Audit Committee Agenda

Committee Members
Chair: Todd Furniss, JD
Ramon Miguez, PE
Farida Minner, RN
Yasmin Simon, JD

Agenda for the ***Audit Committee*** meeting of the Dallas County Hospital District ("DCHD") is scheduled for ***Thursday, June 11, 2026 at 10:00 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: 2314 870 3356; meeting password: 1234) to join the meeting. The ***Audit 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 ***Audit 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. Opening/Call to Order/Declare a Quorum Present/Mission Statement/Opening Remarks ***Advance Wellness | Relieve Suffering | Develop and Educate*** **I CARE** **I**ntegrity **C**ompassion and Collaboration **A**ccountability **R**espect **E**quity This agenda has been developed by the Chief Governance Officer in consultation with the Board Chair, CEO, 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*			Chair
III. Report on the Audit Committee Packet Key Takeaways for the Month of June	*6*	05 mins	Amy LaBarge

	PAGE	TIME (MIN)	PRESENTER(S)
IV. Reports Requiring Deliberation(s) and Possible Action			
A. Internal Audit 2026 Mid-Year Performance Report	*8*	10 mins	Amy LaBarge
B. Audit Committee Charter *Annual presentation of the Audit Committee Charter for Board approval*	*15*	05 mins	Amy LaBarge
C. Internal Audit Charter *Annual presentation of the Internal Audit Charter for Board approval*	*22*	05 mins	Amy LaBarge
D. Open Session **Summary** to discuss the following topics:	*30*	15 mins	Amy LaBarge
i. Overview of progress on Parkland's 2026 Audit Plan *The 2026 Audit Plan was adopted by the Parkland Board of Managers in 2025.*	*31*		
ii. UT Southwestern Claims Prepayment Process Audit, Report No. 26-05 *An evaluation of the UTSW prepayment claims review process.*	*32*		
iii. Follow-Up Report Status – Open Session *Update on corrective action plans for audits presented in prior open session Audit Committee meetings.*	*33*		
V. Executive Session *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007; Tex. Gov't Code §§551.071.			
A. Executive Session **Summary** to discuss following topics: Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007	*35*	10 mins	Amy LaBarge
i. Nutrition Services Audit, Report No. 26-21 *An evaluation of Nutrition Services activities, such as inventory processes and procurement controls, patient food safety, and regulatory requirements.*	*36*		
ii. Follow-up Report Status – Executive Session *Update on corrective action plans for audits presented in prior executive session Audit Committee meetings.*	*37*		

		PAGE	TIME (MIN)	PRESENTER(S)
	B. Discussion regarding report and/or information provided by the Chief Audit Executive and related items on this agenda. *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007.		05 mins	Chair
	C. Consultation with Attorney Tex. Gov't Code § 551.071.			
	i. Review of Open Litigation (See Attached List)	*38*	15 mins	Brad Nitschke
VI.	**Action Items**			
	A. Committee may take action on any agenda item(s) above			Chair
	B. Deliberation and Possible Action on the Audit Committee Charter			
	C. Deliberation and Possible Action on the Internal Audit Charter			
VII.	**Closing Remarks**			Chair
VIII.	**Possible Deliberation Regarding Documents Received by the Committee**			
	A. UT Southwestern Claims Prepayment Process Audit, Report No. 26-05	*40*		
	B. Open Session Audit Follow-up Reports	*47*		
IX.	**Possible Deliberation Regarding Executive Session Documents Received by the Committee**			
	A. Nutrition Services Audit, Report No. 26-21	*50*		
	B. Executive Session Audit Follow-up Reports *Tex. Health & Safety Code* §§161.032 & 161.0315 and *Tex. Occ. Code* §160.007.	*59*		
X.	**Adjourn**			Chair

<u>Active Litigation Matters, May 2026</u>

NEW Matters:

Gustavo Lopez v. Dallas County Hospital District d/b/a Parkland Health & Hospital System
Filed 03/16/2026 — Judge Sam A. Lindsey, USDC, NDTX (Dallas Division)

Julius Bamibe v. Dallas County Hospital District dba Parkland Memorial Hospital & Angela Grant
Filed 05/19/2026 - Hon. Tonya Parker, 116th Civil District Court (Dallas)

Dorothy Marshall Living Trust v. Linebarger, et al.
Filed 04/23/2026 — Judge Sam A. Lindsey, USDC, NDTX (Dallas Division)

Ongoing Matters:

Dallas County Hospital District v. Haley Burr, et. al. (N5)
Filed 12/14/2023 — Hon. Staci Williams, 101st Civil District Court (Dallas)

Dallas County Hospital District v. Shiftwise, Inc., et. al.
Filed 07/01/2025 — Hon. Martin Hoffman, 68th Civil District Court (Dallas)

Dallas County Hospital District v. BARA, a Joint Venture
Filed 02/01/2024 — Hon. Maria Aceves, Presiding, 192nd Civil District Court (Dallas)

Alejandrino Lopez v. Dallas County Hospital District d/b/a Parkland Health System d/b/a Parkland Memorial Hospital
Filed 05/29/2025 — Assigned: Chief Dist. Judge Amos L. Mazzant; Referred: Magistrate Judge Bill Davis, USDC, EDTX (Sherman Division)

Leticia Moreno, Individually and as Representative of the Estate of Juan Valenzuela, Deceased, and as Next Friend of D.V.M., vs. Dallas County Hospital District d/b/a Parkland Health and The University of Texas Southwestern Medical Center
Filed 12/05/2024 — Hon. Tonya Parker, 116th Civil District Court (Dallas)

Resolving Matters:

Construction Cleaning, Inc. v. Dallas County Hospital District
Filed 03/12/2024 — Hon. Sally Montgomery, County Court at Law No. 3 (Dallas)

Alvah Johnson and Theodore Bramble v. DCHD
Filed 07/13/2023 — Judge Ada Brown, USDC, NDTX (Dallas Division)

US ex rel Chase v. UT Southwestern Medical Center, Parkland Health & Hospital System, et al.
Filed 03/28/2023 — Judge Jason K. Pulliam, USDC, WDTX (San Antonio Division)

Resolved:

Hyde, Jason J. v. Dallas County
Filed 12/18/2024 — Judge Dale Tillery, 134th Civil District Court (Dallas)

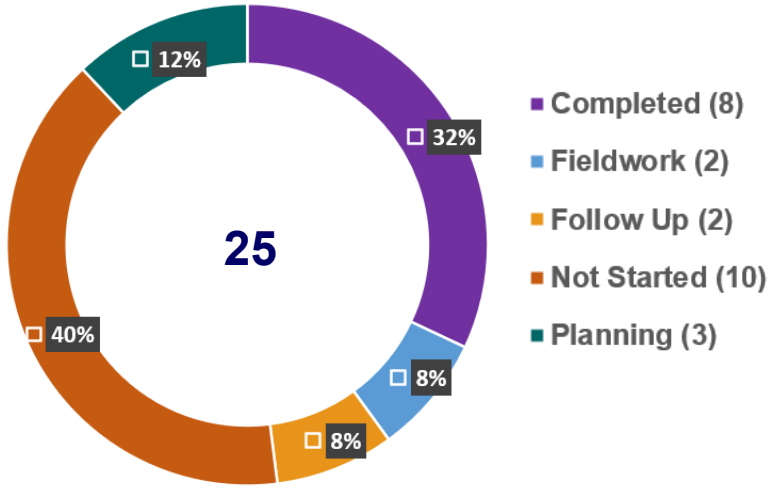
Brandon Norwood v. Dallas County Hospital District
Filed 07/05/2023 — District Judge Karen Gren Scholer, USDC, NDTX (Dallas Division)

III. Open Session

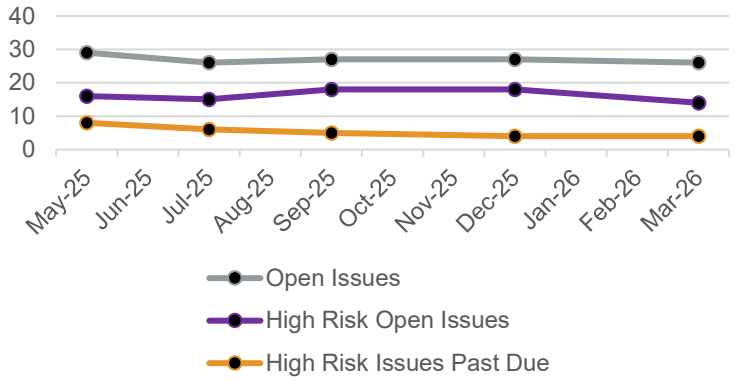
Parkland

Key Takeaways at-a-Glance* – June 2026

Audit Plan Progress



Follow Up Issues



FY26 Mid-year Performance Report, Charters	▪ **Mid-year Performance Report** (Page 8) ▪ **Audit Committee Charter** (Page 15) ▪ **Internal Audit Charter** (Page 22)
FY26 Audit Plan Status	Audit plan progress (Page 31)
Issues Identified*	**UT Southwestern Claims Prepayment Process** (Summary, Page 32; Report, Page 40): ▪ Controls are working as intended ▪ Opportunities to trend results and expand testing ▪ Opportunities to formalize sample selection methodology **Nutrition Services** (Summary, Page 36; Report, Page 50): ▪ Executive Session content
Follow-up	Two issues and zero audits were closed. Requests were submitted to modify the due dates for 9 issues. (Pages 47-48 and 59-60)

* Excludes items to be discussed in Executive Session

Aligned Assurance – June 2026

Risk Focus Matrix

Assurance Function Focus by Risk Category

Risk Topic	Assurance Focus										
	TIER 1	**TIER 2**									**TIER 3**
	Identifies and addresses applicable risks	Creates and monitors organizational control processes									Verifies control processes are implemented, sustainable, and effective
	Roles Responsible	Information Security	Institutional Risk Management & ERM	Legal Affairs	Disaster Management & Business Continuity	Health Information Management	Strategy Governance	Communications External Affairs	Quality, Safety & Clinical Risk Management	Corporate Compliance & Ethics	Internal Audit Services
Assurance Function Maturity		◕	◕	◑	◑	◕	●	●	◕	◕	◕
Clinical/Patient Safety	CMO,CNO, COO	🔴	🟡	🟡	🟡	🟡	🔴	🔴	🟢	🟡	🟡
Legal/Regulatory/Compliance	CCEO	🟡	🟡	🟢	🟡	🟡	🟡	🟢	🟡	🟢	🟡
Human Capital	CTO	🟡	🟡	🟡	🟡	🔴	🔴	🔴	🟡	🟡	🟢
Financial	CFO	🟡	🟡	🟡	🟡	🟢	🟡	🟡	🟡	🔴	🟢
Operational	COO	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟡	🟢	🟢
Technical/Cyber	CIO	🟢	🟡	🟡	🟡	🔴	🔴	🔴	🔴	🟡	🟢
Strategic	CSO	🟡	🟡	🟡	🟡	🟡	🟢	🟡	🟡	🟡	🟡
Reputation	SVP Communications	🟡	🟡	🟡	🟡	🟡	🟡	🟢	🟡	🟢	🟡
Hazard	COO, VP IRM	🟡	🟢	🟡	🟢	🔴	🔴	🔴	🔴	🔴	🟡

LEGEND:

- 🔴 **Low/NA**
- 🟡 **Moderate/Shared**
- 🟢 **High/Primary**

○	Initial	Work is performed informally.
◔	Repeatable	Work is planned and tracked.
◑	Defined	Work is well defined.
◕	Managed	Work is quantitatively controlled.
●	Optimizing	Work is based upon continuous improvement.

Who is looking at future risks? Inherent in the ERM process and individual area's annual risk assessment/work planning processes.

INTERNAL AUDIT

Mid-Year Performance Report

October 1, 2025 – March 31, 2026

Parkland Health

Amy LaBarge, MBA, CPA, CIA
Senior Vice President and Chief Audit Executive

Audit Committee Meeting
June 2026

Purpose

The purpose of this mid-year report is to provide information on the assurance services, advisory services, and other activities of the internal audit function.

During Fiscal Year 2026, Internal Audit (IA) presented reports and issues to Parkland Management (Management) and the Dallas County Hospital District Board of Managers' Audit Committee (Audit Committee). The projects were the result of our annual audit plan approved by the Board of Managers in October 2025, and of requests from Management and/or the Board. This document summarizes the internal audit activity for the plan year as of March 31, 2026.

Services

Internal Audit demonstrates value through assurance and advisory services, emphasizing technology, strategy, and stakeholder trust. Services performed include operational, financial, regulatory, and information technology audits, continuous monitoring, follow-up on prior audit findings, physical inventory reviews, and ongoing enhancement of internal audit processes.

IA performs operational and financial audits to evaluate whether hospital departmental controls are effective and efficient, as well as to evaluate controls over financial transactions.

Unlike independent external financial audits, internal financial audits do not express professional opinions on presentation of financial statements. Criteria used in the evaluation of the established controls are based on The Committee of Sponsoring Organizations (COSO) framework, and industry best practice criteria are used in evaluating operational effectiveness and efficiency. Frequently, these audits compare operational practices to the departmental procedures established by management.

IA performs compliance reviews to determine whether processes and controls are compliant with regulations and functioning as intended; examples of standards used for testing include Centers for Medicare & Medicaid Services Conditions of Participation, Joint Commission, and Federal/State laws.

IA provides Parkland with a variety of information technology services including audits of general system controls, application controls, data integrity, physical security, information security, and internal data support. IA also serves as advisors on various system implementation projects. Criteria used in evaluating information technology applications, procedures, and implementations are derived from frameworks like COBIT (Control Objectives for Information and Related Technology) and industry best practices.

In accordance with The Institute of Internal Auditors' Global Internal Audit Standards (IIA Standards), IA performs advisory services at the request of Management. This value-added service is consultative in nature and is an independent review focusing on areas of management concern. Continuous monitoring activity is designed to provide an initiative-taking review of high-risk topics. Issues noted during these reviews are immediately reported to management for remediation.

The 2026 Audit Plan outlines the internal audit projects and activities to be performed by Internal Audit during fiscal year 2026 in accordance with responsibilities established by the IIA Standards and consistent with the Audit Charter. The plan is prepared using a risk-based approach to ensure that areas and activities specific to Parkland Health with the greatest risk are identified for consideration to be audited. Following is the status of projects and other activities released or in progress.

Audit Plan Performance

The approved 2026 audit plan included thirty-four (34) audits, projects, and activities, including three (3) carryover projects from the prior fiscal year. As of March 31, 2026, of the thirty-four (34) planned activities, three (3) have been completed, two (2) were ongoing projects, and eleven (11) were in progress. The following reports with a performance rating were presented to the Audit Committee for fiscal year 2026. The remaining projects and activities not reflected below will be detailed by status at the end of the fiscal year.

Legend:

- Controls are functioning as intended.
- Some controls are in place; however, several key issues were noted that could jeopardize the accomplishment of business objectives.
- The control environment is lacking or not functioning as intended and is a contributing factor to non-achievement of business objectives.

Audits	Status	Performance Rating
• 25-03 Revenue Cycle - Professional Billing Post-Implementation	Complete	
• 25-15 Cash Monitoring	Complete	
• 26-03 Laboratory Operations	In Progress	
• 26-05 UTSW Pre-payment Claims	In Progress	
• 26-09 DNR, Advance Directives	In Progress	
• 26-13 Moonlighters	In Progress	
• 26-21 Nutrition Services	In Progress	
• 26-23 Pharmacy: ePrescribe, RX, Drug Diversion	In Progress	
• 26-02 Slicer/Dicer/Cogito/Reporting Accuracy	Not Started	
• 26-04 AI Preparation	Not Started	
• 26-06 UTSW Documentation	Not Started	
• 26-07 Grant Compliance	Not Started	
• 26-08 Pastoral/Spiritual Care	Not Started	
• 26-10 Telecommunications	Not Started	
• 26-11 EPIC – Jail and/or BH	Not Started	
• 26-12 HIPAA Privacy	Not Started	
• 26-14 Patient Financial Assistance (PFA)	Not Started	
• 26-15 Outsourced Contract	Not Started	
• 26-18 Invoice Duplicate Payments	Not Started	
• 26-19 Physical Inventory	Not Started	
• 26-20 Internal Audit Quality Assurance Review (QAR)	Not Started	

• 26-22 External Audit Assistance	Not Started
• 26-24 Assets	Not Started
• 26-40 PCHP Appointment Availability	Not Started
• 26-42 PCHP Encounters Reporting	Not Started
• 26-43 PCHP MSHCN Identification/ Reporting	Not Started
• 26-17 Follow-Up Monitoring	Ongoing
• 26-45 PCHP Follow-up	Ongoing

Management/BOM Requests

• 25-45 Burn Camp Operations	Complete
• 26-01 Observation Admits	In Progress
• 26-30 Waste Management	In Progress

Activities

• Enterprise Risk Management	In Progress
• FY27 Audit Planning	In Progress
• Various Committee Participation	In Progress

Follow-Up Projects

Internal Audit has provided quarterly reports on previously reported audit recommendations and management responses. Updates were provided to the Committee regarding the status of observations. Between October 1, 2025, and March 31, 2026, IA tracked thirteen (13) audits and twenty-nine (29) audit issues. During the reporting period, Management addressed eight (8) issues and accepted the risk of zero issues. This leaves an ending balance of twenty-one (21) open issues as of March 31, 2026.

Additionally, IA tracked one (1) PCHP audit and three (3) audit issues. During the reporting period, Management addressed zero issues and accepted the risk of zero issues. IA reports PCHP Follow-Up activities to the PCHP Board.

Fraud Reporting and Coordination

Parkland maintains the following fraud reporting methods:

- Parkland's Internet home page (https://www.parklandhealth.org/home) and internal SharePoint site (https://phhs.sharepoint.com/) have ethics and compliance links to report fraud, waste, and abuse.
- Parkland has a hotline for reporting suspected noncompliance, ethics violations, and fraud at the Integrity Line maintained by an external vendor.
- The Code of Conduct includes information on fraud, waste, and abuse.

Legal, Compliance, Parkland Police, Patient Financial Services, and IA coordinate and collaborate on investigations and allegations of fraud, waste, and abuse when appropriate.

Quality Assurance Reviews

In accordance with IIA Standards, external quality assurance reviews are conducted every five years. Internal Audit received the highest ratings of Generally Conforms for all previous external assessments, including the most recent assessment completed in March 2025. Internal Audit will receive its next external quality assessment in 2030. Periodic internal assessments are also required by the standards, and the next internal assessment will be completed in 2026.

Time Summary

The following summary reflects the Audit Plan budget to the actual time dedicated for indirect and direct audit hours as of March 31, 2026.

	Time Spent	%Time	Budgeted	%Budgeted	Δ%
Indirect Hours	**4384**	**37%**	**4,201**	**33%**	-4%
• Operations (Working)	2,810	23%	2,659	21%	-2%
• PTO/Holidays (Non-working)	1574	13%	1,542	12%	-1%
Direct Hours*	**7,600**	**63%**	**8,539**	**67%**	4%
TOTALS	**11,984**		**12,740**		**1%**

* Includes Audits, Special Projects, Advisory Services, Follow-up, Affiliates, and Assurance Reviews and Support.

Financial Performance

Figures represented are as of March 31, 2026.

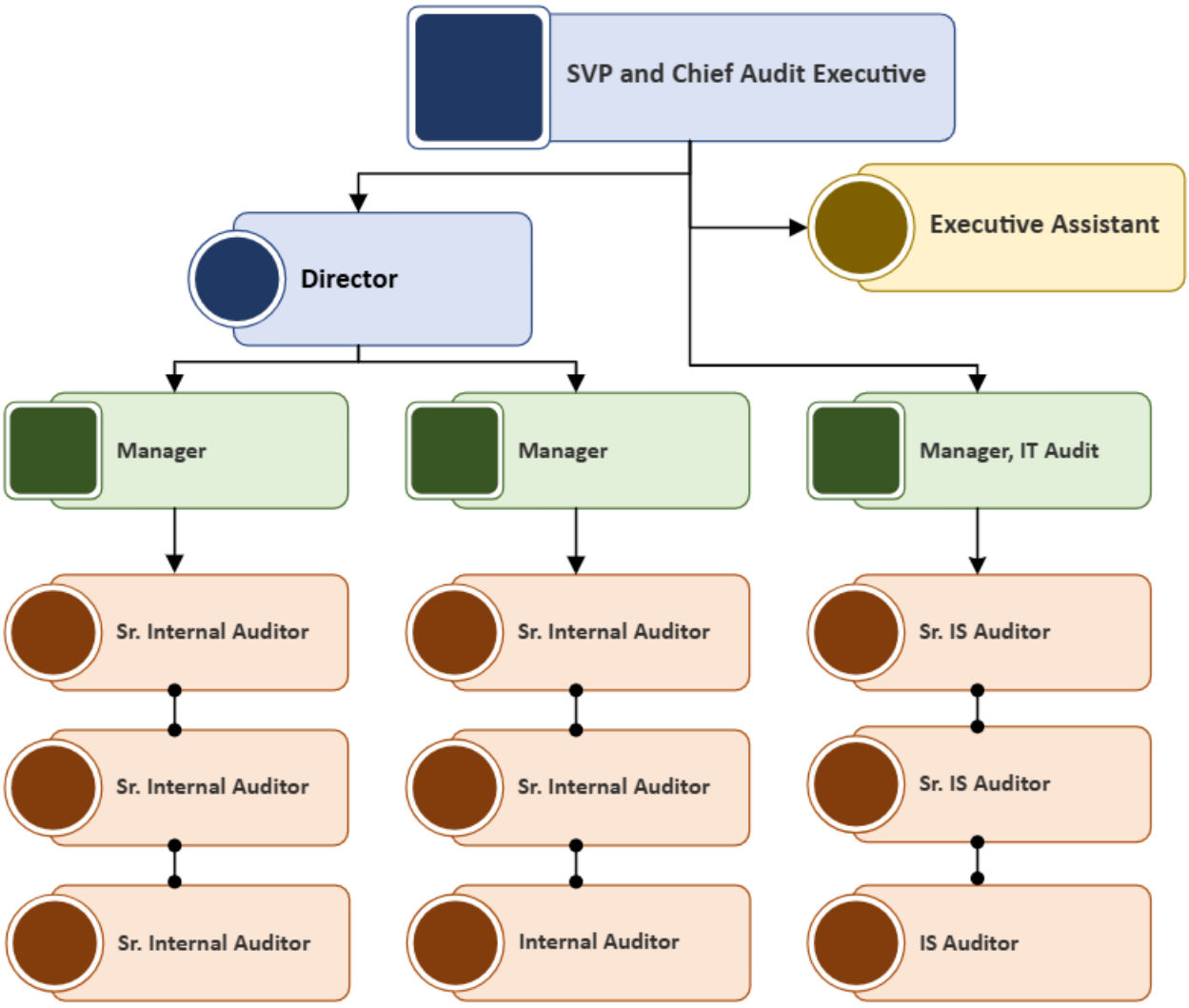
	Actual	Budget	Variance	Percent
Salaries	835,043	979,824	144,781	15%
Expense*	70,398	93,507	23,109	25%
TOTALS	**905,441**	**1,073,331**	**167,890**	**16%**

* Includes an organizational allocation of actual rent expense of $8,683, depreciation expense of $46,541, and interest expense of $5,524.

Resources

Headcount	14
Total Positions	14
Capital FTE YTD Actuals	11.72
Budget Variance	2.28
Vacant Positions	0
Future Deactivations (Terminations)	0

Organization Chart

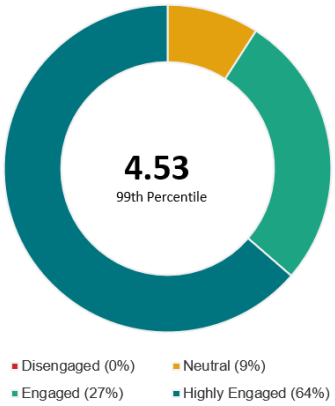


2025 Employee Engagement Results

Engagement

The Engagement score provides insight into the emotional and personal connection to the organization as influenced by work experience.

Mean Score and Distribution



Comparisons

Benchmark	Difference
vs. Overall Org Avg	+0.40
vs . Nat'l Safety Net Hospital Avg 2025	+0.52

Historical Performance

Year	Difference
2024 Results	-

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PARKLAND HEALTH
Audit Committee Charter

The Board of Managers (the "Board") of Parkland Health ("Parkland") has authorized the formation of an Audit Committee (the "Committee") and approved the following charter to set forth the purposes, structure, authority, and duties and responsibilities of the Committee and the members thereof.

Purpose

The Committee, a standing committee of the Board, assists the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal controls, the audit process, and the organization's process for monitoring compliance with laws and regulations.

The primary goals of the Committee are to: (a) assist the Board in fulfilling its fiduciary responsibilities relating to Parkland's legal and financial compliance with applicable laws, regulatory requirements, industry guidelines, and policies; (b) oversee applicable accounting and auditing reporting practices reflecting the condition of Parkland; (c) provide a vehicle for communication between the Board and management of Parkland with regard to proper operation of Parkland, (d) to receive and review audit reports prepared by internal and external auditors; and (e) direct the performance of special projects.

Membership, Meetings, Minutes and Committee Action

The Committee shall be chaired by a member of the Board and shall consist of the Chair and at least two other Board members. The executive liaisons to the Committee shall be the Chief Audit Executive and the General Counsel and Chief Legal Officer (CLO). The Chief Governance Officer shall assist the Committee and the Committee Chair in discharging their responsibilities. No member of the Committee shall be an officer or employee of Parkland, its subsidiaries or affiliates. All Committee members shall be independent of management and free of any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member.

The Committee will follow the operating guidelines for membership, meetings, minutes and committee actions as authorized by the Board and as amended from time to time.

The Committee will meet regularly and no less than quarterly unless the Committee determines otherwise. A majority of the Committee shall constitute a quorum for the purposes of conducting business.

Responsibilities

1. Authority – the Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

   A. Appoint, compensate, and oversee the work of any registered public accounting firm employed by the organization.

   B. Resolve any disagreements between management and the auditor regarding financial reporting.

   C. Pre-approve all audit and non-audit services.

   D. Retain independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation, if the Committee determines that conducting such investigation outside of management oversight is necessary because of an actual or potential conflict of interest involving the CEO, CAE, CLO, and/or Chief Compliance and Ethics Officer.

   E. In the conduct of activities authorized by this Charter, Sseek any information it requires from employees, all of whom are directed to cooperate with the Committee's requests, or external parties.

F. Meet with Parkland's officers, external auditors, or outside counsel, as necessary to carry out activities authorized by this Charter and in compliance with applicable law.

2. In carrying out its responsibilities for each area below, the Committee will:

A. Internal Audit

1) Review and approve in conjunction with management and the Chief Audit Executive (CAE) the internal audit charter, activities, staffing, budget, and organizational structure of the internal audit function.

2) Review and approve the annual audit plan and all major changes for recommendation to the Board of Managers for final approval.

3) Ensure there are no unjustified restrictions or limitations of the CAE.

4) Approve the appointment and/or termination of the CAE.

5) At least annually, review and approve the performance of the CAE and concur with the annual compensation and salary adjustment.

6) Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' International Professional Practices Framework and Global Internal Audit Standards.

7) On a regular basis, meet separately with the CAE to discuss any matters that the Committee or CAE believes should be discussed privately to the extent allowed by applicable law.

B. External Audit

1) Provide oversight of Parkland's external audit function, including audit scope and approach, coordination of audit effort with internal audit, reporting obligations, and the proposed annual external audit plan.

2) Review and recommend to the Board the appointment and/or termination of the independent auditors selected to audit Parkland's financial statements.

3) Meet with the independent auditor and financial management of Parkland to review the audit for the current year including any comments or recommendations of the independent auditors for accuracy and appropriate disclosures.

4) Review changes in the accounting standards and policies applicable to Parkland with the independent auditors. Make appropriate recommendations to the Board on the findings included in the independent auditors' management letter.

5) On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately, to the extent permitted by applicable law.

C. Internal Controls

1) Review management's assessments of risk of criminal conduct and effectiveness of internal controls to prevent fraud and abuse, and applicable remediation steps.

2) Consider the effectiveness of the organization's internal control system.

3) Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

4) Provide opportunities for the Chief Executive Officer, CAE, CLO, and the independent auditors to brief the Committee on their independent evaluation of Parkland's compliance with legal, regulatory, financial, accounting, and auditing practices.

D. Legal Oversight

1) Review ~~and oversight~~ of significant litigation matters and settlements in conjunction with the ~~General Counsel.~~ CLO, provided that Committee review is not a condition to approval of a settlement pursuant to applicable Parkland policy.

E. Reporting Responsibilities

1) Regularly report to the Board about Committee activities, issues, and related recommendations.

2) Review any other reports the organization issues that relate to committee responsibilities.

F. Other Responsibilities

1) Perform other activities related to this charter as requested by the Board.

2) Institute and oversee special investigations as needed.

3) Review the observations of third-party audit engagements.

4) Annually review and assess the adequacy of the Committee charter, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

5) Confirm annually that all responsibilities outlined in this charter have been carried out.

6) Evaluate the Committee's and individual members' performance on a regular basis.

Approvals:

_____	_____
Audit Committee Chair	**Date**
_____	_____
Dallas County Hospital District Board Chair	**Date**

Previously Approved

June 8, 2022
August 23, 2023
September 25, 2024
August 27, 2025

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Membership, Meetings, Minutes and Committee Action

The Committee shall be chaired by a member of the Board and shall consist of the Chair and at least two other Board members. The executive liaisons to the Committee shall be the Chief Audit Executive and the General Counsel and Chief Legal Officer (CLO). The Chief Governance Officer shall assist the Committee and the Committee Chair in discharging their responsibilities. No member of the Committee shall be an officer or employee of Parkland, its subsidiaries or affiliates. All Committee members shall be independent of management and free of any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment as a Committee member.

The Committee will follow the operating guidelines for membership, meetings, minutes and committee actions as authorized by the Board and as amended from time to time.

The Committee will meet regularly and no less than quarterly unless the Committee determines otherwise. A majority of the Committee shall constitute a quorum for the purposes of conducting business.

Responsibilities

1. Authority – the Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

    A. Appoint, compensate, and oversee the work of any registered public accounting firm employed by the organization.

    B. Resolve any disagreements between management and the auditor regarding financial reporting.

    C. Pre-approve all audit and non-audit services.

    D. Retain independent counsel, accountants, or others to advise the Committee or assist in the conduct of an investigation, if the Committee determines that conducting such investigation outside of management oversight is necessary because of an actual or potential conflict of interest involving the CEO, CAE, CLO, and/or Chief Compliance and Ethics Officer.

E. In the conduct of activities authorized by this Charter, seek any information it requires from employees, all of whom are directed to cooperate with the Committee's requests, or external parties.

F. Meet with Parkland's officers, external auditors, or outside counsel, as necessary to carry out activities authorized by this Charter and in compliance with applicable law.

2. In carrying out its responsibilities for each area below, the Committee will:

A. Internal Audit

1) Review and approve in conjunction with management and the Chief Audit Executive (CAE) the internal audit charter, activities, staffing, budget, and organizational structure of the internal audit function.

2) Review and approve the annual audit plan and all major changes for recommendation to the Board of Managers for final approval.

3) Ensure there are no unjustified restrictions or limitations of the CAE.

4) Approve the appointment and/or termination of the CAE.

5) At least annually, review and approve the performance of the CAE and concur with the annual compensation and salary adjustment.

6) Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' International Professional Practices Framework and Global Internal Audit Standards.

7) On a regular basis, meet separately with the CAE to discuss any matters that the Committee or CAE believes should be discussed privately to the extent allowed by applicable law.

B. External Audit

1) Provide oversight of Parkland's external audit function, including audit scope and approach, coordination of audit effort with internal audit, reporting obligations, and the proposed annual external audit plan.

2) Review and recommend to the Board the appointment and/or termination of the independent auditors selected to audit Parkland's financial statements.

3) Meet with the independent auditor and financial management of Parkland to review the audit for the current year including any comments or recommendations of the independent auditors for accuracy and appropriate disclosures.

4) Review changes in the accounting standards and policies applicable to Parkland with the independent auditors. Make appropriate recommendations to the Board on the findings included in the independent auditors' management letter.

5) On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately, to the extent permitted by applicable law.

C. Internal Controls

1) Review management’s assessments of risk of criminal conduct and effectiveness of internal controls to prevent fraud and abuse, and applicable remediation steps.

2) Consider the effectiveness of the organization’s internal control system.

3) Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

4) Provide opportunities for the Chief Executive Officer, CAE, CLO, and the independent auditors to brief the Committee on their independent evaluation of Parkland’s compliance with legal, regulatory, financial, accounting, and auditing practices.

D. Legal Oversight

1) Review of significant litigation matters and settlements in conjunction with the CLO, provided that Committee review is not a condition to approval of a settlement pursuant to applicable Parkland policy.

E. Reporting Responsibilities

1) Regularly report to the Board about Committee activities, issues, and related recommendations.

2) Review any other reports the organization issues that relate to committee responsibilities.

F. Other Responsibilities

1) Perform other activities related to this charter as requested by the Board.

2) Institute and oversee special investigations as needed.

3) Review the observations of third-party audit engagements.

4) Annually review and assess the adequacy of the Committee charter, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

5) Confirm annually that all responsibilities outlined in this charter have been carried out.

6) Evaluate the Committee's and individual members' performance on a regular basis.

Approvals:

Audit Committee Chair	**Date**
Dallas County Hospital District Board Chair	**Date**

Previously Approved

June 8, 2022

August 23, 2023

September 25, 2024

August 27, 2025

Purpose

The Internal Audit (IA) function of Dallas County Hospital District is established to provide independent, objective assurance, and advisory services aimed at enhancing and protecting organizational value and advancing responsible stewardship of taxpayer resources. The purpose is to support the board of managers and executive management in accomplishing organizational objectives by bringing a systematic approach to evaluating and improving the effectiveness of operations, risk management, control and governance processes.

The Internal Audit department of Dallas County Hospital District has been established, granted authority, and is responsible for the performance of its duties as set forth below.

The Board of Managers has authorized the formation of an Audit Committee (See Audit Committee Charter). The Audit Committee has reviewed this charter, and the Board of Managers has approved it to set forth the purposes, structure, authority, and duties and responsibilities of Internal Audit.

Scope

Internal Audit performs audits and advisory services that evaluate, assess and provide assurance in areas including, but is not limited to:

- Risk management: Internal Audit assesses the effectiveness of risk management practices, ensuring risks are appropriately identified, understood and effectively managed.
- Control systems: Internal Audit evaluates the reliability and integrity of financial and operational information, and the processes established to ensure compliance with policies, laws and regulations.
- Governance: Internal Audit reviews corporate governance processes to ensure they align with organizational goals and standards.
- Fraud/Waste/Abuse: Internal Audit will perform assessments aimed at the prevention, detection, and/or investigation of fraud, waste, and abuse.

The scope of Internal Audit covers the entire organization, including all affiliates: Parkland Community Health Plan, Parkland Center for Clinical Innovation, The Parkland Foundation, and Nursing Homes.

Responsibilities

IA~~S~~ is responsible for assessing the various functions and control systems within the hospital and advising Administration and the Board concerning their condition. The fulfillment of this accountability is not confined to but includes:

- Appraising the effectiveness and application of administrative and financial controls and the reliability and integrity of data developed and reported by the hospital.
- Evaluating the sufficiency, adequacy and compliance with hospital policies and procedures, as well as compliance with all applicable governmental laws and regulations.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Ascertaining the adequacy of controls for the safeguarding of assets, and when appropriate, verifying the existence of those assets.
- Performing special reviews as requested by Administration and the Board.
- Conducting appraisals of the effectiveness and efficiency in the use of hospital resources and making appropriate recommendations.
- Performing a risk assessment and developing an annual audit plan.
- Coordinating audit planning and scheduling activities with Administration and external auditors.
- Coordinating audit activities with Compliance, Legal, Quality, Safety as part of the organization's enterprise risk management activity.
- Maintain appropriate professional staff to accomplish Internal Audit's mission.
- Maintenance of a robust Quality Assurance and Improvement program to ensure high-quality audit results.

Professional Standards

Internal Audit is committed to operating in conformance to The Institute of Internal Auditors' International Professional Practices Framework and Global Internal Audit Standards. This commitment requires all auditors to maintain confidentiality, integrity, and objectivity in all audit activities.

Confidentiality

Internal auditors are expected to respect the confidentiality of information obtained during their work. Information will only be disclosed in alignment with legal or regulatory requirements or as otherwise approved by the Chief Audit Executive (CAE) and the Audit Committee. Information related to audits conducted under the attorney-client privilege may be disclosed to the extent directed by the General Counsel or designee.

Board and Executive Management Actions and Support

In accordance with the Audit Committee Charter, the Audit Committee is responsible for overseeing Internal Audit's independence, reviewing its charter including Internal Audit's purpose, audit plan, and budget, and ensuring the adequacy of Internal Audit resources. The Audit Committee will review Internal Audit's strategy and its performance objectives and quality assessment plans. The Board of Managers will approve the Internal Audit Department Charter.

The CAE and Audit Committee will agree on the frequency and nature of periodic updates including audit plan results and meetings including audit committee meetings, CAE private meeting with the Audit Committee in executive session and one-on-one meetings between the CAE and the Audit Committee Chair. The Audit Committee will provide input into and review the CAE's qualifications, compensation and performance evaluation.

Executive management is expected to provide Internal Audit with support and enable access to resources, information, and personnel as necessary to fulfill its purpose and mandate. Executive management will position the CAE within the organization to enable Internal Audit's mandate, charter and purpose. Executive management will support Internal Audit's direct access and interactions with the Audit Committee, and review and support Internal Audit's charter, strategy, performance objectives, quality assessments and audit engagement results.

Independence, Reporting Structure and Objectivity

To maintain independence, the CAE reports functionally to the Audit Committee and administratively to the Chief Financial Officer (CFO). This structure ensures that the

Internal Audit charter, budget and resources are determined in alignment with organizational needs and approved by the Audit Committee.

The CAE will assert annually that they and the internal audit function are objective and free from conflicts that could threaten objectivity and impede Internal Audit from carrying out its purpose, mandate and scope of services.

The Internal Audit function will maintain a quality assurance and improvement program to assess and enhance Internal Audit's conformance (with the International Professional Practices Framework and Global Internal Audit Standards) and performance (against Internal Audit's strategic and operational objectives). The program includes ongoing and annual internal assessments and an external assessment at least every five years, in alignment with the Global Internal Audit Standards.

Aligned Assurance

Internal Audit will coordinate with other assurance functions within Dallas County Hospital District to maximize risk assurance coverage and minimize duplication. If the CAE cannot achieve an appropriate level of coordination, the issue must be communicated to executive management and if necessary escalated to the board.

Stakeholder Communication and Reporting

Internal Audit will communicate audit plan engagement results, significant findings, recommendations and conclusions as appropriate to the Audit Committee and relevant executive management on a timely basis. Periodic reports will summarize audit work performed, key findings, risk areas and follow-up on prior recommendations. For reviews and audits of Dallas County Hospital District affiliates, Internal Audit reports findings and recommendations to related affiliate committees and governance as well as executive management and the Audit Committee.

Review

This charter will be reviewed annually by the CAE and presented to the Audit Committee for review and to the Board of Managers for approval. This process will ensure it remains aligned with organizational needs and regulatory standards.

Purpose

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- Coordinating audit activities with Compliance, Legal, Quality, Safety as part of the organization’s enterprise risk management activity.
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Review

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INTERNAL AUDIT

OPEN SESSION SUMMARY

AUDIT COMMITTEE

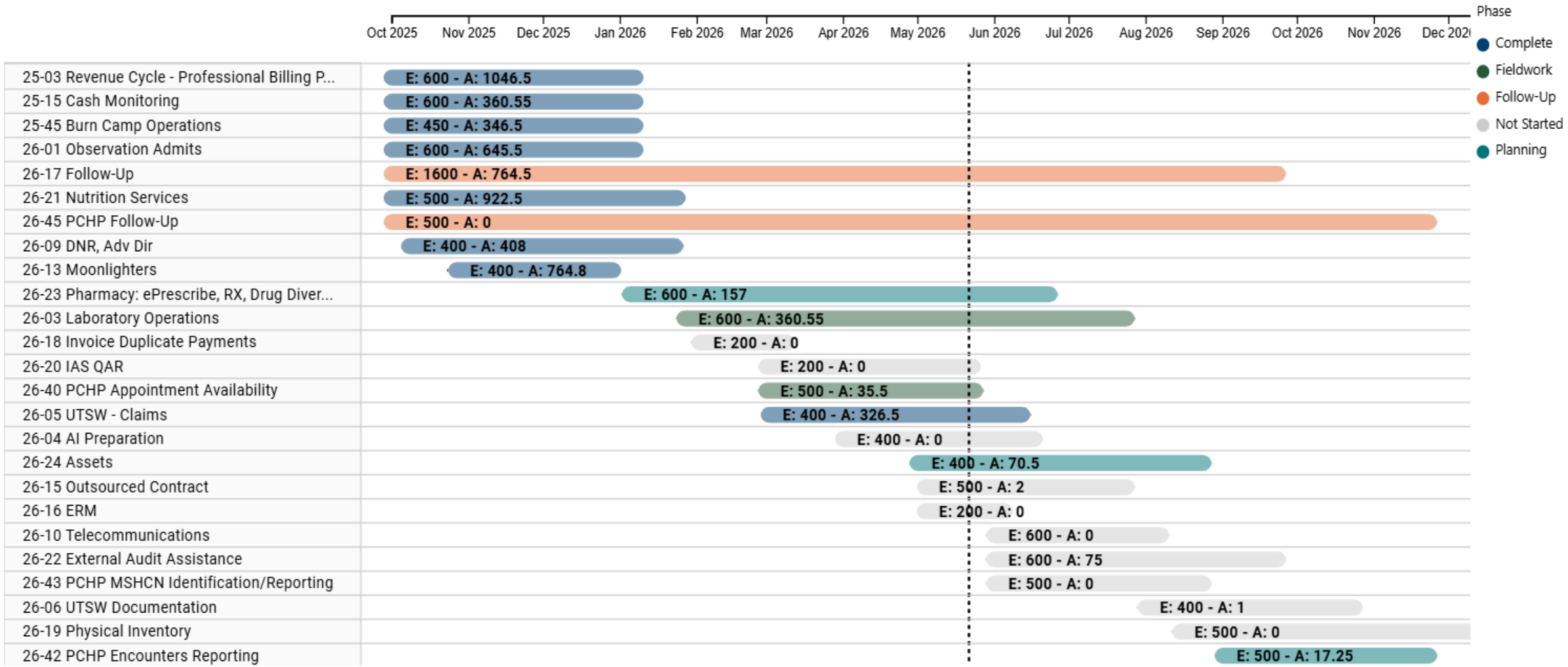
June 11, 2026

Presented by: Amy LaBarge, MBA, CPA, CIA

Senior Vice President and Chief Audit Executive

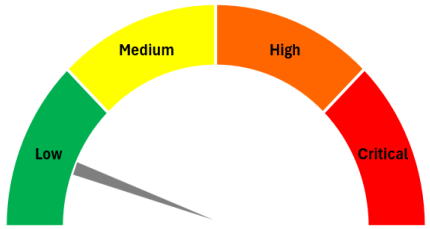
Parkland | *Care. Compassion. Community.*

FY 2026 Audit Plan Progress - June



UT Southwestern Claims Prepayment Process Audit, Report No. 26-05

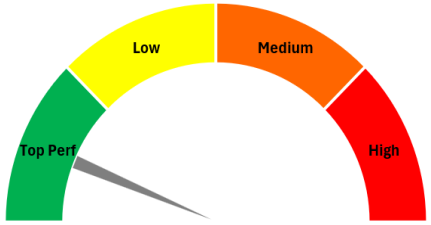
Internal Control Environment



LOW RISK

In general, internal controls were found to be **EFFECTIVE**, with **FEW** control issues identified.

Audit Risk Rating



TOP PERFORMANCE

There were **NO MATERIAL** issues identified in the audit.

UTSW's prepayment claim review processes are developing and provide an initial foundation for preventing inappropriate payments. Strengthening documentation and standardizing review practices will improve transparency, support compliance, and enhance the reliability of the process.

Reason for Audit

The objective of the prepayment claim audit was to assess whether controls over claim review and approval prior to payment are designed and operating effectively. This includes evaluating compliance with organizational policies, accuracy of claim adjudication, documentation support, and consistency in review practices to reduce the risk of improper payments.

Results

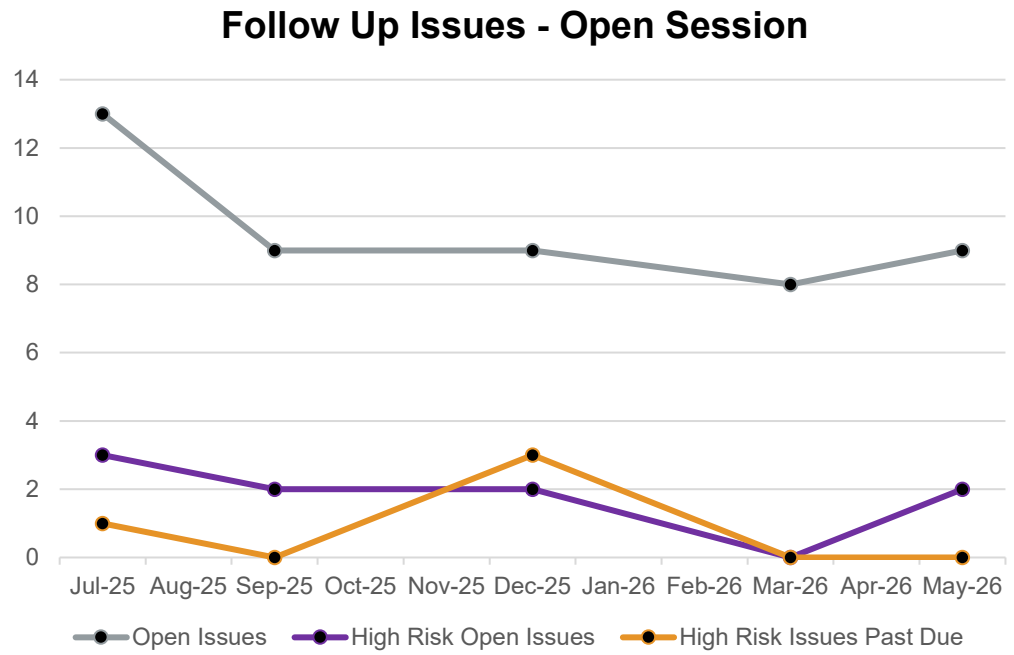
- The sampling approach used to select claims for prepayment review is not formally documented. This increases the risk of inconsistent sampling application and limits reproducibility and defensibility of results.
- Claims review results are reviewed at the individual level; enhancing aggregation and trend analysis would provide additional insight into recurring issues and support ongoing process improvement.

Recommendations/Action Plans

- Formalize the sampling methodology by documenting key elements, including population definition, sample type (for example, random), sample size approach, selection parameters (such as seed values), and documentation requirements to support consistency, reproducibility, and transparency.
- Establish a structured approach to aggregate and analyze claims review results, including the development of standard categories and regular trend reporting.

Follow-Up Report Status – Open Session

- **One closed issue resulted in closing out zero audits. One action due date change request was received.**
  - 24-07 Patient Scheduling
    - Inaccurate Information on Event Tracking Logs
- **See Closure and full Follow-up Report in section VIII.**



V. Executive Session

Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007; Tex. Gov't Code §§551.071.

Parkland

VIII. Possible Deliberation Regarding Documents Received by the Committee

Parkland

Prepared By
Amy LaBarge

Prepared For
Audit Committee Meeting
June 2026

Audit Title	26-05 UT Southwestern Claims Prepayment Process
Performance Rating - Importance Rating	Low - High
Audit Group	Internal Audit
Audit Start Date	03/02/2026
Board Presentation	06/11/2026
Auditors	Sue Hinerman, Senior Internal Auditor
Audit Type	Annual Audit Plan

Distribution List

Frederick Cerise, MD	President and Chief Executive Officer
Edmundo Castañeda, FACHE	Executive Vice President and Chief Operating Officer
Keri Disney-Story	Interim Executive Vice President and Chief Financial Officer
James Blasingame	Senior Director, Reimbursement & UT Contract

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Audit Purpose/Rationale 3
Performance Risk Rating 4
Importance Risk Rating 4
Risk Rating Legend 4
Audit Conclusion 4
Issues/Findings 5
Management Response 6

Background

The UT Southwestern Master Services Agreement (MSA) governs the provision of medical professional services to Parkland and establishes the requirements for billing and documentation, including medical necessity standards. Under the agreement, UT Southwestern submits claims for payment, which are processed and adjudicated by a third-party administrator, First Source, using methodologies aligned with Centers for Medicare and Medicaid Services (CMS) guidelines for calculating professional fees.

The Parkland UT Contract Office is responsible for overseeing contract compliance, supporting accurate billing, and ensuring alignment with established fee schedules and documentation requirements.

Prior to implementation of the current process, claims were audited retrospectively, meaning claims were reviewed after payment had already been issued. When errors were identified, recovery of those payments from the client was difficult. As a result, the process was redesigned to a prepayment audit model, allowing issues to be identified before payment and supporting improved outcomes, including increased collaboration, interaction, and feedback.

UT Southwestern submits monthly claim files to Parkland's third-party administrator, where claims undergo initial system edits and eligibility verification before entering the audit process. A Nurse Auditor selects a random sample of claim lines and performs a detailed review of billing accuracy and medical necessity using supporting clinical documentation.

Sampling is performed using Excel-based randomization. A standard sample size is applied each cycle, with reduced sample sizes used in certain scenarios based on prior review history or population availability. When a claim line is selected for review, the entire associated claim is placed on hold to prevent payment until the audit is completed.

Each reviewed item is assigned a determination (approved, denied, or needs more information) with documented rationale. Results are reviewed internally to assess accuracy and identify potential trends before claims are finalized and released. Discussions are held following each review cycle to evaluate findings and identify errors.

The process includes structured controls over review execution, documentation, and payment holds, but remains in an early stage of development with evolving practices related to standardization, formal documentation, and performance monitoring.

Audit Purpose/Rationale

The purpose of this audit was to evaluate the design and operating effectiveness of controls within the UT Southwestern prepayment claims review process. Specifically, the audit assessed whether claim reviews are performed accurately and supported by appropriate documentation, whether claims selected for audit are properly held to prevent premature payment, and whether audit activities are conducted consistently in accordance with established procedures and schedules.

The audit also considered whether the process supports consistent documentation, monitoring, and trend identification to enable effective oversight and continuous improvement.

The audit scope included evaluation of the UT Southwestern prepayment claims review process from its inception in October 2025 through March 2026, focusing on control design and operating effectiveness across sampling, audit execution, claim holding procedures, and monitoring activities.

Performance Risk Rating: Low

This area has been assigned a Low Performance Risk Rating because key controls in the UT Southwestern prepayment claims review process are designed appropriately and operating effectively.

Importance Risk Rating: High

This area has been assigned a High Importance Risk Rating because the UT Southwestern contract represents significant financial exposure, with approximately $116 million in annual RVU value for FY2026. The prepayment claims review process is critical to preventing improper payments and supporting financial integrity, compliance, and stewardship of organizational resources.

Risk Rating Legend

Top Performance	• Controls are functioning as intended • Corrective action plan, if any, is simple	99-100
Low Risk	• Zero or minor weaknesses identified • Controls are functioning with minor errors or gaps identified • Corrective action plan, if any, is straightforward	95-98
Medium Risk	• Controls are present, but not yet effective or sufficient and major issues noted that could jeopardize the accomplishment of business objectives • May include a pattern of multiple minor weaknesses or newly identified findings • Corrective action plan to remediate will be moderately complex	90-94
High Risk	• Controls not yet identified, not yet implemented, ineffective or insufficient; not functioning as intended and is a contributing factor to non-achievement of business objectives • May include a pattern of moderate or significant weakness such as “second generation” findings • Corrective action plan to remediate will be complex	Below 90

Audit Conclusion

Overall, the UT Southwestern prepayment claims review process is functioning effectively, with key controls operating as intended. Testing did not identify exceptions in the accuracy of Nurse Auditor review determinations, the management of claims through the hold and release process, or the execution of audits in alignment with the established schedule. These strengths indicate a solid control foundation over claim review accuracy and payment timing.

Opportunities exist to further strengthen the process by formalizing documentation of the sampling methodology and developing structured monitoring and trend analysis capabilities. Addressing these areas will improve transparency, support trend identification and root cause analysis, and further mature the process to support ongoing oversight and continuous improvement.

Top Performance

- Nurse Auditor Review Testing: Testing did not identify exceptions in the accuracy of procedure coding or medical necessity determinations. Reviews were well-supported by clinical documentation and consistent with established practices.

- Pending Claims Release Testing: Testing did not identify exceptions in the claim hold and release process. Claims and associated claim lines, where applicable, were appropriately held during audit review and released following completion.

- Audit Schedule Adherence Review: Testing confirmed that audits were performed in accordance with the established schedule and supported by appropriate documentation.

Issues/Findings

Issue Title: Lack of Formal Documentation for Sampling Methodology
Risk Rating: Low
Risk: Reliance on undocumented processes increases the risk of inconsistent application and limits the reproducibility and defensibility of the sampling process.

The department performs periodic reviews of UT Southwestern claims using a sampling approach; however, the methodology used to select the sample is not formally documented. Specifically, there is no written guidance outlining key elements such as:

- Population definition and source
- Sample size determination criteria, including rationale for standard and reduced sample sizes
- Sample selection methodology (e.g., randomization method and output retention)
- Exclusion criteria
- Procedures for ensuring consistency and repeatability across audit cycles

Recommendation

Management should develop and maintain formal documentation of the sampling methodology used in the claims review process, including:

- Population definition and inclusion/exclusion criteria
- Standard and reduced sample size methodology with documented rationale
- Randomization method and required documentation (e.g., output or seed retention)
- Documentation and retention requirements for each audit cycle
- A standardized template to ensure month-to-month consistency

Additionally, the department should periodically review and update the methodology to ensure it remains aligned with risk levels, regulatory expectations, and organizational standards.

Management Response

Keri Disney-Story, Interim Executive Vice President and Chief Financial Officer

Action Plan:

The pre-pay audit is still in the early design and implementation phase. The current standard operating procedure (SOP) that governs the pre-pay audit process states that random sampling will be utilized but does provide further details or outline the methodology of the sampling process.

The pre-pay audit SOP's will be adjusted to incorporate the internal audit recommendations.

Target Completion Date: September 30, 2026

Issue Title: Lack of Trending and Analysis of Claims Review Results
Risk Rating: Low
Risk: The absence of standardized categories and systematic trending limits the department's ability to identify patterns in recurring error types, determine root causes, assess broader risks of systemic issues, and measure whether the program is driving improvement in billing accuracy over time.

The department conducts periodic reviews of claims and identifies errors; however, results are primarily evaluated on an individual or batch basis without formal aggregation or trend analysis. There is no structured process to track and analyze recurring error types over time or across populations. Additionally, identified errors are not consistently leveraged to proactively identify and review other claims that may be subject to similar issues.

Specifically:

- Errors documented within individual monthly files are not classified using standardized categories (e.g., coding error, medical necessity, documentation deficiency)
- Results are not aggregated across audit periods to identify recurring patterns
- There is no defined process for using identified errors to inform broader population-level reviews or targeted follow-up

Recommendation

Management should implement a formal process to trend and analyze claims review results, including:

- Development of a standardized error taxonomy with defined categories to ensure consistent classification across audit cycles
- Periodic aggregation and analysis of results to identify trends and recurring issues
- Defined ownership and cadence for review and reporting of trends
- Reporting trends to relevant stakeholders to support oversight and accountability
- Integration of trend analysis results into continuous improvement efforts and process refinements

Management Response

Keri Disney-Story, Interim Executive Vice President and Chief Financial Officer

Action Plan:

The pre-pay audit is still in the early design and implementation phase. The current standard operating procedure (SOP) that governs the pre-pay audit process states error rates will be calculated by category. The pre-pay audits occur monthly for a specific billing department with the results tracked and documented by category. Additionally, the monthly results are aggregated into a separate audit tracking file by fiscal year. The aggregated audit result file contains all relevant audit results and populated fields allowing results to be analyzed and trended by error category and department.

The pre-pay audit SOP's will be adjusted to incorporate the internal audit recommendations, that address defining ownership, reporting of trends, stakeholders, and integration of trend analysis into continuous improvement.

Target Completion Date: November 30, 2026

Internal Audit
Closure Report

AUDIT COMMITTEE OPEN SESSION
June 11, 2026

Audit	Session Type	Issue	Action Detail	Actions Taken by Management
24-07 Patient Scheduling	Open	Inaccurate Information on Event Tracking Logs	Clinic Operations needs to Enter accurate information into event tracking logs	The Inaccurate Information on Event Tracking Logs issue is low-risk-rated and will be deferred for future evaluation, aligned with the Epic Enterprise Refuel initiative, which allows enhancements to be implemented in a structured and controlled manner. Internal Audit will continue to monitor progress and revisit the issue post-implementation to determine whether further action is required.

Follow-Up Report Detail - Open Session

Project Name	Issue Title	Risk Rating	Recommendation Title	% Complete	Business Contact	Target Completion Date	Revised Due Date
24-07 Patient Scheduling	No Financial Clearance Prior to Appointments	Medium	Financial Clearance Activities for Outpatient Tests	75%	Jennifer Burnes	5/31/2025	7/30/2026
24-07 Patient Scheduling	No Financial Clearance Prior to Appointments	Medium	PFS - Financial Clearance Activities for Outpatient Tests	75%	Kelli Rossi	5/31/2025	7/30/2026
24-09 Role Based Access	Badge Access Control Monitoring Deficiency	Medium	Review and Alignment of Badge Access for Transferred Personnel	90%	Bruce McDaniels; Joseph Longo	1/31/2026	1/31/2026
24-09 Role Based Access	Deficient Access Management for Transfer Employees	Medium	Enhance RBAC for Transferred Employee	20%	Bruce McDaniels; Joseph Longo	1/31/2026	1/31/2026
24-09 Role Based Access	Inadequate Access Control Governance and Ownership of Roles	Medium	Establish a Robust Governance Framework	50%	Bruce McDaniels; Joseph Longo	3/31/2026	9/30/2026
25-02 Construction Project Review	Untimely Payments to Contractors	Medium	Align Contract Terms with System Capabilities	50%	Lancaster Mendiola	9/30/2025	12/31/2026
25-03 Revenue Cycle - Professional Billing Post-Implementation	Inconsistent Billing Practices for Advanced Practice Providers (APPs)	Medium	Inconsistent Billing Practices for Advanced Practice Providers (APPs)	10%	Kelli Rossi	7/31/2026	7/31/2026
26-09 DNR, Adv Dir	Advance Directive Policy and Process Opportunities	Low	Strengthen Language in Advance Directives Policy, CLINOPS.RR.002 to Align Processes Across the Organization and Ensure Compliance with the Texas Advance Directives Act (TADA).	0%	Judy Herrington	11/30/2026	11/30/2026
26-09 DNR, Adv Dir	Inaccurate Advance Directive documentation at Registration	High	Validate Patient's AD Status at Date of Service and Document in the Patient's Record.	0%	Kelli Rossi	10/31/2026	10/31/2026
26-09 DNR, Adv Dir	Opportunities Remain to Strengthen Nursing's Familiarity and Comfort with Advance Directive and DNR Processes.	High	Education Needed for Unit Staff on Advance Directive and DNR Processes.	0%	Judy Herrington	10/31/2026	10/31/2026

IX. Possible Deliberation Regarding Executive Session Documents Received by the Committee

Tex. Health & Safety Code §§161.032 & 161.0315 and Tex. Occ. Code §160.007.