management
O3	Expense	Mod # 2 Fleet Management Automotive Service & Repairs	AD AUTO ENTERPRISES, LLC dba DTX AUTOMOTIVE	4/22/2026-6/4/2028	$600,000	$1,085,000	Sole Source Modification	Yes	Melvin Jenkins/Fleet Management

FY26 Facilities Project List:

A. **Mike A. Myers Health Center**
B. **Richland** Clinic Replacement
C. **Parkland Campus** - OK Paper Warehouse Demolition & Surface Parking
D. **Parkland Hospital** – ACH 8th and 9th Floor Shell Buildout
E. **Parkland Hospital** - Emergency Department Triage Expansion
F. **Parkland Hospital** – Interventional Radiology Expansion Rooms 5&6
G. **Parkland Hospital** – Lab Consolidation
H. **Irving Health Center** - Community Oriented Primary Care (COPC) Renovation of Optometry Lane Expansion
I. **Garland Medical Plaza III** – Garland Plaza III Third Floor ARC and Podiatry
J. **Parkland Hospital** – Cardiac EP Lab Shell Buildout
K. **Parkland Campus** – Pediatric Behavioral Health Center Renovation
L. **Parkland Campus** - Redfield Parking Lot Improvements
M. **Parkland Hospital** – Butler Street Childcare Center Playground
N. **Inland Port**
O. **Southeast**

Discussion Regarding Updates to the Board Bylaws Related to the Budget, Finance & Infrastructure Committee Name

BYLAWS

OF THE

BOARD OF MANAGERS OF THE

DALLAS COUNTY HOSPITAL DISTRICT

Initial Board Approval: April 28, 2001
Revised: March 27, 2007
October 23, 2007
January 22, 2008
March 25, 2008
July 28, 2009
September 22, 2009
June 28, 2011
April 24, 2012
August 28, 2013
July 29, 2014
January 13, 2016
August 24, 2016
November 18, 2020
October 27, 2021
June 29, 2022
December 14, 2022
March 25, 2026
April 2026

PREAMBLE

The Dallas County Hospital District (hereinafter referred to as the "Hospital District") is established and operated pursuant to Chapter 281, Texas Health & Safety Code), and the Hospital District is governed by such statute and other applicable laws of the State of Texas. The provisions of the governing laws, therefore, are included in these Bylaws only to the extent necessary for clarification. In order to provide for the orderly implementation of the statutes of authorization, the Board of Managers (therein and hereinafter referred to as the "Board") adopts the following Bylaws.

ARTICLE I.

VISION

We will advance Health Equity through excellence as a Public Health System.

ARTICLE II.

MISSION

Advance Wellness | Relieve Suffering | Develop and Educate

ARTICLE III.

VALUES

Serving as our cultural cornerstone, Parkland's values are those inherent principles that guide our organization and are reflected in our employees' actions.

Parkland's values are:

I CARE

Integrity
I will be honest, trustworthy, authentic, humble and transparent.

Compassion and Collaboration
I will provide service in a spirit of empathy, concern, and love. I will work together with others to deliver excellent care for our community.

Accountability
I will hold myself and others responsible for high standards of excellence, stewardship, and will welcome feedback.

Respect
I will value the unique and diverse experiences of others and treat everyone with kindness and humility.

Equity
I will value the diversity of patients and colleagues and strive to promote everyone's health, dignity, and voice.

ARTICLE IV.

DUTIES OF THE BOARD

4.1 As the governing body of the Hospital District, the Board has fiduciary and statutory duties to ensure that the Hospital District is administered and operated effectively and that it fulfills its statutory mission as a public safety net health system and an academic medical center. The Board is ultimately responsible for the access to, and quality of, care provided by the Hospital District and for the safety of its patients. Subject to any express statutory or regulatory provisions or restrictions, and as more fully described in these Bylaws, the Board's oversight shall include but not be limited to the following areas: the hiring, evaluation, and termination of certain executives who are dual reports to the Board and the CEO as set forth below; budget development and post-approval implementation; public communications; external affairs; community and government relations; provider credentialing and privileging; medical staff affairs; executive compensation; adoption and adherence to financial policies and reporting; human resources policies; legal and regulatory compliance; and strategic planning. The Board shall have the sole authority to hire, evaluate, and terminate the Chief Executive Officer ("CEO"). The Chief Audit Officer and the Chief Legal Officer and General Counsel ("General Counsel") shall have dual reporting responsibility to the CEO and the Board. Therefore, a simple majority of a quorum of the Board attending the meeting plus the CEO are required for the hiring and termination of the Chief Audit Officer and the General Counsel. The CEO shall conduct the evaluations of the Chief Audit Officer and the General Counsel, in consultation with the Board. The Board is also responsible for the orientation, development and education of Board members and for evaluating the Board's overall performance.

4.2 Every five (5) years, the Board will retain an independent board governance expert to review and evaluate the Board's governance practices considering industry best practices. The expert will make recommendations to the Board regarding best practices and the actions the Board should consider taking to enhance its governance practice.

ARTICLE V.

MEMBERSHIP OF THE BOARD

5.1 The Board shall consist of eleven members, who serve without compensation and through appointment by the Commissioners Court. Members serve a term of three years and can serve up to two consecutive terms. The Commissioners Court fills the remainder of any unexpired term. Board members may serve until a successor is appointed and qualified.

ARTICLE VI.

OFFICERS OF THE HOSPITAL DISTRICT

6.1 Election of Officers. At its annual meeting every two years, the Board shall elect a Chair, Vice Chair, and Secretary. The Board Officers shall serve a two-year term and may serve up to two consecutive terms in any office. The Board Officers shall be eligible for reelection after expiration of a two-year term following their service as an officer. Board Officer nominees are preferred to have one year of service on the Board and must be on an unexpired term or eligible for reappointment. The General Counsel of the Hospital District shall serve as Assistant Secretary. The Board may from time to time establish procedures for the nomination and election of Board officers.

6.2 Vacancies. A vacancy in any office shall be filled by the Board of Managers by election at any regular or special meeting. The vacancy shall be filled for the remainder of the current term.

6.3 Duties of Chair

6.3.1 The Chair shall preside at all meetings of the Board.

6.3.2 The Chair shall appoint the members of all standing committees and designate their Chair. The Chair shall appoint all special committees and shall fill all committee vacancies that may arise therein.

6.3.3 With regard to Board committees on which the Chair is not a standing committee member, the Chair shall be an ex-officio member, without vote, provided, however, that the Chair may be appointed as a temporary member to such committee under Article VII, Section 7.9.2 with the right to vote, if necessary, to constitute a quorum.

6.3.4 The Chair may, at the Chair's discretion unless otherwise instructed by the Board, refer matters coming before the Board to the proper committee of said Board for consideration, recommendation, or action if authorized to take such action by these Bylaws or the Board.

6.3.5 The Chair or the Chair's designee shall execute all Board correspondence on behalf of the Board.

6.3.6 The Chair or the Chair's designee shall cause a certified agenda, minutes, or other appropriate record to be prepared for any open or closed meeting at which the Secretary or Assistant Secretary is not present.

6.4 Duties of the Vice Chair. The Vice Chair shall perform the duties of the Chair in the Chair's absence or in the event of the Chair's resignation, death, disability or inability to serve pending selection of the Chair's successor at either a regular or special meeting of the Board to be held as soon as reasonably practical.

6.5 Duties of the Secretary

6.5.1 The Secretary shall be a member of the Board or the Hospital District's administrator/CEO. The Secretary shall keep suitable records of all proceedings of each meeting of the Board and its committees. Such records shall be read and signed after each meeting by the Chair or the member presiding and attested to by the Secretary.

6.5.2 In addition to the duties herein before described, the Secretary assisted by the Chief Governance Officer shall notify the members of the Board of all regular and special meetings of the Board and its committees in the following fashion:

(a) For all regular meetings, the Secretary shall notify all members in writing or electronically at least 72 hours in advance of such meetings.

(b) In the event of special meetings of the Board or a Committee, the Secretary shall notify each Board member via telephone or by other appropriate immediate means. If the Secretary cannot reach a Board member via telephone, the Secretary shall notify such Board member of the date, time and specific purpose of such special meeting via wire, facsimile, or electronic mail sent to the Board member's home or office setting.

(c) The Secretary shall comply with the requirements of the Texas Open Meetings Act and applicable laws concerning Medical Peer Review with respect to all notices of Board and committee meetings.

(d) The Secretary shall record all votes by Board members by name, except when all members are present and the vote is unanimous, or by other means that clearly record how each Board member voted.

6.6 Duties of the Assistant Secretary

6.6.1 The General Counsel shall serve as the Assistant Secretary and, in the absence or at the request of the Secretary, may perform any act required of the Secretary by the Bylaws.

6.6.2 In the event there is a requirement or request that the Chief Executive Officer's signature or office be verified or certified, such verification or certification shall be performed by the Assistant Secretary. If the Assistant Secretary is unable to verify or certify the signature of the office of the CEO then the Chair of the Board or the Vice Chair of the Board is authorized to perform either of such functions.

ARTICLE VII.

COMMITTEES OF THE BOARD

The Committees of the Board shall be standing or special. The Standing Committees shall consistent of the following: (1) Audit; (2) Budget and Finance; (3) Talent Development and Executive Compensation; (4) Quality of Care and Patient Safety; (5) Governance, Compliance and Ethics; and such other Standing Committees as the Board may authorize. In the absence of specific authority delegated by the Board, Standing Committees shall have authority only to make recommendations to the Board. The Board may appoint ex officio, non-voting advisors with subject matter expertise or experience to its Standing Committees. The determination of whether a quorum is present shall be based on the number of Board members on the Standing Committee.

7.1 Audit Committee

7.1.1 The Audit Committee shall consist of a Chair and at least two other members of the Board. It shall receive and review audit reports prepared by the Internal Audit Services Department and assist with the Department's audit planning. The Audit Committee shall review the staffing needs and the budget of the Internal Audit Services Department. The Committee is also responsible for the oversight of the Hospital District's internal controls, and the Internal Audit Services Department and the Chief Audit Executive. The Audit Committee shall also receive periodic reports from the General Counsel on litigation matters.

7.1.2 The executive liaisons to the Committee shall be the Chief Financial Officer, Chief Audit Executive, Chief Governance Officer, and the General Counsel, all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.2 Budget ~~and~~ , Finance and Infrastructure Committee

7.2.1 The Budget ~~and~~, Finance and Infrastructure Committee shall consist of a Chair and at least two other members of the Board. The Committee shall at all times be familiar with the income and expenditures of the Hospital District (appropriately seeking additional supportive material, as necessary for understanding); advise the Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer in connection with the preparation of the Budget; review the proposed budget in advance of presentation to the Board; and make recommendations to the Board. The Committee shall provide reports and make recommendations regarding the investment of assets of all Dallas County Hospital District employee retirement plans, as appropriate or necessary. The Committee shall exercise general oversight of purchasing activities and contracts and shall recommend to the Board policies or procedures related to contracting for goods and services.

7.2.2 The Committee shall exercise general oversight over institutional proposals, involving building projects and equipment, included in the development and construction of new buildings for the Hospital District. The Committee shall also be responsible for providing general oversight for the Hospital District's facilities related activities, including its facilities operations, maintenance, grounds, real estate holdings, and leasehold interests.

7.2.3 Within the specific parameters adopted by the Board, the Committee shall review change orders on the construction of new building projects for the Hospital District of $100,000 or more that have been entered into by the Hospital District on a quarterly basis.

7.2.4 Within specific parameters adopted by the Board from time to time, the Committee shall have the authority to approve contracts requiring Board approval and shall provide routine reports to the Board of its actions and consideration of such contracts.

7.2.5 The executive liaisons to the Committee shall be the Chief Executive Officer, the Chief Financial Officer, Chief Governance Officer, and the General Counsel, all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.3 Talent Development and Executive Compensation Committee

7.3.1 The Talent Development and Executive Compensation Committee shall consist of a Chair and at least two other Board members. The Committee shall review the performance of the CEO and evaluate, determine and recommend appropriate compensation to the Board. The Committee shall work closely with the Chief Executive Officer, the General Counsel, and the Chief Talent Officer to evaluate and recommend the Hospital District's Executive Compensation philosophy to the Board.

7.3.2 The executive liaisons to the Committee shall be the CEO, the Chief Talent Officer, and the Chief Governance Officer, all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.4 Quality of Care and Patient Safety Committee

7.4.1 The Quality of Care and Patient Safety Committee shall consist of a Chair and at least two other Board members. The Board has oversight authority over the health system's Quality, Safety, and Performance Improvement Program (the "Quality Program"). The Committee shall assist the Board with its charge to oversee patient safety and quality of care. The Committee is responsible for assessing the delivery of quality patient care throughout the system. The Committee shall assist in determining the need for policies, procedures, and practices that, through continuous quality improvement, achieve the optimal level of quality and safety to patients in a cost-effective manner. The Hospital District's management will provide reports on clinical quality and patient safety activities. These reports may address such issues as clinical quality, patient safety, and compliance with regulatory and accreditation activities.

7.4.2 The Committee may evaluate requests for credentials (*i.e.,* Privileges and Membership) of a Practitioner or Non-Physician Clinical Provider and recommend the

Board approves, deny or modify the requests. The Board shall have final authority regarding credential decisions.

7.4.3 The Committee shall have the authority to approve routine peer review recommendations from the MEC that require Board approval and shall provide routine reports to the Board of its actions and consideration on such matters.

7.4.4 The Committee may consider the MEC's recommendation after a formal investigation and recommend action to the Board. The Board shall make the final decision. The Board also has the final authority to restrict or revoke Privileges or Membership based upon concerns regarding competence or professional conduct.

7.4.5 The executive liaisons to the Committee shall be the Chief Medical Officer, Chief Quality and Patient Safety Officer & Associate Chief Medical Officer, and the Chief Governance Officer all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.5 Governance, Compliance, and Ethics Committee

7.5.1 The Governance, Compliance and Ethics Committee shall consist of a Chair and at least two other Board members. The Committee shall be responsible for driving Board development, orientation, education, succession planning, and self-assessment. The Committee shall assist the Board with its charge to oversee and implement effective board governance practices.

7.5.2 The Committee is also responsible for the oversight of the Hospital District's Compliance and Ethics Program, the Chief Compliance and Ethics Officer, the

Compliance and Ethics Department, and the Hospital District's compliance with federal and state statutes and regulations, including those that apply to federal healthcare programs.

7.5.3 The executive liaisons to the Committee shall be the Chief Executive Officer, General Counsel, Chief Compliance and Ethics Officer, and the Chief Governance Officer all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.6 Special Committees

7.6.1 The Chair of the Board may appoint Special Committees of the Board as deemed appropriate by the Chair. The Chair may appoint ex officio, non-voting advisors with subject matter expertise or experience to a Special Committee as deemed appropriate by the Chair. The determination of whether a quorum is present shall be based on the number of Board members on the Special Committee. Special Committees shall limit their activities to the accomplishment of the task for which they are created and appointed and shall have authority only to make recommendations to the Board, unless specific authority is delegated to the Special Committee by the Board. Upon completion of the task for which they are appointed, or at such earlier times as may be determined by the Board, such Special Committees shall be disbanded.

7.7 Meetings

7.7.1 All Standing and Special Committees shall meet at the request of the Committee Chair, the Chair of the Board, or any five members of the Board. A majority of the members of the Committee shall constitute a quorum.

7.7.2 The Chair of the Board may appoint a temporary member or members to any Committee that does not have a quorum present so that a meeting may be conducted. The Committee Chair of a Committee may appoint a temporary member or members to that Committee if the Committee does not have a quorum present so that the meeting might be conducted. Temporary members shall have full authority to vote and participate in meetings for all purposes. Temporary membership terminates at the conclusion of the meeting.

7.7.3 In addition to the duties otherwise prescribed for them, Standing Committees shall be available to receive requests or recommendations from the CEO or her/his designee for assistance with matters concerning their respective areas of responsibility.

7.7.4 The following Standing Committees will have one-on-one sessions with the following Board direct reports, individually, as needed, but no less than annually, as follows:

(a) Audit Committee – Chief Audit Executive

(b) Quality of Care and Patient Safety Committee – Chief Quality and Safety Officer & Associate Chief Medical Officer

(c) Governance, Compliance, and Ethics Committee - Chief Compliance and Ethics Officer

7.8 Vacancies. Any vacancy on any Committee shall be filled by the Chair of the Board.

ARTICLE VIII.

MEETINGS OF THE BOARD

8.1 Regular Meetings

8.1.1 There shall be regular meetings of the Board as determined by the Chair of the Board, provided that meetings are held not less than quarterly.

8.1.2 The agenda for these meetings shall include any items appropriate for governing and overseeing the affairs of the Hospital District.

8.1.3 The Board will have one-on-one sessions in Executive Session with the CEO, Chief Audit Officer, and General Counsel, individually, as needed, but no less than annually, and as allowed by law.

8.2 Annual Meetings: Board Officer Election

8.2.1 The annual meeting shall be the first regular meeting following the first day of January each year.

8.2.2 The Board shall hold Board Officer Elections every two years and shall follow the then current Board Election Process adopted by the Board, which may be amended from time to time. The agenda for the annual meeting that includes Board Officer Elections shall include:

(a) Election and installation of officers of the Board; and

(b) Such other matters as may come to the attention of the Board.

8.3 Special Meetings. Special meetings of the Board may be called by the Chair of the Board, or by the Secretary at the request of at least five members of the Board, and when so called shall confine the activities of the special meeting to the purpose for which it was called. Notice of the special meetings shall be governed by the provisions of these Bylaws and the Texas Open Meetings Act.

8.4 Emergency Meetings. Emergency Meetings are limited to agenda items wherein there exists an imminent threat to the public health and safety or reasonable unforeseeable situations requiring immediate action by the Hospital District as authorized by the Texas Open Meetings Act or as otherwise provided by law. One hour is sufficient advance notice, provided all other provisions of State law are met, including notice to the news media.

8.5 Continued Meetings. Any regular, annual, or special meetings may be continued from time to time until the business thereof is accomplished as provided by the Texas Open Meetings Act and applicable law; provided, however, that no continuation shall extend beyond the next regular business day after the day on which the meeting was called. If a meeting is to be continued before the next regular business day, notice required for a meeting under the Texas Open Meetings Act or as otherwise provided by law must be given. Unless otherwise directed by the Board at the time of any recess of a meeting, the Chair shall designate the time and place for the meeting to be reconvened to the following regular business day.

8.6 Quorum. The presence of the majority of the Board shall constitute a quorum for the transaction of business, and a lesser number may recess a meeting until a later specified date when a quorum shall be present.

8.7 Failure to Attend. In accordance with the Board and Committee Guidelines, members of the Board shall endeavor to regularly attend all Board meetings and the meetings of the Committees of which they are a member. If a Board member's attendance is unsatisfactory, the Chair may counsel with said member to encourage better attendance. As necessary, a report of each member's attendance at all Board and Committee meetings shall be prepared for and presented to the Commissioners Court for review.

8.8 Public Meetings. All regular, annual, or special meetings of the Board shall be open to the public, except that the Board may hold Executive Sessions or Closed Meetings as authorized by the Texas Open Meetings Act and applicable law.

8.9 Notice of Meetings. Notice of any regular or special meetings of the Board shall be as specified in Article VI, Sections 6.5.2 (a) and (b).

ARTICLE IX.

CONDUCT OF BUSINESS

9.1 Order of Business for Regular Meetings. The order of business for regular meetings should be determined by the Chair of the Board, subject to such changes as may be made by vote of the Board.

9.2 Public Comments. The "public comments" agenda item allows any member of the public wishing to appear before the Board to speak at an open Board or Committee meeting pursuant to the policies and procedures adopted by the Board and as authorized by the Open Meeting. At a minimum, such procedures shall allow members of the public to comment on items placed on the agenda prior to action and for a designated amount of time. If more than one person is present to speak

on the same matter or topic, they will choose one person to represent the group or divide the time allotment amongst them. In the event the group cannot agree on the representative to speak or agree on the allocation of time, the Chair may designate a representative or allocate the time. The Board may extend the time limits as it deems appropriate.

9.3 Rules of Order. The most recent edition of *Robert's Rules of Order* may be utilized as a guide, but shall not be required, to assist in the proceedings of meetings of the Board in all cases to which same are applicable and which are not inconsistent with the Bylaws of the Board and applicable laws. The Chair shall endeavor to carry out the meeting in an efficient, fair and productive manner.

9.4 Records of the Meetings. Minutes of all meetings of the Board and Committees shall be sent to all the Board members in advance of the next scheduled Board meeting at which the minutes will be reviewed.

ARTICLE X.

MEDICAL STAFF

10.1 Membership.

10.1.1 The Medical Executive Committee shall be selected and governed as referenced in the Medical Staff Bylaws. The Medical Staff Bylaws shall provide a mechanism for medical staff governance, including an executive body, the Medical Executive Committee, which shall act for and report to the Medical Staff. The Medical Executive Committee shall make recommendations and advise the Board regarding issues that pertain to the Medical staff.

10.1.2 The Board shall appoint a Medical Staff composed of physicians, dentists, oral and maxillofacial surgeons, or podiatrists and shall see that they are organized into a responsible administrative unit and adopt such bylaws, rules, and regulations for governance of their practice in the Hospital District as the Board deems to be of the greatest benefit to the care of patients. Such appointments will be made in accordance with the Medical Staff Bylaws. The Medical Staff Bylaws and Medical Staff Rules and Regulations shall include a procedure for making recommendations to the Board concerning staff appointments and re-appointments, as well as granting, reducing, suspending, and revoking clinical privileges based on the individual's qualifications, experience, and current professional competence. The Medical Staff Bylaws shall also include a mechanism for reviewing decisions related to these recommendations, including the right to be notified of application status when requested by the practitioner. The final decision in these reviews must be rendered by the Board within a reasonable period of time.

10.1.3 The executive body of the Medical Staff will make its medical staff recommendations to the Board after conducting the due diligence required by, and in accordance with the procedures set forth in, the Medical Staff Bylaws. When the Board does not concur with the recommendation of the executive body of the Medical Staff relative to

medical staff appointment, reappointment, or termination of appointment and/or the granting, reducing, suspending or revoking of clinical privileges, there shall be provision for a review of the recommendation consistent with the Medical Staff Bylaws before the Board renders a final decision. No applicant shall be denied medical staff membership and/or clinical privileges on the basis of age, race, creed, color, religion, national origin, sexual orientation, gender, gender identity, gender expression, or genetic information.

10.1.4 Non-Physician Clinical Providers are credentialed, privileged, reviewed, recommended, and ultimately approved or denied by the Board as outlined in the Medical Staff Bylaws.

10.2 Bylaws of Medical Staff. The Medical Staff shall be governed by its own Bylaws. Such Bylaws shall be subject to approval by the Board, and changes in such Bylaws thereafter shall not take effect until approved by the Board. The Medical Staff Bylaws and Rules and Regulations may not be unilaterally amended by either the Medical Staff or the Board of Managers, except that the Medical Staff Rules and Regulations may be provisionally amended by the Medical Executive Committee on an urgent basis to comply with laws and regulations; provided, however, the Medical Executive Committee shall notify the Board of any such urgent provisional amendments at the next meeting of the Board's Quality of Care and Patient Safety Committee.

ARTICLE XI.

ADMINISTRATION

11.1 Administrator/Chief Executive Officer. The Board shall appoint an Administrator, qualified by training and experience, who shall be the Chief Executive Officer of the Hospital District. The CEO shall be selected by a majority vote of the members of the Board at such compensation as determined by the Board. The CEO shall be given the necessary authority and be held responsible for the management of the Hospital District in accordance with the law and policies and procedures adopted or approved by the Board. The CEO shall employ and direct the work of all employees except as otherwise provided in these Bylaws. The CEO shall attend meetings of the Board, except as the Board may otherwise determine, and, as required, shall make reports to the Board. The CEO shall supervise the work and activities of the Hospital District and provide the general direction of its affairs in accordance with applicable policies, rules, and regulations. The Board will annually evaluate the performance of the CEO based on criteria established by the Board in consultation with the CEO.

11.2 Chief Governance Officer. The Board shall designate a Chief Governance Officer, who shall work in coordination with the CEO to ensure Board members have timely access to the information necessary for consideration and decision by the Board and its Committees. The Chief Governance Officer in consultation with the CEO, General Counsel, and Board Committee Liaisons will also draft agendas (with the final approval of such agenda being with the Board or Committee Chair) and assist with Board and Committee meetings as directed by the Board and with attention to priority Board and Committee matters as specified by the Board and Committee Chairs. In addition,

the Chief Governance Officer will manage the annual Board development process.

ARTICLE XII.

FINANCIAL OPERATIONS

12.1 Funds. Current operating and capital funds may be expended by the CEO to accomplish the activities of the Hospital District within the Budget approved annually by the Board. Interest and sinking funds that are set aside by the Board from the proceeds of the Hospital District tax may be used only to pay the interest and principal payments in accordance with a prearranged plan.

12.2 Annual Audit. The financial records of the Hospital District and its facilities shall be audited annually by an independent certified public accountant selected by the Board.

12.3 Purchasing. The purchasing activities of the Hospital District and its facilities shall be conducted in accordance with policies approved by the Board.

ARTICLE XIII.

ANCILLARY ORGANIZATIONS

13.1 In addition to the Parkland Health Auxiliary, the Board may establish any ancillary organizations as it may deem necessary for the accomplishment of its objectives. The ancillary and advisory functions of such bodies shall be clearly defined. Their bylaws, rules, and regulations, and changes thereto, shall always be subject to approval by the Board before becoming effective and shall be ratified by the Board periodically. Their contacts with the internal organization of the Hospital District shall always be through the CEO or his designated representative.

ARTICLE XIV.

GIFTS AND REQUESTS

14.1 The Board recognizes the Parkland Foundation, a Texas non-profit corporation, as an authorized fundraising agent and the administrator of charitable and grant funds on behalf of the Hospital District. In accordance with Sections 501(c) 3 and 509(a)1 of the Internal Revenue Code, the Parkland Foundation qualifies as the charitable support organization of a government entity and is controlled by the Hospital District through appointment of a majority of directors to the Parkland Foundation Board.

14.2 On behalf of the Hospital District, the Parkland Foundation is authorized to solicit and accept donations, gifts, endowments, and grants to be held in trust and administered by Parkland Foundation Board of Directors for such purposes and under such directions, limitation, and provisions as may be described in writing by the donor or grantor. Such administration shall be consistent with the proper management and objectives of the Hospital District. Such monies shall be accounted for in the same manner as all other funds of the Hospital District.

14.3 Donations upon which the donor has placed condition of use are to be held in trust by Parkland Foundation and may be expended only for the purposes specified.

ARTICLE XV.

POLICY AND OFFICIAL POSITION STATEMENTS

15.1 Policy and official position statements of the Board will be made only after concurrence by a majority vote of the Board and shall be issued to the news media only through the Chair or the Chair's designee or the CEO.

ARTICLE XVI.

CONFLICT OF BYLAWS

16.1 If any provision of these Bylaws now or hereafter conflicts with any statute or any other law of the State of Texas relating to the operation of the Hospital District, such statute or other law, as long as it is in effect, shall take precedence over these Bylaws.

ARTICLE XVII.

CONFLICT OF INTEREST

17.1 To avoid conflicts of interest, all Board members shall comply with the Hospital District's Conflict of Interest Policy applicable to Board members, and no Board member, officer, or employee of the Hospital District shall:

(a) have a substantial interest or substantial ownership in a firm that supplies, or knowingly seeks to supply goods or services to the Hospital District; or

(b) engage in outside business ventures which would conflict with their duties as Board members.

17.2 Board members, Officers, Department Directors, and other personnel as determined by policy will be required to complete a disclosure statement, including such information, in such form, and at such times as may be required by the Board from time to time.

17.3 Board members must execute a disclosure statement at the time of their appointment and reappointment, and annually thereafter. The General Counsel and the Chief Compliance and Ethics Officer will maintain current disclosure statements for each Board member.

ARTICLE XVIII.

INDEMNIFICATION OF MEMBERS OF THE BOARD AND OFFICERS OF THE HOSPITAL DISTRICT

To the extent permitted by law, each person who is a current or past member or officer of the Board of the Hospital District and any person who acts as a member or officer of any subsidiary or affiliate organization of the Hospital District, when acting in good faith and in a manner reasonably believed to be in the best interests of the District, shall be indemnified by the Hospital District against any costs, expenses, and liabilities, regardless of when they arise, that may be imposed or reasonably incurred by the indemnitee in connection with any civil or criminal proceeding in which such indemnitee may be named as a party by reason of being, or having been, or by reason of any action alleged to have been taken or not taken by the indemnitee acting in the capacity described above. In the event of the death of an indemnitee, the right of indemnification shall extend to such indemnitee's legal representative.

The indemnification provided herein shall not extend to any costs, expenses, or liabilities imposed upon or incurred by any indemnitee in relation to matters which such indemnitee shall be adjudged to be liable for gross negligence or to any sum paid by the indemnitee to the Hospital District or to such subsidiary or affiliated organization in settlement of any action, suit, or proceeding based on the indemnitee's actions.

These indemnification provisions are expressly made subject to funds being available in the Hospital District's annual budget approved by the Commissioners Court to pay the Hospital District's obligation. To the extent such funds are not available, the Hospital District shall use its best efforts to obtain such funds in the following or subsequent years (unless the Commissioners Court has indicated such budget request will not be approved). Indemnification pursuant to this Article shall be in addition to any coverage available through the Hospital District's applicable policy of Director's and Officer's insurance.

ARTICLE XIX.

AMENDMENTS

19.1 A Bylaws Committee will be appointed by the Chair no less than every three years to review and make recommendations concerning amendments. Amendments to the Bylaws shall require an eight-elevenths vote of the entire Board and can be enacted at any regular meeting or at any special meeting called for such purpose, provided the proposed changes in the Bylaws have been furnished in writing to each member of the Board at least five days prior to the date set for action thereon. This latter provision may be waived by board action or a unanimous vote of all members of the Board when all members of the Board are in attendance. All Bylaws amendments must be consistent with applicable laws.

ARTICLE XX.

ADOPTION

20.1 The bylaws, as amended, shall become effective immediately upon their adoption by the Board and supersede all previous Bylaws adopted by the Board.

20.2 These Bylaws, as amended, were adopted by the Board of Managers of the Dallas County Hospital District of Dallas County, Texas, at its regular meeting on the 25th day of March, 2026.

_____
Vincent Hall, Chair
Dallas County Hospital District
March 25th, 2026

BYLAWS

OF THE

BOARD OF MANAGERS OF THE

DALLAS COUNTY HOSPITAL DISTRICT

Initial Board Approval: **April 28, 2001**
Revised: **March 27, 2007**
October 23, 2007
January 22, 2008
March 25, 2008
July 28, 2009
September 22, 2009
June 28, 2011
April 24, 2012
August 28, 2013
July 29, 2014
January 13, 2016
August 24, 2016
November 18, 2020
October 27, 2021
June 29, 2022
December 14, 2022
March 25, 2026
April 2026

PREAMBLE

The Dallas County Hospital District (hereinafter referred to as the "Hospital District") is established and operated pursuant to Chapter 281, Texas Health & Safety Code), and the Hospital District is governed by such statute and other applicable laws of the State of Texas. The provisions of the governing laws, therefore, are included in these Bylaws only to the extent necessary for clarification. In order to provide for the orderly implementation of the statutes of authorization, the Board of Managers (therein and hereinafter referred to as the "Board") adopts the following Bylaws.

ARTICLE I.

VISION

We will advance Health Equity through excellence as a Public Health System.

ARTICLE II.

MISSION

Advance Wellness | Relieve Suffering | Develop and Educate

ARTICLE III.

VALUES

Serving as our cultural cornerstone, Parkland's values are those inherent principles that guide our organization and are reflected in our employees' actions.

Parkland's values are:

I CARE

Integrity
I will be honest, trustworthy, authentic, humble and transparent.

Compassion and Collaboration
I will provide service in a spirit of empathy, concern, and love. I will work together with others to deliver excellent care for our community.

Accountability
I will hold myself and others responsible for high standards of excellence, stewardship, and will welcome feedback.

Respect
I will value the unique and diverse experiences of others and treat everyone with kindness and humility.

Equity
I will value the diversity of patients and colleagues and strive to promote everyone's health, dignity, and voice.

ARTICLE IV.

DUTIES OF THE BOARD

4.1 As the governing body of the Hospital District, the Board has fiduciary and statutory duties to ensure that the Hospital District is administered and operated effectively and that it fulfills its statutory mission as a public safety net health system and an academic medical center. The Board is ultimately responsible for the access to, and quality of, care provided by the Hospital District and for the safety of its patients. Subject to any express statutory or regulatory provisions or restrictions, and as more fully described in these Bylaws, the Board's oversight shall include but not be limited to the following areas: the hiring, evaluation, and termination of certain executives who are dual reports to the Board and the CEO as set forth below; budget development and post-approval implementation; public communications; external affairs; community and government relations; provider credentialing and privileging; medical staff affairs; executive compensation; adoption and adherence to financial policies and reporting; human resources policies; legal and regulatory compliance; and strategic planning. The Board shall have the sole authority to hire, evaluate, and terminate the Chief Executive Officer ("CEO"). The Chief Audit Officer and the Chief Legal Officer and General Counsel ("General Counsel") shall have dual reporting responsibility to the CEO and the Board. Therefore, a simple majority of a quorum of the Board attending the meeting plus the CEO are required for the hiring and termination of the Chief Audit Officer and the General Counsel. The CEO shall conduct the evaluations of the Chief Audit Officer and the General Counsel, in consultation with the Board. The Board is also responsible for the orientation, development and education of Board members and for evaluating the Board's overall performance.

4.2 Every five (5) years, the Board will retain an independent board governance expert to review and evaluate the Board's governance practices considering industry best practices. The expert will make recommendations to the Board regarding best practices and the actions the Board should consider taking to enhance its governance practice.

ARTICLE V.

MEMBERSHIP OF THE BOARD

5.1 The Board shall consist of eleven members, who serve without compensation and through appointment by the Commissioners Court. Members serve a term of three years and can serve up to two consecutive terms. The Commissioners Court fills the remainder of any unexpired term. Board members may serve until a successor is appointed and qualified.

ARTICLE VI.

OFFICERS OF THE HOSPITAL DISTRICT

6.1 Election of Officers. At its annual meeting every two years, the Board shall elect a Chair, Vice Chair, and Secretary. The Board Officers shall serve a two-year term and may serve up to two consecutive terms in any office. The Board Officers shall be eligible for reelection after expiration of a two-year term following their service as an officer. Board Officer nominees are preferred to have one year of service on the Board and must be on an unexpired term or eligible for reappointment. The General Counsel of the Hospital District shall serve as Assistant Secretary. The Board may from time to time establish procedures for the nomination and election of Board officers.

6.2 Vacancies. A vacancy in any office shall be filled by the Board of Managers by election at any regular or special meeting. The vacancy shall be filled for the remainder of the current term.

6.3 Duties of Chair

6.3.1 The Chair shall preside at all meetings of the Board.

6.3.2 The Chair shall appoint the members of all standing committees and designate their Chair. The Chair shall appoint all special committees and shall fill all committee vacancies that may arise therein.

6.3.3 With regard to Board committees on which the Chair is not a standing committee member, the Chair shall be an ex-officio member, without vote, provided, however, that the Chair may be appointed as a temporary member to such committee under Article VII, Section 7.9.2 with the right to vote, if necessary, to constitute a quorum.

6.3.4 The Chair may, at the Chair's discretion unless otherwise instructed by the Board, refer matters coming before the Board to the proper committee of said Board for consideration, recommendation, or action if authorized to take such action by these Bylaws or the Board.

6.3.5 The Chair or the Chair's designee shall execute all Board correspondence on behalf of the Board.

6.3.6 The Chair or the Chair's designee shall cause a certified agenda, minutes, or other appropriate record to be prepared for any open or closed meeting at which the Secretary or Assistant Secretary is not present.

6.4 Duties of the Vice Chair. The Vice Chair shall perform the duties of the Chair in the Chair's absence or in the event of the Chair's resignation, death, disability or inability to serve pending selection of the Chair's successor at either a regular or special meeting of the Board to be held as soon as reasonably practical.

6.5 Duties of the Secretary

6.5.1 The Secretary shall be a member of the Board or the Hospital District's administrator/CEO. The Secretary shall keep suitable records of all proceedings of each meeting of the Board and its committees. Such records shall be read and signed after each meeting by the Chair or the member presiding and attested to by the Secretary.

6.5.2 In addition to the duties herein before described, the Secretary assisted by the Chief Governance Officer shall notify the members of the Board of all regular and special meetings of the Board and its committees in the following fashion:

(a) For all regular meetings, the Secretary shall notify all members in writing or electronically at least 72 hours in advance of such meetings.

(b) In the event of special meetings of the Board or a Committee, the Secretary shall notify each Board member via telephone or by other appropriate immediate means. If the Secretary cannot reach a Board member via telephone, the Secretary shall notify such Board member of the date, time and specific purpose of such special meeting via wire, facsimile, or electronic mail sent to the Board member's home or office setting.

(c) The Secretary shall comply with the requirements of the Texas Open Meetings Act and applicable laws concerning Medical Peer Review with respect to all notices of Board and committee meetings.

(d) The Secretary shall record all votes by Board members by name, except when all members are present and the vote is unanimous, or by other means that clearly record how each Board member voted.

6.6 Duties of the Assistant Secretary

6.6.1 The General Counsel shall serve as the Assistant Secretary and, in the absence or at the request of the Secretary, may perform any act required of the Secretary by the Bylaws.

6.6.2 In the event there is a requirement or request that the Chief Executive Officer's signature or office be verified or certified, such verification or certification shall be performed by the Assistant Secretary. If the Assistant Secretary is unable to verify or certify the signature of the office of the CEO then the Chair of the Board or the Vice Chair of the Board is authorized to perform either of such functions.

ARTICLE VII.

COMMITTEES OF THE BOARD

The Committees of the Board shall be standing or special. The Standing Committees shall consistent of the following: (1) Audit; (2) Budget and Finance; (3) Talent Development and Executive Compensation; (4) Quality of Care and Patient Safety; (5) Governance, Compliance and Ethics; and such other Standing Committees as the Board may authorize. In the absence of specific authority delegated by the Board, Standing Committees shall have authority only to make recommendations to the Board. The Board may appoint ex officio, non-voting advisors with subject matter expertise or experience to its Standing Committees. The determination of whether a quorum is present shall be based on the number of Board members on the Standing Committee.

7.1 Audit Committee

7.1.1 The Audit Committee shall consist of a Chair and at least two other members of the Board. It shall receive and review audit reports prepared by the Internal Audit Services Department and assist with the Department's audit planning. The Audit Committee shall review the staffing needs and the budget of the Internal Audit Services Department. The Committee is also responsible for the oversight of the Hospital District's internal controls, and the Internal Audit Services Department and the Chief Audit Executive. The Audit Committee shall also receive periodic reports from the General Counsel on litigation matters.

7.1.2 The executive liaisons to the Committee shall be the Chief Financial Officer, Chief Audit Executive, Chief Governance Officer, and the General Counsel, all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.2 Budget, Finance and Infrastructure Committee

7.2.1 The Budget, Finance and Infrastructure Committee shall consist of a Chair and at least two other members of the Board. The Committee shall at all times be familiar with the income and expenditures of the Hospital District (appropriately seeking additional supportive material, as necessary for understanding); advise the Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer in connection with the preparation of the Budget; review the proposed budget in advance of presentation to the Board; and make recommendations to the Board. The Committee shall provide reports and make recommendations regarding the investment of assets of all Dallas County Hospital District employee retirement plans, as appropriate or necessary. The Committee shall exercise general oversight of purchasing activities and contracts and shall recommend to the Board policies or procedures related to contracting for goods and services.

7.2.2 The Committee shall exercise general oversight over institutional proposals, involving building projects and equipment, included in the development and construction of new buildings for the Hospital District. The Committee shall also be responsible for providing general oversight for the Hospital District's facilities related activities, including its facilities operations, maintenance, grounds, real estate holdings, and leasehold interests.

7.2.3 Within the specific parameters adopted by the Board, the Committee shall review change orders on the construction of new building projects for the Hospital District of $100,000 or more that have been entered into by the Hospital District on a quarterly basis.

7.2.4 Within specific parameters adopted by the Board from time to time, the Committee shall have the authority to approve contracts requiring Board approval and shall provide routine reports to the Board of its actions and consideration of such contracts.

7.2.5 The executive liaisons to the Committee shall be the Chief Executive Officer, the Chief Financial Officer, Chief Governance Officer, and the General Counsel, all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.3 Talent Development and Executive Compensation Committee

7.3.1 The Talent Development and Executive Compensation Committee shall consist of a Chair and at least two other Board members. The Committee shall review the performance of the CEO and evaluate, determine and recommend appropriate compensation to the Board. The Committee shall work closely with the Chief Executive Officer, the General Counsel, and the Chief Talent Officer to evaluate and recommend the Hospital District's Executive Compensation philosophy to the Board.

7.3.2 The executive liaisons to the Committee shall be the CEO, the Chief Talent Officer, and the Chief Governance Officer, all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.4 Quality of Care and Patient Safety Committee

7.4.1 The Quality of Care and Patient Safety Committee shall consist of a Chair and at least two other Board members. The Board has oversight authority over the health system's Quality, Safety, and Performance Improvement Program (the "Quality Program"). The Committee shall assist the Board with its charge to oversee patient safety and quality of care. The Committee is responsible for assessing the delivery of quality patient care throughout the system. The Committee shall assist in determining the need for policies, procedures, and practices that, through continuous quality improvement, achieve the optimal level of quality and safety to patients in a cost-effective manner. The Hospital District's management will provide reports on clinical quality and patient safety activities. These reports may address such issues as clinical quality, patient safety, and compliance with regulatory and accreditation activities.

7.4.2 The Committee may evaluate requests for credentials (*i.e.,* Privileges and Membership) of a Practitioner or Non-Physician Clinical Provider and recommend the

Board approves, deny or modify the requests. The Board shall have final authority regarding credential decisions.

7.4.3 The Committee shall have the authority to approve routine peer review recommendations from the MEC that require Board approval and shall provide routine reports to the Board of its actions and consideration on such matters.

7.4.4 The Committee may consider the MEC's recommendation after a formal investigation and recommend action to the Board. The Board shall make the final decision. The Board also has the final authority to restrict or revoke Privileges or Membership based upon concerns regarding competence or professional conduct.

7.4.5 The executive liaisons to the Committee shall be the Chief Medical Officer, Chief Quality and Patient Safety Officer & Associate Chief Medical Officer, and the Chief Governance Officer all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.5 Governance, Compliance, and Ethics Committee

7.5.1 The Governance, Compliance and Ethics Committee shall consist of a Chair and at least two other Board members. The Committee shall be responsible for driving Board development, orientation, education, succession planning, and self-assessment. The Committee shall assist the Board with its charge to oversee and implement effective board governance practices.

7.5.2 The Committee is also responsible for the oversight of the Hospital District's Compliance and Ethics Program, the Chief Compliance and Ethics Officer, the

Compliance and Ethics Department, and the Hospital District's compliance with federal and state statutes and regulations, including those that apply to federal healthcare programs.

7.53 The executive liaisons to the Committee shall be the Chief Executive Officer, General Counsel, Chief Compliance and Ethics Officer, and the Chief Governance Officer all of whom shall assist the Committee and the Committee Chair in discharging their responsibilities.

7.6 Special Committees

7.61 The Chair of the Board may appoint Special Committees of the Board as deemed appropriate by the Chair. The Chair may appoint ex officio, non-voting advisors with subject matter expertise or experience to a Special Committee as deemed appropriate by the Chair. The determination of whether a quorum is present shall be based on the number of Board members on the Special Committee. Special Committees shall limit their activities to the accomplishment of the task for which they are created and appointed and shall have authority only to make recommendations to the Board, unless specific authority is delegated to the Special Committee by the Board. Upon completion of the task for which they are appointed, or at such earlier times as may be determined by the Board, such Special Committees shall be disbanded.

7.7 Meetings

7.7.1 All Standing and Special Committees shall meet at the request of the Committee Chair, the Chair of the Board, or any five members of the Board. A majority of the members of the Committee shall constitute a quorum.

7.72 The Chair of the Board may appoint a temporary member or members to any Committee that does not have a quorum present so that a meeting may be conducted. The Committee Chair of a Committee may appoint a temporary member or members to that Committee if the Committee does not have a quorum present so that the meeting might be conducted. Temporary members shall have full authority to vote and participate in meetings for all purposes. Temporary membership terminates at the conclusion of the meeting.

7.73 In addition to the duties otherwise prescribed for them, Standing Committees shall be available to receive requests or recommendations from the CEO or her/his designee for assistance with matters concerning their respective areas of responsibility.

7.74 The following Standing Committees will have one-on-one sessions with the following Board direct reports, individually, as needed, but no less than annually, as follows:

(a) Audit Committee – Chief Audit Executive

(b) Quality of Care and Patient Safety Committee – Chief Quality and Safety Officer & Associate Chief Medical Officer

(c) Governance, Compliance, and Ethics Committee - Chief Compliance and Ethics Officer

7.8 Vacancies. Any vacancy on any Committee shall be filled by the Chair of the Board.

ARTICLE VIII.

MEETINGS OF THE BOARD

8.1 Regular Meetings

8.1.1 There shall be regular meetings of the Board as determined by the Chair of the Board, provided that meetings are held not less than quarterly.

8.1.2 The agenda for these meetings shall include any items appropriate for governing and overseeing the affairs of the Hospital District.

8.1.3 The Board will have one-on-one sessions in Executive Session with the CEO, Chief Audit Officer, and General Counsel, individually, as needed, but no less than annually, and as allowed by law.

8.2 Annual Meetings: Board Officer Election

8.2.1 The annual meeting shall be the first regular meeting following the first day of January each year.

8.2.2 The Board shall hold Board Officer Elections every two years and shall follow the then current Board Election Process adopted by the Board, which may be amended from time to time. The agenda for the annual meeting that includes Board Officer Elections shall include:

(a) Election and installation of officers of the Board; and

(b) Such other matters as may come to the attention of the Board.

8.3 Special Meetings. Special meetings of the Board may be called by the Chair of the Board, or by the Secretary at the request of at least five members of the Board, and when so called shall confine the activities of the special meeting to the purpose for which it was called. Notice of the special meetings shall be governed by the provisions of these Bylaws and the Texas Open Meetings Act.

8.4 Emergency Meetings. Emergency Meetings are limited to agenda items wherein there exists an imminent threat to the public health and safety or reasonable unforeseeable situations requiring immediate action by the Hospital District as authorized by the Texas Open Meetings Act or as otherwise provided by law. One hour is sufficient advance notice, provided all other provisions of State law are met, including notice to the news media.

8.5 Continued Meetings. Any regular, annual, or special meetings may be continued from time to time until the business thereof is accomplished as provided by the Texas Open Meetings Act and applicable law; provided, however, that no continuation shall extend beyond the next regular business day after the day on which the meeting was called. If a meeting is to be continued before the next regular business day, notice required for a meeting under the Texas Open Meetings Act or as otherwise provided by law must be given. Unless otherwise directed by the Board at the time of any recess of a meeting, the Chair shall designate the time and place for the meeting to be reconvened to the following regular business day.

8.6 Quorum. The presence of the majority of the Board shall constitute a quorum for the transaction of business, and a lesser number may recess a meeting until a later specified date when a quorum shall be present.

8.7 Failure to Attend. In accordance with the Board and Committee Guidelines, members of the Board shall endeavor to regularly attend all Board meetings and the meetings of the Committees of which they are a member. If a Board member's attendance is unsatisfactory, the Chair may counsel with said member to encourage better attendance. As necessary, a report of each member's attendance at all Board and Committee meetings shall be prepared for and presented to the Commissioners Court for review.

8.8 Public Meetings. All regular, annual, or special meetings of the Board shall be open to the public, except that the Board may hold Executive Sessions or Closed Meetings as authorized by the Texas Open Meetings Act and applicable law.

8.9 Notice of Meetings. Notice of any regular or special meetings of the Board shall be as specified in Article VI, Sections 6.5.2 (a) and (b).

ARTICLE IX.

CONDUCT OF BUSINESS

9.1 Order of Business for Regular Meetings. The order of business for regular meetings should be determined by the Chair of the Board, subject to such changes as may be made by vote of the Board.

9.2 Public Comments. The "public comments" agenda item allows any member of the public wishing to appear before the Board to speak at an open Board or Committee meeting pursuant to the policies and procedures adopted by the Board and as authorized by the Open Meeting. At a minimum, such procedures shall allow members of the public to comment on items placed on the agenda prior to action and for a designated amount of time. If more than one person is present to speak

on the same matter or topic, they will choose one person to represent the group or divide the time allotment amongst them. In the event the group cannot agree on the representative to speak or agree on the allocation of time, the Chair may designate a representative or allocate the time. The Board may extend the time limits as it deems appropriate.

9.3 Rules of Order. The most recent edition of *Robert's Rules of Order* may be utilized as a guide, but shall not be required, to assist in the proceedings of meetings of the Board in all cases to which same are applicable and which are not inconsistent with the Bylaws of the Board and applicable laws. The Chair shall endeavor to carry out the meeting in an efficient, fair and productive manner.

9.4 Records of the Meetings. Minutes of all meetings of the Board and Committees shall be sent to all the Board members in advance of the next scheduled Board meeting at which the minutes will be reviewed.

ARTICLE X.

MEDICAL STAFF

10.1 Membership.

10.1.1 The Medical Executive Committee shall be selected and governed as referenced in the Medical Staff Bylaws. The Medical Staff Bylaws shall provide a mechanism for medical staff governance, including an executive body, the Medical Executive Committee, which shall act for and report to the Medical Staff. The Medical Executive Committee shall make recommendations and advise the Board regarding issues that pertain to the Medical staff.

10.1.2 The Board shall appoint a Medical Staff composed of physicians, dentists, oral and maxillofacial surgeons, or podiatrists and shall see that they are organized into a responsible administrative unit and adopt such bylaws, rules, and regulations for governance of their practice in the Hospital District as the Board deems to be of the greatest benefit to the care of patients. Such appointments will be made in accordance with the Medical Staff Bylaws. The Medical Staff Bylaws and Medical Staff Rules and Regulations shall include a procedure for making recommendations to the Board concerning staff appointments and re-appointments, as well as granting, reducing, suspending, and revoking clinical privileges based on the individual's qualifications, experience, and current professional competence. The Medical Staff Bylaws shall also include a mechanism for reviewing decisions related to these recommendations, including the right to be notified of application status when requested by the practitioner. The final decision in these reviews must be rendered by the Board within a reasonable period of time.

10.1.3 The executive body of the Medical Staff will make its medical staff recommendations to the Board after conducting the due diligence required by, and in accordance with the procedures set forth in, the Medical Staff Bylaws. When the Board does not concur with the recommendation of the executive body of the Medical Staff relative to

medical staff appointment, reappointment, or termination of appointment and/or the granting, reducing, suspending or revoking of clinical privileges, there shall be provision for a review of the recommendation consistent with the Medical Staff Bylaws before the Board renders a final decision. No applicant shall be denied medical staff membership and/or clinical privileges on the basis of age, race, creed, color, religion, national origin, sexual orientation, gender, gender identity, gender expression, or genetic information.

10.1.4 Non-Physician Clinical Providers are credentialed, privileged, reviewed, recommended, and ultimately approved or denied by the Board as outlined in the Medical Staff Bylaws.

10.2 Bylaws of Medical Staff. The Medical Staff shall be governed by its own Bylaws. Such Bylaws shall be subject to approval by the Board, and changes in such Bylaws thereafter shall not take effect until approved by the Board. The Medical Staff Bylaws and Rules and Regulations may not be unilaterally amended by either the Medical Staff or the Board of Managers, except that the Medical Staff Rules and Regulations may be provisionally amended by the Medical Executive Committee on an urgent basis to comply with laws and regulations; provided, however, the Medical Executive Committee shall notify the Board of any such urgent provisional amendments at the next meeting of the Board's Quality of Care and Patient Safety Committee.

ARTICLE XI.

ADMINISTRATION

11.1 Administrator/Chief Executive Officer. The Board shall appoint an Administrator, qualified by training and experience, who shall be the Chief Executive Officer of the Hospital District. The CEO shall be selected by a majority vote of the members of the Board at such compensation as determined by the Board. The CEO shall be given the necessary authority and be held responsible for the management of the Hospital District in accordance with the law and policies and procedures adopted or approved by the Board. The CEO shall employ and direct the work of all employees except as otherwise provided in these Bylaws. The CEO shall attend meetings of the Board, except as the Board may otherwise determine, and, as required, shall make reports to the Board. The CEO shall supervise the work and activities of the Hospital District and provide the general direction of its affairs in accordance with applicable policies, rules, and regulations. The Board will annually evaluate the performance of the CEO based on criteria established by the Board in consultation with the CEO.

11.2 Chief Governance Officer. The Board shall designate a Chief Governance Officer, who shall work in coordination with the CEO to ensure Board members have timely access to the information necessary for consideration and decision by the Board and its Committees. The Chief Governance Officer in consultation with the CEO, General Counsel, and Board Committee Liaisons will also draft agendas (with the final approval of such agenda being with the Board or Committee Chair) and assist with Board and Committee meetings as directed by the Board and with attention to priority Board and Committee matters as specified by the Board and Committee Chairs. In addition,

the Chief Governance Officer will manage the annual Board development process.

ARTICLE XII.

FINANCIAL OPERATIONS

12.1 Funds. Current operating and capital funds may be expended by the CEO to accomplish the activities of the Hospital District within the Budget approved annually by the Board. Interest and sinking funds that are set aside by the Board from the proceeds of the Hospital District tax may be used only to pay the interest and principal payments in accordance with a prearranged plan.

12.2 Annual Audit. The financial records of the Hospital District and its facilities shall be audited annually by an independent certified public accountant selected by the Board.

12.3 Purchasing. The purchasing activities of the Hospital District and its facilities shall be conducted in accordance with policies approved by the Board.

ARTICLE XIII.

ANCILLARY ORGANIZATIONS

13.1 In addition to the Parkland Health Auxiliary, the Board may establish any ancillary organizations as it may deem necessary for the accomplishment of its objectives. The ancillary and advisory functions of such bodies shall be clearly defined. Their bylaws, rules, and regulations, and changes thereto, shall always be subject to approval by the Board before becoming effective and shall be ratified by the Board periodically. Their contacts with the internal organization of the Hospital District shall always be through the CEO or his designated representative.

ARTICLE XIV.

GIFTS AND REQUESTS

14.1 The Board recognizes the Parkland Foundation, a Texas non-profit corporation, as an authorized fundraising agent and the administrator of charitable and grant funds on behalf of the Hospital District. In accordance with Sections 501(c) 3 and 509(a)1 of the Internal Revenue Code, the Parkland Foundation qualifies as the charitable support organization of a government entity and is controlled by the Hospital District through appointment of a majority of directors to the Parkland Foundation Board.

14.2 On behalf of the Hospital District, the Parkland Foundation is authorized to solicit and accept donations, gifts, endowments, and grants to be held in trust and administered by Parkland Foundation Board of Directors for such purposes and under such directions, limitation, and provisions as may be described in writing by the donor or grantor. Such administration shall be consistent with the proper management and objectives of the Hospital District. Such monies shall be accounted for in the same manner as all other funds of the Hospital District.

14.3 Donations upon which the donor has placed condition of use are to be held in trust by Parkland Foundation and may be expended only for the purposes specified.

ARTICLE XV.

POLICY AND OFFICIAL POSITION STATEMENTS

15.1 Policy and official position statements of the Board will be made only after concurrence by a majority vote of the Board and shall be issued to the news media only through the Chair or the Chair's designee or the CEO.

ARTICLE XVI.

CONFLICT OF BYLAWS

16.1 If any provision of these Bylaws now or hereafter conflicts with any statute or any other law of the State of Texas relating to the operation of the Hospital District, such statute or other law, as long as it is in effect, shall take precedence over these Bylaws.

ARTICLE XVII.

CONFLICT OF INTEREST

17.1 To avoid conflicts of interest, all Board members shall comply with the Hospital District's Conflict of Interest Policy applicable to Board members, and no Board member, officer, or employee of the Hospital District shall:

(a) have a substantial interest or substantial ownership in a firm that supplies, or knowingly seeks to supply goods or services to the Hospital District; or

(b) engage in outside business ventures which would conflict with their duties as Board members.

17.2 Board members, Officers, Department Directors, and other personnel as determined by policy will be required to complete a disclosure statement, including such information, in such form, and at such times as may be required by the Board from time to time.

17.3 Board members must execute a disclosure statement at the time of their appointment and reappointment, and annually thereafter. The General Counsel and the Chief Compliance and Ethics Officer will maintain current disclosure statements for each Board member.

ARTICLE XVIII.

INDEMNIFICATION OF MEMBERS OF THE BOARD AND OFFICERS OF THE HOSPITAL DISTRICT

To the extent permitted by law, each person who is a current or past member or officer of the Board of the Hospital District and any person who acts as a member or officer of any subsidiary or affiliate organization of the Hospital District, when acting in good faith and in a manner reasonably believed to be in the best interests of the District, shall be indemnified by the Hospital District against any costs, expenses, and liabilities, regardless of when they arise, that may be imposed or reasonably incurred by the indemnitee in connection with any civil or criminal proceeding in which such indemnitee may be named as a party by reason of being, or having been, or by reason of any action alleged to have been taken or not taken by the indemnitee acting in the capacity described above. In the event of the death of an indemnitee, the right of indemnification shall extend to such indemnitee's legal representative.

The indemnification provided herein shall not extend to any costs, expenses, or liabilities imposed upon or incurred by any indemnitee in relation to matters which such indemnitee shall be adjudged to be liable for gross negligence or to any sum paid by the indemnitee to the Hospital District or to such subsidiary or affiliated organization in settlement of any action, suit, or proceeding based on the indemnitee's actions.

These indemnification provisions are expressly made subject to funds being available in the Hospital District's annual budget approved by the Commissioners Court to pay the Hospital District's obligation. To the extent such funds are not available, the Hospital District shall use its best efforts to obtain such funds in the following or subsequent years (unless the Commissioners Court has indicated such budget request will not be approved). Indemnification pursuant to this Article shall be in addition to any coverage available through the Hospital District's applicable policy of Director's and Officer's insurance.

ARTICLE XIX.

AMENDMENTS

19.1 A Bylaws Committee will be appointed by the Chair no less than every three years to review and make recommendations concerning amendments. Amendments to the Bylaws shall require an eight-elevenths vote of the entire Board and can be enacted at any regular meeting or at any special meeting called for such purpose, provided the proposed changes in the Bylaws have been furnished in writing to each member of the Board at least five days prior to the date set for action thereon. This latter provision may be waived by board action or a unanimous vote of all members of the Board when all members of the Board are in attendance. All Bylaws amendments must be consistent with applicable laws.

ARTICLE XX.

ADOPTION

20.1 The bylaws, as amended, shall become effective immediately upon their adoption by the Board and supersede all previous Bylaws adopted by the Board.

20.2 These Bylaws, as amended, were adopted by the Board of Managers of the Dallas County Hospital District of Dallas County, Texas, at its regular meeting on the 25th day of March, 2026.

_____
Vincent Hall, Chair
Dallas County Hospital District
April 22, 2026

Consideration and Appropriate Action Regarding Contracts over $200,000

Item	Contract Type	Service or Product	Supplier	Contract Term	Current Contract Approval Amount Request	New Approved Contract Value	Selection Method	Budgeted?	Business Owner / Dept.
									April 22, 2026
Medical Products and Services									
M1	Expense	Mod #1 - AngioJet catheters	Boston Scientific Corporation	4/22/2026 -- 4/21/2027	$66,000	$246,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Shawn Grady/Interventional Radiology
M2	Expense	Mod #1 - Extend Agreement and Add Disposables Used with Owned Equipment	CooperSurgical Inc	5/1/2026 -- 4/30/2028	$225,000	$538,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Cheston Chan/Perioperative Services
M3	Expense	Mod #1 - Add Funding for Immunofluorescence Testing Reagents	Global Focus Marketing & Distribution, LTD	4/22/2026 -- 8/31/2027	$254,000	$598,911	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Tim Lenz/Pathology - Hematology
M4	Expense	Homeless Outreach Medical Services Program (HOMES), Substance Abuse	Homeward Bound, Inc	4/23/2026 -- 9/30/2030	$225,000	$225,000	Request for Proposals (Best Value)	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Kyla Rankin/HOMES
M5	Expense	Emprint Ablation System Disposables	Medtronic	4/27/2026 -- 4/26/2029	$270,000	$270,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/Main Operating Room
M6	Capital	Endoscopes for the GI Department	Olympus America, Inc.	4/30/2026 – 4/30/2027	$517,578	$517,578	GPO Purchase	Yes	Shika Shakelli/Clinical Engineering

M7	Expense	Mod # 1 Apheresis Kits and Uvadex Prescription	Therakos	2/1/2026 -- 1/31/2027	$285,273	$963,208	Sole Source Modification	Yes	Tanisha Tatum/Apheresis Department
M8	Expense	Mod # 3 Electrophysiology and Cryoablation Products	Medtronic USA, Inc.	4/22/2026-11/14/2026	$501,000	$3,399,000	Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	David Alexander/ Surgical Services Administration
Construction and Facilities									
C1	Expense	Mod #2 - Main Campus Grounds Maintenance	Bare Roots Landscape Design, Inc.	4/23/2026 -- 9/30/2026	$570,000	$4,683,093	Non-Sole Source Modification	Yes	Roderick Stephens/Engineering Services
C2	Expense	Furniture Installation, Purchase, Design, and Monthly Storage	G.L. Seaman and Company	5/1/2026 -- 4/30/2031	$4,000,000	$4,000,000	Sole Source	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Asma Momin/Parkland Design and Construction
Information Technology									
IT1	Expense	Mod #1 - Warehouse Management System	Tecsys Inc.	5/1/2026 -- 11/30/2028	$718,736	$2,662,686	Non-Sole Source Modification	Yes	Alex Zimmerman/Supply Chain
Hospital Operations									
O1	Expense	Mops and Disposable Towels	Biocycle Services, Inc.	4/25/2026 -- 4/24/2031	$4,800,000	$4,800,000	Invitation for Bids	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Trelita Perry/Environmental Services
O2	Expense	Mod #1 - Third Party Administrator for Workers' Compensation	Cannon Cochran Management Services, Inc.	4/22/2026 -- 10/31/2026	$135,000	$1,635,424	Non-Sole Source Modification	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.	Sean Doody/Institutional Risk Management

O3	Expense	Mod # 2 Fleet Management Automotive Service & Repairs	AD AUTO ENTERPRISES, LLC dba DTX AUTOMOTIVE	4/22/2026-6/4/2028	$600,000	$1,085,000	Sole Source Modification	Yes	Melvin Jenkins/Fleet Management

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 1 AngioJet catheters	
Business Owner: Shawn Grady	**Business Owner Dept:** Interventional Radiology	**Contract Number:** POCP-21245 A1
Vendor/Supplier: Boston Scientific Corporation **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	Current Contract Amount: Actions Totaling < $100,000 Amount: Amount: Amount:	$180,000
Revenue, Expense or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 1 Amount:	$66,000
Original Start Date: 4/22/2022 **Current Expiration:** 4/21/2027 **Mod Start Date:** 4/22/2026 **Expiration after this Mod:** 4/21/2027	New Contract Amount:	$246,000

Approvals

Has the <u>final</u> 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

Submitted By (Division VP): Jenni Burnes, Vice President, Ancillary Services, Operations Administration

Parkland

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

SUBJECT: Mod # 1 AngioJet catheters

VENDOR: Boston Scientific Corporation

COST:

Current Contract Amount:	$180,000
Modification # 1:	+ $66,000
Total:	$246,000

Recommendation
Approve this contract modification for AngioJet catheters.

Background
This contract is for AngioJet catheters, which are medical devices used to clear dangerous blood clots in the body's blood vessels. They work by delivering medicine directly into the clot and then using suction to break it up and remove it, helping restore normal blood flow. Additional funds are needed to carry through the existing term. Utilization has increased significantly, driven by a higher volume of vascular cases. This trend is expected to continue as we prepare for an expansion from four operating rooms to six.

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 aligns with 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	FY2026	FY2027	Total
$180,000	$38,500	$27,500	$246,000

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 existing systems or equipment where there are no substitute or interchangeable components, software, or maintenance sources and compatibility is paramount. AngioJet catheters are specialized devices designed to work exclusively with the AngioJet Thrombectomy System.

Document Contact/Author:	Starr Craft

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Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 1 Extend Agreement and Add Disposables Used with Owned Equipment	
Business Owner: Cheston Chan	**Business Owner Dept:** Perioperative Services	**Contract Number:** POCP-24174
Vendor/Supplier: CooperSurgical Inc **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (5/22/2024): OR, if it has not been to the board, Current Contract Amount:	$260,000
	Actions Totaling < $100,000 Amount (8/1/2024):	$53,000
Revenue, Expense, or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 1 Amount:	$225,000
Original Start Date: 5/31/2024 **Current Expiration:** 4/30/2026 **Mod Start Date:** 5/1/2026 **Expiration after this Mod:** 4/30/2028	New Contract Amount:	$538,000

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

Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 1 Extend Agreement and Add Disposables Used with Owned Equipment

VENDOR: CooperSurgical Inc

COST:

BOM Approved Contract Total (5/22/2024): OR, if it has not been to the board, Current Contract Amount:	$260,000
Modification:	$53,000
Modification # 1:	+ $225,000
Total:	$538,000

Recommendation
Approve this contract modification to Extend Agreement and Add Disposables Used with Owned Equipment.

Background
This contract is for disposables used with the Parkland-owned RUMI device (Reusable Uterine Manipulating Instrument). The RUMI device is a gynecologic surgical tool used primarily during laparoscopic and robotic pelvic surgeries in the operating room. It helps surgeons move and stabilize the uterus from below so they can operate more safely and effectively through small abdominal incisions.

The additional funding will cover the use of these products through the term extension agreement.

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 2% above the median, but consistent with facilities of similar market share. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Current Contract Amount	FY2026	FY2027	FY2028	Total
$313,000	$46,875	$112,500	$65,625	$538,000

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 existing systems or equipment where there are no substitute or interchangeable components, software, or maintenance sources, and compatibility is paramount.

Document Contact/Author:	Andrea Henley

Parkland

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 1 Add Funding for Immunofluorescence Testing Reagents	
Business Owner: Tim Lenz	**Business Owner Dept:** Pathology - Hematology	**Contract Number:** POCP-23249
Vendor/Supplier: Global Focus Marketing & Distribution, LTD **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (9/27/2023): Actions Totaling < $100,000 Amount:	$251,911 $93,000
Revenue, Expense, or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 1 Amount:	$254,000
Original Start Date: 9/1/2020 **Current Expiration:** 8/31/2027 **Mod Start Date:** 4/22/2026 **Expiration after this Mod:** 8/31/2027	New Contract Amount:	$598,911

Approvals

Has the final modification been approved by Legal for legal sufficiency?	Legal approved base document, amendment has no changes
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

Submitted By (Division VP): Jenni Burnes, Vice President, Ancillary Services, Operations Administration

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 1 Add Funding for Immunofluorescence Testing Reagents

VENDOR: Global Focus Marketing & Distribution, LTD

COST:

BOM Approved Contract Total (9/27/2023):	$251,911
Action:	$93,000
Modification # 1:	+ $254,000
Total:	$598,911

Recommendation
Approve this contract modification to Add Funding for Immunofluorescence Testing Reagents.

Background
Global Focus Marketing supplies specialized lab products used for immune system testing. When the contract was extended on 9/1/25, the funding was accidentally set up for only one extra year instead of the intended two. This contract allows Parkland to continue buying the lab supplies needed for immunology testing, which helps doctors understand how a patient's immune system is working. Global Focus Marketing is the only company that offers an FDA-approved test that can identify specific antibodies linked to autoimmune diseases such as Sjögren's syndrome and lupus, making this test critical for accurate diagnosis.

Fair and Reasonable Price Determination
Although the item being purchased is a sole source for the reasons discussed below, pricing has remained firm for Parkland during the duration of this contract. Market research conducted through ECRI shows that the Parkland pricing has remained in the lower percentile compared 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	FY2026	FY2027	Total
$251,911	$173,500	$173,500	$598,911

Sole Source Justification
This contract is for a good or service for which there is only one acceptable source. The product or service has no competition. Global Focus Marketing is the only vendor with FDA-approved immunofluorescence ANA Kits that detect a confirmatory SSA/Ro pattern.

Document Contact/Author:	Tamisha Smallwood

Parkland

Board Approval Request For Contracts Over $200,000

BOM Date: April 22, 2026	**Product or Service:** Homeless Outreach Medical Services Program (HOMES), Substance Abuse (Grant Funded)	
Business Owner: Kyla Rankin	**Business Owner Dept:** HOMES	**Contract Number:** POCS-25290
Vendor/Supplier/Contractor: Homeward Bound, Inc	**Source Selection Methodology:** Request for Proposals (Best Value)	**Fair and Reasonable Price Determination:** Adequate Competition

Revenue, Expense or Capital:

Expense- GRANT

	Contract Dates	Contract Price
Base Term:	4/23/2026 – 9/30/2028	$135,000
Out Years:	2 Year(s)	+$90,000
Total:	4/23/2026 – 9/30/2030	$225,000

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

Submitted By (Division VP): James Perez VP Clinic Operations

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Homeless Outreach Medical Services Program (HOMES), Substance Abuse

VENDOR: Homeward Bound, Inc

COST:		
	Base Term:	$135,000
	Out Years:	+ $90,000
	Total:	$225,000

Recommendation
Approve this contract for Homeless Outreach Medical Services Program (HOMES), Substance Abuse.

Background

This contract is for Homeward Bound, which will offer supportive care and treatment for patients, including residential treatment for Substance Use Disorder (SUD). These services will support individuals struggling with alcohol, drugs, or other substance dependencies in a safe and structured living environment.

Homeward Bound will also provide any additional care the patient may need—such as medical, behavioral health, psychiatric, or social support services—to help promote recovery. All services will be based on each patient's individual assessment and treatment needs.

This funding is provided by a grant.

Fair and Reasonable Price Determination

A fair and reasonable price was determined through adequate competition.

Competitive Range				
Vendor	**Key Strengths**	**Key Weaknesses**	**Non-Cost Score**	**Price Differential**
Homeward Bound	This supplier can meet all the program's needs and provides more competitive pricing than other bidders.	N/A	2	$120.72
Vendor B		The vendor recently changed management, and its communication has not met expectations.	1	$239.00

Financial Forecast

Base Term	FY2026	FY2027	FY2028	FY2029	FY2030	Totals
Expenses / Consumables	$45,000	$45,000	$45,000			$135,000
Out Years	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**Totals**
Expenses / Consumables				$45,000	$45,000	$90,000
Grand Totals	$45,000	$45,000	$45,000	$45,000	$45,000	**$**225,000

Document Contact/Author:	Latarsha Hawkins

Parkland

BOM Date: April 22, 2026	**Product or Service:** Emprint Ablation System Disposables	
Business Owner: David Alexander	**Business Owner Dept:** Main Operating Room	**Contract Number:** POCP-26170
Vendor/Supplier/Contractor: Medtronic	**Source Selection Methodology:** Sole Source	**Fair and Reasonable Price Determination:** Market Price

Revenue, Expense or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	4/27/2026 – 4/26/2029	$270,000
Out Years:	0 Year(s)	+0
Total:	4/27/2026 – 4/26/2029	$270,000

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?

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

Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Emprint Ablation System Disposables

VENDOR: Medtronic

COST:		
	Base Term:	$270,000
	Out Years:	+ 0
	Total:	$270,000

Recommendation
Approve this contract for Emprint Ablation System Disposables.

Background
This contract is for Emprint Ablation System Disposables, ablation procedures eliminate abnormal tissue. These disposables are required in the main operating room for use with the Emprint Ablation System, an advanced microwave ablation platform used for percutaneous, laparoscopic, and intraoperative soft-tissue ablation.

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. ECRI market research shows that the Parkland price is average as compared to other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2026	FY2027	FY2028	FY2029	Totals
Expenses / Consumables	$60,000	$90,000	$90,000	$30,000	$270,000
Total	$60,000	$90,000	$90,000	$90,000	$270,000

Sole Source Justification
This contract is for a good with only one acceptable source. The products are additions to an existing system with no substitute components, and this is paramount.

Document Contact/Author:	Bryson Hendrix

Parkland

Board Approval Request For Contracts Over $200,000

BOM Date: April 22, 2026	**Product or Service:** Endoscopes for the GI Department	
Business Owner: Shika Shakelli	**Business Owner Dept:** Clinical Engineering	**Contract Number:** POCP-26218
Vendor/Supplier/Contractor: Olympus America, Inc.	**Source Selection Methodology:** GPO Purchase	**Fair and Reasonable Price Determination:** Adequate Competition

Revenue, Expense or Capital:

Capital

	Contract Dates	Contract Price
Base Term:	4/30/2026 – 4/30/2027	$517,578
Out Years:	0 Year(s)	+$0
Total:	4/30/2026 – 4/30/2027	$517,578

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

Submitted By (Division VP): Lance Mendiola, Vice President, Construction, Facilities, Real Estate

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Endoscopes for the GI Department

VENDOR: Olympus America, Inc.

COST:		
	Base Term:	$517,578
	Out Years:	+ $0
	Total:	$517,578

Recommendation

Approve this contract for Endoscopes for the GI Department.

Background

This contract is for the purchase of new endoscopes (three ultrasound gastroscopes, three therapeutic bronchoscopes, and three pediatric colonoscopes) as replacements for existing endoscopes that have reached the end of their useful life. These devices have been maintained and optimized through their eight-year useful lifecycle; however, replacement is now required to ensure continued safe and effective clinical use, maintain serviceability, and support ongoing maintenance requirements. The department has standardized on using Olympus scopes. This purchase is for the GI Department.

Fair and Reasonable Price Determination

The GPO contract and pricing were obtained in a solicitation process performed by Vizient. Market research conducted through ECRI shows that Parkland's price is comparable to other hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Financial Forecast

Base Term	FY2026
Equipment / Licenses	$517,578

Document Contact/Author:	Andrew Barter

Parkland

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 1 Apheresis Kits and Uvadex Prescription	
Business Owner: Tanisha Tatum	**Business Owner Dept:** Apheresis Department	**Contract Number:** POCP-24716 A2
Vendor/Supplier: Therakos **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (Includes Ratification 4/22/2026): Actions Totaling < $100,000	$570,958 $106,977 $285,273
Revenue, Expense, or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification #1: Modification # 1 Amount:	Mod #1 $106,977 Mod #2 $285,273 $XX
Original Start Date: 9/28/2024 **Current Expiration:** 1/31/2026 **Mod Start Date:** 2/1/2026 **Expiration after this Mod:** 1/31/2027	New Contract Amount:	$963,208

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

Submitted By (Division VP): Judy Herrington, Senior Vice President, Nursing

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 1 Apheresis Kits and Uvadex Prescription

VENDOR: Therakos

COST:

BOM Approved Contract Total (Includes Ratification 4/22/2026):	$570,958
Modification # 1:	$106,977
Modification # 1:	$285,273
	+
Total:	$963,208

Recommendation
Approve this contract modification to Apheresis Kits and Uvadex Prescription.

Background
This contract is for apheresis kits and Uvadex prescription medication. Uvadex is used to treat cutaneous T-cell lymphoma, a type of cancer. Apheresis kits are used to separate blood into its components, removing or replacing certain components. District's Pharmacy Department uses the medication, and District's Apheresis Department uses the kits.

Fair and Reasonable Price Determination
The apheresis kit price was benchmarked using ECRI and found to be 4.5% above average; however, our purchasing volume does not qualify for a discount. The Uvadex price is inelastic, and every purchaser pays the same price.

Financial Forecast

Current Contract Amount	FY2026	FY2027	Total
$570,958	$285,273	$106,977	$963,208

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 existing systems or equipment where there are no substitute or interchangeable components, software, or maintenance sources, and compatibility is paramount.

Document Contact/Author:	Stephanie Toth

Parkland

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 3 Electrophysiology and Cryoablation Products	
Business Owner: David Alexander	**Business Owner Dept:** Surgical Services Administration	**Contract Number:** POCP-18029 A7
Vendor/Supplier: Medtronic USA, Inc. **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (5/21/25): Actions Totaling < $100,000 Amount (4/10/26): Amount: Amount:	$2,799,000 $99,000
Revenue, Expense or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 1 Amount (10/30/24): Modification # 2 Amount (5/21/25): Modification # 3 Amount:	 $399,000 $900,000 $501,000
Original Start Date: 8/14/2021 **Current Expiration:** 11/14/2026 **Mod Start Date:** 4/22/2026 **Expiration after this Mod:** 11/14/2026	New Contract Amount:	$3,399,000

Approvals

Has the <u>final</u> modification been approved by Legal for legal sufficiency?	Legal approved base document, amendment has no changes
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

Submitted By (Division VP): David Alexander, Senior Vice President, Nursing, Executive Nursing Leadership

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 3 Electrophysiology and Cryoablation Products

VENDOR: Medtronic USA, Inc.

COST:

BOM Approved Contract Total (5/21/25):	$2,799,000
Action:	$99,000
Modification # 3:	+ $501,000
Total:	$3,399,000

Recommendation
Approve this contract modification to Electrophysiology and Cryoablation Products.

Background
This contract is to purchase products used to treat abnormal heart rhythms for the Cardiac lab. Cryoablation is a minimally invasive procedure that uses extreme cold to destroy abnormal tissue or cells which cause irregular heart rhythms, such as atrial fibrillation (AFib). There has been an increase in patients with AFib since the contract's inception. This funding will cover the remainder of the contract term.

Fair and Reasonable Price Determination
Although the items being purchased are 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 average as compared 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	FY2026	FY2027	Total
$2,799,000	$393,578	$206,422	$3,399,000

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

Parkland

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 2 Main Campus Grounds Maintenance Extension	
Business Owner: Roderick Stephens	**Business Owner Dept:** Engineering Services	**Contract Number:** PONCS-19029 A9
Vendor/Supplier: Bare Roots Landscape Design, Inc. **Basis of Original Contract Award** Request for Proposals (Best Value) **Basis of this Modification** Non-Sole Source Modification	BOM Approved Contract Total (7/26/2022)	$4,021,437
	Actions Totaling < $100,000 Amount:	$91,656
Revenue, Expense or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 2 Amount:	$570,000
Original Start Date: 3/15/2021 **Current Expiration:** 6/13/2026 **Mod Start Date:** 4/23/2026 **Expiration after this Mod:** 9/30/2026	New Contract Amount:	$4,683,093

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

Submitted By (Division VP): Lance Mendiola, Vice President of Construction, Facilities, Real Estate, Operations Administration

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 2 Main Campus Grounds Maintenance

VENDOR: Bare Roots Landscape Design, Inc.

COST:

BOM Approved Contract Total (7/26/2022)	$4,021,437
Action: Modification # 2:	$91,656
	+ $570,000
Total:	$4,683,093

Recommendation

Approve this contract modification to Main Campus Grounds Maintenance.

Background

This contract provides landscaping and grounds maintenance service for the main campus. In addition to scheduled mowing, edging, and fertilizer and pesticide applications, contractor maintains irrigation systems, trims trees, and provides inclement-weather services.

Additional funds are needed to cover unanticipated expenditures resulting from inclement weather events and to extend the monthly service until a new solicitation can be processed.

Fair and Reasonable Price Determination

A fair and reasonable price was determined through adequate competition. Bare Roots Landscape Design was the highest technically rated and lowest cost of the seven proposals originally received.

Financial Forecast

Current Contract Amount	FY2026	Total
$4,021,437	$570,000	$4,683,093

Document Contact/Author:	Steve Adrian

Parkland

Board Approval Request For Contracts Over $200,000

BOM Date: April 22, 2026	**Product or Service:** Furniture Installation, Purchase, Design, and Monthly Storage	
Business Owner: Asma Momin	**Business Owner Dept:** Parkland Design and Construction	**Contract Number:** PONCS-26323
Vendor/Supplier/Contractor: G.L. Seaman and Company	**Source Selection Methodology:** Sole Source	**Fair and Reasonable Price Determination:** Published Catalog Price

Revenue, Expense or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	5/1/2026 – 4/30/2029	$2,866,669
Out Years:	2 Year(s)	+$1,133,331
Total:	5/1/2026 – 4/30/2031	$4,000,000

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

Submitted By (Division VP): Lance Mendiola, Vice President, Construction, Facilities, Real Estate

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Furniture Installation, Purchase, Design, and Monthly Storage

VENDOR: G.L. Seaman and Company

COST:

Base Term:	$2,866,669
Out Years:	+ $1,133,331
Total:	$4,000,000

Recommendation
Approve this contract for Furniture Installation, Purchase, Design, and Monthly Storage.

Background
This contract is for the procurement of services required to design, purchase, and install MillerKnoll furniture currently used throughout Parkland. MillerKnoll is a standard furniture line for Parkland facilities, and its products can only be purchased through certified MillerKnoll dealers in order to preserve product warranties. Within the DFW area, there are currently only two certified dealers. Parkland already holds a contract with one dealer; establishing this contract will provide an additional approved vendor, increasing procurement flexibility, and reducing reliance on a single source. The furniture acquired under this contract will support both clinical and non-clinical operations, including patient care areas, and administrative offices**.**

Fair and Reasonable Price Determination
Although this service is being procured on a sole-source basis for the reasons outlined in the justification, the District took appropriate steps to ensure that the proposed pricing is fair and reasonable. The vendor's pricing was reviewed and compared against rates in existing, comparable contracts involving similar furniture, design, installation, and storage services. Additionally, the District conducted direct negotiations with the vendor to validate, where possible, and reduce applicable fees. Based on these comparisons and negotiation efforts, the final proposed pricing aligns with current market benchmarks and comparable contract rates and is therefore determined to be fair and reasonable.

Financial Forecast

Base Term	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Totals
Expenses / Consumables	466,669	800,000	800,000	800,000			2,866,669
Out Years	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**FY2031**	**Totals**
Expenses / Consumables					800,000	333,331	1,133,331
Grand Totals	**466,669**	**800,000**	**800,000**	**800,000**	**800,000**	**333,331**	**4,000,000**

Sole Source Justification
This contract is for a good or service for which there are only two acceptable sources. The product or service has no other competition**.** Per the manufacturer's guidelines, only an authorized MillerKnoll dealer can purchase MillerKnoll furniture that is standard at Parkland. In the Dallas market, there are only two authorized dealers, WRG and GL Seaman. We already have a contract with WRG and would like to add GL Seaman. There are no other dealers from whom we can buy the Parkland Standard workplace furniture**.**

Document Contact/Author:	Kimberly Bell

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 1 Warehouse Management System	
Business Owner: Alex Zimmerman	**Business Owner Dept:** Supply Chain	**Contract Number:** PONCS-23343_A1
Vendor/Supplier: Tecsys Inc. **Basis of Original Contract Award** Request for Proposals (Best Value) **Basis of this Modification** Non-Sole Source Modification	BOM Approved Contract Total (Date): OR, if it has not been to the board, Current Contract Amount:	$1,943,950
	Actions Totaling < $100,000 Amount: Amount: Amount:	
Revenue, Expense, or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 1 Amount:	$718,736
Original Start Date: 12/1/2023 **Current Expiration:** 11/30/2026 **Mod Start Date:** 5/1/2026 **Expiration after this Mod:** 11/30/2028	New Contract Amount:	$2,662,686

Approvals

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

Financial

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

Submitted By (Division VP): Pam Bryant, Senior Vice President, Chief Supply Chain Officer

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mod # 1 Warehouse Management System

VENDOR: Tecsys Inc.

COST:

BOM Approved Contract Total (Date): OR, if it has not been to the board, Current Contract Amount:	$1,943,950
Action:	
Action:	
Action:	
Modification # 1:	+ $718,736
Total:	$2,662,686

Recommendation

Approve this contract modification to Warehouse Management System.

Background

This contract modification is to add a Warehouse Management System (WMS) delivered as a SaaS solution is critical to strengthening the District's supply chain inventory control operations. It provides real-time visibility, improves inventory accuracy, streamlines replenishment, and supports standardized workflows across all the District's inventory locations, including the District's distribution center as the central point of distribution. Implementing this WMS is especially important given the District's reliance on its current Point-of-Use (POU) system, which manages item distribution at the department level.

The same vendor delivers the WMS and POU systems, which are designed to work together seamlessly. This alignment makes both systems priority platforms within the District's supply chain technology stack, ensuring full compatibility, streamlining data integration, reducing implementation risk, avoiding additional IT code/script costs, and providing a unified approach to inventory and supply chain management.

The total cost includes the base subscription plus two optional one-year renewal periods: Renewal Option 1 at $271,833 and Renewal Option 2 at $279,988. These renewal fees represent the annual subscription costs should the District choose to extend the agreement for each additional year. These term dates will be coterminous with the current Point-of-Use (POU) system.

Fair and Reasonable Price Determination

Market research conducted through ECRI shows that Parkland's price is XXX compared to other hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

Another proposal from a different vendor quoted $1.95M for software implementation.

By integrating the warehouse management system into the existing inventory control platform, the District saves about $250,000 in costs compared to purchasing a separate solution. These savings come from negotiated discounts, potential credits, and employee hours already spent on the current project, which will be applied to the next implementation phase. This approach leverages current infrastructure, reduces implementation and licensing costs, and avoids duplicative system expenses.

Financial Forecast

Current Contract Amount	FY2026	FY2027	FY2028	FY2029	Total

$1,943,950	$69,548	$210,631	$275,231	$163,326	$2,662,686

Document Contact/Author:	Terence Durham

Parkland

Board Approval Request For Contracts Over $200,000

BOM Date: April 22, 2026	**Product or Service:** Mops and Disposable Towels	
Business Owner: Trelita Perry	**Business Owner Dept:** Environmental Services	**Contract Number:** PONCP-26252
Vendor/Supplier/Contractor: Biocycle Services, Inc.	**Source Selection Methodology:** Invitation for Bids	**Fair and Reasonable Price Determination:** Adequate Competition

Revenue, Expense, or Capital:

Expense

	Contract Dates	Contract Price
Base Term:	4/25/2026 – 4/24/2029	$2,880,000
Out Years:	2 Year(s)	+$1,920,000
Total:	4/25/2026 – 4/24/3031	$4,800,000

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

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

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: Mops and Disposable Towels

VENDOR: Biocycle Services, Inc.

COST:		
	Base Term:	$2,880,000
	Out Years:	+ $1,920,000
	Total:	$4,800,000

Recommendation
Approve this contract for Mops and Disposable Towels.

Background
This contract is for an IFB solicitation released by Parkland to procure mops and disposable microfiber towels for the Environmental Services department. Environmental Services at Parkland relies on specialized supplies such as microfiber cloths, disposable mops, and disposable towels because these tools are essential for preventing cross-contamination and reducing the spread of harmful pathogens in a high-risk healthcare environment.

Fair and Reasonable Price Determination
A fair and reasonable price was determined through adequate competition.

Financial Forecast

Base Term	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**FY2031**	**Totals**
Expenses / Consumables	$560,000	$960,000	$960,000	$400,000			$2,880,000
Out Years	**FY2026**	**FY2027**	**FY2028**	**FY2029**	**FY2030**	**FY2031**	**Totals**
Expenses / Consumables				$560,000	$960,000	$400,000	$1,920,000
Grand Totals	**$560,000**	**$960,000**	**$960,000**	**$960,000**	**$960,000**	**$400,000**	**$4,800,000**

Document Contact/Author:	Michelle Duffey

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 1 Third Party Administrator for Workers' Compensation	
Business Owner: Sean Doody	**Business Owner Dept:** Institutional Risk Management	**Contract Number:** PONCS-19623 A9
Vendor/Supplier: Cannon Cochran Management Services, Inc. **Basis of Original Contract Award** Request for Proposals (Best Value) **Basis of this Modification** Non-Sole Source Modification	BOM Approved Contract Total (7/27/2021): Actions Totaling < $100,000 Amount (8/7/2025): Amount:	$1,425,424 $75,000 $0
Revenue, Expense, or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total # 1	$135,000
Original Start Date: 8/1/2021 **Current Expiration:** 10/31/2026 **Mod Start Date:** 4/22/2026 **Expiration after this Mod:** 10/31/2026	New Contract Amount:	$1,635,424

Approvals

Has the final modification been approved by Legal for legal sufficiency?	Legal approved base document, amendment has no changes
Does this modification have an IT Component?	Yes; and IT approved
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

Submitted By (Division VP): Jared Ginter, Vice President, Institutional Risk Management

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

Parkland

SUBJECT: #1 Third Party Administrator for Workers' Compensation

VENDOR: Cannon Cochran Management Services, Inc.

COST:

BOM Approved Contract Total (7/27/2021):	$1,425,424
Action:	$75,000
Action:	$0
Modification to Add Funds: # 1	+ $135,000
Total:	$1,635,424

Recommendation
Approve this Modification No. 1 to add funds for Third Party Administrator for Workers' Compensation.

Background
This contract is for Third Party Administrator services for Workers' Compensation. The Third-Party Administrator serves as a strategic business partner to align with Parkland's workers' compensation claims, safety, and cost-reduction initiatives. The Third-Party Administrator manages injured employee claims from initial report through resolution, ensures Parkland follows all state workers' compensation laws, coordinates medical care and return-to-work efforts. In addition, the Third-Party Administrator manages payments for medical bills and wage replacement, oversees litigation when claims are disputed, and provides reporting so Parkland can see costs, trends, and risks.

On 8/7/2025, $75,000 was added to the contract. Funds are now being requested for compensation of services through the contract expiration on 10/31/2026. Parkland pays a per claim fee, and workforce growth since contract inception has resulted in a higher volume of claims for Third-Party Administrator to administer. There is no change to the contract relative to this funds request. A new solicitation will be released this year.

Fair and Reasonable Price Determination
A fair and reasonable price was determined through adequate competition. Pricing remains unchanged for this contract action.

Financial Forecast

Current Contract Amount	FY2025	FY2026	FY2027	Total
$1,425,424	$75,000	$123,750	$11,250	$1,635,424

Document Contact/Author:	Tracy Hayford

Board Approval Request
For Modification to Contract or Funding

BOM Date: April 22, 2026	**Modification:** Mod # 2 Fleet Management Automotive Service & Repairs	
Business Owner: Melvin Jenkins	**Business Owner Dept:** Fleet Management	**Contract Number:** PONCS-25341_A4
Vendor/Supplier: **AD AUTO ENTERPRISES, LLC dba DTX AUTOMOTIVE** **Basis of Original Contract Award** Sole Source **Basis of this Modification** Sole Source Modification	BOM Approved Contract Total (Date):OR, if has not been to the board, Current Contract Amount: Actions Totaling < $100,000 Amount: Amount: Amount:	10/25/2026 $485,000 $95,000
Revenue, Expense or Capital: Expense	Modification that increases contract value to $100,000 more than BOM Approved Contract Total Modification # 2 Amount:	$600,000
Original Start Date: 6/5/2025 **Current Expiration:** 6/4/2028 **Mod Start Date:** 4/22/2026 **Expiration after this Mod:** 6/4/2028	New Contract Amount:	$1,085,000

Approvals

Has the final modification been approved by Legal for legal sufficiency?	Legal approved base document, amendment has no changes
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.
FTE Impact:	Additional years costs will be budgeted in the appropriate fiscal year budgets. None

Submitted By (Division VP): Pam Bryant, Senior Vice President, Chief Supply Chain Officer

Parkland

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH BOARD BRIEFING DOCUMENT

SUBJECT: Mod # 2 Fleet Management Automotive Service & Repairs

VENDOR: AD AUTO ENTERPRISES, LLC dba DTX AUTOMOTIVE

COST:

BOM Approved Contract Total (Date):OR, if has not been to the board, Current Contract Amount:	$485,000
Action:	$95,000
Action:	
Action:	
Modification # 2:	+ $600,000
Total:	$1,085,000

Recommendation
Approve this contract modification to Fleet Management Automotive Service & Repairs.

Background
This contract covers automotive repair services for Parkland's fleet management program of 97 vehicles. Parkland experienced an unexpected surge in the number of vehicles requiring repairs. Parkland incurred substantial vehicle repair costs which depleted available funds earlier than projected within the contract period.

Fair and Reasonable Price Determination
The pricing proposed by the selected vendor has been evaluated and determined to be fair and reasonable based on a comparison with prior vendor pricing for similar services. Specifically, the current pricing aligns with or improves upon historical rates paid for comparable services.
The District's monthly spend, which had been trending around $80K per month, has now increased to approximately $100K per month. We will include an additional $600K for the remainder of FY26, while we prepared to go out for bid in FY27.

Financial Forecast

Current Contract Amount	FY2026	Total
$485,000	$600,000	$1,085,000

Contract Award without Competition Justification
This contract was awarded for an emergency that created a serious threat to the functioning of the District's operations. Previous awarded vendor provided unsatisfactory automotive repair services which prolonged repair timelines and substandard service quality. The substandard service resulted in extended vehicle downtime, disruption and serious threat to the functioning of Parkland's operations including Mobile Medical HOMES program, Parkland Police Department, Corporate Fleet, Engineering, Material Services, Jail Health, Linen Services, Environmental Services, WISH, PDC, WISH, Youth & Family, Family Place, and HIM,

Document Contact/Author:	Terence Durham

CONTRACT RESOLUTION
Board of Managers
April 22, 2026

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	Mod #1 - AngioJet catheters	Boston Scientific Corporation	4/22/2026 -- 4/21/2027	$246,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod #1 - Extend Agreement and Add Disposables Used with Owned Equipment	CooperSurgical Inc	5/1/2026 -- 4/30/2028	$538,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod #1 - Add Funding for Immunofluorescence Testing Reagents	Global Focus Marketing & Distributio	4/22/2026 -- 8/31/2027	$598,911	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Homeless Outreach Medical Services Program (HOMES), Substance Abuse	Homeward Bound, Inc	4/23/2026 -- 9/30/2030	$225,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Emprint Ablation System Disposables	Medtronic	4/27/2026 -- 4/26/2029	$270,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Capital	Endoscopes for the GI Department	Olympus America, Inc.	4/30/2026 – 4/30/2027	$517,578	Yes
			Expense	Mod # 1 Apheresis Kits and Uvadex Prescription	Therakos	2/1/2026 -- 1/31/2027	$963,208	Yes
			Expense	Mod # 3 Electrophysiology and Cryoablation Products	Medtronic USA, Inc.	4/22/2026-11/14/2026	$3,399,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod #2 - Main Campus Grounds Maintenance	Bare Roots Landscape Design, Inc.	4/23/2026 -- 9/30/2026	$4,683,093	Yes
			Expense	Furniture Installation, Purchase, Design, and Monthly Storage	G.L. Seaman and Company	5/1/2026 -- 4/30/2031	$4,000,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod #1 - Warehouse Management System	Tecsys Inc.	5/1/2026 -- 11/30/2028	$2,662,686	Yes
			Expense	Mops and Disposable Towels	Biocycle Services, Inc.	4/25/2026 -- 4/24/2031	$4,800,000	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod #1 - Third Party Administrator for Workers' Compensation	Cannon Cochran Management Servi	4/22/2026 -- 10/31/2026	$1,635,424	Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets.
			Expense	Mod # 2 Fleet Management Automotive Service & Repairs	AD AUTO ENTERPRISES, LLC dba	4/22/2026-6/4/2028	$1,085,000	Yes

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

Dated this 22nd of April 2026.

_____
Vincent Hall
Chair

_____
Brad Nitschke, JD
Assistant Secretary

Vincent Hall, Chair	Yes _____	No _____	Abstain _____	Absent _____
Eric G. Bing, MD, PhD	Yes _____	No _____	Abstain _____	Absent _____
Byron Cryer, MD	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 _____
Marjorie Petty, JD	Yes _____	No _____	Abstain _____	Absent _____
Miriam Sharma, RN	Yes _____	No _____	Abstain _____	Absent _____
Yasmin Simon, JD	Yes _____	No _____	Abstain _____	Absent _____
Jeff Tillotson, JD	Yes _____	No _____	Abstain _____	Absent _____

Consideration and Appropriate Action Regarding Capital Substitution

Parkland Health
FY2026 Capital Substitution
For April 2026 Board Meeting

Ref #	Division	Project Total	Substitution Amount	Description
1	Laboratory Services	$409,975	$409,975	Replacement of Tissue Processors (5)
	Explanation	This request is for the replacement of 5 tissue processors in Anatomic Pathology. These high-capacity automated instruments are used in histology laboratories to prepare human tissue specimens for microscopic examination, automating the critical steps of tissue processing, which includes fixation, dehydration, clearing, and paraffin infiltration. The 11-year-old units to be replaced were originally scheduled to be replaced in FY27 as the units have not yet reached end of support status. However, due to extensive downtime related to sensor errors, delays in processing patient specimens, and repair costs exceeding $100K since April 2025, replacement units are being requested prior to FY27. To mitigate ongoing vendor issues, Parkland intends to transition to a new vendor, requiring all processors to be replaced simultaneously to standardize equipment, support consistent workflows, and reduce operational risk associated with an inconsistent fleet.		
	Driver(s) of Increased Expense:	Extensive downtime due to sensor errors; delays in processing patient specimens; repair costs exceeding $100K since April 2025 (to be minimized once the new units are in place)		
	Description of Item:	Tissue processors (5)		
	Grand Total	**$409,975**	**$409,975**	

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 requests approval for the use of contingency funds for capital items in the amount of $409,975 for FY25 as itemized in the listing presented to the Board of Managers, and

THEREFORE, BE IT RESOLVED, that the Parkland Health Board of Managers approves the use of funds as submitted.

Dated this ____th Day of _____2026.

_____ _____

Marjorie Petty, JD
Chair

Brad Nitschke, JD
Assistant Secretary

Eric G. Bing, MD, PhD	Yes_____	No _____	Abstain _____	Absent _____
Byron Cryer, MD	Yes_____	No _____	Abstain _____	Absent _____
Todd Furniss, JD	Yes_____	No _____	Abstain _____	Absent _____
Reina Gonzalez, JD	Yes_____	No _____	Abstain _____	Absent _____
Vincent Hall	Yes_____	No _____	Abstain _____	Absent _____
Ramon Miguez, PE	Yes_____	No _____	Abstain _____	Absent _____
Farida Minner, RN	Yes_____	No _____	Abstain _____	Absent _____
Marjorie Petty, JD	Yes_____	No _____	Abstain _____	Absent _____
Miriam Sharma, RN	Yes_____	No _____	Abstain _____	Absent _____
Yasmin Simon, JD	Yes_____	No _____	Abstain _____	Absent _____

Update and Report on Current FY26 Facilities Projects

FY26 Projects

FY26 Projects

Project Name	Status	Vendors	Budget
Mike A. Myers Health Center	• **Civil sitework underway (5% completion)** • **Documents updated for exam room, PFS, and sonography** • **Anticipated substantial completion June 2027**	Architect: Corgan & Associates Contractor: H.J. Russell + Post L Joint Venture	$31,337,800
Parkland Campus Demolition OK Paper Warehouse	• **Parking lot construction in progress (26% completion)** • **Concrete paving work underway** • **Expected 764 parking spaces** • **Anticipated substantial completion August 2026**	Architect: HED/VAI Contractor (Demo): GCC Enterprises Contractor (Parking Lot): Phillips/May	$5,782,004
Parkland Hospital ACH 8th and 9th Floor Shell Buildout	• **Construction in progress (74% completion)** • **Interior finish-out of 8th and 9th floor underway** • **9th floor 100% state inspection scheduled for May 4, 2026** • **9th floor substantially completed in March 2026** • **9th floor first patient day scheduled for June 1, 2026** • **8th floor substantial completion scheduled for July 2026**	Architect/Contractor: Beck/AO JV	$54,383,500
Parkland Hospital Emergency Department Triage Expansion	• **Preconstruction activities underway** • **Phase 1 anticipate mid May 2026 substantial completion** • **Phase 2 anticipate mid June 2026 substantial completion** • **Phase 3 anticipate late July 2026 substantial completion**	Architect: Hoefer-Welker Contractor: GC Legacy	$1,909,300
Parkland Hospital Interventional Radiology Expansion Rooms 5 & 6	• **Phase 1 construction in progress (100% completion)** • **Re-kickoff of Phase 2 (IRs 5 & 6) is currently underway** • **IR 5 & 6 currently in Design Development phase** • **Revised $9.3M total project budget approved**	Architect: Hoefer-Welker Contractor Ph 1: Team North Texas Contractor Ph 2: TBD	$9,320,369
Parkland Hospital Lab Consolidation	• **Construction in progress (64% completion)** • **Installation of new lab equipment is 97% complete** • **Last interior equipment to be installed is the Swisslog pneumatic tube stations** • **Exterior work (air handling units & mechanical penthouse) is underway** • **Go-live for all new equipment set for April 28th 2026** • **Rapid response lab to move all personnel by June 2026** • **Anticipated substantial completion June 2026**	Architect: Page Southerland (StanTec) Contractor: Swinerton	$17,607,000
Inland Port Clinic	• **Capital funding for architectural services approved** • **Land purchase contract executed in December 2025, due diligence** • **Architect selection has been made, contract in administrative review** • **Anticipate board consideration of architect contract in May 2026** • **Pending total project scope and budget development**	Architect: TBD Contractor: TBD	$12,025,000
Southeast Health Center	• **Received 12 responses, anticipate architect selection April 2026** • **Anticipate board consideration of architect contract in May/June 2026** • **Owners Representative draft request for proposal being developed** • **Pending total project scope and budget development**	Architect: TBD Contractor: TBD	$75,615,953

FY26 Projects Continued

Project Name	Status	Vendors	Budget
Garland Medical Plaza III Garland Plaza III Third Floor ARC and Podiatry Improvement	• **Construction in progress (92% completion)** • **Anticipate substantial completion in April 2026** • **Anticipate first patient in May 2026**	Architect: Landlord Contractor: Landlord Cabling: EPS Logix	$972,009
Parkland Hospital Cardiac EP Lab Shell Buildout	• **Design contract executed in February 2026** • **Design kick off occurred in late March 2026** • **Schematic design phase underway**	Architect: E4H Contractor: TBD	$4,400,000
Parkland Campus Pediatric Behavioral Health Center Renovation	• **Schematic design completed** • **Design development 50% complete** • **Construction documents to be completed in June 2026**	Architect: HKS Contractor: TBD	$2,045,100
Parkland Campus Redfield Parking Lot Improvements	• **Civil engineer selected, under contract administrative review** • **Anticipate executed design contract in April 2026** • **Anticipate Notice to Proceed and design kick off in April 2026**	Architect: TBD Contractor: TBD	$562,800

Update and Report Regarding Parkland Financial Performance Presentation

Executive Summary for the Month of March 2026 (Hospital Only)

For the month of March, Parkland Health recognized a net income of $1.9M which is $10.6M lower than the budgeted net income of $11.0M and $18.4M unfavorable compared to the prior year net income of $20.2M.

Parkland Health's operating margin and operating cash flow margin for the month of March are (0.1%) and 2.7%, respectively. The operating margin was unfavorable compared to the budget of 0.0% and the operating cash flow margin is unfavorable compared to budget of 2.9%. Parkland Health's operating margin is unfavorable compared to prior year operating margin of 2.8% and unfavorable to the operating cash flow margin of 5.8% from the prior year.

Parkland Health's patient cash collections in March were $122.6M which is lower than budget by $7.3M and $0.5M higher than the prior year. Parkland Health's days cash on hand of 260.7 days for the month is an increase of 5.7 days compared to prior month of 255 days and compared to the prior year March of 259.4 days, an increase of 1.3 days.

Patient Volume	Current Month Actual	Current Month Budget	Actual vs Budget	Actual vs Budget %
Adjusted Patient Days	58,438	55,277	3,161	5.7%
Equivalent Patient Days (inpatient only)	27,668	27,185	483	1.8%
Ambulatory Visits	115,450	110,730	4,720	4.3%
Emergency Room Visits	21,037	20,276	761	3.8%
Deliveries	1,013	1,024	(11)	-1.1%
Surgeries (total)	2,210	1,908	302	15.8%
Total Adult Average Daily Census (incl. Observation)	822	813	9	1.1%
Neonatal ICU Average Daily Census	71	65	6	9.2%
Total Average Daily Census	893	878	15	1.7%

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 $39.8M or 4.7% more than budget for the month. This favorable variance is due to a combination of inpatient revenue higher than budget by $14.4M or 4.9%, outpatient revenue being higher than budget by $21.2M or 4.5% and emergency room revenue being higher than budget by $4.2M or 4.7%. Compared to prior year's gross patient revenues for the month, total patient revenue is higher by $51.8M or 6.2% with inpatient revenue higher by $10.4M or 3.5%, outpatient revenues increase of $39.3M or 8.8% and emergency room revenues being higher by $2.1M or 2.2%.

- Parkland Health's gross patient revenue for the month of March is comprised of 34.4% IP revenue, 54.9% OP revenue, and 10.7% ED revenue. This is compared to a budget for the month of 34.4% IP, 55.0% OP, and 10.7% ED.

- Equivalent Patient Days, which is the sum of traditional inpatient + observation + short stay census days, is 1.8% higher than budget and 1.7% lower than the prior year.

- The Average Length of Stay (ALOS) for Adult increased by 0.19 days or 3.3% higher or unfavorable to budget and the Neonatal ICU ALOS increased by 0.21 days or 1.1% higher or unfavorable to budget. Compared to the previous year, the ALOS for Adult decreased by 0.10 days or 1.6% lower or favorable to budget and the ALOS for Neonatal ICU decreased by 0.67 days or 3.3% lower or favorable to the prior year.

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

  - Total Inpatient Discharges were higher than budget by 1.0% and 1.9% higher than the prior year,
  - Observation/Short Stay Discharges are 11.8% below budget and 8.9% below the prior year,
  - Total Adjusted Patient Days (a proxy for overall inpatient and outpatient volume) are 5.7% higher than budget and 7.4% higher than the prior year,
  - Inpatient surgery cases are 23.8% favorable to budget and 25.5% favorable to the prior year.
  - Surgeries of all types are 15.8% higher than budget and 20.8% more than the prior year.
  - Deliveries are 1.1% lower than budget and 4.6% lower than 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 115,450 for March are 4.3% higher than budget of 110,730 and 6.7% higher the prior year of 108,237. Outpatient visits include the following types:

    - COPC Visits; 39.1% of total outpatient visits
    - Ambulatory Specialty Clinics; 34.9% of total outpatient visits
    - Women's Health Centers Visits; 18.5% of total outpatient visits
    - Employee Health Integration; 2.6% of total outpatient visits
    - All Other Divisions; 4.9% of total outpatient visits

  - Approximately 57.6% 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 3.8% higher than budget for March and 2.8% higher than the prior year. The "left without being seen" statistic of 2.1% is higher than the budget of 1.5% and unfavorable to the prior year statistic of 1.8%.

- Outpatient Surgery cases performed at the hospital are above budget by 10.2% and 13.6% higher than the prior year. Day Surgery cases performed at the ASC are 10.5% higher than budget and 23.5% higher than the prior year.

- The March Case Mix Index (CMI) for Adult Acute of 1.95 is 5.0% lower than the prior year, the Rehabilitation CMI of 1.3 is 4.9% lower than the prior year and the NICU CMI of 3.67 is 0.7% higher than the prior year. The WISH CMI 0.95 is 7.0% higher than the prior year and the Psychiatry CMI of 1.39 is 7.6 % higher than the prior year.

- Parkland Health's actual patient cash collection rate from payors as a percentage of gross revenue is 13.8% for the month compared to a goal of 15.3%. Days in AR were 73 days compared to last month of 72 days.

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

Payor	MTH Act FY25	MTH Bud FY25	Variance Actual to Budget	MTH Act FY24
Commercial	8.8%	2.9%	5.9%	8.1%
ACA (Affordable Care Act)	6.5%	12.9%	-6.4%	7.7%
Medicaid	18.5%	19.9%	-1.4%	21.5%
Medicare	17.9%	17.3%	0.6%	16.6%
Charity - Self Pay	48.3%	47.0%	1.3%	46.1%
Total	100.0%	100.0%	0.0%	100.0%

Federal Emergency Management Agency Stimulus Funds

In March, Parkland Health recognized $0.5M in Stimulus Funds.

Other Operating Revenues

Other operating revenues are $2.2M higher than budget for the month of March primarily due to higher Replacement Drugs expenses.

Operating Expenses

March's operating expenses (excluding depreciation) are $258.7M. This is $2.6M or 1.0% higher than the budgeted operating expenses and higher than the prior year by $16.9M or 7.0%. Variances for the month include the following:

Salaries, Benefits and FTEs

- Salaries and Benefits as a percentage of operating revenue are 55.5% compared to a budget of 56.7%, and prior year of 54.8%.

- Salaries and benefits are $147.6M which is $2.0M or 1.3% lower than budget for the month.

- Salaries (including contract labor) are $0.6M or 0.5% higher than budget for the month.

- Actual FTE count (excluding both nursing homes and jail FTEs) for March was 12,763 compared to a budget of 12,760 and actual FTEs of 12,745 in the prior year. Total FTEs are 3.1 or 0.0% above budget and 17.9 or 0.1% above the prior year.

- Productivity – The 6.5 FTEs per Adjusted Occupied Bed (AOB), which excludes both nursing homes and jail FTEs are lower than the budget of 6.9 FTEs per AOB for the month and lower than the prior year actual FTEs of 6.9 FTEs per AOB.

Purchased Medical Services

Purchased medical services are $0.2M or 0.7% higher than budget for the month.

Supplies, Fees, Pharmaceuticals and Other Expenses

Supplies, Fees, Pharmaceuticals and Other Expenses are $5.8M higher compared to budget for the month mainly due to higher Drug Replacement Program.

Non-operating Revenues (Expenses)

Non-operating revenues of $2.1M are unfavorable to budget by $8.8M or 80.8% for the month due to unrealized losses on market investments.

Executive Summary for the YTD 2026 (Hospital Only)

For the YTD, Parkland Health recognized a net income of $49.8M which is $8.1M lower than the budgeted net income of $57.9M and $48.1M unfavorable compared to the prior YTD net income of $97.9M.

Parkland Health's operating margin and operating cash flow margin for the YTD are (0.1%) and 2.7%, respectively, and is lower compared to the budgeted operating margin of 0.0% and unfavorable compared to the budgeted operating cash flow margin of 2.9%. Parkland Health's operating margin is lower than the prior YTD operating margin of 3.1% and unfavorable when compared to the prior YTD operating cash flow margin of 6.2%.

Parkland Health's patient cash collections for the YTD are $691.7M which is $24.1M lower than the YTD budget and $16.1M higher than the prior YTD.

Volume variances to budget:

Patient Volume	YTD Actual	YTD Budget	Actual vs Budget	Actual vs Budget %
Adjusted Patient Days	336,707	330,943	5,764	1.7%
Equivalent Patient Days (inpatient only)	160,503	161,550	(1,047)	-0.6%
Ambulatory Visits	650,586	646,684	3,902	0.6%
Emergency Room Visits	122,651	121,524	1,127	0.9%
Deliveries	6,054	6,490	(436)	-6.7%
Surgeries (total)	11,712	11,302	410	3.6%
Total Adult Average Daily Census (incl. Observation)	811	809	2	0.2%
Neonatal ICU Average Daily Census	71	78	(7)	-9.0%
Total Average Daily Census	882	887	(5)	-0.6%

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 $92.4M or 1.9% higher than budget for the YTD. This favorable variance is due to the combination of outpatient revenues higher than budget by $49.0M or 1.8%, emergency room revenue higher than budget by $10.6M or 2.0%, and inpatient revenue higher than budget by $32.8M or 1.9%. Compared to prior years, gross patient revenue increased $239.0M or 5.0% with inpatient revenues greater than budget by $38.8M or 0.02%, outpatient revenues higher by $199.7M or 7.8%, and emergency room revenues lower by $0.5M or 0.1%.

- Parkland Health's gross patient revenue for the YTD is comprised of 34.2% inpatient revenue, 54.9% OP revenue, and 10.8% ED revenue. This is compared to a budget for YTD of 34.2% IP, 55.0% OP, and 10.8% ED.

- Equivalent Patient Days, which is the sum of traditional inpatient + observation + short stay census days, are 0.6% lower than budget for the YTD and 1.8% lower than prior YTD.

- The Average Length of Stay (ALOS) for Adult was 3.1% higher than or unfavorable to budget for the YTD and the Neonatal ICU ALOS was 8.6% lower than or favorable to budget for the YTD.

Compared to the previous year, the ALOS for Adult and was 3.1% higher or unfavorable to the prior year and the Neonatal ICU was 12.5% lower or favorable to the prior year.

The actual mix of inpatient services that drive Equivalent Patient Days is different than Parkland Health's budget for the YTD:

- Total Inpatient Discharges are 1.6% lower than budget and 3.2% lower than the prior YTD,
- Observation/Short Stay Discharges are 8.3% lower than budget and 5.3% lower than the prior YTD,
- Total Adjusted Patient Days (a proxy for overall inpatient and outpatient volume) for the current YTD are 1.7% higher than budget and 3.5% greater than the prior YTD,
- Inpatient surgery cases are 11.3% higher than budget and 12.7% above the prior YTD,
- Surgeries of all types are 3.6% higher than budget and 8.2% above the prior YTD,
- Deliveries are lower than budget by 6.7% and 10.1% lower than the prior YTD.

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

  - Total outpatient visits of 650,586 for the YTD are 0.6% higher than budget of 646,684 and 2.8% above the prior YTD of 632,788. Outpatient visits include the following types:

    - COPC Visits; 40.5% of total outpatient visits
    - Ambulatory Specialty Clinics; 34.3% of total outpatient visits
    - Women's Health Centers Visits; 18.1% of total outpatient visits
    - Employee Health Integration; 2.6% of total outpatient visits
    - All Other Divisions; 4.6% of total outpatient visits

  - Approximately 58.6% 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 0.9% higher than budget for the YTD and 0.1% higher than the prior YTD. The "left without being seen" statistic of 2.0% is higher than budget of 1.4% and unfavorable to the prior year statistic of 1.6%.

  - Outpatient Surgery cases performed at the hospital are 1.5% higher than budget YTD and 4.6% higher than the prior YTD. Day Surgery cases performed at the ASC are 5.8% less than budget for the YTD and 5.5% greater than the prior YTD.

- The YTD Case Mix Index (CMI) for Adult Acute of 12.11 is on par with the prior YTD, the WISH CMI of 5.61 is 5.8% higher than the prior YTD, the Psychiatry CMI of 8.29 is 3.4% higher than the prior YTD, and the NICU CMI of 21.24 is 0.5% higher than the prior YTD. The Rehabilitation CMI of 7.9 is 3.7% lower than the prior YTD.

- Parkland Health's actual patient cash collection rate from payors as a percentage of gross revenue is 13.8% for the YTD compared to the budget of 13.3%.

- Parkland Health's year-to-date payor mix for gross patient revenue is:

Payor	YTD Act FY25	YTD Bud FY25	Variance Actual to Budget	YTD Act FY24
Commercial	8.3%	7.9%	0.4%	8.3%
ACA (Affordable Care Act)	6.8%	6.9%	-0.1%	6.8%
Medicaid	19.5%	20.9%	-1.4%	21.7%
Medicare	17.4%	17.3%	0.1%	16.8%
Charity - Self Pay	48.1%	46.9%	1.2%	46.4%
Total	100.1%	100.0%	0.1%	100.0%

Federal Emergency Management Agency Stimulus Funds

YTD Parkland Health recognized $1.3M in Stimulus Funds from the Federal Emergency Management Agency (FEMA).

Other Operating Revenues

Other operating revenues are $19.4M higher than budget for the YTD primarily due to the Replacement Drug Program.

Operating Expenses

YTD operating expenses (excluding depreciation) of $1,531.6M are higher than budget by $1,511.3M or 1.3% and higher than the prior YTD by $148.6M or 11.0%. Variances for the YTD include the following:

Salaries, Benefits and FTEs

- Salaries and Benefits as a percentage of operating revenue for the YTD are 55.9% compared to a budget of 56.4%, and prior year of 54.7%.

- Salaries and benefits are $0.9M or 0.1% lower than budget for the YTD.

- Salaries (including contract labor) are $2.2M or 0.3% lower than budget for the YTD.

- Actual FTE count (excluding both nursing homes and jail FTEs) for YTD was 12,758 compared to a budget of 12,755 and actual FTEs of 12,734 for the prior YTD. Total FTEs are 3.1 or 0.02% higher than budget for the YTD and 23.5 or 0.2% above the prior YTD.

- Productivity - The 6.6 FTEs per Adjusted Occupied Bed (AOB), which excludes both nursing homes and jail FTEs, is lower than the budget of 6.7 FTEs per AOB for the YTD and lower than the prior YTD of 6.8 FTEs per AOB.

Purchased Medical Services

Purchased medical services are $0.1M or 0.1% higher than budget for the YTD.

Supplies, Fees, Pharmaceuticals and Other

Supplies, Fees, Pharmaceuticals and Other Expenses are $20.7M higher compared to budget for the month mainly due to higher Drug-Replacement Program.

Non-operating Revenues (Expenses)

Non-operating revenues of $50.9M are unfavorable to budget by $6.5M or 11.3% for the month due to unrealized losses on market investments.

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).

Receivables and Collections Management

- ***Patient Cash Collections and Total Cash Collections:*** *Any increases* in cash collections are 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

Financials Updated as of March 2026

April 21, 2026

Parkland

Parkland

Income Statement
MTD March 2026

Hospital (excl NH)
Income Statement
MTD March 2026

PHHS Without Nursing Homes MTD

(Dollars In Thousands)

	FY26 Actual	FY26 Budget	Var From Budget	% Var From Budget	FY25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	$ 123,177	$ 123,686	$ (509)	-0.4%	$ 114,566	$ 8,612	7.5%
Net Ad Valorem Taxes	77,742	77,742	0	0.0%	73,057	4,685	6.4%
Government Programs	40,106	40,114	(7)	-0.0%	46,419	(6,312)	-13.6%
Stimulus Funds	526	21	506	2427.2%	-	526	0.0%
Other Revenues	24,407	22,188	2,219	10.0%	22,701	1,705	7.5%
OPERATING REVENUES	265,959	263,751	2,208	0.8%	256,743	9,216	3.6%
EXPENSES							
Salaries and Benefits	147,597	149,601	2,004	1.3%	140,640	(6,957)	-4.9%
Supplies	55,788	51,920	(3,868)	-7.4%	51,431	(4,356)	-8.5%
Purchased Medical Services	29,431	29,234	(197)	-0.7%	28,619	(812)	-2.8%
Other Expenses	25,889	25,345	(544)	-2.1%	21,143	(4,746)	-22.4%
Depreciation	7,489	7,551	62	0.8%	7,634	146	1.9%
OPERATING EXPENSES	266,194	263,652	(2,542)	-1.0%	249,468	(16,726)	-6.7%
OPERATING INCOME (LOSS)	**$ (235)**	**$ 99**	**$ (334)**	**-337.4%**	**$ 7,275**	**$ (7,510)**	**-103.2%**
Grants and Contributions	4,542	4,253	289	6.8%	6,137	(1,595)	-26.0%
Other NonOperating Revenues (Ex	(2,458)	6,632	(9,089)	-137.1%	6,806	(9,264)	-136.1%
NonOperating Income	2,085	10,885	(8,800)	-80.8%	12,944	(10,859)	-83.9%
Total Net Income (Loss)	$ 1,850	$ 10,984	$ (9,134)	-83.2%	$ 20,219	$ (18,369)	-90.8%
Cash Flow Margin	$ 7,254	$ 7,650	$ (396)	-5.2%	$ 14,909	$ (7,656)	-51.3%
Operating Cash Flow Margin %	2.7%	2.9%	-17.9%		5.8%		
Operating Margin %	-0.1%	0.0%	-15.1%		2.8%		

Total All Entities Income Statement MTD March 2026

All Entities Month to Date Income Statement

(Dollars In Thousands)

	FY 26 Actual	FY 26 Budget	Var From Budget	%Var From Budget	FY 25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	$ 152,631	$ 152,860	$ (229)	-0.1%	$ 142,396	$ 10,235	7.2%
Net Ad Valorem Taxes	77,742	77,742	0	0.0%	73,057	4,685	6.4%
Government Programs	43,224	43,231	(7)	-0.0%	54,650	(11,427)	-20.9%
Stimulus Funds	526	21	506	2,427.2%	0	526	0.0%
PCHP Premium Revenues	42,872	47,111	(4,239)	-9.0%	51,288	(8,416)	-16.4%
Other Revenues	63,035	61,436	1,599	2.6%	53,839	9,196	17.1%
OPERATING REVENUES	380,031	382,401	(2,370)	-0.6%	375,230	4,801	1.3%
EXPENSES							
Salaries and Benefits	169,283	171,472	2,190	1.3%	159,826	(9,457)	-5.9%
Supplies	65,106	62,138	(2,969)	-4.8%	60,308	(4,799)	-8.0%
Purchased Medical Service	29,431	29,234	(197)	-0.7%	28,619	(812)	-2.8%
Other Expenses	33,869	31,880	(1,989)	-6.2%	30,810	(3,059)	-9.9%
PCHP Claims	73,378	78,581	5,202	6.6%	78,663	5,285	6.7%
Depreciation	7,641	7,706	66	0.9%	7,789	148	1.9%
OPERATING EXPENSES	378,708	381,011	2,303	0.6%	366,015	(12,693)	-3.5%
OPERATING INCOME (LOSS)	**$ 1,323**	**$ 1,390**	**$ (67)**	**-4.8%**	**$ 9,215**	**$ (7,892)**	**-85.6%**
NonOperating Income	990	10,598	(9,608)	-90.7%	12,280	(11,290)	-91.9%
Total Net Income (Loss)	$ 2,313	$ 11,988	$ (9,675)	-80.7%	$ 21,495	$ (19,182)	-89.2%
Cash Flow Margin	$ 8,964	$ 9,097	$ (133)	-1.5%	$ 17,004	$ (8,040)	-47.3%
Operating Cash Flow Margin %	2.4%	2.4%	0.1%		4.5%		
Operating Margin %	0.3%	0.4%	2.8%		2.5%		

Parkland

Income Statement
FYTD March 2026

Hospital (excl NH) Income Statement FYTD March 2026

PHHS Without Nursing Homes YTD

(Dollars In Thousands)

	FY26 Actual	FY26 Budget	Var From Budget	% Var From Budget	FY25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	$ 715,808	$ 719,999	$ (4,191)	-0.6%	$ 622,730	$ 93,078	14.9%
Net Ad Valorem Taxes	466,453	466,453	0	0.0%	438,345	28,108	6.4%
Government Programs	240,624	240,682	(58)	-0.0%	284,606	(43,982)	-15.5%
Stimulus Funds	1,332	125	1,207	965.9%	2,697	(1,364)	-50.6%
Other Revenues	149,229	129,809	19,420	15.0%	126,039	23,190	18.4%
OPERATING REVENUES	1,573,446	1,557,068	16,378	1.1%	1,474,417	99,029	6.7%
EXPENSES							
Salaries and Benefits	879,208	878,292	(916)	-0.1%	806,283	(72,925)	-9.0%
Supplies	325,140	304,207	(20,933)	-6.9%	282,325	(42,815)	-15.2%
Purchased Medical Services	176,310	176,194	(116)	-0.1%	168,052	(8,258)	-4.9%
Other Expenses	150,899	152,597	1,698	1.1%	126,330	(24,569)	-19.4%
Depreciation	42,953	45,227	2,274	5.0%	45,985	3,033	6.6%
OPERATING EXPENSES	1,574,509	1,556,517	(17,993)	-1.2%	1,428,975	(145,534)	-10.2%
OPERATING INCOME (LOSS)	**$ (1,063)**	**$ 551**	**$ (1,614)**	**-292.9%**	**$ 45,442**	**$ (46,505)**	**-102.3%**
Grants and Contributions	27,429	25,540	1,889	7.4%	27,758	(329)	-1.2%
Other NonOperating Revenues (Ex	23,436	31,802	(8,366)	-26.3%	24,672	(1,236)	-5.0%
NonOperating Income	50,865	57,342	(6,477)	-11.3%	52,430	(1,565)	-3.0%
Total Net Income (Loss)	$ 49,802	$ 57,893	$ (8,091)	-14.0%	$ 97,872	$ (48,070)	-49.1%
Cash Flow Margin	$ 41,889	$ 45,778	$ (3,888)	-8.5%	$ 91,427	$ (49,538)	-54.2%
Operating Cash Flow Margin %	2.7%	2.9%	-23.7%		6.2%		
Operating Margin %	-0.1%	0.0%	-9.9%		3.1%		

Total All Entities Income Statement FYTD March 2026

All Entities Year to Date Income Statement

(Dollars In Thousands)

	FY 26 Actual	FY 26 Budget	Var From Budget	%Var From Budget	FY 25 Actual	Var FY26-25	%Var FY26-25
REVENUES							
Net Patient Revenues	$ 898,081	$ 891,274	$ 6,807	0.8%	$ 789,290	$ 108,791	13.8%
Net Ad Valorem Taxes	466,453	466,453	0	0.0%	438,345	28,108	6.4%
Government Programs	280,849	259,387	21,462	8.3%	316,256	(35,406)	-11.2%
Stimulus Funds	1,332	125	1,207	965.9%	2,697	(1,364)	-50.6%
PCHP Premium Revenues	283,299	300,224	(16,925)	-5.6%	306,584	(23,285)	-7.6%
Other Revenues	386,977	343,265	43,712	12.7%	314,448	72,529	23.1%
OPERATING REVENUES	2,316,992	2,260,727	56,265	2.5%	2,167,619	149,372	6.9%
EXPENSES							
Salaries and Benefits	1,011,343	1,006,408	(4,935)	-0.5%	924,752	(86,591)	-9.4%
Supplies	381,118	364,705	(16,413)	-4.5%	332,368	(48,750)	-14.7%
Purchased Medical Service	176,310	176,194	(116)	-0.1%	168,052	(8,258)	-4.9%
Other Expenses	243,503	206,572	(36,931)	-17.9%	213,461	(30,042)	-14.1%
PCHP Claims	484,682	451,177	(33,505)	-7.4%	452,827	(31,855)	-7.0%
Depreciation	43,868	46,069	2,201	4.8%	46,974	3,106	6.6%
OPERATING EXPENSES	2,340,824	2,251,125	(89,699)	-4.0%	2,138,434	(202,390)	-9.5%
OPERATING INCOME (LOSS)	**$ (23,832)**	**$ 9,602**	**$ (33,434)**	**-348.2%**	**$ 29,185**	**$ (53,017)**	**-181.7%**
NonOperating Income	56,462	55,950	512	0.9%	54,586	1,876	3.4%
Total Net Income (Loss)	$ 32,630	$ 65,552	$ (32,922)	-50.2%	$ 83,771	$ (51,141)	-61.0%
Cash Flow Margin	$ 20,036	$ 55,671	$ (35,635)	-64.0%	$ 76,159	$ (56,123)	-73.7%
Operating Cash Flow Margin %	0.9%	2.5%	-55.5%		3.5%		
Operating Margin %	-1.0%	0.4%	-59.4%		1.3%		

Key Statistics

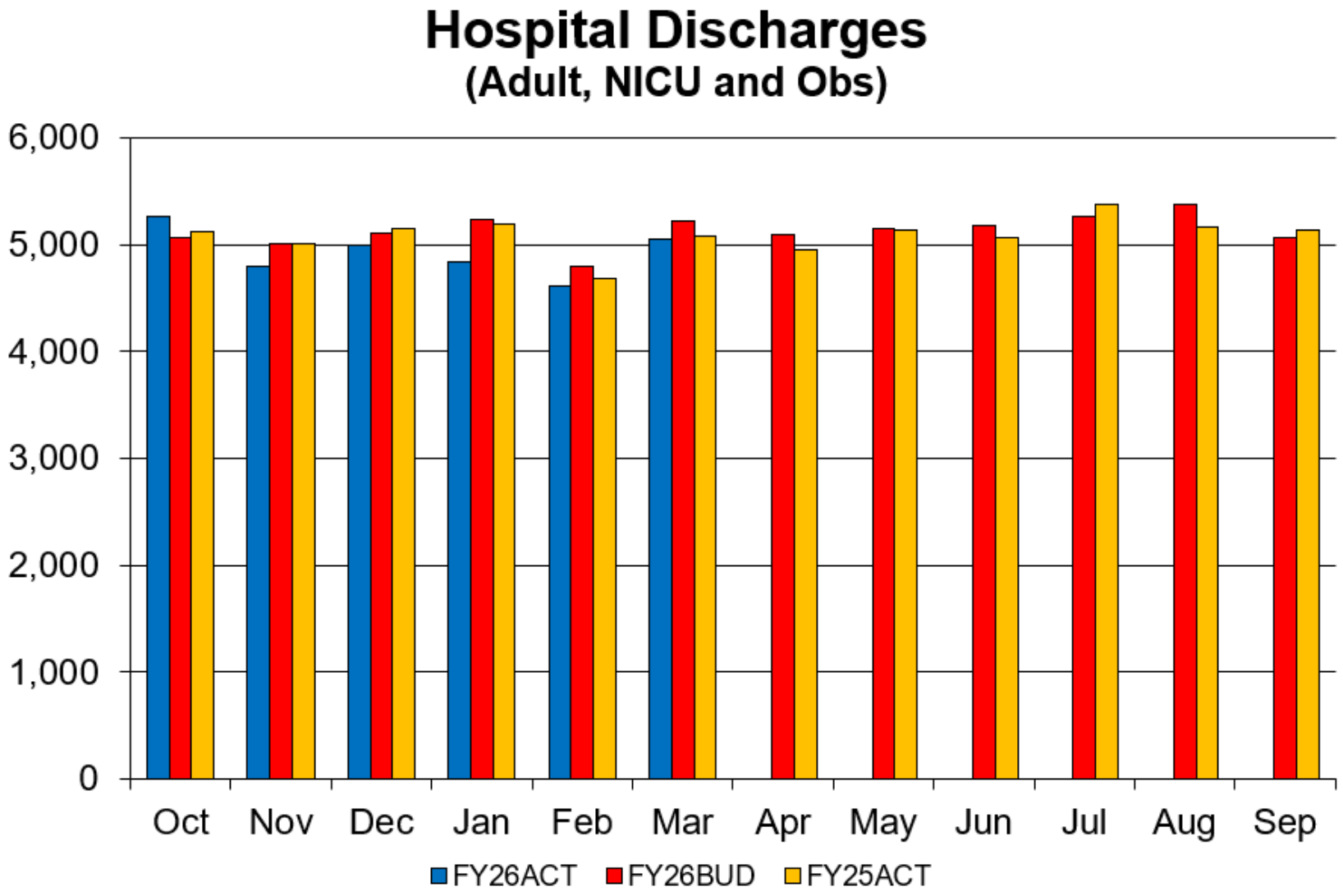
Hospital Key Statistics
MTD March 2026

	Actual	Budget	Budget Variance	Budget % Variance	PY Actual	PY Actual % Variance
Hospital Discharges (Adult, NICU and Obs)	5,059	5,217	(158)	-3.0%	5,075	-0.3%
Average Daily Census (Adult, NICU and Obs)	893	878	15	1.7%	908	-1.7%
Average Length of Stay (Adult)	6.02	5.83	(0.19)	-3.3%	6.12	1.6%
Case Mix Index (Acute Service Line)	1.95	1.98	(0.03)	-1.5%	2.01	-3.0%
Emergency Visits	21,037	20,276	761	3.8%	20,455	2.8%
Ambulatory Visits	115,450	110,730	4,720	4.3%	108,237	6.7%
Surgeries	2,210	1,908	302	15.8%	1,830	20.8%
Deliveries	1,013	1,024	(11)	-1.1%	1,062	-4.6%

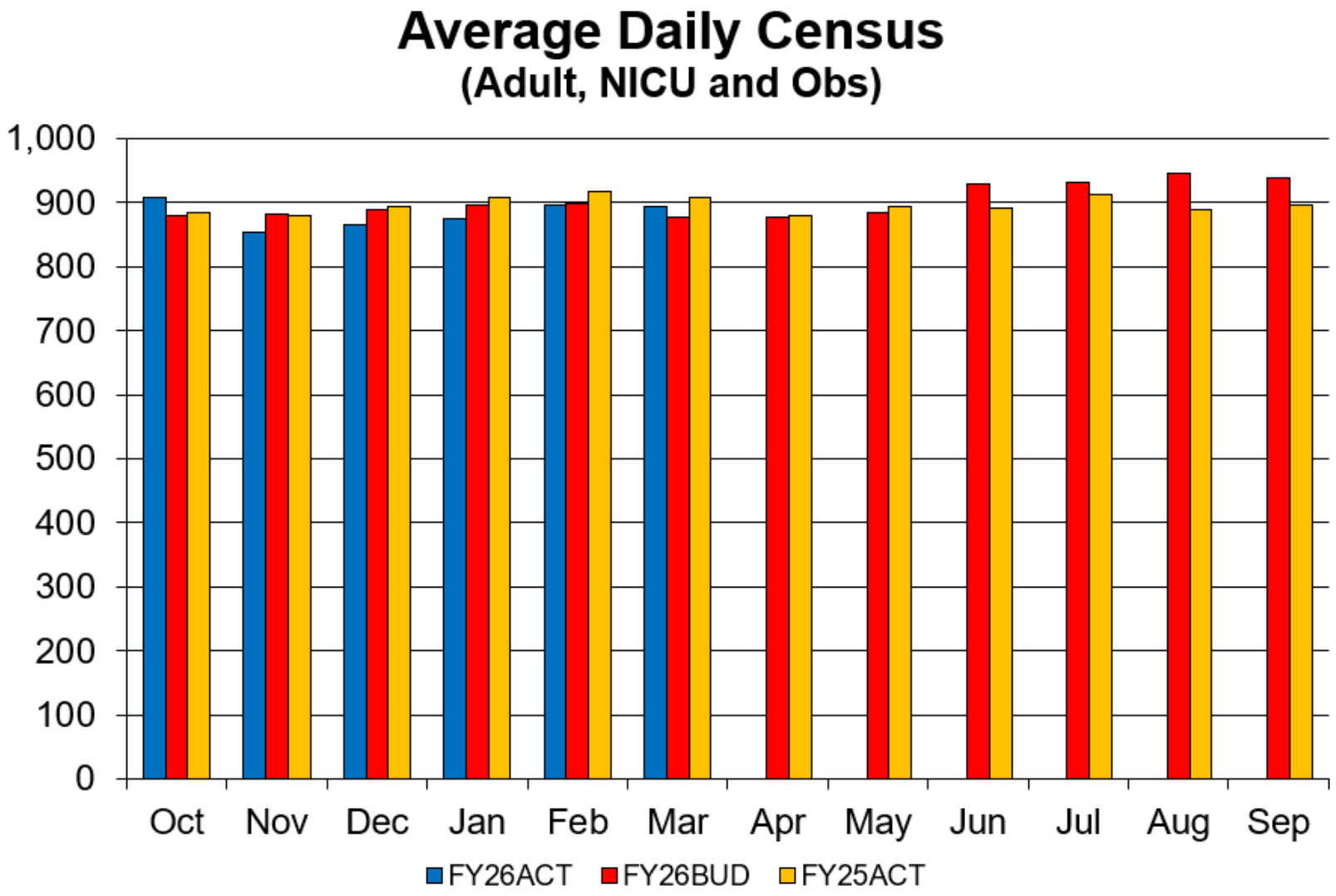
Hospital Key Statistics
FYTD March 2026

	Actual	Budget	Budget Variance	Budget % Variance	PY Actual	PY Actual % Variance
Hospital Discharges (Adult, NICU and Obs)	29,562	30,455	(893)	-2.9%	30,235	-2.2%
Average Daily Census (Adult, NICU and Obs)	882	887	(5)	-0.6%	899	-1.9%
Average Length of Stay (Adult)	6.00	5.82	(0.18)	-3.1%	5.82	-3.1%
Case Mix Index (Acute Service Line)	2.00	1.98	0.02	1.0%	2.00	0.0%
Emergency Visits	122,651	121,524	1,127	0.9%	122,561	0.1%
Ambulatory Visits	650,586	646,684	3,902	0.6%	632,788	2.8%
Surgeries	11,712	11,302	410	3.6%	10,826	8.2%
Deliveries	6,054	6,490	(436)	-6.7%	6,736	-10.1%

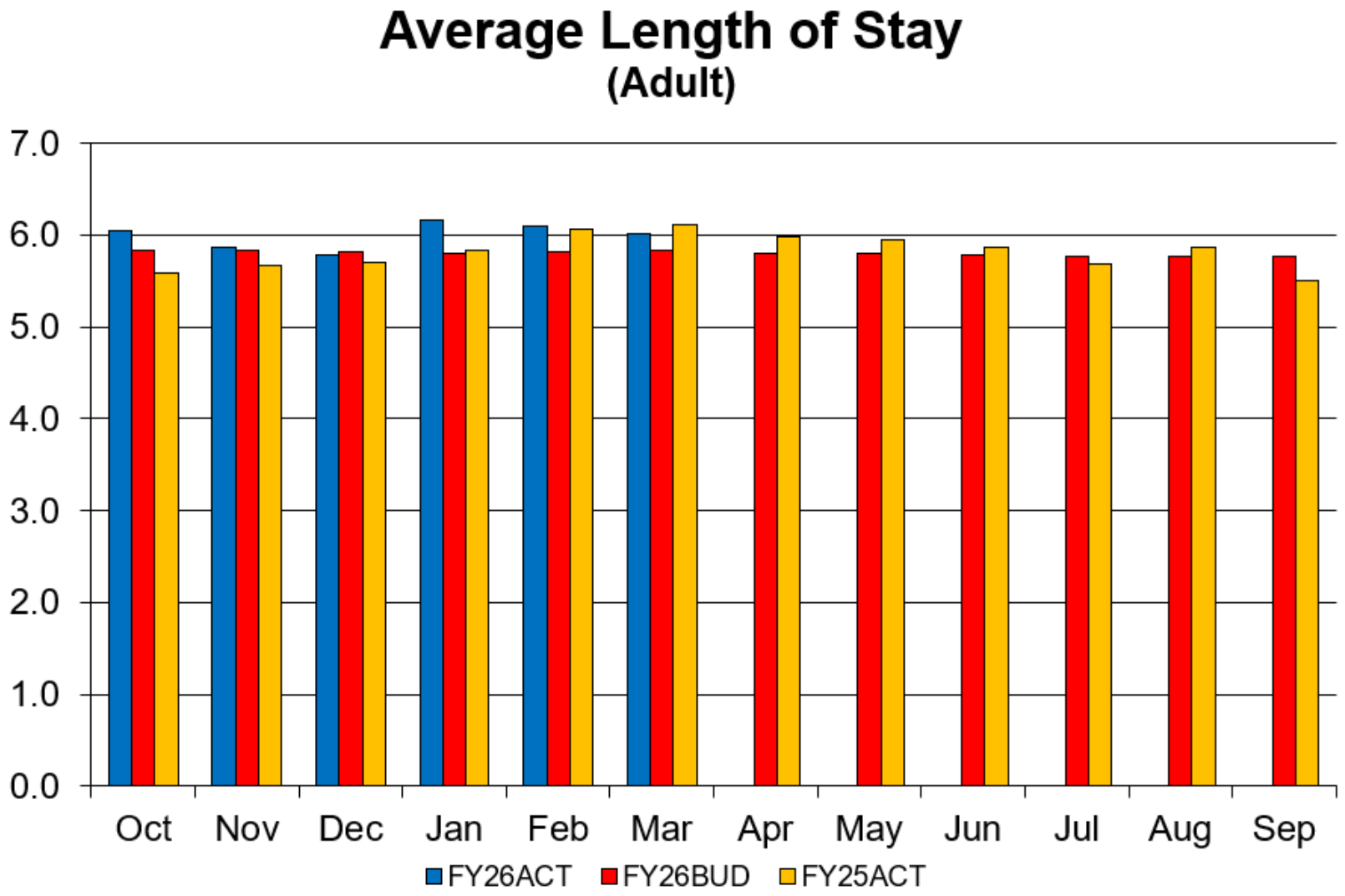
Volumes
Discharges



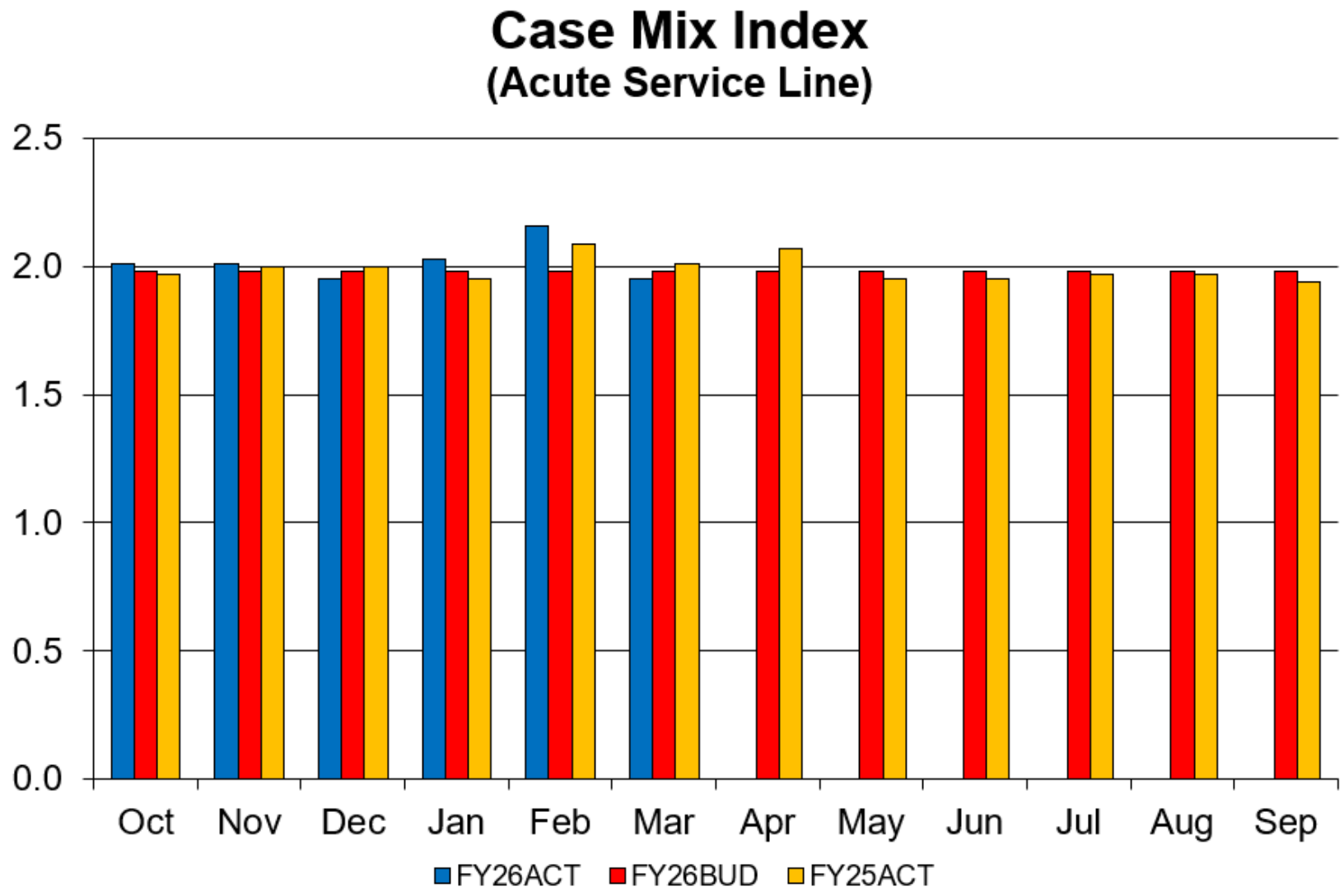
Volumes
Average Daily Census



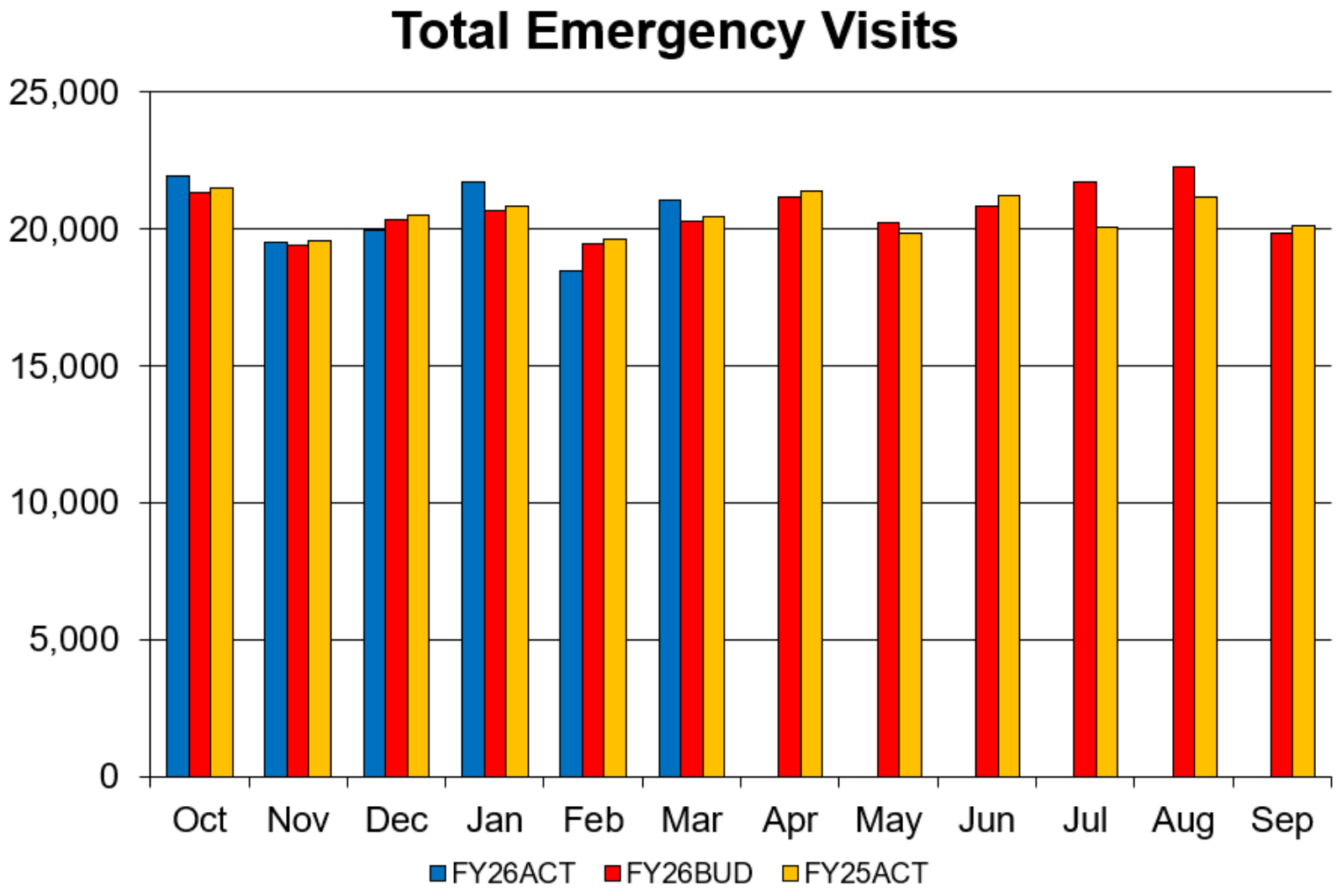
Volumes
Average Length of Stay



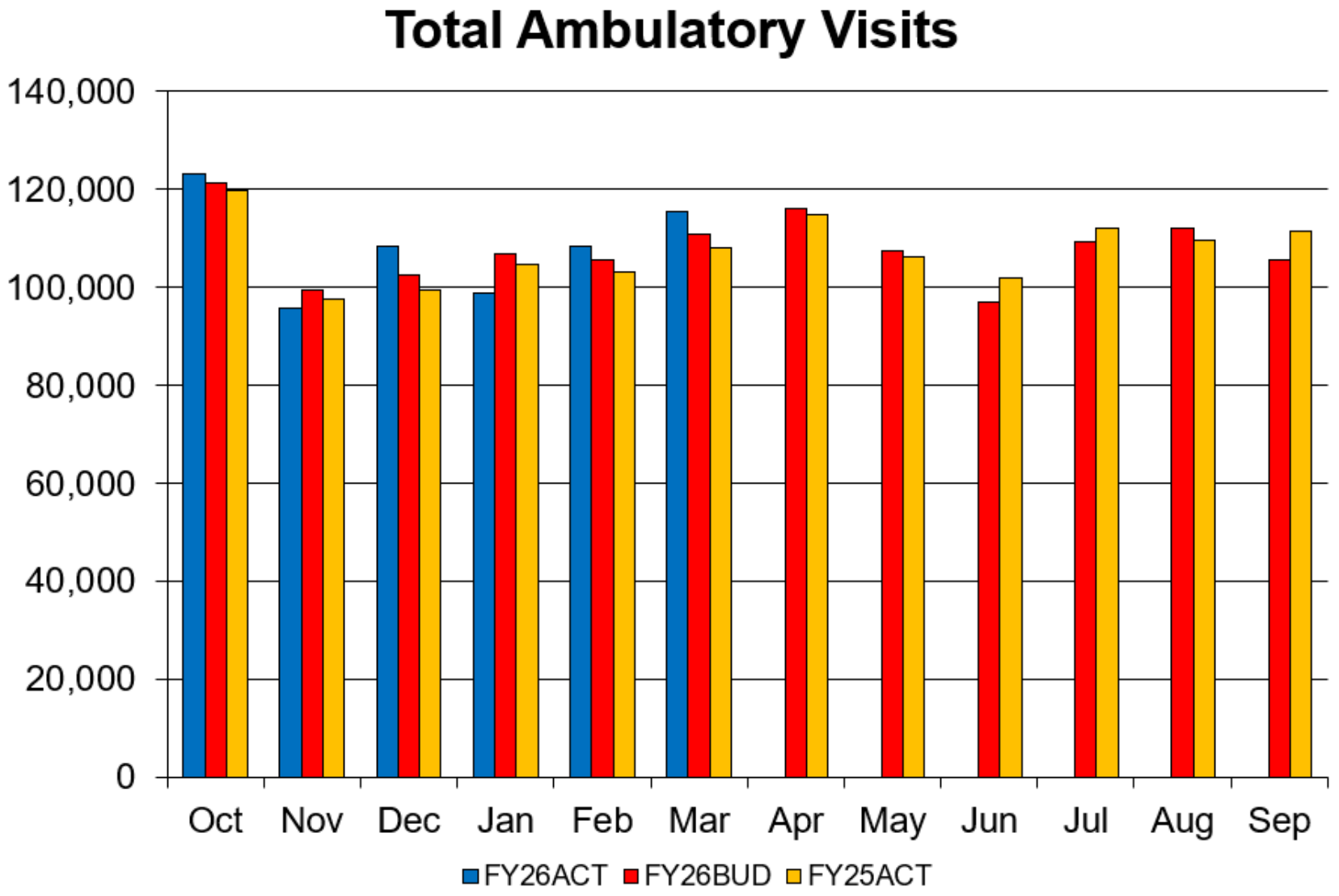
Volumes
Case Mix Index



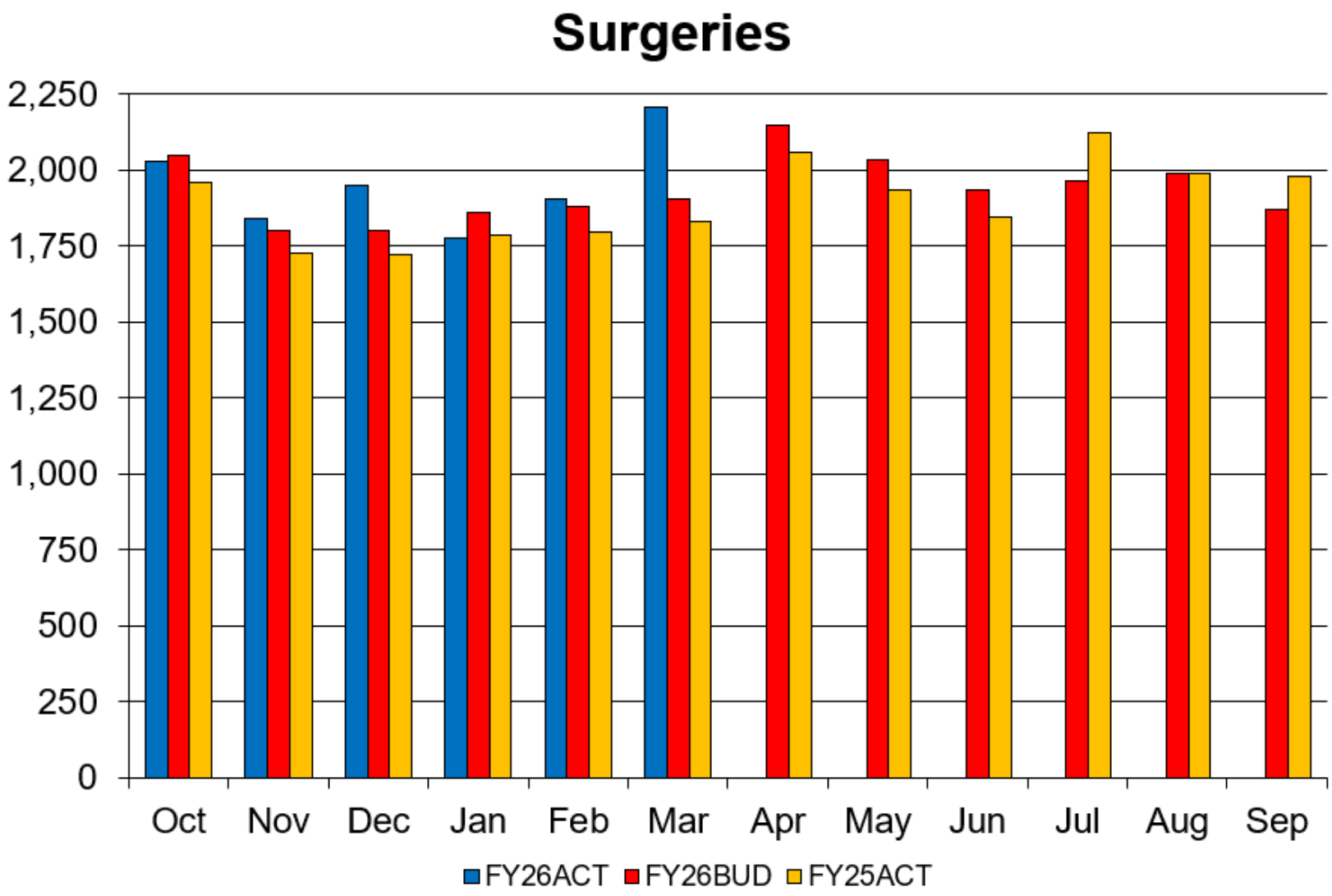
Volumes
Emergency Visits



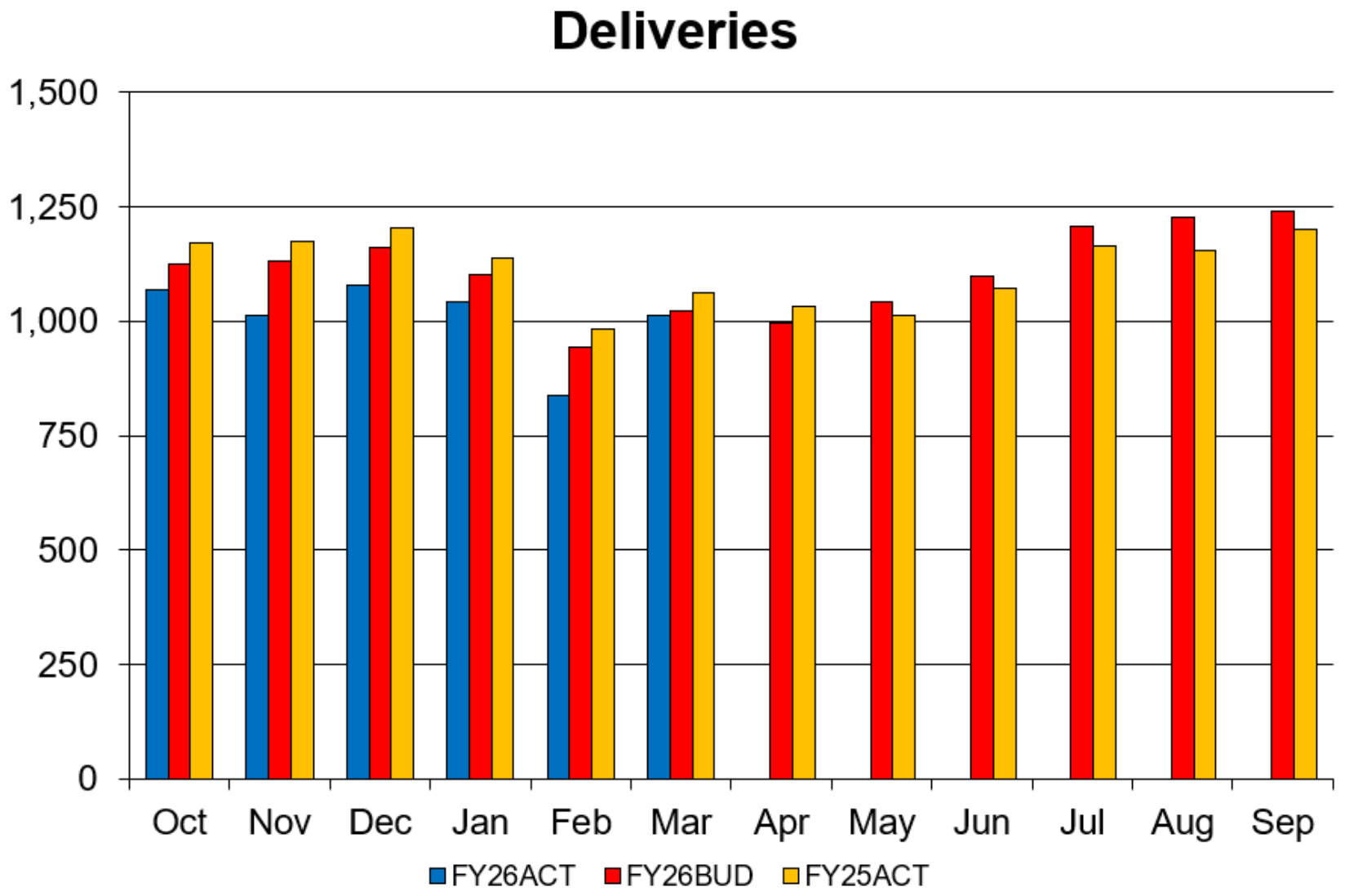
Volumes
Ambulatory Visits



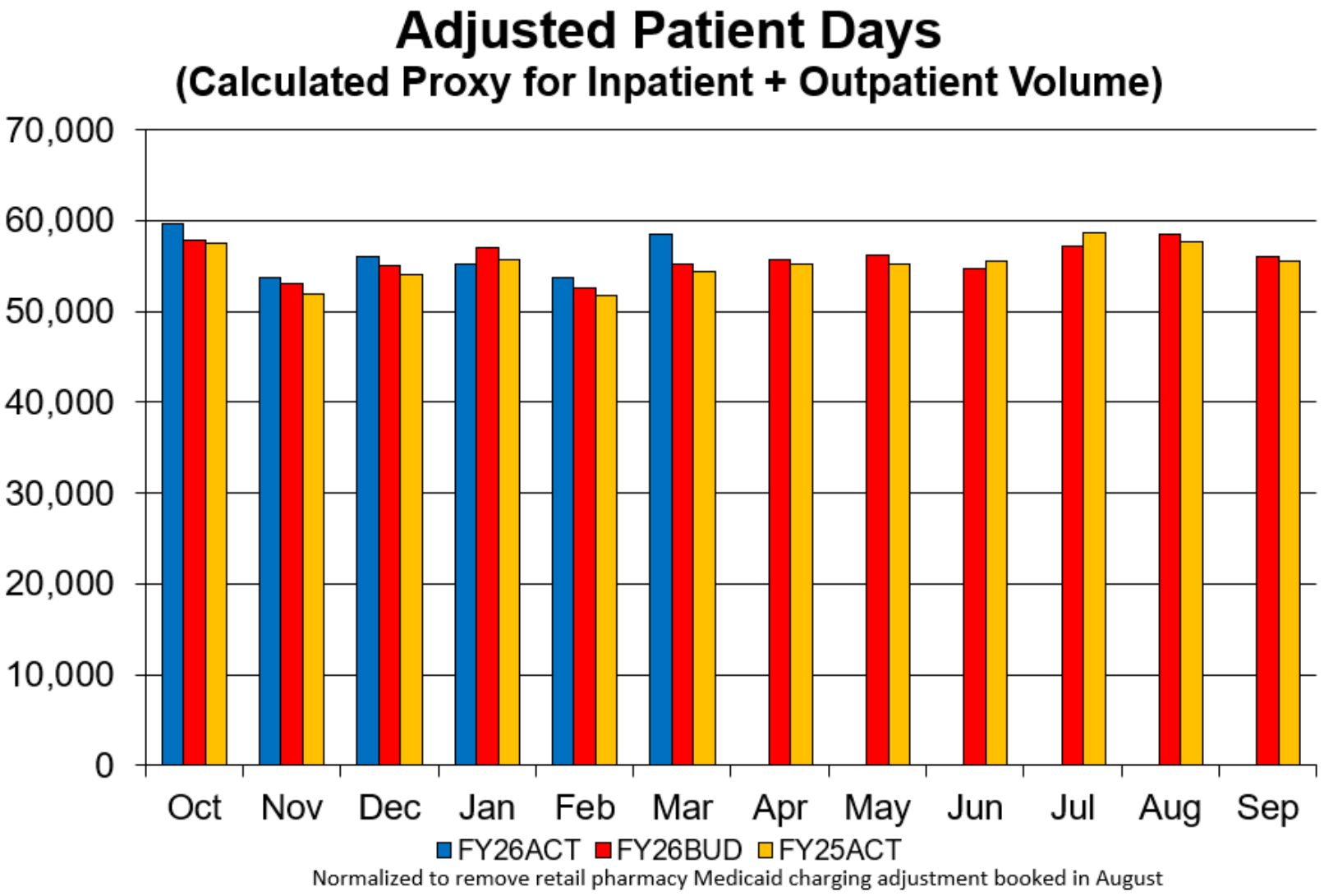
Volumes
Surgeries



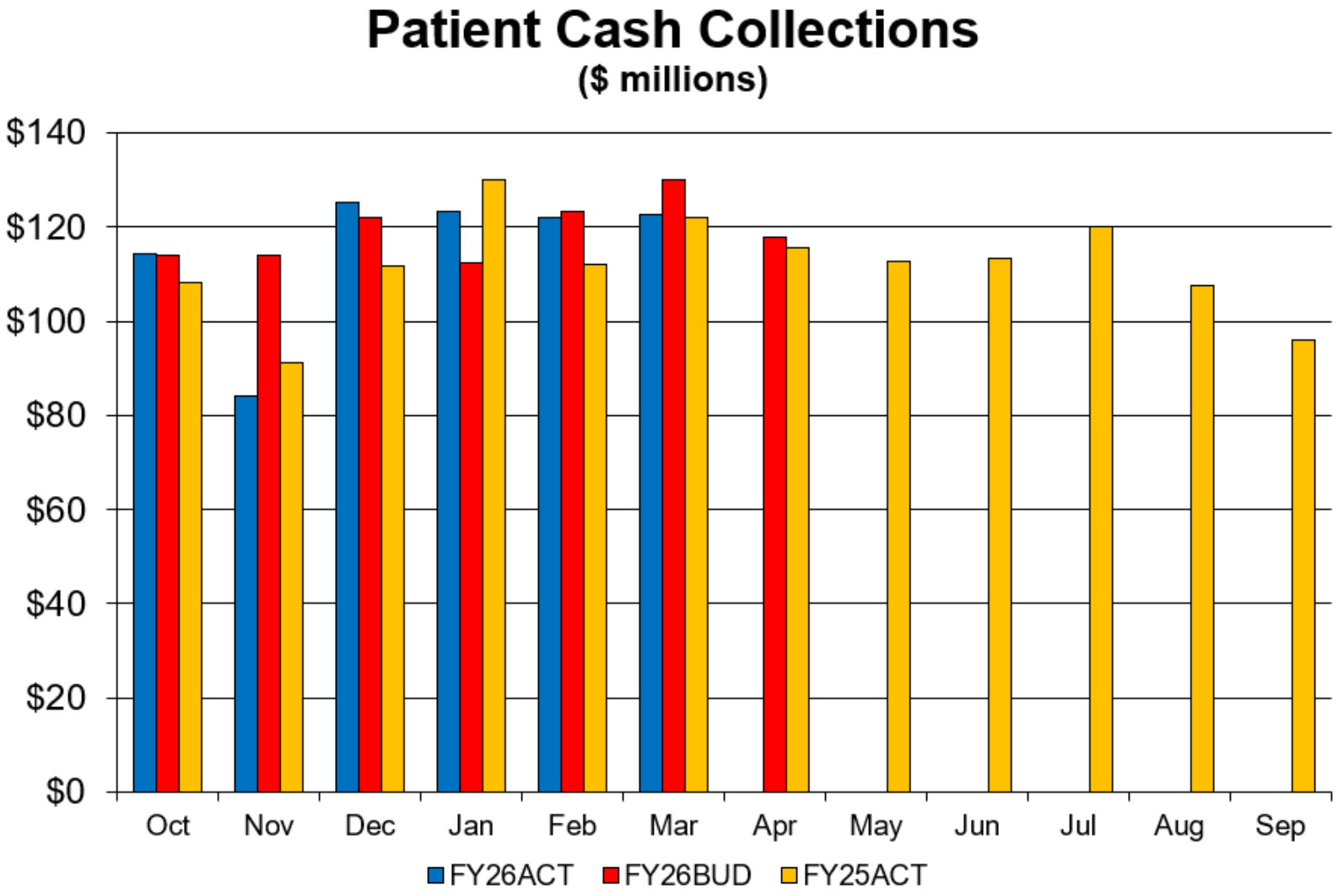
Volumes
Deliveries



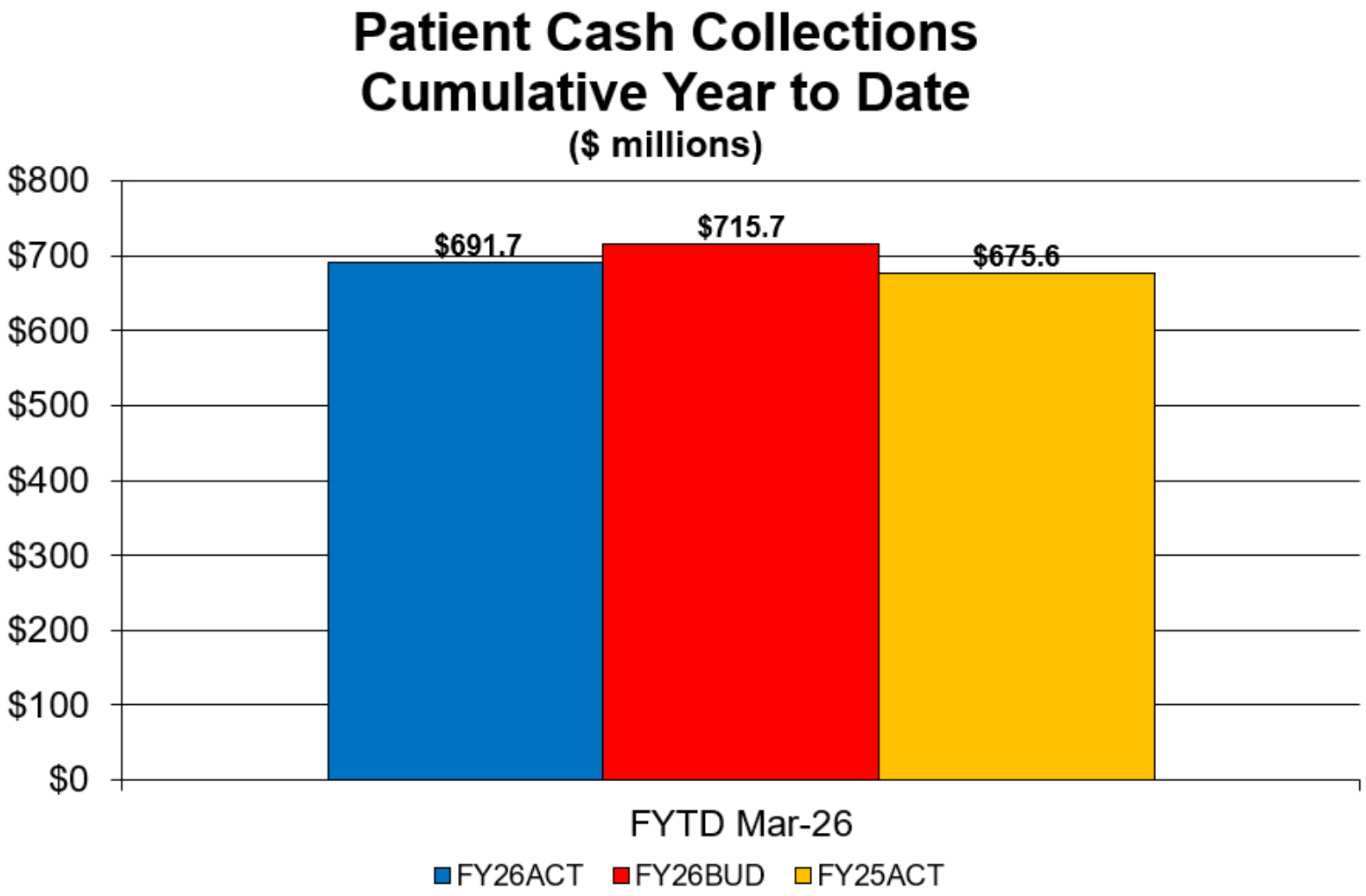
Volumes
Adjusted Patient Days



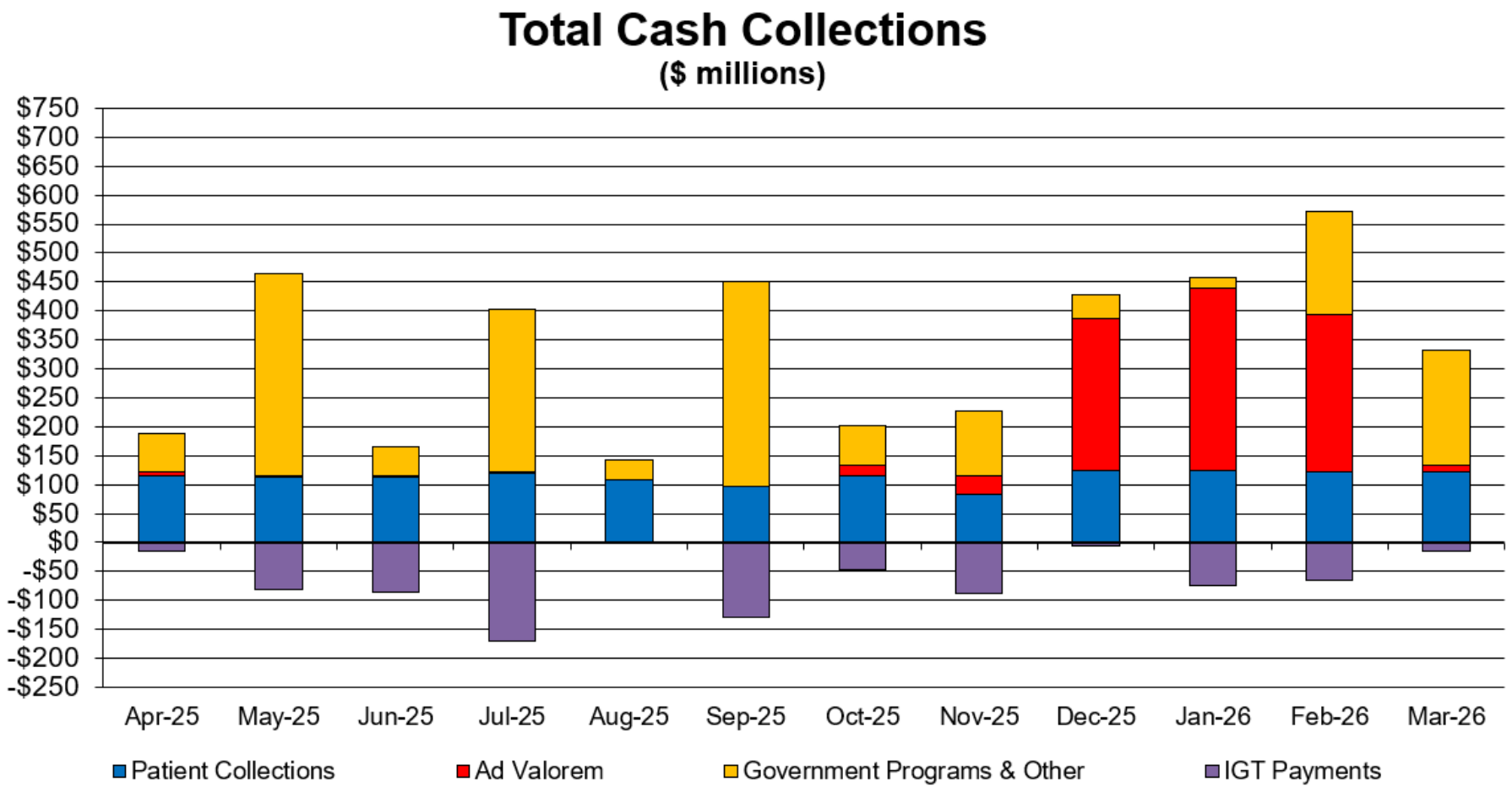
Key Operating Performance Metrics



Key Operating Performance Metrics



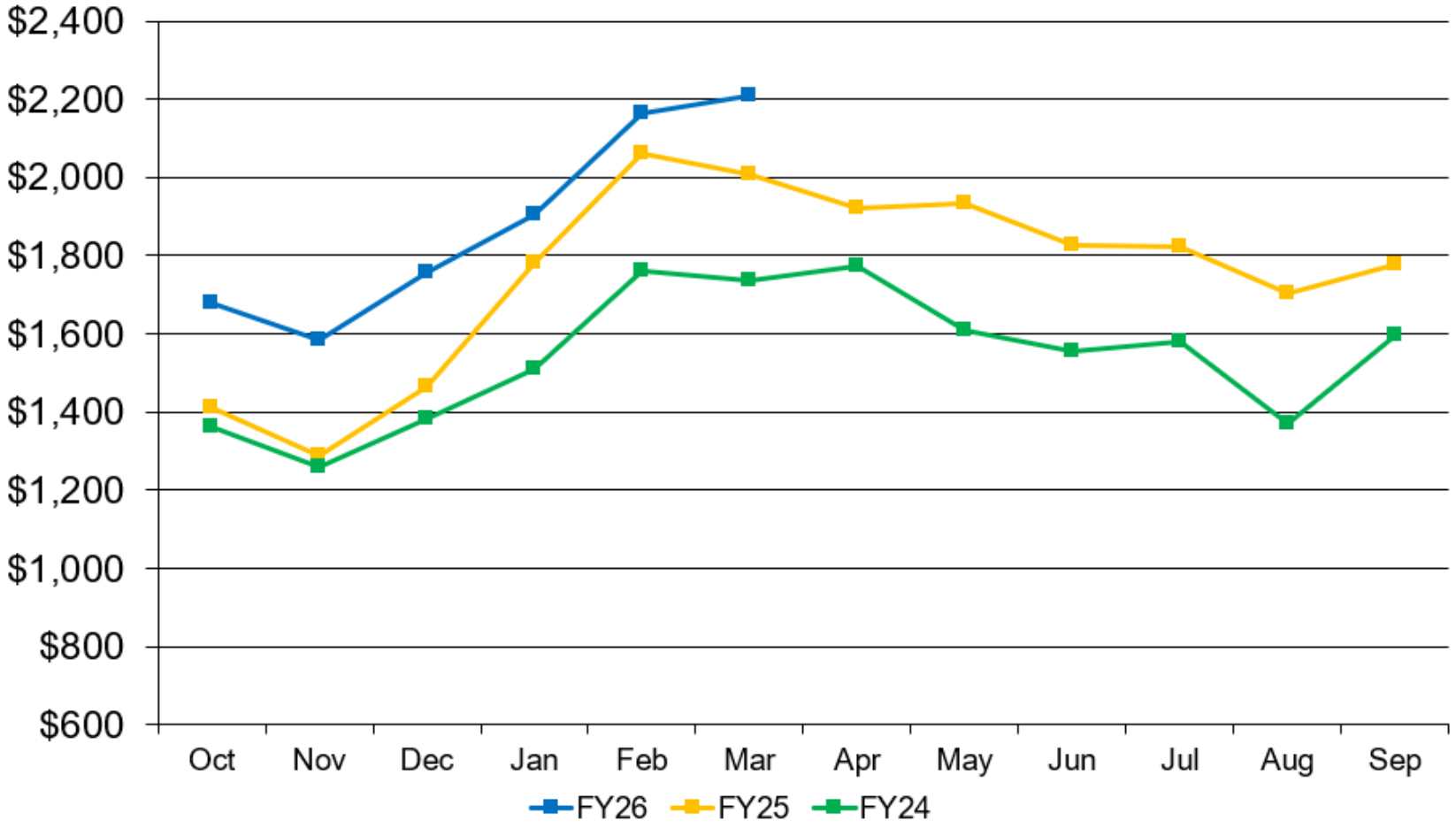
Key Operating Performance Metrics



Key Operating Performance Metrics

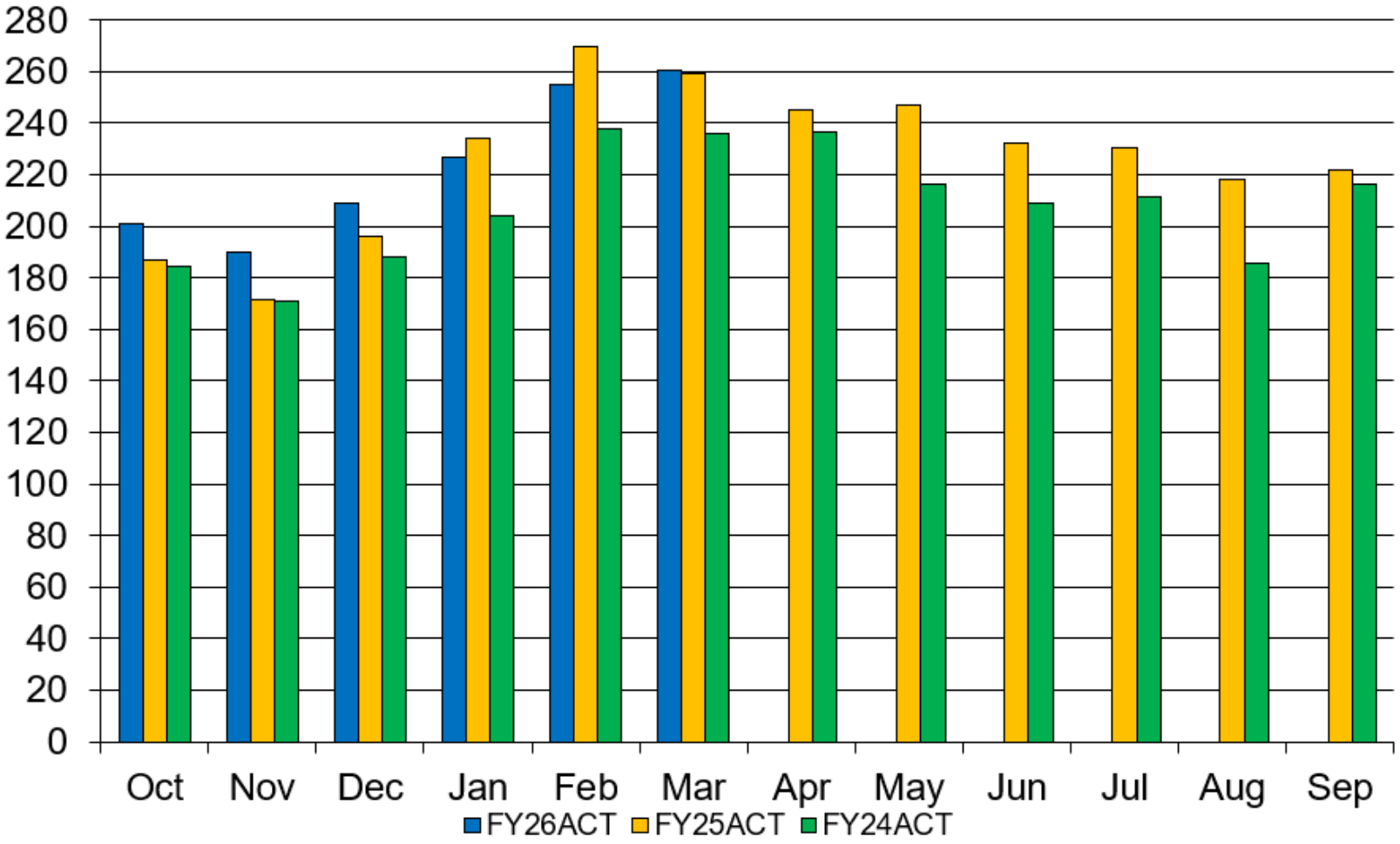
Cash Balance Trending

($ millions)



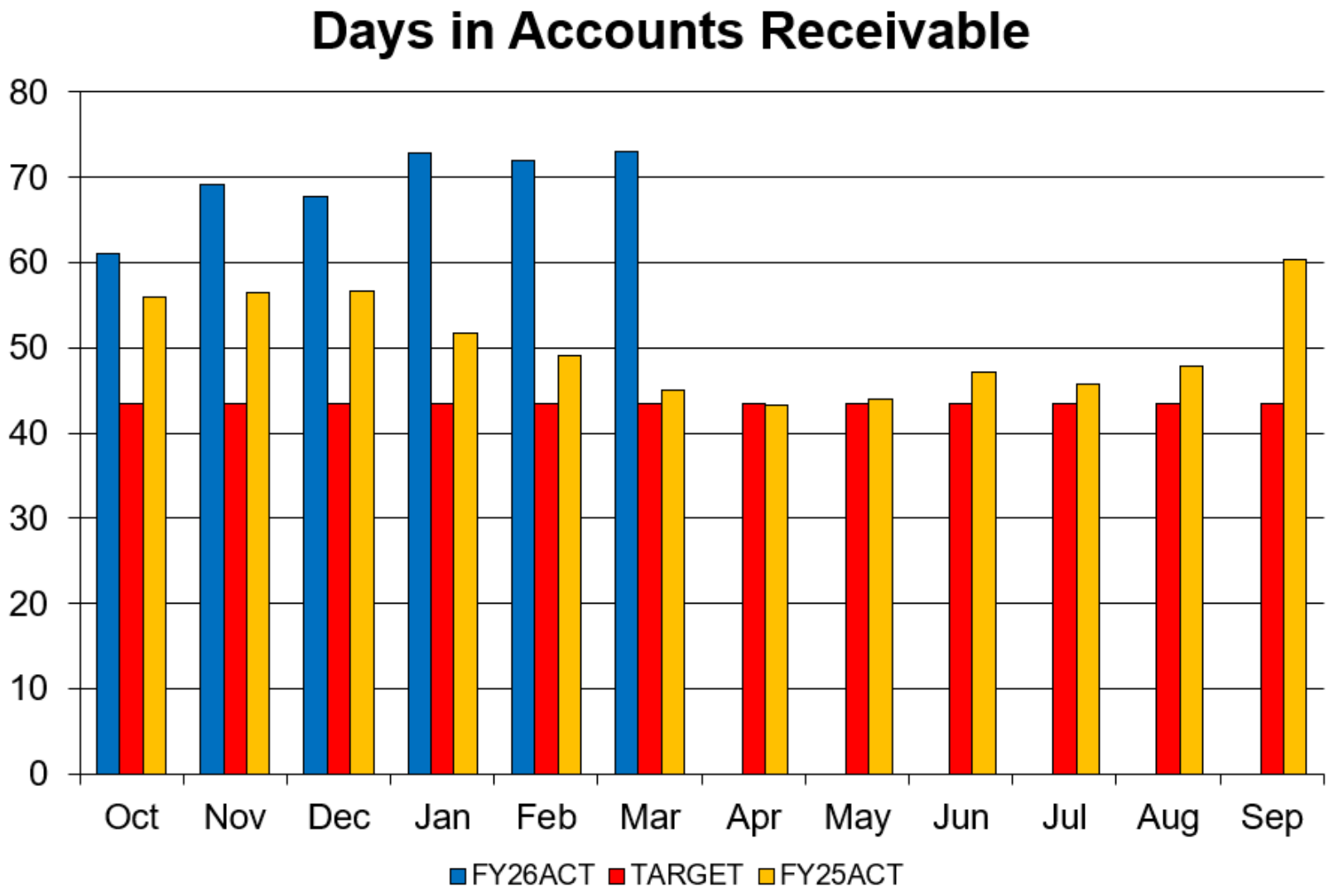
Key Operating Performance Metrics

Days Cash on Hand



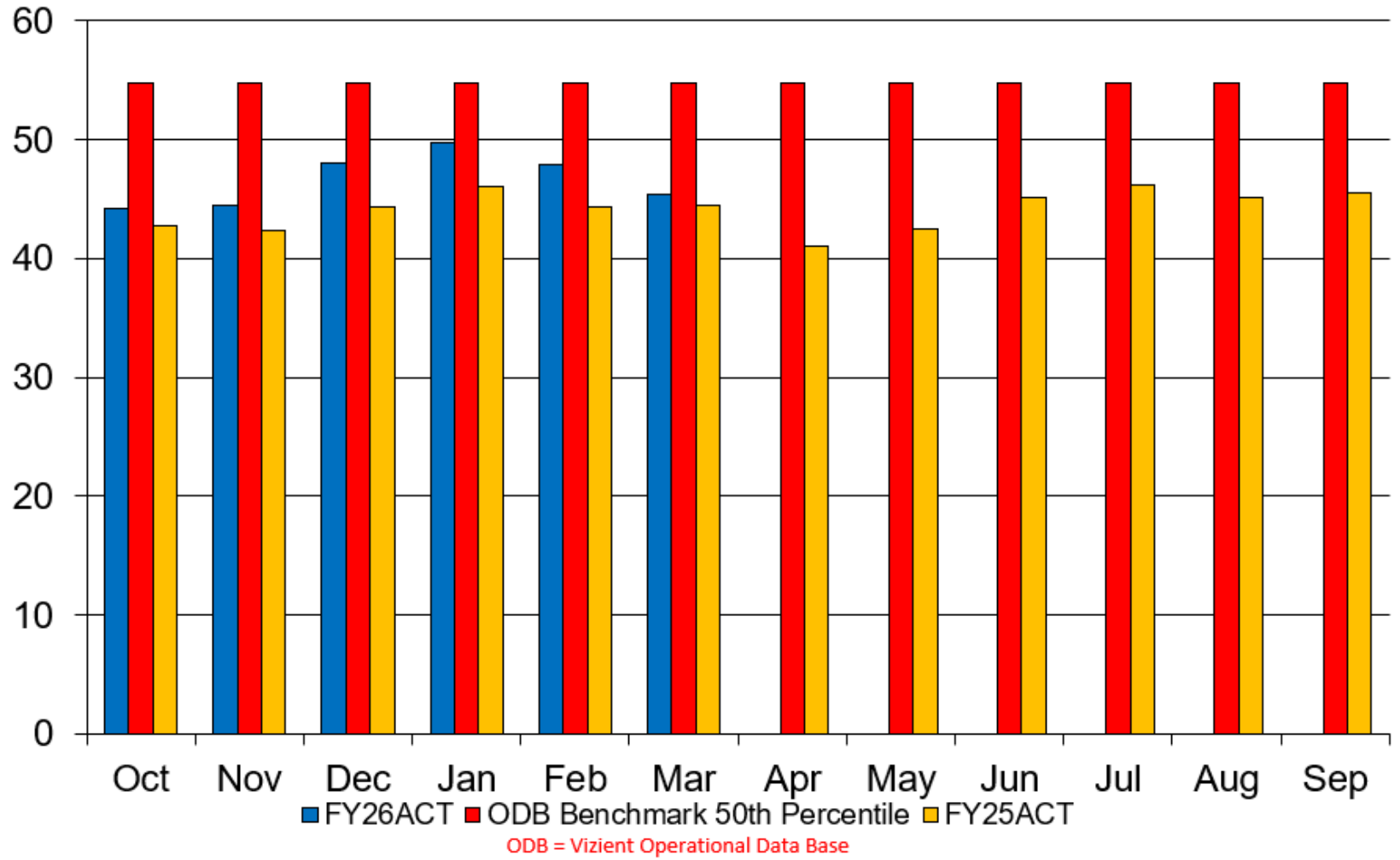
Excludes LPPF and insurance and debt reserves, which are included in total cash

Key Operating Performance Metrics



Key Operating Performance Metrics

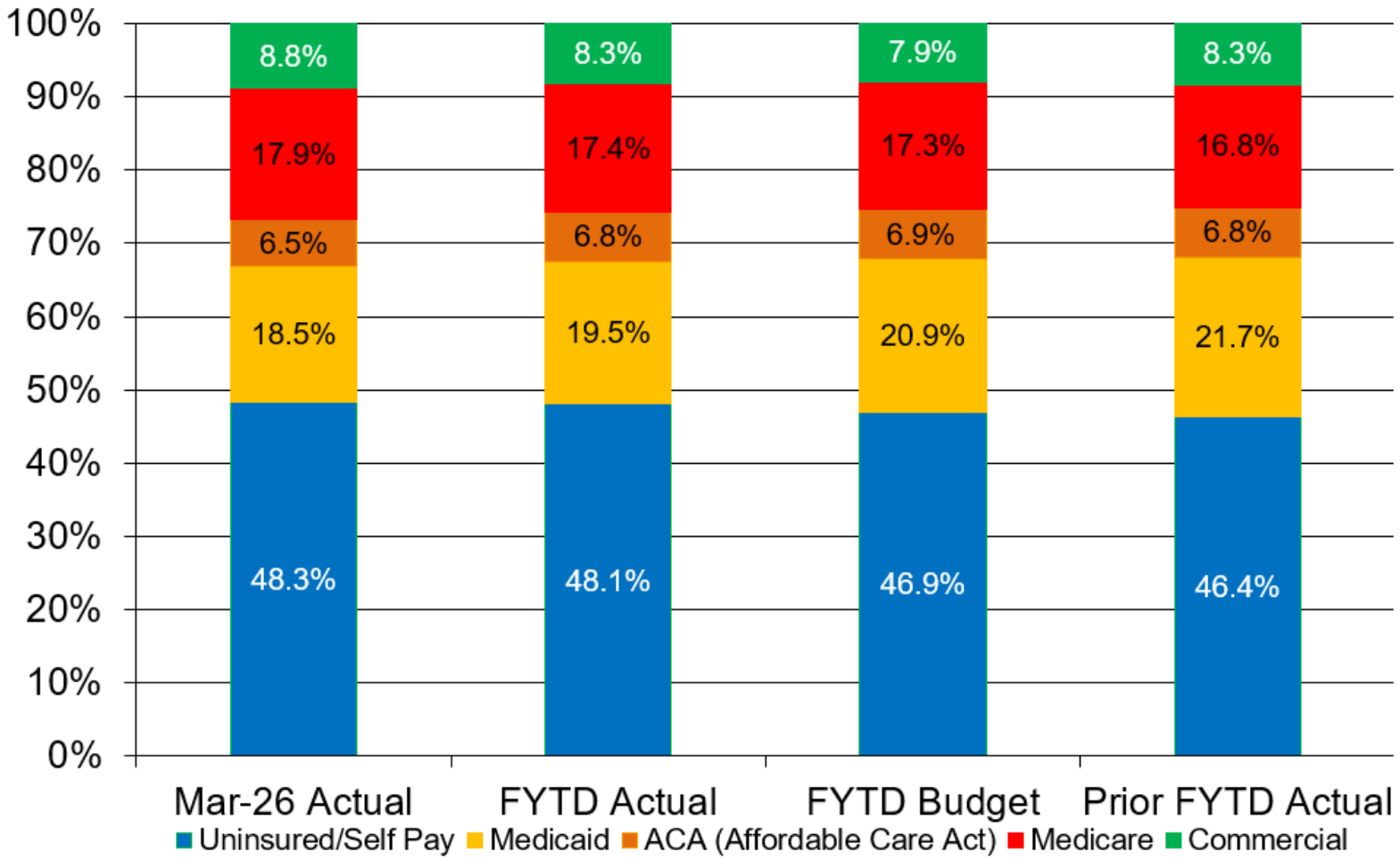
Days in Accounts Payable



ODB = Vizient Operational Data Base

Key Operating Performance Metrics

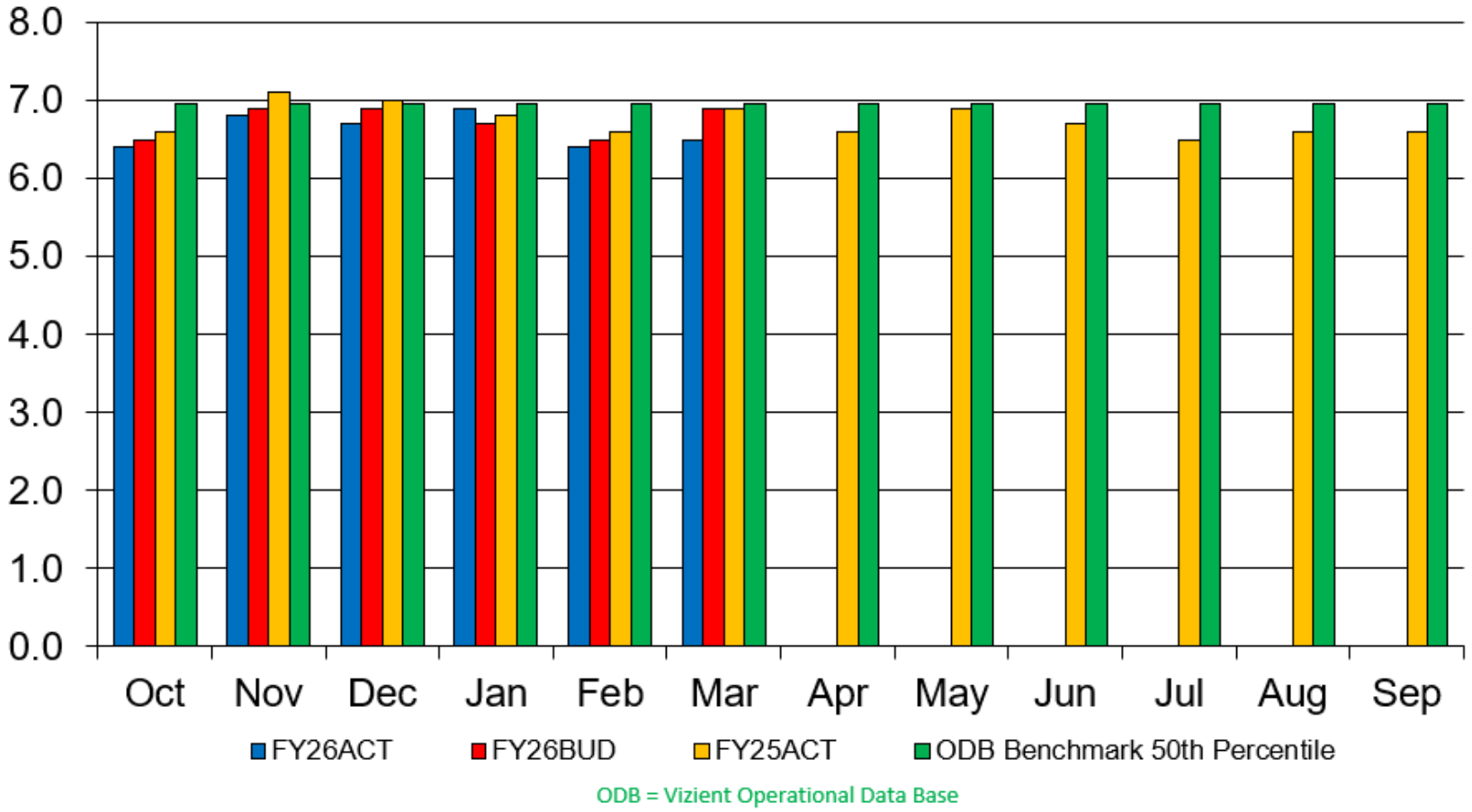
Gross Patient Revenue By Payor Type



Key Operating Performance Metrics

FTEs per Adjusted Occupied Bed

(includes Contract Labor and excludes Nursing Homes and Jail)



ODB = Vizient Operational Data Base

Appendix

PCHP Financial Performance
Current Month – March 2026

PCHP Month to Date Income Statement

(Dollars in Thousands)

	FY 26 Actual	FY 26 Budget	Var From Budget	%Var From Budget	FY 25 Actual	Var FY26-25	%Var FY26-25
MEMBERSHIP	158,788	158,085	703	0.4%	170,012	(11,224)	-6.6%
REVENUE							
Premium/DSP	$ 42,872	$ 46,986	$ (4,114)	-8.8%	$ 51,288	$ (8,416)	-16.4%
NAIP/DPP/ATLIS	34,849	34,906	(57)	-0.2%	32,751	2,098	6.4%
OPERATING REVENUE	77,721	81,892	(4,171)	-5.1%	84,039	(6,318)	-7.5%
EXPENSE							
Administration	3,658	4,145	487	11.7%	5,148	1,490	28.9%
Claims	39,744	45,103	5,359	11.9%	50,993	11,249	22.1%
NAIP/DPP/ATLIS	33,634	33,477	(157)	-0.5%	27,670	(5,964)	-21.6%
OPERATING EXPENSE	77,036	82,725	5,689	6.9%	83,811	6,775	8.1%
OPERATING INCOME (LOSS)	**$ 685**	**$ (833)**	**$ 1,518**	**182.2%**	**$ 227**	**$ 458**	**201.2%**
Interest and Investment Income	880	500	380	75.9%	971	(91)	-9.4%
Unrealized Gain (Loss) on Investments	(910)	-	(910)	0.0%	11	(920)	-8648.1%
Total Net Income (Loss)	$ 655	$ (333)	$ 989	296.6%	$ 1,209	$ (554)	-45.8%
Operating Cash Flow Margin %	0.9%	-1.0%	1.9%	-186.6%	0.3%		
Medical Loss Ratio (excluding DPP/NAIP/ATLIS)	92.2%	95.7%			99.2%		

PCHP Fiscal Year ends 12/31/2026

PCHP Financial Performance
Calendar YTD – March 2026

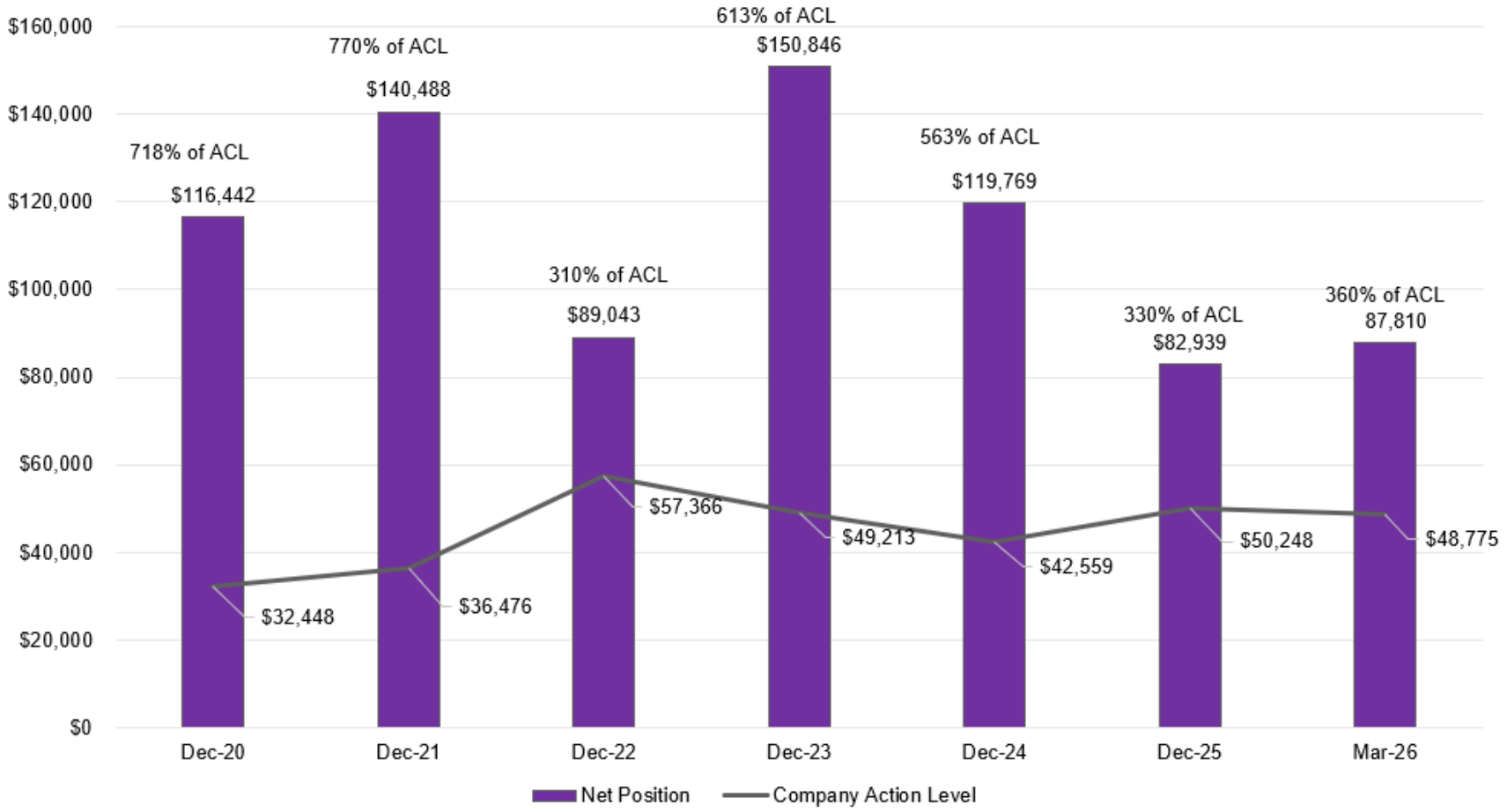
PCHP Year to Date Income Statement

(Dollars in Thousands)

	FY 26 Actual	FY 26 Budget	Var From Budget	%Var From Budget	FY 25 Actual	Var FY26-25	%Var FY26-25
MEMBERSHIP	479,489	478,805	684	0.1%	509,510	(30,021)	-5.9%
REVENUE							
Premium/DSP	$ 138,547	$ 141,844	$ (3,297)	-2.3%	$ 159,539	$ (20,992)	-13.2%
NAIP/DPP/ATLIS	104,303	105,547	(1,244)	-1.2%	95,705	8,598	9.0%
OPERATING REVENUE	242,850	247,391	(4,541)	-1.8%	255,244	(12,394)	-4.9%
EXPENSE							
Administration	23,091	14,510	(8,580)	-59.1%	20,629	(2,461)	-11.9%
Claims	127,539	134,699	7,161	5.3%	143,699	16,161	11.2%
NAIP/DPP/ATLIS	94,325	101,227	6,902	6.8%	88,093	(6,232)	-7.1%
OPERATING EXPENSE	244,954	250,437	5,482	2.2%	252,421	7,467	3.0%
OPERATING INCOME (LOSS)	**$ (2,104)**	**$ (3,046)**	**$ 942**	**30.9%**	**$ 2,823**	**$ (4,927)**	**-174.5%**
Interest and Investment Income	2,752	1,550	1,202	77.5%	3,131	(380)	-12.1%
Unrealized Gain (Loss) on Investments	(763)	-	(763)	0.0%	891	(1,654)	-185.6%
Total Net Income (Loss)	$ (115)	$ (1,496)	$ 1,381	92.3%	$ 6,845	$ (6,960)	-101.7%
Operating Cash Flow Margin %	-0.9%	-1.2%	0.4%	-29.6%	1.1%		
Medical Loss Ratio (excluding DPP/NAIP/ATLIS)	91.6%	94.7%			90.0%		

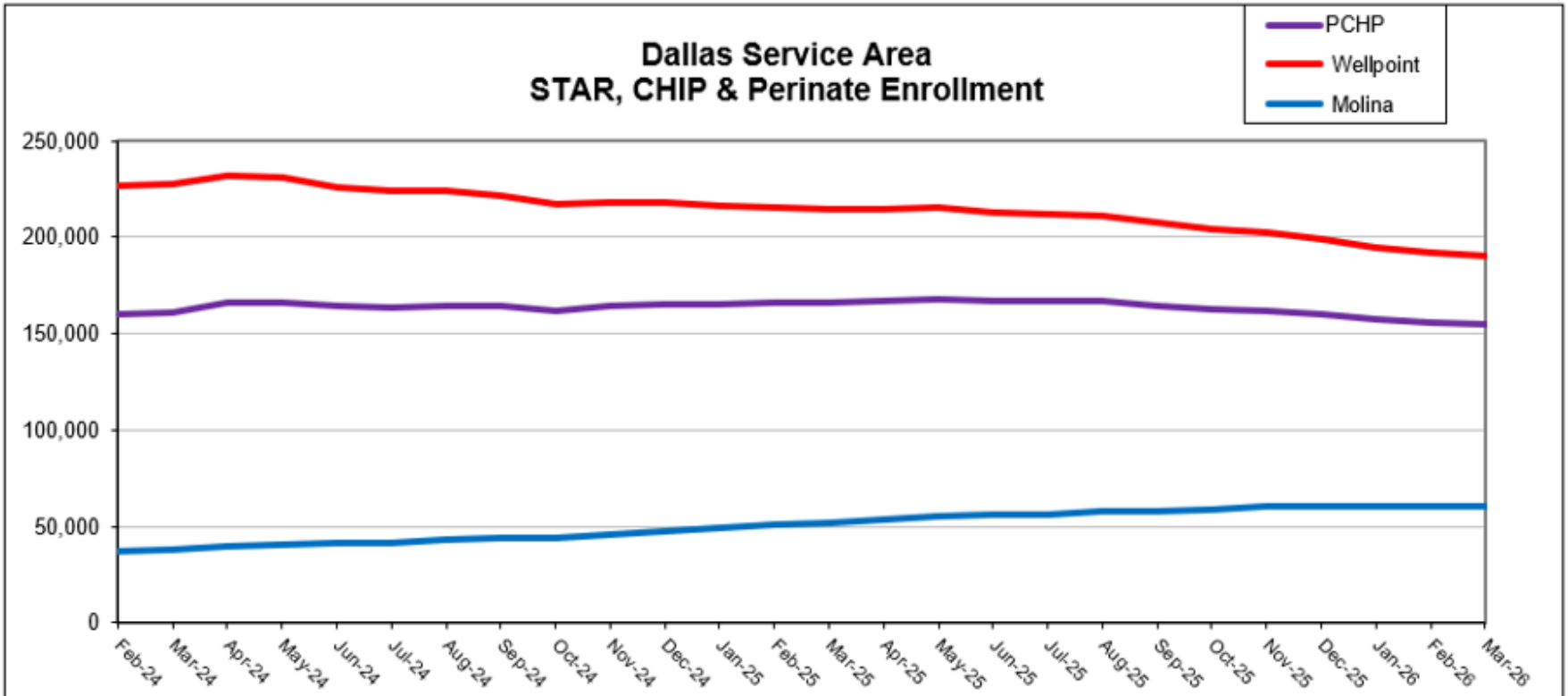
PCHP Fiscal Year ends 12/31/2026

PCHP Net Position vs Risk-Based Capital Requirements as of March 2026



- Dollars in graph represented in Thousands
- Black bar represents Company Action Level (CAL aka Action Level) which = 200% of Authorized Control Level (ACL)
- The Company Action Level and Asset Control Level for the most recent year are forecasted year-end values. Capital for the most recent year is based on the most recent quarterly statutory statement plus GAAP net income in subsequent months. All other years are actual year-end values.

PCHP Enrollment

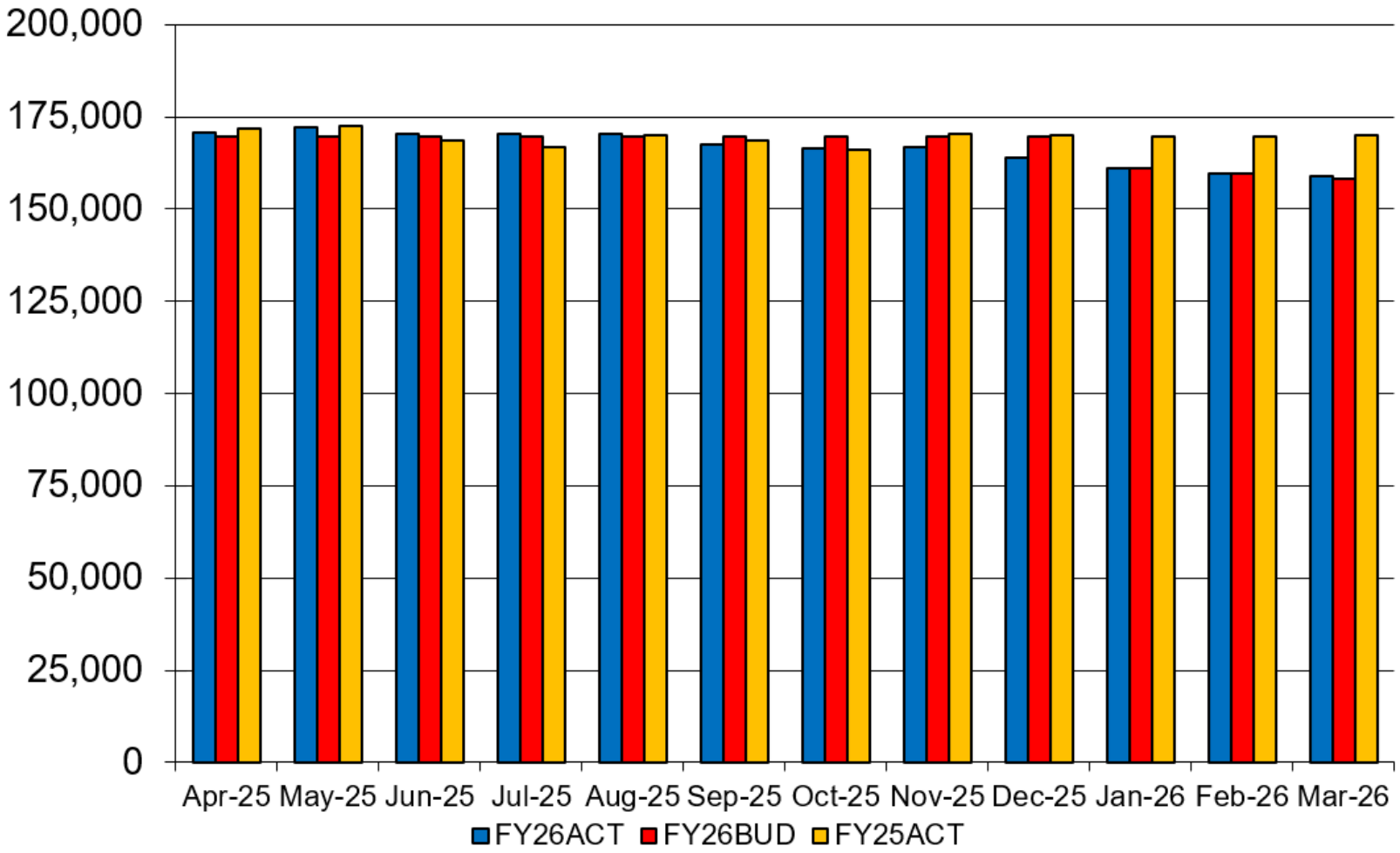


Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
166,172	167,059	167,987	167,163	167,001	166,728	164,262	163,016	162,179	160,359	157,679	155,930	154,966
Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
214,804	214,883	215,165	212,910	211,903	210,911	207,310	204,539	202,273	199,012	194,469	192,118	190,250
Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
51,848	53,093	54,912	55,663	56,315	57,542	58,216	59,029	60,171	60,545	60,236	60,507	60,848

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

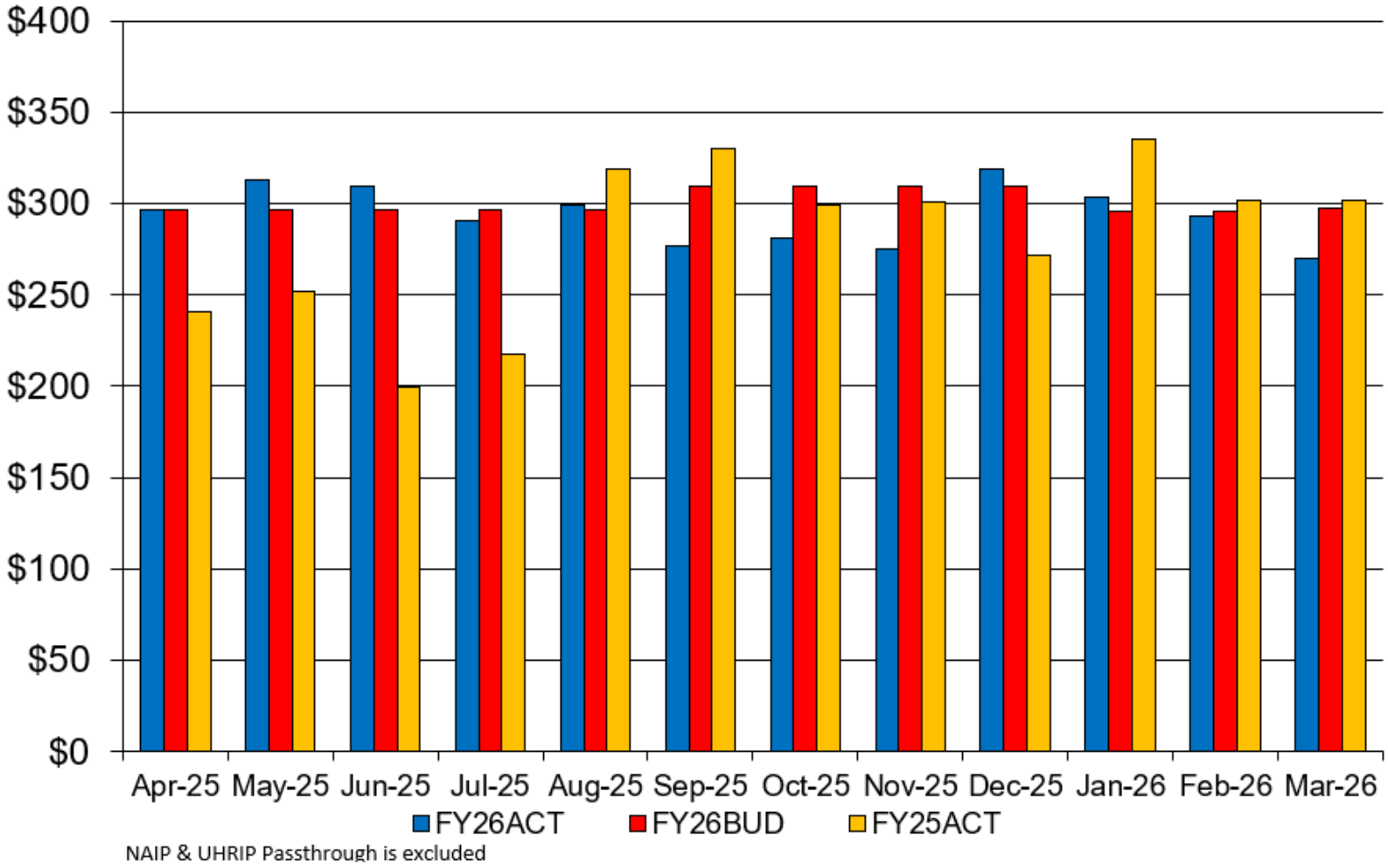
Key Operating Performance Metrics

Membership



Key Operating Performance Metrics

Premium Revenue PMPM



NAIP & UHRIP Passthrough is excluded

Balance Sheet

Balance Sheet Combined as of March 31, 2026 and 2025

PARKLAND HEALTH & HOSPITAL SYSTEM

BALANCE SHEET

March 31, 2026 and 2025

(Dollars in Thousands)

Assets	FY 2026 PHHS	FY 2026 PCHP	FY 2026 PCCI	FY 2026 AUX	FY 2026 FDN	FY 2026 Total	FY 2025 Total
Current Assets							
Cash, Cash Equivalents & Investments	$ 1,816,360	$ 262,223	$ -	$ 1,177	$ 36,957	$ 2,116,717	$ 1,870,573
Net Ad Valorem Taxes Receivable	8,108	-	-	-	-	8,108	29,854
Net Patient Accounts Receivable	369,364	-	-	-	-	369,364	216,217
Other Receivables	272,082	46,432	667	353	6	319,541	372,763
Inventories & Other Assets	90,587	5,544	226	412	42	96,811	86,573
Total Current Assets	2,556,501	314,199	894	1,941	37,005	2,910,540	2,575,980
Capital Assets, Net							
Construction In Progress	71,061	-	-	-	-	71,061	92,294
Property, Plant, and Equipment	1,502,388	1,931	3,868	(0)	-	1,508,187	1,537,927
Total Net Capital Assets	1,573,449	1,931	3,868	(0)	-	1,579,248	1,630,221
Long Term Assets							
Other Noncurrent Assets	-	-	2,061	-	4,818	6,879	4,958
Total Other Long Term Assets	-	-	2,061	-	4,818	6,879	4,958
Assets Limited to Use:							
New Parkland Relocation	-	-	-	-	-	-	-
Community Service Capital Expansion	-	-	-	-	-	-	-
Breast Center	-	-	-	-	-	-	-
Irving Clinic - Foundation Repair	3,777	-	-	-	-	3,777	3,777
Routine Capital	379,812	-	-	-	12,648	392,460	370,145
Debt Service	21,886	-	-	-	-	21,886	20,272
LPPF	130,636	-	-	-	-	130,636	97,159
Insurance Reserves	10,632	-	-	-	-	10,632	9,847
Total Assets Limited to Use	546,742	-	-	-	12,648	559,390	501,199
Deferred Outflows of Resources	218,779	-	-	-	-	218,779	224,175
Total Assets	$ 4,895,471	$ 316,130	$ 6,823	$ 1,941	$ 54,470	$ 5,274,835	$ 4,936,533

Balance Sheet Combined as of March 31, 2026 and 2025

(Dollars in Thousands)	FY 2026					FY 2026	FY 2025
	PHHS	PCHP	PCCI	AUX	FDN	Total	Total
Liabilities and Net Position							
Current Liabilities							
Accounts Payable	$ 446,732	$ 31,827	$ 91	$ 32	$ 1,862	$ 480,544	$ 393,560
Accrued Payroll & Benefits	132,384	(18)	1,372	-	-	133,739	123,537
Claims Payable	-	160,891	-	-	-	160,891	134,391
Deferred Ad Valorem Taxes	450,897	-	-	-	-	450,897	438,345
Interest Payable	3,468	-	-	-	-	3,468	3,587
Due to Third Party	5,835	-	-	-	-	5,835	(2,240)
Other Current Liabilities	68,636	10,211	34,697	-	-	113,544	111,033
Total Current Liabilities	1,107,954	202,911	36,160	32	1,862	1,348,918	1,202,212
Long Term Debt	526,644	1,467	-	-	-	528,110	555,454
Net Pension Liability	750,445	-	-	-	-	750,445	705,484
Other Non-Current Liabilities	17,052	126	(84)	-	-	17,094	37,437
Total Liabilities	2,402,095	204,504	36,076	32	1,862	2,644,568	2,500,586
Deferred Inflows of Resources	12,440	-	-	-	-	12,440	8,679
Net Position	2,480,936	111,626	(29,253)	1,909	52,608	2,617,827	2,427,267
Total Liabilities and Net Position	$ 4,895,471	$ 316,130	$ 6,823	$ 1,941	$ 54,470	$ 5,274,835	$ 4,936,533
	0	0	0	0	0	0	0

Statement of Cash Flow and Routine Capital

Cash Flow Combined
FYTD March 2026

(Dollars in Thousands)	FYE 2026						FY 26	FY 25
	PHHS	PCHP	PCCI	FDN	AUX	FDN/AUX	Total	Total
Cash Flows from Operating Activities:								
Receipts from Customers	679,724	518,002			436	436	1,198,162	1,393,969
Ad Valorem Tax Receipts	914,216					0	914,216	600,249
Government Programs	173,662					0	173,662	114,367
Stimulus Funds	1,332					0	1,332	40
Other Receipts	151,108	(828)	4,996			0	155,275	19,503
Donations Received				1,792		1,792	1,792	6,807
Contributions Paid to/from Foundation				(4,955)		(4,955)	(4,955)	(2,000)
Payments for Medical Claims Costs		(573,673)				0	(573,673)	(926,101)
Payments to Suppliers	(464,590)	111,712	(9,821)	(17)	(200)	(217)	(362,916)	(301,618)
Payments to Employees	(972,070)	(17,859)	5,209	(2,169)	(255)	(2,424)	(987,144)	(633,122)
Net Cash Flow from Operations	483,380	37,354	384	(5,348)	(19)	(5,367)	515,751	272,094
Cash Flows from Capital and Financing Activities:								
Purchases of Capital assets	(36,820)		(383)		6	6	(37,198)	(67,254)
Sale of Capital Assets	148					0	148	1,208
Interest Received	34,850	5,084		11,471	17	11,488	51,421	33,389
Interest Paid	(26,733)					0	(26,733)	(142)
Bond Principal Paid	0	0	0	0	0	0	0	0
Net Cash Flows from Capital and Financing Activitie	(28,555)	5,084	(383)	11,471	23	11,494	(12,361)	(32,799)
Net Change in Cash	$ 454,825	$ 42,438	$ 0	6,123	$ 4	$ 6,127	$ 503,390	$ 239,295
Beginning Cash Balance	1,780,657	219,785	-	43,488	1,172	44,660	2,045,103	1,889,975
Ending Cash Balance	$ 2,235,482	$ 262,223	$ 0	49,611	$ 1,177	$ 50,787	$ 2,548,493	$ 2,129,270

Routine Capital Summary (FY26 Only)
March 31, 2026

CAPITAL SPENDING SUMMARY
Year to Date as of 3/31/2026

2026 Budget Only

(Dollars in Thousands)

Description	Amount
FY26 Capital Budget	$ 379,812
YTD Actual Spend	(8,214)
Committed	-
Remaining Budget	371,597

% Total Capital Funding Spent and Committed 2.2%

Statistics
MTD & FYTD March 2026

Parkland Health & Hospital System

	Month					Fiscal Year to Date					FY 2026
	Mar-26 Actual	Mar-26 Budget	Mar-25 Actual	% Var Budget	% Var FY26-25	Mar-26 Actual	Mar-26 Budget	Mar-25 Actual	% Var Budget	% Var FY26-25	Annual Budget
Hospital Discharges (Adult/Infant Inpatient, Observation)											
Adult Inpatient	3,126	3,049	2,977	2.5%	5.0%	17,932	17,840	18,031	0.5%	-0.5%	36,500
Neonatal ICU	113	105	100	7.6%	13.0%	701	701	668	0.0%	4.9%	1,397
Newborn Nursery / Room-in	888	932	972	-4.7%	-8.6%	5,423	5,904	6,156	-8.1%	-11.9%	12,073
Total Inpatient Discharges	4,127	4,086	4,049	1.0%	1.9%	24,056	24,445	24,855	-1.6%	-3.2%	49,970
Observation Discharges	1,820	2,063	1,998	-11.8%	-8.9%	10,929	11,914	11,536	-8.3%	-5.3%	23,683
Total Hospital Discharges	5,947	6,149	6,047	-3.3%	-1.7%	34,985	36,359	36,391	-3.8%	-3.9%	73,653
Total Hospital Discharges (excluding Newborn Nursery)	5,059	5,217	5,075	-3.0%	-0.3%	29,562	30,455	30,235	-2.9%	-2.2%	61,580
Inpatient Posted Census Days											
Adult Inpatient	18,811	17,771	18,221	5.9%	3.2%	107,530	103,852	104,982	3.5%	2.4%	211,696
Neonatal ICU	2,197	2,019	2,011	8.8%	9.2%	12,964	14,179	14,120	-8.6%	-8.2%	29,381
Newborn Nursery / Room-in	2,025	2,095	2,164	-3.3%	-6.4%	12,344	12,925	13,626	-4.5%	-9.4%	26,725
Total Inpatient Posted Census Days	23,033	21,885	22,396	5.2%	2.8%	132,838	130,956	132,728	1.4%	0.1%	267,802
Average Length of Stay											
Adult	6.02	5.83	6.12	-3.3%	1.6%	6.00	5.82	5.82	-3.1%	-3.1%	5.80
Neonatal ICU	19.44	19.23	20.11	-1.1%	3.3%	18.49	20.23	21.14	8.6%	12.5%	21.0
Case Mix Index											
Acute	1.95	1.98	2.01	-1.5%	-3.0%	2.00	1.98	2.00	1.0%	0.0%	1.98
Adult Average Inpatient Available Beds (less L&D)	746	745	747	0.1%	-0.1%	744	744	744	0.0%	0.0%	743
Observation Unit Beds	63	60	67	5.0%	-6.0%	61	60	61	1.7%	0.0%	59
Adult Inpatient Occupancy Rate	73%	69%	70%	5.8%	4.3%	71%	68%	69%	4.4%	2.9%	73%
Adjusted Patient Days											
Inpatient Days x (Total Charges/Inpatient Charges)	58,438	55,277	54,434	5.7%	7.4%	336,707	330,943	325,420	1.7%	3.5%	669,194
Equivalent Patient Days											
Adult Census, NNICU, and Observation Days	27,668	27,185	28,151	1.8%	-1.7%	160,503	161,550	163,514	-0.6%	-1.8%	329,484
Adjusted Occupancy Rate (includes Observation)											
Medicine/ Surgery	95%	94%	95%	1.1%	0.0%	94%	94%	93%	0.0%	1.1%	93%
Psych	100%	100%	100%	0.0%	0.0%	100%	100%	99%	0.0%	1.0%	100%
Rehab	100%	97%	99%	3.1%	1.0%	99%	96%	97%	3.1%	2.1%	89%
WISH *(Less: Newborn Nursery, NNICU, and L&D)*	76%	82%	84%	-7.3%	-9.5%	80%	84%	86%	-4.8%	-7.0%	84%

Statistics
MTD & FYTD March 2026

Parkland Health & Hospital System

	Month					Fiscal Year to Date					FY 2026
	Mar-26 Actual	Mar-26 Budget	Mar-25 Actual	% Var Budget	% Var FY26-25	Mar-26 Actual	Mar-26 Budget	Mar-25 Actual	% Var Budget	% Var FY26-25	Annual Budget
Average Daily Inpatient Census											
Medicine/ Surgery	430	398	402	8.0%	7.0%	407	389	387	4.6%	5.2%	411
Psych	28	28	28	0.0%	0.0%	28	28	28	0.0%	0.0%	28
Rehab	22	21	22	4.8%	0.0%	22	21	21	4.8%	4.8%	20
WISH *(Less: Newborn Nursery, NNICU, and L&D)*	103	104	111	-1.0%	-7.2%	109	108	114	0.9%	-4.4%	117
L&D	24	23	25	4.3%	-4.0%	25	24	27	4.2%	-7.4%	25
Total Adult Inpatient	607	574	588	5.7%	3.2%	591	570	577	3.7%	2.4%	601
Observation	215	239	255	-10.0%	-15.7%	220	239	244	-7.9%	-9.8%	242
Total Adult Average Daily Census	822	813	843	1.1%	-2.5%	811	809	821	0.2%	-1.2%	843
Neonatal ICU	71	65	65	9.2%	9.2%	71	78	78	-9.0%	-9.0%	80
Total Average Daily Census	893	878	908	1.7%	-1.7%	882	887	899	-0.6%	-1.9%	923
Deliveries	1,013	1,024	1,062	-1.1%	-4.6%	6,054	6,490	6,736	-6.7%	-10.1%	13,300
Surgeries											
Day Surgery Cases (Hospital)	745	676	656	10.2%	13.6%	3,983	3,923	3,808	1.5%	4.6%	7,960
Day Surgery Cases (ASC)	504	456	408	10.5%	23.5%	2,659	2,824	2,521	-5.8%	5.5%	5,744
Total Day Surgery Cases	1,249	1,132	1,064	10.3%	17.4%	6,642	6,747	6,329	-1.6%	4.9%	13,704
Inpatient Cases	961	776	766	23.8%	25.5%	5,070	4,555	4,497	11.3%	12.7%	9,544
Total Surgical Cases	2,210	1,908	1,830	15.8%	20.8%	11,712	11,302	10,826	3.6%	8.2%	23,248
Emergency Services (unduplicated patients)											
Arrivals Count	19,890	19,194	19,397	3.6%	2.5%	113,008	112,082	113,290	0.8%	-0.2%	229,765
Treated Patients Count	19,478	18,898	19,050	3.1%	2.2%	110,792	110,517	111,458	0.2%	-0.6%	226,061
Percent Left w/o Being Seen	2.1%	1.5%	1.8%	-40.0%	-16.7%	2.0%	1.4%	1.6%	-42.9%	-25.0%	1.6%
Emergency Visit Counts (includes multiple visits)											
Main ED	13,497	13,389	13,393	0.8%	0.8%	80,777	80,976	80,998	-0.2%	-0.3%	163,852
Psych / EOU ED	816	796	827	2.5%	-1.3%	4,692	4,318	4,480	8.7%	4.7%	8,787
Urgent Care - ED	4,967	4,277	4,394	16.1%	13.0%	26,583	25,193	25,882	5.5%	2.7%	52,306
ICC ED (OB/Gyn Intermediate Care)	1,757	1,814	1,841	-3.1%	-4.6%	10,599	11,037	11,201	-4.0%	-5.4%	22,723
Total Emergency Visit Counts	21,037	20,276	20,455	3.8%	2.8%	122,651	121,524	122,561	0.9%	0.1%	247,668
Ambulatory Visits by Division											
COPC	45,171	44,376	43,276	1.8%	4.4%	263,460	260,237	255,278	1.2%	3.2%	518,306
WISH	21,334	20,865	20,521	2.2%	4.0%	117,547	123,687	122,522	-5.0%	-4.1%	251,510
Ambulatory Specialty Clinics	40,265	37,281	37,086	8.0%	8.6%	222,851	213,083	210,364	4.6%	5.9%	426,526
Employee Health Integration	3,036	3,123	2,571	-2.8%	18.1%	16,779	18,780	14,849	-10.7%	13.0%	36,051
All Other Divisions	5,644	5,085	4,783	11.0%	18.0%	29,949	30,897	29,775	-3.1%	0.6%	61,939
Total Ambulatory Visits	115,450	110,730	108,237	4.3%	6.7%	650,586	646,684	632,788	0.6%	2.8%	1,294,332

Key Operating Performance Metrics

Staffing Information:	Actual	FYTD 2026 Budget	Variance	FYTD 2025 Actual	FY26 to FY25 Variance
Total Paid FTEs, includes Contract Labor and excludes Nursing Homes and Jail	12,758	12,755	3	12,734	24
Productivity:					
Paid Hours/Adjusted Patient Day	39	40	(1)	41	(2)
Labor Rates:					
Average Hourly Rate	$ 47.98	$ 48.20	$ (0.22)	$ 46.28	$ 1.70

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

Care. Compassion. Community.

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Detailed Porject Appendix Slides

Mike A. Myers Health Center

Project Scope

Mike A. Myers Health Center to expand clinical programs currently located at Vickery Health Center on Park Lane. Services will include women's health, adult, pediatrics, optometry, and podiatry.

Project Images

Key Events and Dates

- Civil sitework underway (5% completion)
- Documents updated for exam room, PFS, and sonography
- Anticipated substantial completion June 2027

Project Budget

- Project budget - $31,337,800

	Budget	Cost To Date
Owner's Consultants	$460,000	$113,668
Design	$2,749,400	$1,098,569
Construction	$22,551,400	$0
Major Equipment	$2,474,076	$0
FF&E	$976,090	$0
IT	$1,214,034	$0
Owner's Contingency	$912,800	$0
Totals	$31,337,800	$1,212,237

Project Directory

- Project Manager: Paul Woodard AIA
- Procurement: Construction Manager at Risk (CMAR)
- Architect: Corgan Associates, Inc.
- Contractor: HJ Russell + Post L Joint Venture

Parkland Campus
Demolition of OK Paper Warehouse

Project Scope

- Demolition of the Big OK Paper building and prepping site for construction of 764 parking spaces.

Project Images

Key Events and Dates

- Parking lot construction in progress (26% completion)
- Concrete paving work underway
- Expected 764 parking spaces
- Anticipated substantial completion August 2026

Project Budget

- Project budget - $5,782,004

	Budget	Cost To Date
Owner's Consultants	$7,650	$4,450
Design	$303,800	$278,353
Construction	$5,122,554	$1,168,817
Major Equipment	$0	$0
FF&E	$0	$0
IT	$8,000	$0
Owner's Contingency	$340,000	$0
Totals	$5,782,004	$1,451,620

Project Directory

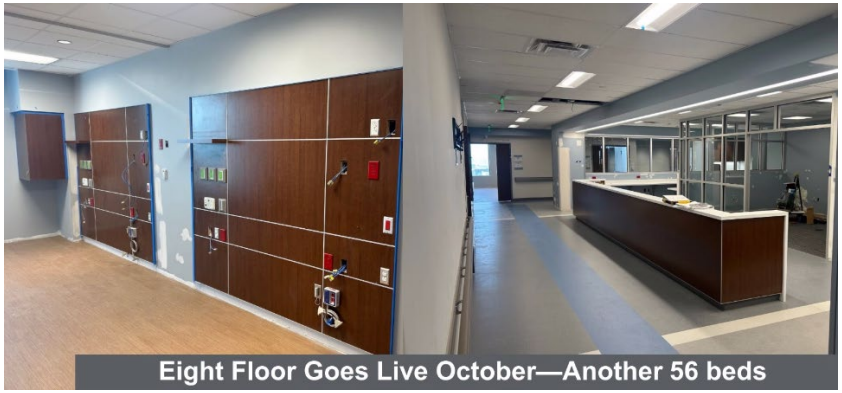
- Project Manager: Paul Woodard AIA
- Procurement: Design – Bid – Build
- Architect: HED Architects
- Contractor 1: GCC (Demolition)
- Contractor 2: Phillips-May (Surface Parking)

Parkland Hospital
Level 8 & 9th Floor Shell Buildout

Project Scope

- This project adds 112 new med surg beds (80 semi-private beds and 32 private beds).
- Our goal is to have first patient day on the 9th floor (56 beds) by June 1, 2026, just in time for the World Cup.

Project Images



Eight Floor Goes Live October—Another 56 beds

Key Events and Dates

- Construction in progress (74% completion)
- Interior finish-out of 8th and 9th floor underway
- 9th floor 100% state inspection scheduled for May 4, 2026
- 9th floor substantially completed in March 2026
- 9th floor first patient day scheduled for June 1, 2026
- 8th floor substantial completion scheduled for July 2026

Project Budget

- Project budget - $54,383,500

	Budget	Cost To Date
Owner's Consultants	$2,885,319	$9,572
Design	$0	$0
Construction	$38,988,480	$24,235,051
Major Equipment	$2,836,079	$758,390
FF&E	$4,225,708	$0
IT	$2,822,279	$612,705
Owner's Contingency	$2,625,635	$0
Totals	$54,383,500	$25,615,718

Project Directory

- Project Manager: Marc Leediker AIA
- Procurement: Design/Build
- Architect: Beck Architecture
- Contractor: Beck-AO Joint Venture

Parkland Hospital
Lab Consolidation Project

Project Scope

- The New Parkland Hospital opened with a rapid response lab (RRL) located on the 2nd floor of the Acute Care Hospital.
- Upon completion, this 7 phase project will consolidate all lab functions into the Logistics Building

Project Images

Key Events and Dates

- Construction in progress (64% completion)
- Installation of new lab equipment is 97% complete
- Last interior equipment to be installed is the Swisslog pneumatic tube stations
- Exterior work (air handling units & mechanical penthouse) is underway
- Go-live for all new equipment set for April 28th 2026
- Rapid response lab to move all personnel by June 2026
- Anticipated substantial completion June 2026

Project Budget

- Project budget $17,607,000
- Design contract funded directly by the Lab.

	Budget	Cost To Date
Owner's Consultants	$85,022	$16,390
Design	$305,123	$305,123
Construction	$12,772,500	$7,141,312
Major Equipment	$3,621,358	$2,054,755
FF&E	$127,000	$173
IT	$502,000	$389,408
Owner's Contingency	$193,997	$0
Totals	$17,607,000	$9,907,170

Project Directory

- Project Manager: Marc Leediker AIA
- Procurement: Design – Bid - Build
- Architect: Page Southerland (StanTec)
- Contractor: Swinerton Builders

Inland Port Clinic

Project Scope

- The Inland Port Clinic addresses a lack of services in several cities including Wilmer and Hutchins and is estimated to be a 8,000 to 15,000 design square foot facility.

Project Images

Key Events and Dates

- Capital funding for architectural services approved
- Land purchase contract executed in December 2025, due diligence
- Architect selection has been made, contract in administrative review
- Anticipate board consideration of architect contract in May/June 2026
- Pending total project scope and budget development

Project Budget

- Project budget - $12,025,000

	Budget	Cost To Date
Owner's Consultants	$20,000	$4,550
Design	$1,231,184	$0
Construction	$0	$0
Major Equipment	$10,773,816	$0
FF&E	$0	$0
IT	$0	$0
Owner's Contingency	$0	$0
Totals	$12,025,000	$4,550

Project Directory

- Project Manager: Thad Smith, R.A.
- Procurement: CMAR
- Architect: TBD
- Contractor: TBD

Informational Report on Parkland's Capital Project Summary as of March 2026

Project Summary
As of 3/31/2026

Project Number	Description	Start Date	End Date	Month to Date Amount	Year to Date Amount	Life to Date Amount	Budgeted Amount	Remaining Budget
18146	Large IV Pump Replacement	**4/1/2019**	**9/30/2023**	-	19,593	1,802,085	2,500,000	697,915
18172	Vickery Clinic	8/1/2020	1/31/2026	-	4,783	1,212,237	31,337,800	30,125,563
18182	Renovation of Garland COPC	**12/3/2020**	**3/31/2025**	14,933	68,191	1,626,485	1,698,339	71,854
18213	MRD Breakroom	**5/11/2021**	**6/30/2025**	-	10,895	440,294	378,800	(61,494)
18216	Supply Chain Store Room Expansion	**6/23/2021**	**6/30/2024**	-	11,469	381,998	464,900	82,903
18230	Old Campus Demolition (Phase II)	**12/9/2021**	**6/30/2025**	160,611	(37,641,438)	(187,132)	39,505,800	39,692,932
18242	Renovation, Demolition of OK Paper Warehouse	**5/5/2022**	**5/1/2025**	6,662	317,099	1,451,620	5,782,004	4,330,384
18244	Annie's Place Renovation-Childcare Buildout	**6/10/2022**	**5/30/2025**	-	(904)	2,115,670	2,244,966	129,296
18263	Construction of an Expanded Psych Intake Area	**11/1/2022**	**4/25/2025**	-	11,593	1,032,159	1,056,292	24,133
18264	Hybrid Endo-Vascular Room	**11/1/2022**	**5/30/2025**	-	(6,484)	3,816,502	4,223,500	406,998
18278	Flexible Sigmoidoscopy Room Buildout and Equipment	**10/19/2023**	**8/14/2025**	-	134,717	389,809	750,144	360,335
18282	Systemwide Security Enhancements - Category 1	**11/27/2023**	**7/23/2025**	-	5,350	5,350	257,727	252,377
18283	Systemwide Security Enhancements - Category 3	**11/27/2023**	**1/23/2025**	-	10,092	502,479	983,772	481,293
18284	ACH 9th Floor Shell Buildout	**11/27/2023**	**9/15/2026**	7,372,670	22,302,623	25,703,082	54,383,500	28,680,418
18290	ASC Storage Addition	**12/14/2023**	**10/1/2025**	-	372,316	541,954	3,648,128	3,106,174
18291	East Wall Replacement at Butler Street Warehouse	**12/14/2023**	**12/30/2025**	-	14,800	16,998	375,000	358,002
18294	COPC Building Upgrades	**1/1/2024**	**10/1/2025**	-	104,918	842,264	3,129,016	2,286,752
18297	Earnest money, diligence, purchase- South Central	**10/1/2023**	**6/30/2025**	3,150	3,150	4,550	12,025,000	12,020,450
18300	COPC Irving Optometry Lane Expansion	**2/20/2024**	**1/15/2026**	178,253	936,923	948,730	1,388,022	439,292
18305	New Clinic- Paths to Recovery	**5/21/2024**	**9/30/2025**	-	4,934	19,748	103,700	83,952
18310	Stations to assist patients with virtual health	**11/20/2024**	**9/30/2025**	-	1,448	1,570	70,200	68,630
18315	Replace carpet in old PEOU with flooring	**1/28/2025**	**11/30/2025**	-	68,225	68,225	76,000	7,775
18316	Renovation of Garland Clinic	**11/1/2024**	**1/15/2026**	1,614	95,764	99,092	972,009	872,917
18317	Specialty expansion at Garland COPC	**10/24/2024**	**10/30/2025**	2,992	192,165	214,140	555,738	341,598
18318	Install Badge Readers at Moody Garage Elevators	**2/14/2025**	**12/30/2025**	28,051	43,435	43,435	45,000	1,565
18319	Cubicle and Furniture Replacement	**3/21/2025**	**6/1/2026**	-	11,010	11,010	1,455,782	1,444,772
18323	Expansion of Transplant Department	**5/21/2025**	**12/31/2026**	7,277	7,277	7,277	114,300	107,023
18327	Badge Entry to secure equipment in procedure room	**6/18/2025**	**12/31/2025**	-	14,234	14,234	19,700	5,466
18329	Pressure Relief Valve Replacements & Additions	**6/18/2025**	**9/30/2025**	-	29,900	29,900	2,250,000	2,220,100
18335	Boiler Condensate Return System	**7/22/2025**	**12/31/2025**	-	111,859	111,859	111,859	-
18336	Medical ICU 15-600 Break Room Expansion	**8/26/2025**	**7/31/2026**	-	6,149	6,149	90,000	83,851
19379	Cisco Wired NK (Hospital NK Refresh Yr 2 of 5)	**3/1/2020**	**9/20/2025**	540	38,820	10,025,481	10,407,562	382,081
19396	Spok Upgrade Paging System	**5/5/2021**	**5/31/2023**	-	5,265	26,337	31,064	4,727
19414	Replace Prescription Filling Automation	**7/20/2021**	**12/30/2025**	-	179,493	7,141,670	7,690,000	548,330
19423	Wireless access point refresh FY24 (year 3 of 4)	**12/14/2023**	**9/30/2024**	-	48,098	567,632	1,522,146	954,514
19427	Surveillance System Server Refresh	**2/20/2024**	**9/30/2024**	25,190	25,190	592,537	596,564	4,027
19429	Access layer refresh FY24 (year 5 of 5)	**2/1/2024**	**12/31/2024**	-	205,384	2,940,725	2,735,341	(205,384)
19430	EoS Switching Gear/ DRT core network refresh	**3/1/2024**	**9/30/2025**	-	37,744	2,553,528	2,607,817	54,289
19434	Kronos Clock and Biometric Readers	**10/1/2024**	**5/21/2025**	-	89,862	175,199	737,000	561,801
19435	Cisco Catalyst 9400 Series 24-Port 10 Gigabit Ethernet	**2/17/2026**	**9/30/2026**	10,135	10,135	10,135	10,135	0
	Total Capital Projects			**7,812,078**	**(12,093,924)**	**67,307,016**	**198,334,627**	**131,027,611**

S&P Index Rating Informational Report

S&P Global Ratings

RatingsDirect®

Dallas County Hospital District, Texas

April 15, 2026

This report does not constitute a rating action.

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Credit Highlights

- S&P Global Ratings' long-term rating on Dallas County Hospital District, Texas' series 2009C and 2019 general obligation (GO) bonds is 'AA'. The district is a component unit of Dallas County and does business as Parkland Health (Parkland).
- The outlook is stable.

Rationale

Security

The district's GO debt is secured by and payable from the levy and collection of ad valorem taxes within the district, which is coterminous with Dallas County.

Credit overview

The rating reflects Parkland's sound financial cushion, which grew steadily over the past decade supported by steady reductions in debt and rising year-end unrestricted reserves, and stabilized post-pandemic earnings aided by the district's revenue stream diversity and sound supplemental funding levels. Minimal capital needs following the launch of its bond-funded replacement facility in late 2015 also contributed to this trend, with spending near 50% of depreciation expense in recent years. While margins have attenuated from the highs of the pandemic, performance continues to trend well and finished above budget in fiscal 2025 (ended Sept. 30) with a robust 3.2% operating margin (S&P Global Ratings-calculated). Although we anticipate operating earnings will be lower in fiscal 2026, we expect sufficient cash flow will support good maximum annual debt service (MADS) coverage and unrestricted reserve stability.

The rating further reflects Parkland's unique market position as Dallas County's safety net provider, underpinned by the district's tax-supported operations and essentiality within the region. The district receives significant property tax revenue and supplemental funding to support its mission of treating the area's large uninsured and underinsured population. Our rating on Parkland incorporates a positive adjustment to the anchor based on the district's proven and ongoing tax support, exemplified by the taxing district's substantial size, limited taxpayer concentration, long-term trend of growing assessed values (AV), tax revenue encompassing about 20% of total operating revenue (when considering health plan premium revenue), and the

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durability of the district's taxing authority. The final rating also incorporates a negative holistic adjustment reflecting a comparatively weaker underlying financial profile largely given the district's organizational profile that will inherently limit excess profitability and increase supplemental funding exposure. We believe the district's supplemental funding exposure is the primary risk of the credit profile, as exemplified by last year's tax and spending bill, which will pressure Medicaid and supplemental funding beginning in 2028. Aided by Texas having not expanded Medicaid coverage, management estimates the negative effects of the bill will be manageable and not create prolonged structural operating imbalances, although we still view this as a risk.

When coupled with only moderate capital spending, Parkland's year-end unrestricted reserve position kept growing in fiscal 2025, and the district's debt position remains light and further improved given healthy principal payments. Management is currently evaluating options for its outpatient campus in southeast Dallas County, and we understand the facility at a minimum needs to be replaced. The district is considering an expansion of the scope of services offered on that site to possibly include urgent, emergency, or inpatient care. In the latter scenario, which is extremely preliminary and may not be pursued, we understand additional debt could help finance the project in conjunction with targeted philanthropy and operating cash flow. While we consider the district to have moderate debt capacity at the current rating, we will fully evaluate these plans in subsequent reviews in conjunction with recent and expected operating performance.

The rating reflects our view of the district's following strengths:

- Ample revenue diversity across property taxes, net patient revenue, supplemental funding, and premium revenue, which has supported stable operating results; when including its health plan, total operating revenue is near $4.5 billion;
- Favorable level of ad valorem tax support, highlighted by receipts of $863 million in fiscal 2025 based on the county's growing property tax base, with strong support from county leaders;
- Sound balance-sheet flexibility, with about 200 days' cash on hand (DCOH) and 3.4x reserves to long-term debt as of Sept. 30, 2025, coupled with low debt levels; and
- Beneficial and stable staffing relationship with physicians and residents of UT Southwestern Medical Center (UTSW), contributing to a large medical staff of about 2,400 providers and strong clinical depth.

In our view, the strengths are partially offset by the district's:

- Unfavorable payer mix with elevated Medicaid and self-pay levels given its safety net mission;
- Heavy reliance on supplemental reimbursement sources to maintain balanced operations, changes to which could have a significant effect on operating cash flow;
- Possible additional debt, which could dampen existing balance-sheet flexibility; and
- Material unfunded pension obligations exceeding $725 million when applying a 6.0% discount rate, although the plan is closed to new participants.

Unless explicitly cited, figures in this report include only Parkland Health, excluding Parkland Community Health Plan (PCHP), Parkland Center for Clinical Innovation, and Parkland Foundation. These three entities, totaling about 10% of combined assets, are presented as unconsolidated component units of the district within the audited financial statements and have been incorporated into this review. Only PCHP (fiscal year-ended Dec. 31) has material operations, with $1 billion in operating revenue in its fiscal 2025 (unaudited).

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Environmental, social, and governance

We consider Parkland's social risk as elevated within our credit rating analysis given its higher Medicaid and self-pay exposure, although its payer mix is more typical when compared with that of other safety net providers and mitigated by the substantial tax support garnered. This view also considers additional human capital risks tied to higher labor and salary pressures throughout the sector, although we note Parkland has had significant success reducing contract labor expenses and improving other workforce metrics in recent years.

We also analyzed the district's environmental and governance factors and consider them neutral within our credit rating analysis. The district is governed by a board of managers, the members of which are appointed by the Dallas County Commissioners Court; we do not view this as an additional governance risk.

Outlook

The stable outlook reflects Parkland's meaningful balance-sheet cushion, characterized by rising year-end unrestricted reserves and a low debt load with some capacity for additional debt at the rating. The outlook further reflects our expectation that stable operating results will be sustained over the outlook period ahead of material Medicaid reimbursement changes as prescribed under last year's tax and spending bill. Although safety net providers like Parkland could be exposed to meaningful supplemental funding declines, we view the district as having strong financial momentum and leadership, positioning the organization as best as possible to respond to adverse changes in funding in order to sustain balanced operations.

Downside scenario

We could consider a negative outlook or lower rating if Parkland cannot sustain balanced operations and MADS coverage, whether due to significantly weaker supplemental funding or otherwise. Declining year-end unrestricted reserves or additional debt would also increase the importance of sustaining healthy operations to maintain the current rating. A change in the district's tax support or relationship with the county could also pressure the rating.

Upside scenario

We consider a higher rating unlikely over the outlook period given Parkland's comparatively weaker balance-sheet metrics to peers and inherent exposure to various supplemental funding programs for operating profitability.

Credit Opinion

Enterprise Profile--Strong

Growing local economy and tax base

Within its primary service area of Dallas County, management estimates the district garners 18% of all county inpatient admissions. Parkland operates in a market with several well-capitalized private health systems, including Baylor Scott & White, Methodist Health System, Texas Health Resources, and the for-profit Hospital Corp. of America (HCA) system. We believe the competitive

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landscape makes it more challenging for Parkland to garner meaningful commercially insured patient populations.

Parkland's tax base grew about 4% to $432 billion in fiscal 2026, a lower increase than in recent years that were in excess of 10%. We believe the tax base is extremely diverse, with the 10 leading taxpayers accounting for just 1.8% of total taxable AV. We expect the region's economic fundamentals will remain robust and the district's tax structure allows for considerable flexibility in the event of falling AV. The total tax rate is limited to 75 cents per $100 of AV for all purposes by state statute. Dallas County Hospital District currently levies a total tax rate of just 21.20 cents per $100 of AV for fiscal 2026, level with the previous year, which follows years of steady decreases since 2015 given strong AV growth. Management cites a strong and collaborative relationship with the Dallas County Commissioners Court, with the level tax rate for fiscal 2026 reflective of the county's support for the district. While hospital districts have so far been insulated from broader statewide property tax reform efforts, we will continue to monitor proposed changes that alter Parkland's tax support flexibility.

Safety net mission underpins the district's organizational profile

Dallas County Hospital District owns and operates Parkland Health, which staffed 755 beds as of September 2025. The district's active medical staff is extensive, largely attributable to a healthy relationship with the neighboring UTSW; the district's master affiliation agreement with UTSW is renegotiated annually. More than 90% of active physicians on staff are from UTSW, consistently driving almost all inpatient admissions, most of which come through the emergency department (ED). The ED is the busiest single-site ED in the nation and has an outsized impact on downstream patient volumes. Of note, the district is onboarding two shelled floors, which should yield more than 100 new beds once onboarded in summer 2026; no material shelled space will remain following this project. In addition, the state is constructing a new psychiatric hospital adjacent to Parkland, which we believe will provide indirect benefits to the hospital once opened in 2026.

About 65% of the district's gross patient revenue is generated from uninsured or Medicaid-covered patients, which translates to fewer than 35% of net patient revenue after considering bad debt expense and charity care. This underpins Dallas County Hospital District's reliance on tax revenue and supplemental funding to maintain operations and its service line offerings. Also, this patient mix provides some offset to volume declines given Parkland treats many patients at a loss.

In addition to hospital operations, the district operates PCHP, which participates in Medicaid managed care plans and the Children's Health Insurance Program (CHIP). The plan has about 155,000 covered lives as of December 2025, down from close to 250,000 in December 2022 following Medicaid redeterminations; covered lives have stabilized at the current level.

Management has strong long-range planning practices, forecasting potential revenue and expense pressures, as well as future capital needs. We view this favorably and believe it will continue to support Parkland's operating profile by better anticipating and articulating necessary tax support for service offerings. The district operates under a long-term strategic plan through 2026, with increased focus on areas such as health equity, digital health, and health plan integration.

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Dallas County Hospital District, Texas--enterprise statistics

	--Three months ended Dec. 31--	--Fiscal year ended Sept. 30--		
	2025	2025	2024	2023
PSA population	N.A.	2,676,000	2,656,000	2,600,840
PSA market share (%)	N.A.	17.5	17.8	18.0
Inpatient admissions*	8,634	34,906	35,665	34,708
Equivalent inpatient admissions	25,526	100,786	98,911	94,245
Emergency visits	61,416	246,426	250,796	246,944
Inpatient surgeries	2,545	9,560	9,307	8,921
Outpatient surgeries	3,272	13,197	12,696	12,813
Medicare case mix index	1.9486	2.0324	1.9748	1.9600
FTE employees	N.A.	N.A.	13,222	12,812
Active physicians	2,400	2,594	2,316	2,294
Based on net/gross revenues	Net	Net	Net	Net
Medicare (%)	35.8	33.3	32.4	33.4
Medicaid (%)	30.8	31.4	32.0	33.3
Commercial/Blues (%)	31.8	33.2	33.1	30.3

*Inpatient admissions exclude normal newborn, psychiatric, rehabilitation, and long-term care facility admissions. N.A.--Not available.

Financial Profile--Strong

Performance remains stable, aided by supplemental funding, but risks loom

Management's fiscal 2026 operating budget aims for just over $110 million in excess income, which is mostly consistent with previous-year budgets and assumes sustained strong nonoperating revenue; the budget translates to slightly negative operations (S&P Global Ratings-calculated) when incorporating interest expense. Depending on supplemental funding trends, we believe Parkland might surpass this budget in line with its recent track record and conservative assumptions, and we understand performance through early calendar 2026 remains on target.

After averaging an 8% operating margin from fiscal 2020 through 2022 given enhanced pandemic funding and lower uncompensated care costs, district performance has moderated in line with expectations. We view operating results in fiscal years 2023 and 2024, characterized as modest operating surpluses, as appropriate for the rating and reflective of a sustainable operating model, with fiscal 2025 results being viewed as quite healthy. In addition, in recent years Parkland has enjoyed a material increase in nonoperating revenue through realized investment income from higher rates on its growing portfolio of fixed income holdings, which helped support rising MADS coverage above 5x. Our calculations include both tax revenues and interest expense in operations. We also present recognized CARES Act grants and other stimulus revenue in operating revenue.

In total, including all programs, net supplemental funding recognized in fiscal 2025 was near $1.1 billion, about $170 million above budget, and compared with an operating gain of $115 million. Texas will be subject to phased-in caps to reimbursement as prescribed in last year's tax and spending bill, yet benefits by avoiding mandated reductions in its provider tax (currently 6%) as the state did not expand Medicaid coverage. In addition, Medicaid-heavy providers like Parkland

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are exposed to broader state budgetary pressure that challenges the program's reimbursement. Although the district's tax support provides a meaningful tool for mitigating funding shortfalls, we also recognize that statewide scrutiny of property tax levels and broader rate affordability pressures could limit the efficacy of this revenue transfer. Over the coming reviews we will monitor management's forecasts and contingency plans, namely how any decline in revenue would be addressed through reduced expenses and the scaling back of services. Management currently estimates an annual negative impact of about $100 million once the bill is fully implemented; more near term, a comparable decline is expected should Medicaid disproportionate share cuts no longer be delayed.

Dallas County Hospital District maintains a diversified revenue base and this supports and differentiates the credit profile. The previously cited performance figures exclude the operating results for PCHP, Parkland Center for Clinical Innovation, and Parkland Foundation. PCHP, of which the board is appointed by the district board and is the largest component unit by far, posted a $42 million operating loss in its unaudited fiscal 2025 (ended Dec. 31) on $1.0 billion in operating revenue. Performance in early calendar 2026 is in line with budget, which aims for a small operating gain for the year. The table at the end of this report displays metrics for the hospital (Parkland Health) only.

Healthy unrestricted reserve cushion

Parkland experienced very strong unrestricted reserve growth in recent years, finishing fiscal 2025 with $1.8 billion. The district's cash low point was $150 million in 2015 as construction was completed on the replacement facility. DCOH and reserves to long-term debt are very healthy for the rating at year-end 2025, and we note the timing of tax collections makes the district's cash position choppy, with Parkland's Sept. 30 fiscal year inherently reporting weaker liquidity metrics as property taxes are primarily collected in October through February.

We expect stability in year-end unrestricted reserves but anticipate Parkland's capital spending will increase from the $60-70 million annual expenditure baseline of recent years. In addition to routine capital spending and the onboarding of shelled floors estimated to cost about $50 million, management is evaluating its presence in southeast Dallas County. The existing outpatient campus is dated and we understand the facility at a minimum needs to be replaced. In order to support improved healthcare access in that region, management is considering an expansion of the scope of services offered on that site to possibly include urgent, emergency, or inpatient care. The plans remain quite preliminary and we anticipate finality around the project's size, scope, and funding sources at our next review.

When combined with PCHP, we estimate consolidated year-end 2025 DCOH near 180, with the PCHP's medical claims expense only moderately dilutive given the unrestricted reserves carried by the plan. Combined reserves to long-term debt improves to nearly 400%. On a consolidated view, we believe the financial profile remains consistent with that of Parkland Health.

Low debt levels support the district's credit profile; material pension exposure

Leverage and debt burden remain sound following the rapid improvement in recent years fueled by increasing unrestricted net assets and healthy principal payments. Current leverage of near 18% is solid for the rating, particularly given that all non-lease debt is fixed-rate and tax-supported. Long-term debt includes lease liabilities, totaling just $22.7 million as of Sept. 30, 2025; lease payments are also incorporated into MADS. All existing debt matures by fiscal 2044 year-end, creating some capacity for additional debt.

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The district provides pension benefits through a single-employer, defined-benefit pension plan--the Dallas County Hospital District Retirement Income Plan Its retirement fund's fiduciary net position as a percent of the total liability improved to 72.1% as of Dec. 31, 2024, using a 6.0% discount rate for projected benefit obligations. Management has contributed a combined $70.5 million in excess of actuarially determined contributions since fiscal 2019. Parkland closed the plan to new participants effective December 2023 but still expects required contributions will remain healthy over the medium term, reflecting a material use of cash. Parkland does not have material other postemployment benefits exposure.

Dallas County Hospital District, Texas--financial statistics

	--Three months ended Dec. 31--	--Fiscal year ended Sept. 30--		
	2025	2025	2024	2023
Financial performance				
Net patient revenue ($000s)	574,500	2,388,702	2,073,822	1,980,068
Total operating revenue ($000s)	893,620	3,555,659	3,175,961	3,055,514
Total operating expenses ($000s)	880,941	3,440,374	3,163,280	3,036,668
Operating income ($000s)	12,679	115,285	12,681	18,846
Operating margin (%)	1.42	3.24	0.40	0.62
Net nonoperating income ($000s)	40,297	126,375	130,786	98,168
Excess income ($000s)	52,976	241,660	143,467	117,014
Excess margin (%)	5.67	6.56	4.34	3.71
Operating EBIDA margin (%)	5.49	7.47	5.10	5.50
EBIDA margin (%)	9.57	10.65	8.85	8.44
Net available for debt service ($000s)	89,360	392,048	292,728	266,164
Maximum annual debt service ($000s)	54,105	54,105	54,105	54,105
Maximum annual debt service coverage (x)	6.61	7.25	5.41	4.92
Operating lease-adjusted coverage (x)	N/A	N/A	N/A	N/A
Liquidity and financial flexibility				
Unrestricted reserves ($000s)	1,841,441	1,792,836	1,604,338	1,259,906
Unrestricted days' cash on hand	197.4	197.3	192.5	157.7
Unrestricted reserves/total long-term debt (%)	349.2	338.6	286.4	215.4
Unrestricted reserves/contingent liabilities (%)	N/A	N/A	N/A	N/A
Average age of plant (years)	11.4	10.9	10.4	9.8
Capital expenditures/depreciation and amortization (%)	42.9	54.6	48.7	52.6
Debt and liabilities				
Total long-term debt ($000s)	527,348	529,558	560,227	584,878
Long-term debt/capitalization (%)	17.7	17.9	20.6	22.4
Contingent liabilities ($000s)	0	0	0	0
Contingent liabilities/total long-term debt (%)	0.0	0.0	0.0	0.0
Debt burden (%)	1.45	1.47	1.64	1.72
Defined-benefit plan funded status (%)	N.A.	72.14	70.55	66.11
Miscellaneous				
Medicare advance payments ($000s)*	N/A	N/A	N/A	N/A
Short-term borrowings ($000s)*	N/A	N/A	N/A	N/A
COVID-19 stimulus recognized ($000s)	806	2,433	1,080	0

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Dallas County Hospital District, Texas--financial statistics

	--Three months ended Dec. 31--	--Fiscal year ended Sept. 30--		
	2025	2025	2024	2023
Risk based capital ratio (%)	N.A.	330.12	562.84	613.03
Total net special funding ($000s)	238,308	1,064,973	887,229	881,248
Ad valorem tax support ($000s)	233,226	863,169	816,393	806,924

*Excluded from unrestricted reserves, long-term debt, and contingent liabilities. Excludes Parkland Community Health Plan, Parkland Center for Clinical Innovation, and Parkland Foundation. N.A.--Not available. N/A--Not applicable.

Credit Snapshot

- Group Rating Methodology: GRM does not apply in situations where there is a GO pledge.
- Organization description: Dallas County Hospital District (Parkland) is a political subdivision of the state and a component unit of Dallas County. The district is governed by a board of managers, the members of which are appointed by the Dallas County Commissioners Court. Under state law, the county also levies taxes and authorizes the issuance of GO bonds on the district's behalf, based on the district's full faith and credit. Our analysis also includes the district's component units: PCHP, Parkland Center for Clinical Innovation, and the foundation.

Ratings List	
Current Ratings	
Healthcare	
Parkland Hlth and Hosp Sys, TX Limited Tax General Operating Pledge and Stand-Alone Hospital Revenues	AA/Stable

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.

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