Parkland

# Board of Managers

Agenda for the ***Board of Managers*** meeting of the Dallas County Hospital District is scheduled for ***Wednesday, June 28, 2023, at 12:50 PM (or immediately following HOMES meeting)*** at 5200 Harry Hines Blvd (WISH Building) Dallas, TX 75235, Conference Room 02-175. (If assistance is needed in locating the room, please see the Administration receptionist on the 4th floor, 04-131.) A quorum will be physically present at the location of the meeting. Videoconferencing access is also possible via Webex. That application is available at https://www.webex.com/downloads.html. Teleconferencing access is possible by calling +1-415-655-0001. Both virtual access forms require inputting (meeting number: 2624 141 0504; meeting password: 1234) to join the meeting. The ***Board of Managers*** 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 ***Board of Managers*** 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**<br>***Advance Wellness \| Relieve Suffering \| Develop and Educate***<br><br>**I CARE**<br>**I**ntegrity **C**ompassion and Collaboration **A**ccountability **R**espect **E**quity | | 5 | Chair |
| A. Invocation by Rev. Amy Moore | | 5 | Rev. Amy Moore |
| B. Public Comments Regarding Non-Agenda Items<br>*See public comment registration information and rules at*<br>*https://www.parklandhospital.com/board-of-managers* | | | |
| A. Public Comments Regarding Agenda Items<br>*See public comment registration information and rules at*<br>*https://www.parklandhospital.com/board-of-managers* | | | |
| **II. Consent Agenda** | | | |
| A. Minutes 2023-05-03 Talent Development & Executive Compensation Committee | *5* | | |
| B. Minutes 2023-05-03 Governance, Compliance & Ethics Committee | *10* | | |
| C. Minutes 2023-05-23 Budget & Finance Committee | *13* | | |
| D. Minutes 2023-05-24 Quality of Care & Patient Safety Committee | *20* | | |
| E. Minutes 2023-05-24 Board of Managers | *25* | | |
| F. Approve Dr. Raymond L. Fowler BioTel Communications Center Naming | *31* | | |
| G. Approve Contracts over $200,000 | *33* | | |
| H. Approve Capital Substitutions | *78* | | |
| I. Approve Parkland Community Health Plan Board Appointments | *81* | | |

| | | PAGE | TIME (MIN) | PRESENTER(S) |
|---|---|---|---|---|
| J. | Approve Utilization Management Plan | *85* | | |
| K. | Approve Fiscal Policy 8311-1-02, Accounting Policy | *105* | | |
| L. | Approve Fiscal Policy 8311-1-11, Tax Incentives Policy | *109* | | |
| M. | Approve Fiscal Policy 8311-11-15, Supplemental Retirement Plan Investment Policy | *113* | | |
| N. | Approve Patient Settlements | *125* | | |
| O. | Approve Medical Executive Committee Resolution for Appointments/Reappointments, Privileges and Staff Status Changes of the Medical Staff and Non-Physician Clinical Providers | *126* | | |
| **III.** | **Reports Requiring Deliberation(s) or Approval(s)** | | | |
| A. | Recognitions | *128* | 5 | Chair |
| B. | Update on Texas 88th Legislative Session: Parkland Priorities | *131* | 15 | Katherine Yoder |
| C. | Questions & Discussion Related to Update on Texas 88th Legislative Session: Parkland Priorities | *141* | 15 | Chair |
| D. | CEO System Update | *142* | 10 | Fred Cerise, MD |
| E. | Questions & Discussion Related to CEO System Update | *143* | 10 | Chair |
| F. | Discussion Regarding Strategic Direction of the System | *144* | 60 | Fred Cerise, MD |
| **IV.** | **Executive Session** | | | |
| A. | Discussion Regarding Campus Security<br>Tex. Gov't Code §§551.076 | *144* | | Fred Cerise, MD |
| B. | Discussion Regarding Quality of Care<br>Tex. Occup. Code §160.007<br>Tex. Health & Safety Code §§161.0315 & 161.032 | *144* | | Fred Cerise, MD |
| C. | Discussion Regarding New Services and Facilities<br>Tex. Gov't Code §§551.072, §§551.085 | *144* | | Fred Cerise, MD |
| **V.** | **Reports Requiring Deliberation(s) or Approval(s)** | | | |
| A. | Review FY24 Parkland Health Budget Assumptions | *181* | 20 | Rick Humphrey |
| B. | Economic Development Opportunities Update | *200* | 5 | Chair |
| C. | Texas Healthcare Trustee (THT) Conference Update | *201* | 5 | Chair |
| **VI.** | **Executive Session**<br>Tex. Gov't Code §§551.074, §§551.071 and §§551.085<br>Tex. Health & Safety Code §§161.032 | | | |
| A. | Discussion of Master Service Agreement for Physician Services Contract | *202* | 10 | Edmundo Castañeda, Roberto de la Cruz, MD, & April Audain |
| B. | Discussion Regarding Negotiation for Expansion of Nursing Home Quality Incentive Payment Program (QIPP) Relationship | *220* | 5 | Fred Cerise, MD, & Edmundo Castañeda |
| C. | Consultation with Attorney on Internal Investigation Process and Update on Pending Investigation | *221* | 10 | Steven Roth, JD, & Carolyn Foster, JD |
| D. | Personnel Matters Pertaining to Duties and Responsibilities of Chief Executive Officer | *222* | 10 | Chair |

| | | PAGE | TIME (MIN) | PRESENTER(S) |
|---|---|---|---|---|
| | E. Personnel Matters Pertaining to Duties and Responsibilities of Board Members | *223* | 10 | Chair |
| **VII.** | **Executive Session Reference Documents**<br>Tex. Occup. Code §160.007<br>Tex. Health & Safety Code §§161.0315 & 161.032<br>Tex. Gov't Code §§551.071 | | | |
| | A. Medical Executive Committee Credentialing Report | *224* | | |
| | B. Delineation of Privileges Anesthesiology & Pain Medicine | *277* | | |
| | C. Delineation of Privileges Neurosurgery | *284* | | |
| | D. Delineation of Privileges Radiation Oncology | *296* | | |
| | E. Delineation of Privileges Non-Physician Clinical Provider Staff - Women's Health | *301* | | |
| | F. Patient Settlements | *312* | | |
| **VIII.** | **Action Items** | | | |
| | A. Board May Take Action on Any Agenda Item(s) Above | | | Chair |
| **IX.** | **Adjourn** | | | Chair |
| | A. Closing Remarks | | | |
| | B. Call to Adjourn | | | |

# Invocation

# Minutes 2023-05-03 Talent Development & Executive Compensation Committee

Parkland

# MINUTES

Dallas County Hospital District Board of Managers



Minutes of the Talent Development and Executive Compensation Committee meeting of the Board of Managers of the Dallas County Hospital District, held Wednesday, May 3, 2023, scheduled for 12:00 p.m. in the WISH Building Executive Conference Room (02-175) at Parkland Health and via Webex. These minutes do not constitute a certified agenda from the meeting.

## I. Attendance and Call to Order

Committee Chair Lisa Sutter noted that a quorum was physically present and called the meeting to order at 12:02 p.m. Committee members Reina Gonzalez, JD; and Farida Minner, RN, were present. Committee members Elizabeth Palacios, MD; and John Proctor were not present.

**Board Member attendees included:** Vincent Hall and Ramon Miguez, PE.

**Staff Present (via Webex and in-person) included:**

Daniel Enright, Director Talent Management Analytics
DeLancey Johnson, SVP & Associate Chief Talent Officer (in-person)
Edmundo Castañeda, EVP & Chief Operating Officer
Felicia Miller, EVP & Chief Talent Officer (in-person)
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Jennifer Trousdale, Associate General Counsel PCHP
Jessica Hernandez, SVP Chief DEI Officer
Melanie Roberts, SVP Chief Compliance and Ethics Officer
Rick Humphrey, EVP & Chief Financial Officer
Roberto de la Cruz, EVP Chief Clinical Officer
Saul Cordero, SVP Chief Governance & Strategy Officer (in-person)
Sharon Chisholm, Administrative Director OTM
Shauntee Mayfield, VP & Chief Experience Officer (in-person)
Stacy Dorsey, SVP & Chief Workforce Officer/Talent Acquisition (in-person)
Stephanie Speights, SVP Talent Mgmt Development
Steven Roth, EVP & Chief Legal Officer (in-person)
Vic Summers, SVP Internal Audit

## II. Mission Statement

Committee Chair began the meeting by stating the mission statement:
Advance Wellness | Relieve Suffering | Develop and Educate

## III. Public Comments Regarding Agenda Items

No members of the public registered for comments regarding the agenda items.

## IV. Conflicts of Interest

After review of the agenda, the Chair noted zero conflicts of interest for Board Members present.

## V. Reports Requiring Deliberation(s) or Approval(s)

A. Approve Board Talent Development & Executive Compensation Committee Charter

Committee Chair Lisa Sutter presented the Board TDEC Charter for approval. There are no recommended changes.

Reina Gonzalez, JD, motioned to recommend Board approval of the Board Talent Development & Executive Compensation Committee Charter. Farida Minner, RN, seconded the motion. The motion passed unanimously.

B. Office of Talent Management Introduction

Felicia Miller first welcomed new Board Member Vincent Hall. Next, she provided an overview of the Office of Talent Management (OTM). She reviewed the 2023 Goals for OTM and tied them to the Parkland Strategic Plan pillars.

C. Employee Value Proposition

Felicia Miller reported on the Employee Value Proposition. She summarized the efforts being done to ensure a resilient workforce including pay day loans, apprenticeship work, leadership development, and inclusion efforts. Next, Felicia reported on the service excellence efforts that are ongoing with the support of Press Ganey and the HRO efforts.

The Committee members asked questions and received additional information related to the Employee Value Proposition update.

D. Talent Acquisition Update

Stacy Dorsey provided the Talent Acquisition Update. She reviewed the FY23 Quarter II metrics noting that we continue to exceed the previous year in new hires. She also shared OTM is hiring more employees than those which are leaving the organization. Stacy highlighted 34.2% of new hires come from SNI Zip Codes ranked 4 or 5 for the first half of the year, exceeding the goal of 30%. Lastly, Stacy reviewed the sourcing strategy initiatives.

The Committee members asked questions and received additional information related to the Talent Acquisition Update.

E. Total Rewards Update

DeLancey Johnson provided the Total Rewards Update. He reviewed the current initiatives supporting the well-being, compensation, benefits, and rewards priorities.

Stacy Dorsey reported on the compensation adjustments review schedule for FY23.

Next, DeLancey Johnson provided a review of the health plans available to employees. He also updated the Committee on expected changes to the medical and pharmacy health plans.

The Committee members asked questions and received additional information related to the Total Rewards Update.

F. Talent Performance and Development Update

Stephanie Speights provided the Leadership & Employee Development Update. First, she reviewed several slides previously shared specific to leader appraisals and leadership development. Next, she reviewed several development opportunities available to employees in the coming months. Many of the development opportunities are related to HRO initiatives.

The Committee members asked questions and received further information related to the Leadership & Employee Development Update.

G. Experience Update

Shauntee Mayfield provided the Experience Update. She reported on the Press Ganey survey score goals as well as employee engagement initiatives.

The Committee members asked questions and received further information related to the Experience Update.

H. Diversity, Equity & Inclusion Update

Shauntee Mayfield provided the Diversity, Equity & Inclusion Update. First, she announced the Justice, Equity, Diversity, Inclusion (JEDI) Council launch. Next, she highlighted the Employee Resource Group (ERG) engagement activities.

The Committee members asked questions and received further information related to the Diversity, Equity & Inclusion Update.

I. Metrics Review

Dan Enright reviewed the key Talent Management metrics. He noted all key metrics improved from Quarter I to Quarter II except First Year Nurse Turnover. Overall Nurse Turnover was flat from Quarter I to Quarter II. As of Quarter II, Parkland is 8% higher in New Hires compared to the previous fiscal year. OTM has a goal of 40% or better for First Year Turnover, which is currently 38.6%. Lastly, Dan reviewed metrics for nurse terminations and new hires.

The Committee members asked questions and received additional information related to the Metrics Review.

**VI. Adjourn**

With no further business to discuss, Committee Chair Lisa Sutter adjourned the meeting at 1:12 p.m.

SO RECORDED:

| | |
|---|---|
| _____ | _____ |
| Lisa Sutter | Steve Roth, JD, MPH |
| Committee Chair | Assistant Secretary |

# Minutes 2023-05-03 Governance, Compliance & Ethics Committee

Parkland

# MINUTES

Dallas County Hospital District Board of Managers



Minutes of the Governance, Compliance and Ethics Committee meeting of the Board of Managers of the Dallas County Hospital District, held Wednesday, May 3, 2023, scheduled for 10:30 a.m. in the WISH Building Executive Conference Room (02-175) at Parkland Health and via WebEx. These minutes do not constitute a certified agenda from the meeting.

## I. Attendance and Call to Order

Committee Chair Reina Gonzalez, JD, noted that a quorum was physically present and called the meeting to order at 10:30 a.m. Committee members Eric G. Bing, MD, PhD; and Ramon Miguez, PE; attended in-person. Committee member Lisa Sutter was not present.

**Board Member Attendees Included:** Vincent Hall; and Farida Minner, RN.

**Staff Present (via Webex and in-person) included:**

Brad Nitschke, Associate General Counsel (in-person)
Edmundo Castañeda, EVP & Chief Operating Officer
Felicia Miller, EVP & Chief Talent Officer
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Jennifer Wimberly, Staff Physician-Chair, Institutional Ethics Committee (in-person)
Melanie Roberts, SVP/Chief Compliance & Ethics Officer (in-person)
Michael Lane, SVP & Chief Quality and Safety Officer
Pamela Bryant, SVP Chief Supply Chain Officer
Rick Humphrey, EVP & Chief Financial Officer
Roberto de la Cruz, EVP & Chief Clinical Officer
Roshan Thayil, Sr. Director Compliance Programs (in-person)
Saul Cordero, SVP & Chief Governance & Strategy Officer (in person)
Shana Garrett, Director Revenue Cycle Compliance (in-person)
Steve Roth, EVP & Chief Legal Officer (in-person)
Vic Summers, SVP Chief Audit Executive

## II. Mission Statement

Committee Chair began the meeting by stating the mission statement:
Advance Wellness | Relieve Suffering | Develop and Educate

## III. Public Comments Regarding Agenda Items

No members of the public registered for comments regarding the agenda items.

## IV. Conflicts of Interest

After review of the agenda, the Chair noted zero conflicts of interest for Board Members present.

Parkland

**MINUTES**
Dallas County Hospital District Board of Managers

**GCEC**
May 3, 2023

## V. Executive Session

At 10:31 a.m., the Committee went into executive session to discuss the items on the Executive Session agenda.

Members of management were excused from the discussion of topics as necessary.

A. Institutional Ethics Committee Report

B. Compliance and Ethics Report
   I. Q3/Q4 Program Activities & General Updates
      - Proposed Dates for Annual Training
   II. Auditing and Monitoring
      - Revenue Cycle Audits

C. Attorney-Client Privileged & Confidential
   Quarterly Report of Open Compliance Reviews

Members of management in executive session attendance included:

Brad Nitschke; Edmundo Castañeda; Felicia Miller; Forrest Stovall; Fred Cerise; Jennifer Wimberly; Melanie Roberts; Michael Lane; Pamela Bryant; Rick Humphrey; Roberto de la Cruz; Roshan Thayil; Saul Cordero; Shana Garrett; Steve Roth; and Vic Summers

Committee Chair Reina Gonzalez, JD, adjourned Executive Session and moved into Open Session at 11:39 a.m.

## VI. Adjourn

With no further business to discuss, Committee Chair Jeff Tillotson, JD, adjourned the meeting at 11:39 a.m.

SO RECORDED:

Reina Gonzalez, JD
Committee Chair

Steve Roth, JD, MPH
Assistant Secretary

# Minutes 2023-05-23 Budget & Finance Committee

Parkland

# MINUTES

Dallas County Hospital District Board of Managers

**Budget and Finance**
May 23, 2023

Minutes of the Budget and Finance Committee meeting of the Board of Managers of the Dallas County Hospital District, held Tuesday, May 23, 2023, scheduled for 11:30 a.m. in the WISH Building Executive Conference Room (02-175) at Parkland Health and via WebEx. These minutes do not constitute a certified agenda from the meeting.

## I. Attendance and Call to Order

Committee Chair Ramon Miguez, PE, noted that a quorum was physically present and called the meeting to order at 11:35 a.m. Committee members Eric G. Bing, MD, PhD; and John Proctor attended in-person. Committee member Lisa Sutter attended via Webex.

**Board Member attendees included:** Chair Marjorie Petty, JD; and Vincent Hall. Reina Gonzalez, JD, attended via Webex.

**Staff Present (via Webex and in-person) included:**

April Audain, VP UT Contracts Administration
Donna Richardson, EVP & Chief Nursing Executive
Edmundo Castañeda, EVP & Chief Operating Officer
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Gerry Baker, SVP Revenue Cycle
Guy Toliver, Director Inclusion-Supplier Diversity (in-person)
Jeffrey Giles, Sr. Associate Attorney
Jennifer Trousdale, Associate General Counsel PCHP
Joe Longo, SVP Chief Information Officer
Joe Mayer, Treasury Director
Keri Disney-Story, VP Clinical Finance
Melanie Roberts, SVP & Chief Compliance and Ethics Officer
Pam Bryant, SVP Chief Supply Chain Officer (in-person)
Rick Humphrey, EVP & Chief Financial Officer (in-person)
Roberto de la Cruz, EVP & Chief Clinical Officer
Saul Cordero, SVP & Chief Governance & Strategy Officer (in-person)
Steven Roth, EVP & Chief Legal Officer (in-person)
Tabitha Lee, VP Finance/Controller
Vic Summers, SVP & Chief Audit Executive

## II. Mission Statement

Committee Chair began the meeting by stating the mission statement:
Advance Wellness | Relieve Suffering | Develop and Educate

## III. Public Comments Regarding Agenda Items

No members of the public registered for comments regarding the agenda items.

## IV. Conflicts of Interest

After review of the agenda, the Chair noted zero conflicts of interest for Board Members present.

## V. Reports Requiring Deliberation(s) or Approval(s)

A. Approve Contracts over $200,000

Pam Bryant reviewed the briefing documents for contracts over $200,000. (See Appendix A of these minutes for more specific details on each contract.) Discussion of non-sole source contracts was first. Pam Bryant provided a brief overview of each contract and highlighted the MWBE participation. She noted N1, Netsync Network Solutions, is a 100% Hispanic female company providing network engineering services. She also noted N2, Restoration Specialists, is an 80% female company providing air handler cleaning services.

Next, Pam reviewed the sole source contracts. She provided a brief overview of each contract and noted the MWBE participation. Pam also presented R1, Southern Area Behavioral Health, as a ratification.

The Committee asked questions and received further information related to the Contracts over $200,000.

Eric G. Bing, MD, PhD, motioned to recommend Board approval of Contracts over $200,000. Ramon Miguez, PE, seconded the motion. The motion passed unanimously.

B. Approve Capital Substitutions

April Audain presented two capital substitutions for approval totaling $2,391,037. Item 1 is for $1,946,364, OR Integration and Equipment Boom Update. Item 2 is for $444,673, Mobile Medical Unit. The Mobile Medical Unit will be reimbursed by the Parkland Health Foundation.

The Committee asked questions and received additional information related to Capital Substitutions.

Eric G. Bing, MD, PhD, motioned to recommend Board approval of Capital Substitutions. John Proctor seconded the motion. The motion passed unanimously.

C. Approve Fiscal Policy 8311-1-02, Accounting Policy

Rick Humphrey presented Fiscal Policy 8311-1-02 for approval.

D. Approve Fiscal Policy 8311-1-11, Tax Incentive Policy

Rick Humphrey presented Fiscal Policy 8311-1-11 for approval.

E. Approve Fiscal Policy 8311-1-15, Supplemental Retirement Plan Investment Policy

Rick Humphrey presented Fiscal Policy 8311-1-15 for approval.

Joe Mayer reviewed recommended key changes for each policy.

Eric G. Bing, MD, PhD, motioned to recommend Board approval of all three policies: Fiscal Policy 8311-1-02, Fiscal Policy 8311-1-11, and Fiscal Policy 8311-1-15. John Proctor seconded the motion. The motion passed unanimously.

Committee member John proctor left the meeting at 12:19 p.m. Marjorie Petty, JD, was appointed to the Committee for quorum.

F. Parkland Financial Performance Presentation

Rick Humphrey reviewed the financial results for April 2023 and discussed significant performance variances.

For the month of April, Parkland Health recognized a net income of $8.4M which is $6.0M favorable to the budgeted net income of $2.4M and $4.6M favorable compared to the prior year net income of $3.8M.

Parkland Health's operating margin and operating cash flow margin for the month of April are (0.6%) and 2.7%, respectively. The operating margin was unfavorable compared to budget of 0.1% and the operating cash flow margin is also unfavorable compared to budget of 3.7%. Parkland Health's operating margin is unfavorable compared to the prior year operating margin of 2.2% and unfavorable to the operating cash flow margin of 6.8% from the prior year.

Parkland Health's patient cash collections in April were $83.9M which is above budget by $7.0M and $11.2M higher than the prior year. Parkland Health's days cash on hand of 251.6 days for the month is a decrease of (5.5) days compared to prior month of 257.2 days and compared to the prior year April of 223.2 days, an increase of 28.5 days.

Rick Humphrey reviewed the income statement for April 2023. He noted the $8.718 million variance to budget for Operating Expenses, of which $7.564 million is for Salaries and Benefits. With the Operating Revenues positive variance of approximately $7.258 million, the variance to budget for Total Net Income (Loss) is approximately $5.971 million.

Next, Rick reviewed the income statement including all Parkland entities. The variance to budget for Total Net Income (Loss) is approximately $861,000.

The Committee asked questions and received further information related to the Financial Performance Presentation.

Next, Rick reviewed the Key Metrics for the system. Although multiple metrics for the month of April are variable to budget, all metrics are favorable to budget with the

exception of Case Mix Index and Ambulatory Visits. Cash Balance and Days Cash on Hand remain very strong but will begin to decrease for the next six months.

The Committee asked questions and received further information related to the Key Metrics.

Lastly, Rick reviewed the financial statement for the Parkland Community Health Plan.

A. **Adjourn**

With no further business to discuss, the Committee Chair adjourned the meeting at 12:52 p.m.

SO RECORDED:

| | |
|---|---|
| _____ | _____ |
| Ramon Miguez, PE | Steve Roth, JD, MPH |
| Committee Chair | Assistant Secretary |

## Appendix A (Contracts Reviewed for Approval)

| Item | Page No. | Contract Type | Service or Product | Supplier | Contract Term | Current Contract Approval Amount Request | New Approved Contract Value | Selection Method | Budgeted? | Business Owner / Dept. | MWBE % | MWBE Gender | MWBE Ethnicity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | May 24, 2023 |
| NON-SOLE SOURCE CONTRACTS - Sorted by Size | | | | | | | | | | | | | |
| N1 | 5 | Expense | Steady State On-Site Engineer | Netsync Network Solutions | Last Signature - 4/30/2026 | $2,995,200 | $2,995,200 | Request for Proposals (Best Value) | Yes | Jeff DeFord/Darren Jones, Information Technology | 100% | Female | Hispanic |
| N2 | 7 | Expense | Air Handler Cleaning | Restoration Specialists, LLC | 6/1/2023 - 5/31/2026 | $573,911 | $573,911 | Invitation for Bids | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Frederick Datcher, Engineering Services | 80% | Female | Caucasian |
| N3 | 9 | Expense | Mod #1 Mobile Cardiology Outpatient Telemetry | Rhythmedix | 12/20/2021 - 12/19/2024 | $403,000 | $1,258,000 | Non-Sole Source Modification | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Alissa Tran, Acute Care Home Program – Hospital at Home | 0% | N/A | N/A |
| N4 | 11 | Capital: New Parkland | Upgrade Endoscopy system at the Main Operating Room | KARL STORZ Endoscopy-America, Inc. | Last Signature - 7/31/2026 | $259,359 | $259,359 | GPO Purchase | Yes | Shika Shakelli, Clinical Engineering | 0% | N/A | N/A |
| N5 | 13 | Expense: Court Approval | Ground Lease Agreement | Dallas College | Upon issuance of Certificate of Occupancy - plus thirty-five (35) years | $50,000 | $50,000 | Real Estate – Exemption | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Beall Carothers, Planning Design & Construction | N/A | N/A | N/A |
| N6 | 15 | Expense: Court Approval | Access & Encroachment Easement | Children's Health Systems of Texas d/b/a Children's Medical Center of Dallas | 4/30/2023 - No Expiration | $0 | $0 | Real Estate – Exemption | N/A-Zero Dollar | Beall Carothers, Planning Design & Construction | N/A | N/A | N/A |
| N7 | 17 | Expense: Court Approval | Temporary Demolition & Construction Easement | Children's Health Systems of Texas d/b/a Children's Medical Center of Dallas | 4/30/2023 - No Expiration | $0 | $0 | Real Estate – Exemption | N/A-Zero Dollar | Beall Carothers, Planning Design & Construction | N/A | N/A | N/A |

**Appendix A (Continued)**

| Item | Page No. | Contract Type | Service or Product | Supplier | Contract Term | Current Contract Approval Amount Request | New Approved Contract Value | Selection Method | Budgeted? | Business Owner / Dept. | MWBE % | MWBE Gender | MWBE Ethnicity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SOLE SOURCE CONTRACTS - Sorted by Size | | | | | | | | | | | | | |
| S1 | 19 | Expense | Mod #5 Radial align, stems, and screws for orthopedic implants | Skeletal Dynamics | 12/15/2018 - 1/31/2025 | $1,120,000 | $1,840,000 | 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 | 0% | N/A | N/A |
| S2 | 21 | Expense | Mod #2 Versajet Accessories | Smith and Nephew, Inc. | 7/1/2020 - 6/30/2026 | $375,000 | $736,039 | Sole Source Modification | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Cheston Chan, Operating Room | 0% | N/A | N/A |
| S3 | 23 | Expense | Mental Health Svc | Dallas County Mental Health and Mental Retardation Center d/b/a Metrocare Services | 6/1/2023 - 4/30/2028 | $279,988 | $279,988 | Sole Source | No, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Minnie Mathew, Global Behavioral Health | 0% | N/A | N/A |
| S4 | 25 | Expense | Mod #4 American Red Cross-PAL, ALS, BLS | American Red Cross | 6/1/2023 - 6/30/2024 | $196,824 | $226,824 | Sole Source Modification | Yes | Theresa Kaplan, Clinical Education | 0% | N/A | N/A |
| S5 | 27 | Expense | Mod #5 Youth Student Intern Work Study Program | Cristo Rey Dallas | 8/1/2019 - 7/31/2025 | $77,000 | $227,600 | Sole Source | Yes | Che'Nita White, C-Suite | 0% | N/A | N/A |
| DEVIATION/RATIFICATION | | | | | | | | | | | | | |
| R1 | 30 | Expense-Ratification | Mental Health Services | Southern Area Behavioral Health | 5/1/2023 - 4/30/2028 | $605,000 | $605,000 | Sole Source | No. Foundation is covering the cost of this contract | Minnie Mathew, Global Behavioral Health | 0% | N/A | N/A |

# Minutes 2023-05-24 Quality of Care & Patient Safety Committee

Parkland

# MINUTES

Dallas County Hospital District Board of Managers

**Quality of Care and Patient Safety**
May 24, 2023

Minutes of the Quality of Care and Patient Safety Committee meeting of the Board of Managers of the Dallas County Hospital District, held Wednesday, May 24, 2023, scheduled for 10:00 a.m. in the WISH Building Conference Room (02-175) at Parkland Health and via WebEx. These minutes do not constitute a certified agenda from the meeting.

## I. Attendance and Call to Order

Committee Chair Elizabeth Palacios, MD, noted that a quorum was physically present and called the meeting to order at 10:00 am. Board members Marjorie Petty, JD, and Ramon Miguez, PE, were appointed for quorum. Committee member Todd Furniss, JD, arrived at 10:03 a.m. Committee members Eric G. Bing, MD, PhD, and Farida Minner, RN, attended via Webex.

**Board Member attendees included:** Board Chair Marjorie Petty, JD; Reina Gonzalez, JD; Vincent Hall; and Ramon Miguez, PE.

**Staff Present (via Webex and in-person) included:**

Caroline Park, UTSW Assistant Professor Surgery
Christian Mayorga, UTSW Associate Professor Internal Medicine
David Alexander, SVP Nursing
Dawn Marchetto, SVP Nursing
Donna Richardson, EVP & Chief Nursing Executive (in-person)
Edmundo Castañeda, EVP & Chief Operating Officer
Eugene Chu, President of the Medical Executive Committee (in-person)
Felicia Miller, EVP & Chief Talent Officer
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Gretchen Blake, VP Quality & Clinical Effectiveness
James Griffin, President-Elect of the Medical Executive Committee (in-person)
Jeffrey Metzger, UTSW Associate Professor Emergency Services
Joe Kwon, UTSW Assistant Professor Psychiatry
Jose Joglar, UTSW Professor
Joseph Chang, SVP Chief Medical Officer
Judy Herrington, SVP Nursing
Karen Garvey, VP Safety & Clinical Risk Management
Kathleen Doherty, SVP Nursing
Kristie Brown, Director of Nursing, Trauma Service
Marjorie Quint-Bouzid, SVP Nursing
Melanie Roberts, SVP Chief Compliance & Ethics Officer
Mike Lane, SVP & Chief Patient & Safety Officer (in-person)
Nicole Moler, Manager Advanced Practice
Nneka Egbuniwe, Deputy General Counsel
Pamela Bryant, SVP Chief Supply Chain Officer
Pedro Fernandez, UTSW Associate Professor Psychiatry

Roberto de la Cruz, EVP Chief Clinical Officer (in-person)
Saul Cordero, SVP & Chief Governance & Strategy Officer (in-person)
Sri Adusumilli, Director Clinical Quality & Safety Data Analytics
Tim Lenz, Administrative Director Laboratory
Vic Summers, SVP Chief Audit Executive

**II. Mission Statement**

Chair began the meeting by stating the mission statement:
Advance Wellness | Relieve Suffering | Develop and Educate

**III. Public Comments Regarding Agenda Items**

No members of the public registered for comments regarding the agenda items.

**IV. Conflicts of Interest**

After review of the agenda, the Chair noted zero conflicts of interest for Board Members present.

**V. Executive Session – Quality & Patient Safety Operations Section**

At 10:00 a.m. the Committee moved into Executive Session as permitted by the closed meeting exceptions specified on the agenda.

Members of management were excused from the discussion of topics as necessary.

Members of management in executive session attendance included:

Caroline Park, Christian Mayorga, David Alexander, Dawn Marchetto, Donna Richardson, Edmundo Castañeda, Eugene Chu, Felicia Miller, Forrest Stovall, Fred Cerise, Gretchen Blake, James Griffin, Jeffrey Metzger, Joe Kwon, Jose Joglar, Joseph Chang, Judy Herrington, Karen Garvey, Kathleen Doherty, Kristie Brown, Marjorie Quint-Bouzid, Melanie Roberts, Mike Lane, Nicole Moler, Nneka Egbuniwe, Pamela Bryant, Pedro Fernandez, Roberto de la Cruz, Saul Cordero, Sri Adusumilli, Tim Lenz, and Vic Summers

In executive session, the Committee received the presentation and reports as specified in the posted agenda.

A. Chief Quality & Safety Officer Report: Executive Quality Committee (EQC) Summary

B. Patient Safety & Clinical Risk
   1. Cause Analysis (CA) Case Reviews and Guide

C. Clinical Quality Reports
   1. Department Performance Improvement Committee (PIC)/ Clinical Quality Committee (CQC) Annual Presentation

a. Emergency Operations PIC
b. Trauma CQC
c. Psychiatry & Behavioral Health PIC

The Committee reviewed all items on the agenda, asked questions and received additional information.

**VI. Executive Session: Medical Executive Committee ("MEC")**

Eugene Chu, MD, President of the Medical Executive Committee, discussed the items posted on the agenda.

B. Appointments/Reappointments
1. Medical Staff & Non-Physician Clinical Providers to Parkland Health
a. Credentialing Report
b. Delineation of Privileges (DoPs)
i. Anesthesiology
ii. Non-Physician Clinical Provider – Certified Registered Nurse Anesthetist (CRNA)

The Board asked questions and received additional information.

Members of management in the MEC executive session attendance included:

Donna Richardson, Edmundo Castañeda, Eugene Chu, Felicia Miller, Forrest Stovall, Fred Cerise, James Griffin, Jose Joglar, Joseph Chang, Melanie Roberts, Mike Lane, Nneka Egbuniwe, Roberto de la Cruz, Saul Cordero, and Vic Summers

**VII. Executive Session: Chief Quality & Safety Officer (CQSO) One-on-One with Committee**

The Committee conducted a One-on-One with the CQSO, Dr. Mike Lane.

**VIII. Executive Session: Medical Executive Committee President One-on-One with Committee**

The Committee did not conduct a One-on-One with the Medical Executive Committee President, Dr. Eugene Chu.

Chair adjourned Executive Session and moved into Open Session at 11:51 a.m.

**IX. Action Items (Open Session)**

A. Approve Medical Executive Committee Recommendations
1. Approval of the Appointments/Reappointments, Privileges and Staff Status Changes of the Medical Staff and Non-Physician Clinical Providers
a. Credentialing Report
b. Delineation of Privileges (DoPs)
i. Anesthesiology

ii. Cert Non-Physician Clinical Provider – Certified Registered Nurse Anesthetist (CRNA)

2. Approval of Utilization Management Plan

Marjorie Petty, JD, motioned to recommend Board approval of the Medical Executive Committee Recommendations. Ramon Miguez, PE, seconded the motion. The motion passed unanimously.

## X. Adjourn

With no further business to discuss, Committee Chair Elizabeth Palacios, MD, adjourned the meeting at 11:52 a.m.

SO RECORDED:

| | |
|---|---|
| Elizabeth Palacios, MD<br>Committee Chair | Steve Roth, JD, MPH<br>Assistant Secretary |

# Minutes 2023-05-24
# Board of Managers

Parkland

# MINUTES

Dallas County Hospital District Board of Managers

**Board**
May 24, 2023

Minutes of the Board of Managers meeting of the Dallas County Hospital District, held Wednesday, May 24, 2023, scheduled for 12:50 p.m. or immediately following the HOMES meeting in the WISH Building Conference Room (02-175) at Parkland Health and via WebEx. These minutes do not constitute a certified agenda from the meeting.

## I. Attendance and Call to Order

Chair Marjorie Petty, JD, noted that a quorum was physically present and called the meeting to order at 1:15 p.m.

**Board Member attendees included:** Chair Marjorie Petty, JD; Todd Furniss, JD; Reina Gonzalez, JD; Vincent Hall; Ramon Miguez, PE; Elizabeth Palacios, MD. Board members Eric G. Bing, MD, PhD; and Farida Minner, RN, attended via Webex.

Board Members Byron Cryer, MD; John Proctor; and Lisa Sutter did not attend.

**Staff Present (via Webex and in-person) included:**

April Audain, VP UT Contracts Administration (in-person)
Carolyn Foster, Deputy General Counsel (in-person)
Donna Richardson, EVP & Chief Nursing Executive (in-person)
Edmundo Castañeda, EVP & Chief Operating Officer (in-person)
Elery Shaver, Pastoral Education Resident (in-person)
Felicia Miller, EVP & Chief Talent Officer (in-person)
Forrest Stovall, Governance Program Manager (in-person)
Fred Cerise, President & Chief Executive Officer (in-person)
Jeffrey Giles, Sr. Associate Attorney
Joseph Chang, SVP Chief Medical Officer
Kellee Boardingham, Executive Assistant (in-person)
Melanie Roberts, SVP Chief Compliance & Ethics Officer
Michael Lane, SVP Chief Quality & Patient Safety Officer
Rick Humphrey, EVP & Chief Financial Officer (in-person)
Robert Case, Associate General Counsel
Roberto de la Cruz, EVP & Chief Clinical Officer (in-person)
Saul Cordero, SVP & Chief Governance & Strategy Officer (in-person)
Steve Miff, President & CEO PCCI
Steven Roth, EVP & Chief Legal Officer (in-person)
Vic Summers, SVP Chief Audit Executive

**Other Attendees:**
Darren Nicholson, Burns Charest LLP

## II. Mission Statement

The Chair began the meeting by stating the mission statement:
Advance Wellness | Relieve Suffering | Develop and Educate

**III. Invocation**

Chaplain Seth Shaver offered an invocation at the beginning of the meeting.

**IV. Public Comments Regarding Agenda Items**

No members of the public registered for comments regarding the agenda items.

**V. Conflicts of Interest**

After review of the agenda, the Chair noted zero conflicts of interest for Board Members present.

**VI. D-Magazine & Great 100 Winners Resolution**

Chair Marjorie Petty, JD, read aloud and presented the D-Magazine & Great 100 Winners Resolution to Donna Richardson on behalf of the nurse recipients. Donna Richardson thanked the Board for their support of the honorees.

**VII. Consent Agenda**

Minutes 2023-04-12 Audit Committee

Minutes 2023-04-21 Board of Managers

Minutes 2023-04-25 Budget & Finance Committee

Minutes 2023-04-26 Quality of Care & Patient Safety Committee

Minutes 2023-04-26 Board of Managers

Approve Contracts over $200,000

Approve Capital Substitutions

Approve Patient Settlements

Approve Medical Executive Committee Resolution for Appointments/Reappointments, Privileges and Staff Status Changes of the Medical Staff and Non-Physician Clinical Providers

Ramon Miguez, PE, motioned to approve the Consent Agenda. Elizabeth Palacios, MD, seconded the motion. The motion passed unanimously.

**VIII. Reports Requiring Deliberation(s) or Approval(s)**

A. CEO System Update

Dr. Fred Cerise provided the CEO System Update. First, he provided an update on legislative work in Austin. He summarized the key bills impacting Parkland's work and provided a status update on each. Next, Dr. Cerise provided updates on the Metrocare

partnership, American Rescue Plan Act (ARPA) funding, Mommies in Need expansion, and the weapons detection system plans. Lastly, Dr. Cerise summarized the Celebrate Us! activities.

B. Questions & Discussion Related to CEO System Update
The Board asked questions and received additional information related to the CEO System Update.

C. Parkland Center for Clinical Innovation (PCCI) Update
Steve Miff, PhD, provided a detailed overview on the work at PCCI. First, he reviewed the purpose of PCCI and provided an overview of the employees. Then he proceeded to provide a summary of key efforts and work being performed. He highlighted innovative dashboards, social determinants of health efforts, the Community Vulnerability Compass, and the pediatric asthma program. Lastly, Steve Miff highlighted how ChatGPT is disrupting the healthcare industry.

The Board asked questions and received additional information related to the PCCI Update.

At 2:12 p.m., the Board recessed until 2:22 p.m.

## IX. Executive Session

At 2:22 p.m., the Board went into Executive Session as permitted by the closed meeting exceptions specified on the agenda.

Members of management were excused from the discussion of topics as necessary.

A. Discussion of Master Service Agreement for Physician Services Contract

B. Discussion Regarding Negotiation for Expansion of Nursing Home Quality Incentive Payment Program (QIPP) Relationship

C. Consultation with Attorney Regarding Status of Opioid litigation, Related Claims and Developments

D. Ethics Committee/Texas Advanced Directives Act Update

E. Consultation with Attorney on Internal Investigation Process and Update on Pending Investigation

F. Discussion Regarding Roles and Responsibilities of the Board of Managers in the Governance and Strategic Direction of the System

G. Personnel Matters Pertaining to Duties and Responsibilities of Chief Executive Officer

H. Personnel Matters Pertaining to Duties and Responsibilities of Board Members

Members of management in executive session attendance included:

April Audain, Carolyn Foster, Donna Richardson, Edmundo Castañeda, Felicia Miller, Forrest Stovall, Fred Cerise, Joseph Chang, Kellee Boardingham, Melanie Roberts, Michael Lane, Rick Humphrey, Saul Cordero, Steven Roth, and Vic Summers

Chair adjourned Executive Session and moved into Open Session at 4:05 p.m.

## X. Reports Requiring Deliberation(s) or Approval(s)

A. Approve Resolutions Honoring Don O'Bannon, Esq, and Jeff Tillotson, JD, Recognizing their Service on the Parkland Health Board of Managers as well as the D Magazine and Great 100 Winners Resolution

Todd Furniss, JD, motioned to approve all three resolutions. Vincent Hall seconded the motion. The motion passed unanimously.

B. Approve Opioid Settlement

Todd Furniss, JD, motioned to approve the Opioid Settlement and giving the CEO and Chief Legal Officer the authority to negotiate within the terms discussed during Executive Session. Elizabeth Palacios, MD, seconded the motion. The motion passed unanimously.

C. Approve Resolution for Expansion of Nursing Home Quality Incentive Payment Program (QIPP) Relationship
The Chair opened the floor for discussion on the Nursing Home Quality Incentive Payment Program (QIPP) Relationship.

Todd Furniss, JD, motioned to approve pursing due diligence on the nursing homes agreements and directed management to prepare a proposal for future consideration by the Board of Managers. Vincent Hall seconded the motion. The motion passed unanimously.

## XI. Adjourn

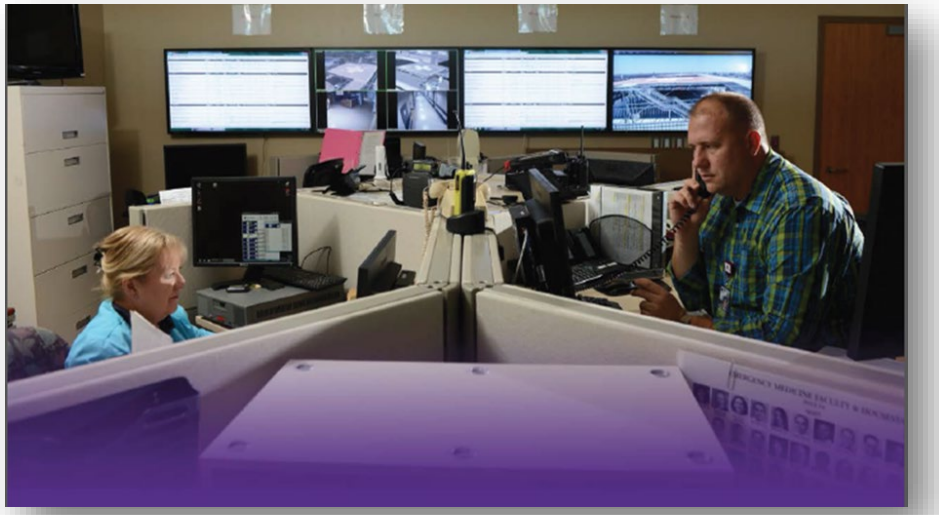
With no further business to discuss, Chair Marjorie Petty, JD, adjourned the meeting at 4:08 p.m.

SO RECORDED:

| | |
|---|---|
| _____ | _____ |
| Marjorie D. Petty, JD | Steve Roth, JD, MPH |
| Chair | Assistant Secretary |

# Approve Dr. Raymond L. Fowler BioTel Communications Center Naming

# Dr. Raymond L. Fowler BioTel Communications Center



BioTel provides 14 EMS agencies with medical direction, supporting approximately 260,000 EMS calls annually in DFW. These calls are most often to notify hospitals of incoming STEMI, Stroke, Trauma, or other critically ill patients and provide an early report to the receiving hospital and assist the paramedics en route.

To recognize Dr. Fowler's distinguished career of leadership and service, we are seeking to dedicate and name the Parkland BioTel Communications Center in his honor, with a plaque commemorating his years of dedicated service.

Throughout his 45-year career, Ray Fowler, M.D., has played a critical role in shaping the field of Emergency Medical Services. His impact has included the continued development of the UTSW/Parkland BioTel EMS System and the BioTel Communications Center, where Dr. Fowler served for many years as the Operational Medical Director.

# Approve Contracts over $200,000

# Full Board - Contracts for Approval

| Item | Page No. | Contract Type | Service or Product | Supplier | Contract Term | Current Contract Approval Amount Request | New Approved Contract Value | Selection Method | Budgeted? | Business Owner / Dept. | MWBE % | MWBE Gender | MWBE Ethnicity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | **June 28, 2023** |
| **NON-SOLE SOURCE CONTRACTS - Sorted by Size** | | | | | | | | | | | | | |
| N1 | | Expense | Third Party Administration of Employee Health Plan and Pharmacy Benefit Management Services | Cigna Health and Life Insurance Company "CHLIC" | 1/1/2024 - 12/31/2030 | $21,734,345 | $21,734,345 | Request for Proposals (Best Value) | Yes | Tawana McCullough, Office of Talent Management – Benefits | 25% | See M/WBE table | See M/WBE table |
| N2 | | Capital | Passive Security Screening/Weapons Detection | Tech Systems, Inc. | 7/1/2023 - 6/30/2028 | $4,229,151 | $4,229,151 | Request for Proposals (Best Value) | No, CAP contingency funds | Marlin Suell , Police Department | 0% | N/A | N/A |
| N3 | | Capital | Cisco B200 M6 | Netsync | Last Signature - 7/7/2024 | $1,047,676 | $1,047,676 | TXMAS or DIR Purchase | Yes | Joe Longo, Information Technology | 100% | Hispanic | Female |
| N4 | | Expense | Mod #4 Level III armed guard service | Vets Securing America | 1/1/2022 - 12/31/2024 | $708,247 | $1,318,582 | Non-Sole Source Modification | No | Marlin Suell , Police Department | 0% | N/A | N/A |
| N5 | | Capital | Hybrid OR6 Lights with Booms and Integration | STERIS Corporation | Last Signature - 5/31/2024 | $479,115 | $479,115 | GPO Purchase | Yes | Patrick Eaton, Clinical Engineering | 0% | N/A | N/A |
| N6 | | Expense | Environmental Consulting Services | Terracon Consultants, Inc. | 7/1/2023 - 6/30/2028 | $450,000 | $450,000 | Request for Qualifications | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Asma Momin, Planning, Design and Construction | 25% | See M/WBE table | See M/WBE table |
| N7 | | Capital | Mod #1 Purchase Servers, Licenses and Accessories for the continued support of the camera system. | Siemens Industry, Inc. | 2/23/2023 - 5 Years from last signature | $413,823 | $924,160 | Non-Sole Source Modification | Yes | Bruce McDaniels / Joe Longo, Information Technologies | 0% | N/A | N/A |
| N8 | | Capital | Purchase 20 Affinity Birthing Beds | Hill-Rom Company, Inc. | Last Signature - 6/30/2025 | $274,339 | $274,339 | GPO Purchase | Yes | Marcus Cooper, Clinical Engineering | 0% | N/A | N/A |
| N9 | | Expense | Mod #7 Water Treatment Services & Materials | Veolia WTS Services USA, Inc. | 7/1/2018 - 6/30/2024 | $251,000 | $893,525 | Non-Sole Source Modification | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Travis Kobernick, Clinical Engineering | 0% | N/A | N/A |
| N10 | | Expense | Sterile Processing Brushes | Healthmark Industries Co. | 6/29/2023 - 6/28/2028 | $250,000 | $250,000 | Invitation for Bids | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Cheston Chan, Perioperative Services | 0% | N/A | N/A |

# Full Board - Contracts for Approval

| Item | Page No. | Contract Type | Service or Product | Supplier | Contract Term | Current Contract Approval Amount Request | New Approved Contract Value | Selection Method | Budgeted? | Business Owner / Dept. | MWBE % | MWBE Gender | MWBE Ethnicity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| N11 | | Expense | sterile processing brushes | Possible Missions Inc. | 6/29/2023 - 6/28/2028 | $220,000 | $220,000 | Invitation for Bids | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Cheston Chan, Perioperative Services | 100% | Hispanic | Female |

# Full Board - Contracts for Approval

| Item | Page No. | Contract Type | Service or Product | Supplier | Contract Term | Current Contract Approval Amount Request | New Approved Contract Value | Selection Method | Budgeted? | Business Owner / Dept. | MWBE % | MWBE Gender | MWBE Ethnicity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **SOLE SOURCE CONTRACTS - Sorted by Size** | | | | | | | | | | | | | |
| S1 | | Expense | MatriDerm Products | Access Pro Medical | Last Signature - 3 Years | $400,000 | $400,000 | Sole Source | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Cheston Chan, Perioperative Services | 0% | N/A | N/A |
| S2 | | Expense | Mod #1 Overstitch Suturing System | Apollo Endosurgery | 10/7/2019 - 4/30/2024 | $180,000 | $379,000 | Sole Source | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Cheston Chan, Perioperative Services | 0% | N/A | N/A |
| **DEVIATION/RATIFICATION** | | | | | | | | | | | | | |
| R1 | | Capital and Expense-Ratification | New prescription filling machines and associated licenses, installation, and technical support | Innovation Associates, Inc. | 4/14/2023 - 4/13/2024 | $6,128,424 | $6,128,424 | Sole Source | Yes | Carrie Berge, Pharmacy Department | 0% | N/A | N/A |
| R2 | | Expense-Ratification | Mod to Add Funds Intravascular Lithotripsy (“IVL”) Products | Shockwave Medical Inc. | 3/1/2020 - 3/1/2024 | $250,000 | $448,000 | Sole Source | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. | Cheston Chan, Perioperative Services | 0% | N/A | N/A |

Parkland

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Third Party Administration of Employee Health Plan and Pharmacy Benefit Management Services | |
| **Business Owner:**<br>Tawana McCullough | **Business Owner Dept:**<br>Office of Talent Management – Benefits | **Contract Number:**<br>HR-23011 |
| **Vendor/Supplier/Contractor:**<br>Cigna Health and Life Insurance Company "CHLIC" | **Source Selection Methodology:**<br>Request for Proposals (Best Value) | **Fair and Reasonable Price Determination:**<br>Adequate Competition |

**Revenue, Expense or Capital:**

Expense

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | 1/1/2024 – 12/31/2026 | $8,722,677 |
| **Out Years:** | 4 Year(s) | +13,011,668 |
| **Total:** | 1/1/2024 – 12/31/2030 | $21,734,345 |

**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? Yes; and IT approved
Does this contract have a Construction Component? No

**Financial**

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

**Diversity**

Potential for M/WBE engagement: Vendor will have M/WBE participation. The plan/program has been submitted and accepted.
Were M/WBE's Directly Solicited? None available, per Supplier Diversity
Number Responding M/WBE's: 0
What % of this contract is M/WBE? 25% See M/WBE table
M/WBE Race/Ethnicity? See M/WBE table
M/WBE Gender? See M/WBE table

**Submitted By (Division VP):** Felicia Miller, Executive Vice President & Chief Talent Officer

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

Parkland

**SUBJECT:** Third Party Administration of Employee Health Plan and Pharmacy Benefit Management Services

**VENDOR:** Cigna Health and Life Insurance Company "CHLIC"

**COST:**

| | |
|---|---|
| Base Term: | $8,722,677 |
| Out Years: | + 13,011,668 |
| Total: | $21,734,345 |

**Recommendation**
Approve this contract for Third Party Administration of Employee Health Plan and Pharmacy Benefit Management Services.

**Background**
District issued two separate competitive solicitations. One for the expiring Third Party Administration of Employee Health Plan & Disease Management Program and the other for the Pharmacy Benefit Management agreements. Cigna provided proposals for both solicitations and ranked the highest technical and offered the lowest cost per employee per month "PEPM" for each. The decision was made to combine both solicitations into one awarded contract rather than two separate contracts. The District will receive a 15% discount of the PEPM cost by bundling both solicitated services. Cigna provided a MWBE plan at 25% participation calculated by removing the admin fee, programs, and services where there are no subcontracting opportunities. The commitment is for 25% ($195,000) ASO Fee ($779,710 annually).

| Subcontractors Services MWBE-Totals | | | |
|---|---|---|---|
| **Ethnicity** | **Gender** | **MWBE $** | **MWBE %** |
| Black | Male | $70,000 | 9% |
| Hispanic | Female | $125,000 | 16% |
| **Total** | | **$195,000** | **25%** |

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

**Third Party Administration of Employee Health Plan & Disease Management Program (RFP-1116662)**

| Competitive Range | | | | |
|---|---|---|---|---|
| **Vendor** | **Key Strengths** | **Key Weaknesses** | **Non-Cost Score** | **Per Employee Per Month "PEPM" Differential** |
| Cigna Health | - Customized plans based on patient needs. Focus on clinical outcomes. | | 64.78 | $0 |

| | | | | |
|---|---|---|---|---|
| | - Health improvement options able to offer custom plans tiered and in-network only plan.<br><br>- Cigna's care management and wellness programs are utilized on the website and can drive patient engagement. Emphasis on connecting patients to behavioral health services through multiple avenues.<br><br>- Clear and efficient methodology to adjudicate claims to the right tier. Flexibility to support a narrow network.<br><br>- Provides cost savings and equality outcomes. Fully integrated review of inpatient admissions.<br><br>- Only Offeror to indicate two dedicated on-site resources. | | | |
| Vendor B | - Very good and comprehensive reporting tools and governance. Dedicated resource, training included, and different access levels.<br><br>- Outstanding reporting with flexibility and transparency. On-site representative. Flexibility and experience with plan design.<br><br>- Broader spectrum coverage of women's health support through their vendor - from fertility/preconception, maternal care, and post-menopause. | - Lessons learned were not relevant to references. | 62.78 | 9.27 |
| Vendor C | - Wellness program includes high risk care, moderate risk, low risk; 1:1 session options; app available | - Lack of strategy and claims audit. Need of better disease management reporting. | 60.78 | 15.37 |
| | | - Limited offering around the creation of a narrow network. No Insights on | | |

| | | | | |
|---|---|---|---|---|
| | | opportunity for improvement based on current state. | | |
| | | - Reports turnaround was described to exceed 5-7 business days. Limited data transparency to protect proprietary information such as negotiated rates. | | |
| | | - Lack of updates for new program. Need for quarterly review. | | |

Cigna Health was the highest technically rated and offered the lowest Per Employee Per Month "PEPM" cost to Parkland.

**Pharmacy Benefit Management Services (RFP-1116661)**

| Competitive Range | | | | |
|---|---|---|---|---|
| **Vendor** | **Key Strengths** | **Key Weaknesses** | **Non-Cost Score** | **Per Employee Per Month "PEPM" Differential** |
| Cigna Health | - Strong candidate with dedicated hospital vertical business, good customer support team and call center performance, good savings opportunity with integrated services if with Cigna medical, Pathwell Specialty and Mail Order programs, able to work with Parkland in-house pharmacy programs.<br><br>- Cigna achieved multiple accreditations from URAC, The Joint Commission (TJC), the National Committee for Quality Assurance (NCQA), and the National Association of Boards of Pharmacy. Cigna's achievement of Verified Internet Pharmacy Practice Sites (VIPPS) accreditation, which is offered by the NABP, further attests to Cigna's commitment to quality and member safety.<br><br>- Cigna confirms that it will allow Parkland Health rights to audit for | | 63.71 | |

| | | | | |
|---|---|---|---|---|
| | compliance with law of programs administered by Cigna for Parkland Health, subject to mutually agreed upon terms relating to, among other things, the scope, location, manner, notice rights, review rights, timing, conduct, selection of auditor and expense.<br><br>- Cigna incorporates a global approach to effectively coordinate your plan and provides designated resources for customer service, accounting, claims, and underwriting.<br><br>- Good experience with organizations similar to Parkland in Texas, i.e., Harris Health and City of Houston and Safety net hospital systems.<br><br>- Deliver the high-quality financial and claims an administration that Parkland Health expects, and that Cigna is committed to providing.<br><br>- Vendor referenced project that stacked medical/ dental/ pharmacy benefits, similar to what Parkland could implement, that helped drive cost savings. | | | |
| Vendor B | - Good experience with large health systems across the country. | - Offeror confirms with exception. Parkland Health may audit Offeror up to 1 year after termination of the agreement, not three years as required. | 55.43 | |
| | - Will provide Account exec, director, clinical manager, business systems analysis. | - Offeror charges $0.02 PMPM for standard retrospective DUE, which includes reporting in the program fee. PMPM price associated with this reporting. | | |

| | | | | |
|---|---|---|---|---|
| Vendor C | - Projects presented range in scope and first project can be applicable to Parkland's in house pharmacies if needed. | - Offeror unable to post reports until 45 days of end of quarter. | 53.71 | |

**Financial Forecast**

| Base Term | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 | Totals |
|---|---|---|---|---|---|---|---|---|---|
| Expenses / Consumables | $1,805,669 | $2,970,059 | $3,157,559 | $789,390 | | | | | $8,722,677 |
| **Totals** | $1,805,669 | $2,970,059 | $3,157,559 | $789,390 | | | | | $8,722,677 |
| **Out Years** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **FY2029** | **FY2030** | **FY2031** | **Totals** |
| Expenses / Consumables | | | | $2,415,533 | $3,220,710 | $3,269,021 | $3,285,124 | $821,281 | $13,011,668 |
| **Totals** | | | | | | | | | |
| **Grand Totals** | $1,805,669 | $2,970,059 | $3,157,559 | $3,204,922 | $3,220,710 | $3,269,021 | $3,285,124 | $821,281 | $21,734,345 |

| | |
|---|---|
| **Document Contact/Author:** | Terence Durham |

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Passive Security Screening/Weapons Detection | |
| **Business Owner:** Marlin Suell | **Business Owner Dept:** Police Department | **Contract Number:** PONCP-22627 |
| **Vendor/Supplier/Contractor:** Tech Systems, Inc. | **Source Selection Methodology:** Request for Proposals (Best Value) | **Fair and Reasonable Price Determination:** Adequate Competition |

**Revenue, Expense or Capital:**

Capital

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | 7/1/2023 – 6/30/2026 | $3,278,625 |
| **Out Years:** | 2 Year(s) | +950,526 |
| **Total:** | 7/1/2023 – 6/30/2028 | $4,229,151 |

**Lowest Bidder**

Is this contractor the lowest bidder/supplier? No
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? No, CAP contingency funds
FTE Impact: None

**Diversity**

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

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

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

Parkland

**SUBJECT:** Passive Security Screening/Weapons Detection

**VENDOR:** Tech Systems, Inc.

| **COST:** | | |
|---|---|---|
| | Base Term: | $3,278,625 |
| | Out Years: | + 950,526 |
| | Total: | $4,229,151 |

**Recommendation**
Approve this contract for Passive Security Screening/Weapons Detection.

**Background**
A Request for Proposal was completed for new Passive Security Screening/Weapons Detection systems for all Parkland facilities. We received three (3) proposals, and all were moved into the competitive range for evaluation.

Parkland will purchase thirty (30) units within the three year base period, with eight (8) units being purchased and installed immediately. Fees for the two (2) 1-year option periods are for the maintenance and support per unit only. Our current armed guard security services will provide the additional security to oversee the initial eight units.

**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** |
| | - | | | |
| Tech Systems | - **Exact Same System as Vendor – both are distributors of Evolv – *only difference was pricing***<br>-<br>- The Evolv system provided a true touchless detection system with the capability of identifying the location of weapons being concealed using AI technology. A Real-time metallic weapons detection, that allows visitors to simply walk through naturally, without slowing down the flow of traffic.<br><br>- The system is providing specific location of the threat within the person | - Only gave two (2) examples. | 45 | $0 |

| | | | | |
|---|---|---|---|---|
| | profile. Patient flow was good.<br>-<br><br>- Frictionless Screening: No stopping required. No emptying pockets or removing bags. Groups of people screened simultaneously, personal items do not require removal. Visitors simply walk through naturally<br><br>- 24 hour, 4 hour response by local technical support<br><br>- System provides options for fine-tuning of object screening to target only larger items to minimize unnecessary alarms for small it<br><br>- ems, e.g. cell phones, small pocket knives, nail clippers, etc. | | | |
| Vendor B | **Exact Same System as Tech Systems – both are distributors of Evolv - *only difference was pricing***<br><br>The system is providing specific location of the threat within the person profile. Patient flow was good<br>The Evolv system provided a true touchless detection system with the capability of identifying the location of weapons being concealed using AI technology. A Real-time metallic weapons detection, that allows visitors to simply walk through naturally, without slowing down the flow of traffic.<br><br>It does not require staff to come in close contact with visitors or touching their personal items, unless there's a positive alarm.<br><br>System provides options for fine-tuning of object | | 53.90 | $563,605.50 |

| | | | | |
|---|---|---|---|---|
| | screening to target only larger items to minimize unnecessary alarms for small items, e.g. cell phones, small pocket knives, nail clippers, etc.<br><br>Provided detailed IT technical integration details received automated firmware updates/upgrades in real time | | | |
| Vendor C | | - Not a passive weapons detection systems, alarmed with cellphones, keys, etc.<br><br>- Was not fine tunable, just larger steps next step up would miss weapons<br><br>-Slows, line turns into airport searches of everyone did not pinpoint location to search - increased need for manpower and additional screening equipment<br><br>- Stand-alone knowledge/learning base<br><br>- Can hold item out of range of detection defeating system detection due to single tower design | 37.90 | ($1,677,285) |

**Financial Forecast**

| **Base Term** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | |
|---|---|---|---|---|---|---|---|
| Expenses | $591,494 | $980,522 | $871,125 | $835,484 | | | $3,278,625 |
| **Out Years** | | | | | **FY2027** | **FY2028** | **Totals** |
| | | | | | $475,263 | $475,263 | $950,526 |
| **Grand Totals** | | | | | | | **$4,229,151** |

| | |
|---|---|
| **Document Contact/Author:** | Elizabeth Addleman |

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Cisco B200 M6 | |
| **Business Owner:** Joe Longo | **Business Owner Dept:** Information Technology | **Contract Number:** POIT-23003 |
| **Vendor/Supplier/Contractor:** Netsync | **Source Selection Methodology:** TXMAS or DIR Purchase | **Fair and Reasonable Price Determination:** Adequate Competition |

**Revenue, Expense or Capital:**

Capital

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | Last Signature – 7/7/2024 | $1,047,676 |
| **Out Years:** | 0 Year(s) | +$0 |
| **Total:** | Last Signature – 7/7/2024 | $1,047,676 |

**Lowest Bidder**

Is this contractor the lowest bidder/supplier? TXMAS or DIR Purchase

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

**Approvals**

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

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

**Financial**

Is Funding included in the applicable FY Budget? Yes

FTE Impact: None

**Diversity**

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

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

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

What % of this contract is M/WBE? 100%

M/WBE Race/Ethnicity? Hispanic

M/WBE Gender? Female

**Submitted By (Division VP):** Joe Longo, Senior Vice President & Chief Information Officer

Parkland

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

**SUBJECT:** Cisco B200 M6

**VENDOR:** Netsync

**COST:**

| | |
|---|---|
| Base Term: | $1,047,676 |
| Out Years: | + $0 |
| Total: | $1,047,676 |

**Recommendation**
Approve this contract for Cisco B200 M6.

**Background**
Project purpose it to purchase additional capacity needed due to the consumption of existing resources of memory and processors for servers. Our current server architecture is close to maximum capacity. Based on current and historical data, this infrastructure bulk/scale purchase will result in overall cost savings to Parkland.

**Fair and Reasonable Price Determination**
The TXMAS or DIR contract and pricing was obtained in a solicitation process performed by the State of Texas. Market research conducted through ECRI shows that Parkland price is 1.9% to 22.7% lower depending on the component than the average for other facilities. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

**Financial Forecast**

| Base Term | FY2023 |
|---|---|
| Equipment / Licenses | $1,047,676 |

| | |
|---|---|
| **Document Contact/Author:** | Andrew Barter |

# Board Approval Request For Modification to Contract or Funding

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Modification:** Mod # 4 Level III armed guard service for new security screening services | |
| **Business Owner:** Marlin Suell | **Business Owner Dept:** Police Department | **Contract Number:** PONCS-20399 A5 |
| **Vendor/Supplier:** Vets Securing America<br>**Basis of Original Contract Award** Request for Proposals (Best Value)<br>**Basis of this Modification** Non-Sole Source Modification | BOM Approved Contract Total (2/22/2023) | $610,335 |
| **Revenue, Expense or Capital:** Expense | Modification # 4 Amount: | $708,247 |
| **Original Start Date:** 1/1/2022<br>**Current Expiration:** 12/31/2023<br>**Mod Start Date:** 7/1/2023<br>**Expiration after this Mod:** 12/31/2024 | New Contract Amount: | $1,318,582 |

**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? | No |
| FTE Impact: | None |

**Diversity**

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

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

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

Parkland

**SUBJECT:** Mod # 4 Level III armed guard service

**VENDOR:** Vets Securing America

**COST:**

| | |
|---|---|
| BOM Approved Contract Total (2/22/2023) | $610,335 |
| Modification # 4: | + $708,247 |
| Total: | $1,318,582 |

**Recommendation**
Approve this contract modification to Level III armed guard service.

**Background**
The recent RFP for Passive Security Screening/Weapons Detection will require an increase of armed security personnel services currently being provided by VSA for oversight of the screening stations. The funds being requested are for the additional security screening guard services through the current contract term of 12/31/2023.

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

**Financial Forecast**

| Current Contract Amount | FY2023 | FY2024 | Total |
|---|---|---|---|
| $610,335 | $354,123 | $354,124 | $1,318,582 |

| | |
|---|---|
| **Document Contact/Author:** | Elizabeth Addleman |

Parkland

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Hybrid OR6 Lights with Booms and Integration | |
| **Business Owner:** Patrick Eaton | **Business Owner Dept:** Clinical Engineering | **Contract Number:** POCP-22971 |
| **Vendor/Supplier/Contractor:** STERIS Corporation | **Source Selection Methodology:** GPO Purchase | **Fair and Reasonable Price Determination:** Adequate Competition |

**Revenue, Expense or Capital:**

Capital

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | Last Signature – 5/31/2024 | $479,115 |
| **Out Years:** | 0 Year(s) | +$0 |
| **Total:** | Last Signature – 5/31/2024 | $479,115 |

**Lowest Bidder**

Is this contractor the lowest bidder/supplier? GPO Purchase

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

**Approvals**

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

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

**Financial**

Is Funding included in the applicable FY Budget? Yes

FTE Impact: None

**Diversity**

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

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

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

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

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

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

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

Parkland

**SUBJECT:** Hybrid OR6 Lights with Booms and Integration

**VENDOR:** STERIS Corporation

| **COST:** | | |
|---|---|---|
| | Base Term: | $479,115 |
| | Out Years: | + $0 |
| | Total: | $479,115 |

**Recommendation**
Approve this contract for Hybrid OR6 Lights with Booms and Integration.

**Background**
This is part of the second Hybrid OR project. This request includes the lights, booms, and integration needed. Steris is the vendor we have used on our last two boom projects.

**Fair and Reasonable Price Determination**
The GPO contract and pricing was obtained in a solicitation process performed by Vizient. Market research conducted through ECRI shows that Parkland price is 3.4% lower than the average for other facilities. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

**Financial Forecast**

| Base Term | FY2023 |
|---|---|
| Equipment / Licenses | $479,115 |

| **Document Contact/Author:** | Andrew Barter |
|---|---|

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Environmental Consulting Services | |
| **Business Owner:** Asma Momin | **Business Owner Dept:** Planning, Design and Construction | **Contract Number:** POCRE-22727 |
| **Vendor/Supplier/Contractor:** Terracon Consultants, Inc. | **Source Selection Methodology:** Request for Qualifications | **Fair and Reasonable Price Determination:** Adequate Competition |

**Revenue, Expense or Capital:**

Expense

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | 7/1/2023 –6/30/2026 | $270,000 |
| **Out Years:** | 2 Year(s) | +$180,000 |
| **Total:** | 7/1/2023 – 6/30/2028 | $450,000 |

**Lowest Bidder**

Is this contractor the lowest bidder/supplier? N/A-Request for Qualifications

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

**Approvals**

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

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

**Financial**

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

FTE Impact: None

**Diversity**

Potential for M/WBE engagement: Vendor will have M/WBE participation. The plan/program has been submitted and accepted.

Were M/WBE's Directly Solicited? Yes

Number Responding M/WBE's: 1

What % of this contract is M/WBE? 25% See M/WBE table

M/WBE Race/Ethnicity? See M/WBE table

M/WBE Gender? See M/WBE table

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

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

Parkland

**SUBJECT:** Environmental Consulting Services

**VENDOR:** Terracon Consultants, Inc.

| **COST:** | | |
|---|---|---|
| | Base Term: | $270,000 |
| | Out Years: | + $180,000 |
| | Total: | $450,000 |

**Recommendation**
Approve this contract for Environmental Consulting Services.

**Background**
Parkland Health over the period of three years will be constructing multiple ground up facilities varying in size from 30,000 square feet to 300,000 square feet which will require Environmental Consulting Services. These services will include but not be limited to hazardous materials survey, abatement procedures, Phase I, II, III Environmental Site Assessment Reports, remedial action plans in addition to providing advice to Planning Design & Construction staff on environmental and hazardous materials management issues. This is an indefinite delivery/ indefinite quantity contract (IDIQ).

| **Subcontractors Services MWBE-Totals** | | | |
|---|---|---|---|
| **Ethnicity** | **Gender** | **MWBE $** | **MWBE%** |
| White | Female | $13,500 | 3% |
| White | Female | $4,500 | 1% |
| White | Female | $13,500 | 3% |
| White | Female | $18,000 | 4% |
| White | Female | $9,000 | 2% |
| White | Female | $13,500 | 3% |
| White | Female | $9,000 | 2% |
| Asian Pacific | Male | $18,000 | 4% |
| Black | Male | $13,500 | 3% |
| **Total** | | **$112,500** | **25%** |

**Fair and Reasonable Price Determination**
Price was not a selection criterion for these Professional and Consulting Services. Per Texas Government Code 2254.004, "…a governmental entity shall: (1) first select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and (2) then attempt to negotiate with the provider a contract at a fair and reasonable price." Four statements of qualifications were received and evaluated.

| **Competitive Range** | | | |
|---|---|---|---|
| **Vendor** | **Key Strengths** | **Key Weaknesses** | **Non-Cost Score** |
| Terracon | Extensive healthcare experience | | 484 |

| | | | |
|---|---|---|---|
| Vendor B | Good examples of past projects. | | 464 |
| Vendor C | | Missing subs, experience not within timeframe | 406 |
| Vendor D | | Missing subs, no healthcare experience, missing dates | 404 |

**Financial Forecast**

| Base Term | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 | Totals |
|---|---|---|---|---|---|---|---|
| Expenses | $22,500 | $90,000 | $90,000 | $67,500 | | | $270,000 |
| **Out Years** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **Totals** |
| | | | | $22,500 | $90,000 | $67,500 | $180,000 |
| **Grand Totals** | $**22,500** | $**90,000** | $**90,000** | $**90,000** | $**90,000** | $**67,500** | $**450,000** |

| | |
|---|---|
| **Document Contact/Author:** | Steve Adrian |

# Board Approval Request For Modification to Contract or Funding

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Modification:** Mod # 1 Purchase Servers, Licenses and Accessories for the continued support of the camera system. | |
| **Business Owner:** Bruce McDaniels / Joe Longo | **Business Owner Dept:** Information Technologies | **Contract Number:** POIT-22098 A1 |
| **Vendor/Supplier:** Siemens Industry, Inc.<br>**Basis of Original Contract Award** GPO Purchase<br>**Basis of this Modification** Non-Sole Source Modification | BOM Approved Contract Total (2/22/2023): | $510,337 |
| **Revenue, Expense or Capital:** Capital | Modification # 1 Amount: | $413,823 |
| **Original Start Date:** 2/23/2023<br>**Current Expiration:** 2/22/2028<br>**Mod Start Date:** Last Signature<br>**Expiration after this Mod:** 5 Years | New Contract Amount: | $924,160 |

**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 |

**Diversity**

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

**Submitted By (Division VP):** Joe Longo, Senior Vice President & Chief Information Officer

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

Parkland

**SUBJECT:** Mod # 1 Purchase Servers, Licenses and Accessories for the continued support of the camera system.

**VENDOR:** Siemens Industry, Inc.

**COST:**

| | |
|---|---|
| BOM Approved Contract Total (2/22/2023): | $510,337 |
| Modification # 1: | + $413,823 |
| Total: | $924,160 |

**Recommendation**
Approve this contract modification to Purchase Servers, Licenses and Accessories for the continued support of the camera system.

**Background**
Security cameras are needed to help the Police Department and Parkland maintain physical security at all facilities. Most devices have exceeded the expected lifespan (and firmware support) of 5 years and security risks increase each year that the devices are used beyond the intended expectancy. A 4-year plan has been established to replace/install/upgrade existing video surveillance throughout the enterprise. This is the 2nd phase of this 4-year plan.

**Fair and Reasonable Price Determination**
The GPO contract and pricing was obtained in a solicitation process performed by Sourcewell. Market research conducted through ECRI notes that they do not have any previous purchase history. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

**Financial Forecast**

| Current Contract Amount | FY2023 | Total |
|---|---|---|
| $510,337 | $413,823 | $924,160 |

| | |
|---|---|
| **Document Contact/Author:** | Farrah Smith |

Parkland

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Purchase 20 Affinity Birthing Beds | |
| **Business Owner:** Marcus Cooper | **Business Owner Dept:** Clinical Engineering | **Contract Number:** POCP-22724 |
| **Vendor/Supplier/Contractor:** Hill-Rom Company, Inc. | **Source Selection Methodology:** GPO Purchase | **Fair and Reasonable Price Determination:** Adequate Competition |

**Revenue, Expense or Capital:**

Capital

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | Last Signature – 6/30/2025 | $274,339 |
| **Out Years:** | 0 Year(s) | +$0 |
| **Total:** | Last Signature – 6/30/2025 | $274,339 |

**Lowest Bidder**

Is this contractor the lowest bidder/supplier? GPO Purchase

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

**Approvals**

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

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

**Financial**

Is Funding included in the applicable FY Budget? Yes

FTE Impact: None

**Diversity**

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

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

Number Responding M/WBE's: 0

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

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

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

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

Parkland

**SUBJECT:** Purchase 20 Affinity Birthing Beds

**VENDOR:** Hill-Rom Company, Inc.

| **COST:** | | |
|---|---|---|
| | Base Term: | $274,339 |
| | Out Years: | + $0 |
| | Total: | $274,339 |

**Recommendation**
Approve this contract for Purchase 20 Affinity Birthing Beds.

**Background**

After reviewing the current inventory of 48 beds, it was noted that 20 of these beds are showing excessive wear. Nine (9) of the twenty (20) beds were transferred from Old Parkland and are 12 years old.

**Fair and Reasonable Price Determination**

The GPO contract and pricing was obtained in a solicitation process performed by Vizient. Market research conducted through ECRI shows that the Parkland price is 4.1% lower than average for other facilities. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

A fair and reasonable price was determined through adequate competition.

**Financial Forecast**

| Base Term | FY2023 |
|---|---|
| Equipment | $274,339 |

| **Document Contact/Author:** | Farrah Smith |
|---|---|

# Board Approval Request For Modification to Contract or Funding

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Modification:** Mod # 7 Water Treatment Services & Materials | |
| **Business Owner:** Travis Kobernick | **Business Owner Dept:** Clinical Engineering | **Contract Number:** PONCS-18218 R1 A3 |
| **Vendor/Supplier:** Veolia WTS Services USA, Inc.<br>**Basis of Original Contract Award** Request for Proposals (Best Value)<br>**Basis of this Modification** Non-Sole Source Modification | BOM Approved Contract Total (9/28/2022):<br>Modifications Totaling < $100,000 Modification # 6 Amount: | $642,525<br>$99,000 |
| **Revenue, Expense or Capital:** Expense | Modification that increases contract value to $100,000 more than BOM Approved Contract Total<br>Modification # 7 Amount: | $152,000 |
| **Original Start Date:** 7/1/2018<br>**Current Expiration:** 6/30/2023<br>**Mod Start Date:** 7/1/2023<br>**Expiration after this Mod:** 6/30/2024 | New Contract Amount: | $893,525 |

**Approvals**

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

**Financial**

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

**Diversity**

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

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

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

Parkland

**SUBJECT:** Mod # 7 Water Treatment Services & Materials

**VENDOR:** Veolia WTS Services USA, Inc.

**COST:**

| | |
|---|---|
| BOM Approved Contract Total (9/28/2022): | $642,525 |
| Modification # 6: | $99,000 |
| Modification # 7: | + $152,000 |
| Total: | $893,525 |

**Recommendation**
Approve this contract modification to Water Treatment Services & Materials.

**Background**
Veolia WTS Services USA, Inc. recently acquired Suez Treatment Solutions, Inc. Veolia WTS Services USA, Inc. is the contracted vendor for water treatment and bacteria testing services. The contract was awarded via competition, and additional time and funding are needed to make an assessment to determine if the services can be maintained by the hospital's internal Clinical Engineering Biomed team.

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

**Financial Forecast**

| Current Contract Amount | FY2023 | FY2024 | Total |
|---|---|---|---|
| $642,525 | $137,000 | $114,000 | $893,525 |

| | |
|---|---|
| **Document Contact/Author:** | William Jones |

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Sterile Processing Brushes | |
| **Business Owner:** Cheston Chan | **Business Owner Dept:** Perioperative Services | **Contract Number:** POCP-22272 |
| **Vendor/Supplier/Contractor:** Healthmark Industries Co. | **Source Selection Methodology:** Invitation for Bids | **Fair and Reasonable Price Determination:** Adequate Competition |

**Revenue, Expense or Capital:**

Expense

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | 6/29/2023 – 6/28/2026 | $150,000 |
| **Out Years:** | 2 Year(s) | +$100,000 |
| **Total:** | 6/29/2023 – 6/28/2028 | $250,000 |

**Lowest Bidder**

Is this contractor the lowest bidder/supplier? Yes

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

**Approvals**

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

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

**Financial**

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

FTE Impact: None

**Diversity**

Potential for M/WBE engagement: Vendor self performs; there are no opportunities through subcontractors, but supplier diversity received their corporate plan.

Were M/WBE's Directly Solicited? Yes

Number Responding M/WBE's: 1

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

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

**Submitted By (Division VP):** David Alexander, SVP, Nursing

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

Parkland

**SUBJECT:** Sterile Processing Brushes

**VENDOR:** Healthmark Industries Co.

| **COST:** | | |
|---|---|---|
| | Base Term: | $150,000 |
| | Out Years: | + $100,000 |
| | Total: | $250,000 |

**Recommendation**
Approve this contract for Sterile Processing Brushes.

**Background**
This for the purchase of Specialty Surgical Instrument Cleaning Brushes. An Invitation for Bid was completed and this award is to three vendors based on lowest line item pricing. One additional vendor will require board approval in this package, the third vendor forecasting spend does not require board approval. Each of the three vendors has provided different lowest cost options for the variety of products in this category that Parkland purchases.

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

**Financial Forecast**

| **Base Term** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **Totals** |
|---|---|---|---|---|---|---|---|
| Expenses / Consumables | $16,667 | $50,000 | $50,000 | $33,333 | | | $150,000 |
| **Out Years** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **Totals** |
| Expenses / Consumables | | | | $16,667 | $50,000 | $33,333 | $100,000 |
| **Grand Totals** | **$16,667** | **$50,000** | **$50,000** | **$50,000** | **$50,000** | **$33,333** | **$250,000** |

| **Document Contact/Author:** | Bryson Hendrix |
|---|---|

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** Sterile Processing Brushes | |
| **Business Owner:** Cheston Chan | **Business Owner Dept:** Perioperative Services | **Contract Number:** POCP-22981 |
| **Vendor/Supplier/Contractor:** Possible Missions 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:** | 6/29/2023 – 6/28/2026 | $140,000 |
| **Out Years:** | 2 Year(s) | +$80,000 |
| **Total:** | 6/29/2023 – 6/28/2028 | $220,000 |

**Lowest Bidder**

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

**Approvals**

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

**Financial**

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

**Diversity**

Potential for M/WBE engagement: This award is to a M/WBE vendor.
Were M/WBE's Directly Solicited? Yes
Number Responding M/WBE's: 1
What % of this contract is M/WBE? 100%
M/WBE Race/Ethnicity? Hispanic
M/WBE Gender? Female

**Submitted By (Division VP):** David Alexander, SVP, Nursing

Parkland

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

**SUBJECT:** Sterile Processing Brushes

**VENDOR:** Possible Missions Inc.

| **COST:** | | |
|---|---|---|
| | Base Term: | $140,000 |
| | Out Years: | + $80,000 |
| | Total: | $220,000 |

**Recommendation**
Approve this contract for Sterile Processing Brushes.

**Background**
This for the purchase of Specialty Surgical Instrument Cleaning Brushes. An Invitation for Bid was completed and this award is to three vendors based on lowest line item pricing. One additional vendor will require board approval in this package, the third vendor forecasting spend does not require board approval. Each of the three vendors has provided different lowest cost options for the variety of products in this category that Parkland purchases.

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

**Financial Forecast**

| **Base Term** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **Totals** |
|---|---|---|---|---|---|---|---|
| Expenses / Consumables | $14,667 | $44,000 | $44,000 | $29,333 | | | $132,000 |
| **Out Years** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **Totals** |
| Expenses / Consumables | | | | $14,667 | $44,000 | $29,333 | $88,000 |
| **Grand Totals** | **$14,667** | **$44,000** | **$44,000** | **$44,000** | **$44,000** | **$29,333** | **$220,000** |

| **Document Contact/Author:** | Bryson Hendrix |
|---|---|

# Board Approval Request For Contracts Over $200,000

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** MatriDerm Products | |
| **Business Owner:** Cheston Chan | **Business Owner Dept:** Perioperative Services | **Contract Number:** POCP-23044 |
| **Vendor/Supplier/Contractor:** Access Pro Medical | **Source Selection Methodology:** Sole Source | **Fair and Reasonable Price Determination:** Market Price |

**Revenue, Expense or Capital:**

Expense

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | Last Signature – 2 Years | $266,667 |
| **Out Years:** | 1 Year(s) | +$133,333 |
| **Total:** | Last Signature – 3 Years | $400,000 |

**Lowest Bidder**

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

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

**Approvals**

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

Does this contract have an IT Component? No

Does this contract have a Construction Component? No

**Financial**

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

FTE Impact: None

**Diversity**

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

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

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

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

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

**Submitted By (Division VP):** David Alexander, SVP, Nursing

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

Parkland

**SUBJECT:** MatriDerm Products

**VENDOR:** Access Pro Medical

| **COST:** | | |
|---|---|---|
| | Base Term: | $266,667 |
| | Out Years: | + $133,333 |
| | Total: | $400,000 |

**Recommendation**
Approve this contract for MatriDerm Products.

**Background**
MatriDerm is a bovine dermal substitute that can be used to create a new layer of skin (neodermis) on which an autograft can be applied. Product is primarily used for burn patients.

**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 4% lower than the average for other member hospitals. ECRI is a reputable, private benchmarking firm that collects pricing data covering numerous medical services and products.

**Financial Forecast**

| **Base Term** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **Totals** |
|---|---|---|---|---|---|---|---|
| Expenses / Consumables | $44,444 | $133,333 | $88,889 | | | | $266,667 |
| **Out Years** | **FY2023** | **FY2024** | **FY2025** | **FY2026** | **FY2027** | **FY2028** | **Totals** |
| Expenses / Consumables | | | $44,443 | $88,890 | | | $133,333 |
| **Grand Totals** | **$44,444** | **$133,333** | **$133,333** | **$88,890** | | | **$400,000** |

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

| **Document Contact/Author:** | Bryson Hendrix |
|---|---|

# Board Approval Request For Modification to Contract or Funding

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Modification:** Mod # 1 Overstitch Suturing System | |
| **Business Owner:** Cheston Chan | **Business Owner Dept:** Perioperative Services | **Contract Number:** POCP-19790 |
| **Vendor/Supplier:** Apollo Endosurgery<br>**Basis of Original Contract Award** Sole Source<br>**Basis of this Modification** Sole Source Modification | Current Contract Amount: | $199,000 |
| **Revenue, Expense or Capital:** Expense | Modification # 1 Amount: | $180,000 |
| **Original Start Date:** 10/7/2019<br>**Current Expiration:** 10/6/2023<br>**Mod Start Date:** 5/1/2023<br>**Expiration after this Mod:** 4/30/2024 | New Contract Amount: | $379,000 |

**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 |

**Diversity**

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

**Submitted By (Division VP):** David Alexander, SVP, Nursing

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

Parkland

**SUBJECT:** Mod # 1 Overstitch Suturing System

**VENDOR:** Apollo Endosurgery

| **COST:** | | |
|---|---|---|
| | Current Contract Amount: | $199,000 |
| | Modification # 1: | + $180,000 |
| | Total: | $379,000 |

**Recommendation**
Approve this contract modification to Overstitch Suturing System.

**Background**
These implant products are used in the GI Lab. The system enables advanced endoscopic procedures by allowing physicians to place sutures through a flexible endoscope and provide secure approximation of tissue endoscopically. Increased usage began in 2022 with an average monthly spend of $9,000. Prior to 2022, average monthly spend was between $1,000 to $3,000. The increased usage is due to operational needs. Parkland has seen an increase in Peroral endoscopic myotomy (POEM) and Endoscopic submucosal dissection (ESD) procedures which use Overstitch. This extension is for 6-months because this is the furthest out the vendor is allowing the contract to extend without increasing pricing.

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

**Financial Forecast**

| Current Contract Amount | FY2023 | FY2024 | Total |
|---|---|---|---|
| $199,000 | $75,000 | $105,000 | $379,000 |

**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 |
|---|---|

# Monthly Ratification Report

## Require Board Approval

| Contract Date | Contract Number | Vendor Name | Description | Amount | Cost Center Number | Department |
|---|---|---|---|---|---|---|
| 4/14/2023 | PONCS-22967, PONCS-22966, PONCS-22965, PONCS-22964, PONCS-22963, PONCS-22962, PONCS-22961, PONCS-22960, PONCS-22958 | Innovation Associates, Inc. | New prescription filling machines and associated licenses, instalation, and technical support | $6,128,424 | 70690 | Pharm-Administration |
| 6/2/2023 | POCP-21665 A3 | Shockwave Medical Inc. | Intravascular Lithotripsy ("IVL") Products | $448,000 | 70410 | Cardiac Labs |

**CEO Approval**

Fred Cerise

Fred Cerise (Jun 14, 2023 15:23 CDT)

Dr. Fred Cerise

Jun 14, 2023

Date

Parkland

# Ratification Request
# New Contract

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Product or Service:** New prescription filling machines and associated licenses, installation, and technical support | |
| **Business Owner:**<br>Carrie Berge | **Business Owner Dept:**<br>Pharmacy Department | **Contract Numbers:**<br>PONCS-22967, PONCS-22966, PONCS-22965, PONCS-22964, PONCS-22963, PONCS-22962, PONCS-22961, PONCS-22960, PONCS-22958 |
| **Vendor/Supplier/Contractor:**<br>Innovation Associates, Inc. | **Source Selection Methodology:**<br>Sole Source | **Fair and Reasonable Price:**<br>District Internal Estimates |

**Revenue, Expense or Capital:**

Capital and Expense-Ratification

| | Contract Dates | Contract Price |
|---|---|---|
| **Base Term:** | Amount to be ratified:<br>Amount going forward:<br><br>Total for 4/14/2023 – 4/13/2024: | $1,832,116<br>+$4,296,308<br><br>$6,128,424 |
| **Out Years:** | 0 Year(s) | +$0 |
| **Total:** | 4/14/2023 – 4/13/2024 | $6,128,424 |

**Lowest Bidder**

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

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

N/A

**Approvals**

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

Does this contract have an IT Component? Yes; and IT approved

Does this contract have a Construction Component? No

**Financial**

Is Funding included in the applicable FY Budget? Yes

FTE Impact: None

**Diversity**

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

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

Number Responding M/WBE's: 0

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

M/WBE Race/Ethnicity? N/A

M/WBE Gender? N/A

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

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

Parkland

**SUBJECT:** New prescription filling machines and associated licenses, installation, and technical support

**VENDOR:** Innovation Associates, Inc.

| **COST:** | | |
|---|---|---|
| | Base Term: | $6,128,424 |
| | Out Years: | + $0 |
| | Total: | $6,128,424 |

**Recommendation**
Approve this contract for New prescription filling machines and associated licenses, installation, and technical support.

**Ratification Reason**
The statements of work were signed prior to receiving Board approval due to an unintentional, administrative oversight.

**Background**
District has a standardized integration and automation for robotic assisted pill and box pickers utilized in the pharmacies at Parkland to reduce error and expedite medication dispensing, with Innovation Associates, Inc.. These highly specialized and industry specific machines and associated software integrations are being phased out or at end of life with the vendor, necessitating upgrade to the current platforms to maintain essential existing operations. Under District's Master Purchase Agreement (PONCS-22262) with iA, there are nine (9) statements of work, representing the specific devices and software for each respective District pharmacy.

| Contracts+ Number | Contract Amount | Pharmacy |
|---|---|---|
| PONCS-22967 | $210,174 | Southeast Pharmacy |
| PONCS-22966 | $210,174 | Bluitt Pharmacy |
| PONCS-22965 | $374, 366 | Anderson Clinic |
| PONCS-22964 | $20,010 | C.V.Roman Health Center Pharmacy |
| PONCS-22963 | $210,174 | Moody (Out-patient center) Pharmacy |
| PONCS-22962 | $210,174 | Hatcher Station Pharmacy |
| PONCS-22961 | $210,174 | Garland Pharmacy |
| PONCS-22960 | $210,174 | deHaro Pharmacy |
| PONCS-22958 | $4,473,004 | Central Fill Pharmacy |

**Fair and Reasonable Price Determination**
The prices affiliated with the statements of work were determined to be fair and reasonable based off District internal estimates by the Pharmacy subject matter experts.

**Financial Forecast**

| Base Term | FY2023 |
|---|---|
| Maintenance | 77,694 |
| Equipment / Licenses | 6,050,730 |
| **Totals** | **6,128,424** |

**Sole Source Justification**

This contract is for a good or service for which there is only one acceptable source. The products/services are upgrades and/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:** | Jaquithia Stinson |

Parkland

# Ratification Request Contract Modification

| | | |
|---|---|---|
| **BOM Date:** June 28, 2023 | **Modification:** Mod to Add Funds Intravascular Lithotripsy ("IVL") Products | |
| **Business Owner:** Cheston Chan | **Business Owner Dept:** Perioperative Services | **Contract Number:** POCP-21665 A3 |
| **Vendor/Supplier:** Shockwave Medical Inc.<br>**Basis of Original Contract Award** Sole Source<br>**Basis of this Modification** Sole Source Modification | Current Contract Amount: | $198,000 |
| **Revenue, Expense or Capital:** Expense-Ratification | Amount to be Ratified:<br>Amount to be Approved (going forward): | $60,000<br>$190,000 |
| **Original Start Date:** 3/1/2020<br>**Current Expiration:** 3/1/2024<br>**Mod Start Date:** 6/2/2023<br>**Expiration after this Mod:** 3/1/2024 | New Contract Amount: | $448,000 |

**Approvals**

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

**Financial**

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

**Diversity**

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

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

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

Parkland

**SUBJECT:** Mod to Add Funds Intravascular Lithotripsy ("IVL") Products

**VENDOR:** Shockwave Medical Inc.

| **COST:** | | |
|---|---|---|
| | Current Contract Amount: | $198,000 |
| | Amount to be Ratified | $60,000 |
| | Amount to be Approved (going forward): | +$190,000 |
| | Total: | $448,000 |

**Recommendation**
Approve this contract modification to Intravascular Lithotripsy ("IVL") Products.

**Ratification Reason**
The original intended use for this IVL product was to support a single department and service line for peripheral procedures. It is now being used in coronary procedures as well to improve patient care. This has increased the usage by @ 400% over original estimates.

**Background**
Intravascular lithotripsy is used to open narrowed or blocked arteries in the heart to allow efficient blood flow. This is accomplished through the introduction of a catheter into the blockage area and insertion of a stent.

**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 on average 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 | FY2023 | FY2024 | Total |
|---|---|---|---|
| $198,000 | $83,333 | $166,667 | $448,000 |

**Sole Source Justification**
This contract is for a good or service for which it is impractical to obtain competition. This is a process that is required to properly place an implant.

| **Document Contact/Author:** | Bryson Hendrix |
|---|---|

**CONTRACT RESOLUTION**
**Board of Managers**
**June 28, 2023**

# 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 | Third Party Administration of Employee Health Plan and Pharmacy Benefit Management Services | Cigna Health and Life Insurance Company “CHLIC” | 1/1/2024 - 12/31/2026 | $21,734,345 | Yes |
| | | | Capital | Passive Security Screening/Weapons Detection | Tech Systems, Inc. | 7/1/2023 - 6/30/2026 | $4,229,151 | No, CAP contingency funds |
| | | | Capital | Cisco B200 M6 | Netsync | Last Signature - 7/7/2024 | $1,047,676 | Yes |
| | | | Expense | Mod #4 Level III armed guard service | Vets Securing America | 1/1/2022 - 12/31/2024 | $1,318,582 | No |
| | | | Capital | Hybrid OR6 Lights with Booms and Integration | STERIS Corporation | Last Signature - 5/31/2024 | $479,115 | Yes |
| | | | Expense | Environmental Consulting Services | Terracon Consultants, Inc. | 7/1/2023 - 6/30/2026 | $450,000 | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. |
| | | | Capital | Mod #1 Purchase Servers, Licenses and Accessories for the continued support of the camera system. | Siemens Industry, Inc. | 2/23/2023 - 5 Years | $924,160 | Yes |
| | | | Capital | Purchase 20 Affinity Birthing Beds | Hill-Rom Company, Inc. | Last Signature - 6/30/2025 | $274,339 | Yes |
| | | | Expense | Mod #7 Water Treatment Services & Materials | Veolia WTS Services USA, Inc. | 7/1/2018 - 6/30/2024 | $893,525 | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. |
| | | | Expense | Sterile Processing Brushes | Healthmark Industries Co. | 6/29/2023 - 6/28/2026 | $250,000 | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. |
| | | | Expense | MatriDerm Products | Access Pro Medical | Last Signature - 2 Years | $400,000 | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. |
| | | | Expense | Mod #1 Overstitch Suturing System | Apollo Endosurgery | 10/7/2019 - 4/30/2024 | $379,000 | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. |
| | | | Capital and Expense-Ratification | New prescription filling machines and associated licenses, installation, and technical support | Innovation Associates, Inc. | 4/14/2023 - 4/13/2024 | $6,128,424 | Yes |
| | | | Expense-Ratification | Mod to Add Funds Intravascular Lithotripsy (“IVL”) Products | Shockwave Medical Inc. | 3/1/2020 - 3/1/2024 | $448,000 | Yes, for the current fiscal year. Additional years costs will be budgeted in the appropriate fiscal year budgets. |

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

Dated this 28th of June, 2023.

_____
Marjorie D. Petty, JD
Chair

_____
Steve Roth, JD, MPH
Assistant Secretary

| | | | | |
|---|---|---|---|---|
| Marjorie Petty, JD | Yes _____ | No _____ | Abstain _____ | Absent _____ |
| Ramon Miguez, PE | Yes _____ | No _____ | Abstain _____ | Absent _____ |
| Lisa Sutter | 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 _____ |
| Vincent Hall | Yes _____ | No _____ | Abstain _____ | Absent _____ |
| Farida Minner, RN | Yes _____ | No _____ | Abstain _____ | Absent _____ |
| Elizabeth Palacios, MD | Yes _____ | No _____ | Abstain _____ | Absent _____ |
| John Proctor | Yes _____ | No _____ | Abstain _____ | Absent _____ |

# Approve Capital Substitutions

**Parkland Health**
**2023 Capital Substitution**
**For June 2023 Board Meeting**

| Ref # | Division | Amount | Description | Explanation |
|---|---|---|---|---|
| 1 | Correctional Health | $1,175,066 | Pharmacy Automation Correctional Health Swisslog- **CAPREQ 32181** | Current automation was implemented in November 2009. Since that time over 37 million packets and 50 million doses have been produced. This automation assists in providing medications to over 3500 patients at least once daily. The hardware has surpassed the expected life span and needs to be replaced. An additional $185,066 is being requested due to the change in vendor from Swisslog to Parata Systems. Swisslog is no longer accepting new orders. **$990,000 was the initial budget for this project. $185,066 is being requested in contingency funds.** |
| | | **$1,175,066** | | |

**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 $1,175,066 for FY23 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 _____2023.

_____
Marjorie Petty, JD
Chair

_____
Steven Roth, JD, MPH
Assistant Secretary

| | | | | |
|---|---|---|---|---|
| Marjorie Petty, JD | Yes_____ | No _____ | Abstain _____ | Absent _____ |
| Ramon Miguez, PE | Yes_____ | No _____ | Abstain _____ | Absent _____ |
| Lisa Sutter | 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 _____ |
| Vincent Hall | Yes_____ | No _____ | Abstain _____ | Absent _____ |
| Farida Minner, RN | Yes_____ | No _____ | Abstain _____ | Absent _____ |
| Elizabeth Palacios, MD | Yes_____ | No _____ | Abstain _____ | Absent _____ |

# Approve PCHP Board Appointments

# PCHP At-Large Board Member Appointment

- **PCHP bylaws allow for 7-9 Directors:**
  - Chair and Vice-Chair of DCHD Board of Managers
  - DCHD CEO, COO, and CCO
  - Up to 4 non-mandated positions

- **Current Board Members:**
  - Fred Cerise, MD
  - Edmundo Castañeda
  - Roberto de la Cruz, MD
  - Marjorie Petty, JD
  - Ramon Miguez, PE
  - David Koford (appointed in 2017)

- **PCHP wishes to nominate Martha Grothaus and Ryan Franza to fill vacant non-mandated directorship beginning immediately.**

# Ryan Franza

Marsh McLennan | SVP & Regional Sales Leader, Employee Health & Benefits

## Career History:

- In 2012, Ryan joined Mcqueary Henry Bowles Troy (MHBT) which then was acquired by Marsh McLennan Agency in 2015. Ryan works with mid to large size employers consulting on a variety of different funding arrangements in order to develop long-term cost saving healthcare strategies. His team also supports clients with their employer/employee communication needs, as well as keeping them up to date with all compliance regulations. Currently Ryan and his team work with 47 employers nationwide accounting for over 25,000 members on health insurance.
- In addition to Ryan's Senior Vice President role in the Dallas office, Ryan leads MMA's Southwest Region as a Regional Sales Leader. He specifically supports the sales operations and growth strategy for MMA's Austin, San Antonio, Houston, and New Orleans offices.
- Ryan resides in Heath, TX with his wife Brittany and two boys, Cru (5) and Kase (2). They enjoy outdoor activities, sports, being on the lake, and spending time at their family ranch in Mount Pleasant, TX.

## Education/Certifications/Professional Affiliations:

- Ryan graduated from Texas A&M University in 2011 and began his insurance career at Sun Life Financial as a Sales Representative specializing in life, disability, dental, and stop-loss insurance. Ryan then went on to earn Rookie Of The Year in his first year at Sun Life Financial.

# Martha Grothaus

PricewaterhouseCoopers | Director, Private & Assurance Services

## Career History:

- Martha Grothaus is a finance professional with a deep understanding of financial information and its practical application in decision-making. Martha's career began at PwC, where she spent three years on tour in the United Kingdom, gaining valuable experience and working with professionals from diverse backgrounds. Currently serving as a Director for PwC, Martha works with clients in North Texas across various industries. Her open and honest communication style, coupled with her problem-solving skills, has earned her the trust and respect of both her teams and clients.

- Martha is passionate about volunteerism and community engagement, actively participating in fundraising efforts for the Down Syndrome Association of Greater Cincinnati as a member of 'Team Dylan.' Through their annual fundraisers, they have contributed over $30,000 annually for the past ten years, benefiting individuals with Down syndrome and their families.

- In addition to her involvement with Down Syndrome Association of Greater Cincinnati. Martha was a dedicated volunteer and board member at the Literacy Network of Greater Cincinnati. She has coordinated a program between PwC and a local school, promoting literacy development. Martha has also taken the lead in fundraising efforts for the organization's annual event and smaller initiatives throughout the year.

## Education/Certifications/Professional Affiliations:

- Martha holds a Bachelor of Science degree in Business Administration with a specialization in Accountancy from the University of Louisville.

# Approve Utilization Management Plan

# CM-U-12 Utilization Management Plan

Background:

- Last published 7/29/22 and reviewed annually.
- Management has no recommended changes for the 2020-2021 version

Reviews and approvals of this version:

- Robert Zubrod, Director of Clinical Resource Management
- Monal Shah, MD
- Utilization Management Committee (5/17/23)
- Medical Executive Committee (5/18/23)
- Board Quality of Care & Patient Safety Committee (5/24/23)
- Board of Managers (scheduled for 6/28/23)

Parkland

**2023~~2~~ - 2024~~3~~**

**Utilization Management Plan**

## I. Program Objectives

The objective of the Utilization Management Plan and program is to support the hospital's mission and vision by ensuring the appropriate allocation of hospital resources. Further, the plan establishes the hospital and medical staff's responsibility to provide high-quality, medically necessary and efficient services in keeping with professionally recognized standards of care. It is the policy of Parkland Health ~~& Hospital System~~ to have and to follow a comprehensive Utilization Management Plan that meets all regulatory and medical necessity requirements.

## II. Plan Purpose

The Utilization Management Plan describes the hospital's establishment and implementation of Utilization Management (UM) functions to ensure the quality, appropriateness and efficiency of care and resources furnished by the facility and medical staff. Under this plan and associated policies and procedures, the hospital:

- Complies with the Center for Medicare and Medicaid Services Conditions of Participation for UM as described in §482.30 and for Discharge Planning as described in §482.43
- Recognizes the patient's right to receive the right care at the right time in the right place;
- Delineates the roles, responsibilities, and authority for individuals involved in various internal and external UM functions;
- Recommends resources for UM and discharge planning processes;
- Establishes mechanisms to review the medical necessity of admissions, continued stays, extended stays, professional services, and appropriateness of setting;
- Conducts review of outlier cases based on extended length of stay and/or extraordinarily high costs;
- Identifies over-utilization, under-utilization and inefficient utilization of resources;
- Implements an effective and timely discharge planning program in conjunction with the Care Management team;
- Describes processes for meeting third-party-payer certification/authorization requirements;

- Implements procedures to handle denials, appeals and peer review in keeping with federal, state, and payer requirements; and
- Ensures an adequate reporting and documentation system for UM to include data to be collected, mechanisms for sound data analysis, and expectations for corrective action when indicated.

III. Scope

The organization as a whole participates in UM efforts. These efforts are performed on a daily basis in an attempt to manage costs and improve patient outcomes. The plan applies to all patients, regardless of payment source.

IV. Delineation of Responsibilities, Duties and Authority

A. Parkland Health ~~and Hospital~~ Board of Managers

1. Reviews/ approves the organization's UM program and plan along with annual appraisals/revisions.
2. Provides sufficient resources for effective UM and Discharge Planning.
3. Delegates authority and responsibility for plan implementation to the UM Committee of the Medical Staff.
4. Mandates that UM, discharge planning, and other pertinent activities are performed as described in the plan and that associated objectives are met.
5. Considers recommendations from Medical Executive Committee (MEC) as may be related to UM and implementation of this plan.

B. Chief Executive Officer and Chief Medical Officer

1. Ensures that the UM Committee and designated hospital staff effectively perform the functions described in the plan.
2. Allocates resources needed to comply with this plan and related policies/procedures.
3. Substantiates that hospital departmental and organization-wide processes and systems support medically necessary, efficient, and coordinated care and services.
4. Ensures that utilization program indicators are regularly evaluated and integrated into the organization's quality improvement program.
5. Monitors and ensures compliance with applicable regulatory and payer requirements.
6. Monitors and ensures appropriate response to audit results, Recovery Audit Contractors (RAC) adverse findings, and payer-issued denials.

C. Medical Executive Committee

1. Provides structural, procedural, and enforcement support of UM activities to include mechanisms for peer review.
2. Annually reviews, evaluates, and approves the UM Plan.

3. Approves criteria to evaluate the appropriateness of admissions, continued stays, and professional services.
4. Approves and supports polices/procedures necessary for effective UM and Discharge Planning programs that meet federal, state, and payer requirements.
5. Holds members of the medical staff accountable for providing medically necessary health care that meets professionally recognized quality standards.
6. Receives, analyzes and acts on UM findings and recommendations.
7. Collaborates with hospital leaders to ensure efficient and appropriate use of hospital health services and facilities.
8. Ensures the maintenance of consistently valid, accurate and complete medical record information to justify diagnoses, admissions, treatment, and continued care.

D. Utilization Management Committee (UMC)

Committee Structure

1. The UMC is a committee of the medical staff that meets at least quarterly and is accountable to the MEC.
2. The committee consists of a minimum of two members of the medical staff who do not have a direct financial interest in the hospital (ownership of 5% or more).
3. Voting members of the committee shall be selected based on Parkland Health ~~& Hospital System~~ medical staff bylaws, rules and regulations.
4. All Voting members shall be required to attend a minimum of sixty percent of the scheduled UMC meetings.
5. Non-voting members of the UM committee shall include, but not be limited to the Director of Care Management, COO, CNO, and other members as designated.

Functions

1. Completes annual review/revision of the UM Plan and submits the plan to the MEC and governing body for approval.
2. Establishes and ensures implementation of effective UM policies and procedures that comply with regulatory and accreditation requirements.
3. Identifies and addresses under-utilization and over-utilization of services.
4. Ensures that the rights of Medicare beneficiaries (or authorized representatives) are honored with respect to coverage decisions and discharge planning.
5. Keeps the medical staff apprised of regulatory changes, payer requirements, and opportunities for improvement related to utilization/case management.
6. Supports adoption of clinical care guidelines, protocols, and other measures designed to improve the quality, efficiency, and effectiveness of patient care.
7. Performs and/or coordinates physician advisory and peer review functions pertaining to utilization review.
8. Establishes meaningful UM indicators for provider profiles as a component of ongoing practitioner performance evaluation.

E. Physician Advisor (PA)

1. Meets requirements of written position description.
2. Serves as a standing or ad hoc member of the UMC.
3. May serve as the chair of the UMC.
4. Reviews cases referred by Care Management for concurrent and secondary review.
5. Refrains from participating in reviews of cases when conflict of interest exists.
6. Communicates with the attending and/or consulting physicians regarding admissions or concurrent stays that do not appear to have sufficient medical justification/documentation.
7. Documents adverse decisions and actions taken.
8. Assists UM staff in writing appeal letters.
9. Chief PA coordinates all aspects of the PA program.

V. Responsibilities and Authority of the Quality Improvement Organization, Fiscal Intermediary, and/or Contractor

The hospital will maintain an agreement with the QIO to review the admissions, quality, appropriateness and diagnostic information related to inpatient services for Medicare patients. There should be an appropriate signed Memorandum of Understanding (MOU) with the QIO and the hospital. This document will delineate the duties of both entities.

VI. Review Processes

Medical record information is evaluated against lnterQual criteria/MCG when required by Fiscal Intermediary or payer plan to evaluate and ensure that care and services provided to all patients, including Medicare and Medicaid patients are medically necessary and delivered in the proper setting.

A. Pre-admission Certification/Authorization Reviews

Pre-admission certification/authorization reviews occur prior to planned hospitalizations and/or outpatient invasive procedures. When feasible, preadmission review may also occur for patients admitted from the Emergency Department with an urgent/emergent diagnosis to ensure the patient is placed in the most appropriate setting.

1. It is the organization's responsibility to obtain and verify any payer required pre-authorizations for patients who will be undergoing scheduled elective procedures regardless of whether the cases will be done on an inpatient or outpatient basis. CMS guidelines specifically designating "inpatient only procedures" will be monitored for compliance.
2. In keeping with written procedure, the hospital verifies the appropriateness and medical necessity of scheduled invasive procedures and/or elective hospitalizations, including patients placed in either an inpatient or observation level of care. Medical record documentation must include information to support the following:

a. Medical necessity and appropriateness of care setting.
b. Appropriateness of any requested preoperative days.
c. Appropriateness of any planned procedures and/or ancillary and professional services, including drugs and biologicals.

3. When medical necessity cannot be verified based on InterQual/MCG criteria, adverse determination procedures are implemented as described in Section VII of this plan.

B. Admission Reviews

1. Admission reviews are coordinated by the Care Management department and are performed on inpatient and outpatient observation cases prior to, during, or after hospital admission.
2. Normal vaginal and C-section deliveries shall be reviewed when outside of the normal established average length of stay, based on medical necessity.
3. Medical record documentation must include information to support the following:
   a. Medical necessity and appropriateness of care setting.
   b. Appropriateness of any planned procedures and/or ancillary and professional services, including drugs and biologicals.
4. When medical necessity cannot be verified based on lnterQual/MCG criteria and discussion with the admitting/attending physician is unsuccessful, the case will be referred to the PA for review and intervention. Final decisions will be made by two members of the UMC.
5. Admission authorization processes for third-party payers are coordinated by Patient Financial Services. Payer-specific criteria for managed care and other payer plans may be applicable.

C. Concurrent Review/Subsequent Review/Extended Stay Review

I. Review is performed on an ongoing basis for inpatient and outpatient observation to ensure that the services rendered to the patient are medically necessary, meet professionally recognized standards of care, and are provided in the appropriate environment.
2. Concurrent review is performed, at a minimum, with the frequency specified by the payer group or InterQual/MCG guidelines. This process includes evaluation of cases reasonably assumed to be "extended" or "outliers" by virtue of the length of stay or resources expended.
3. When medical necessity cannot be verified based on lnterQual/MCG criteria and discussion with the admitting/attending physician is unsuccessful, the case will be referred to the Physician Advisor (PA) for review and intervention. Final decision will be made by two members of the UMC.
4. Continued stay third-party payer authorization activities are coordinated by the Care Management department. Payer-specific criteria for managed care and other payer plans may be applicable.
5. Cost and length-of-stay outlier cases are carefully followed to ensure medical necessity and appropriateness of care and services. Outlier cases are considered high priority by the patient care team and are among the

patients discussed during regular patient care team meetings. These cases may also be referred to the complex case committee for augmented review.

VII. Adverse Determination

A. Cases identified by Care Management which meet the elements of Condition 44 shall be handled according to policy # CM-U-03 Condition Code 44.

B. Denials by Health Plans
   1. In the event that a health plan denies an admission, denies continued stay, or authorizes a different level of care (i.e., outpatient observation rather than an inpatient stay), the Care Management department will initiate the appeal process as appropriate following subsequent review and discussion with the patient's provider.
   2. Decisions regarding the provision of ongoing service and discharge are based on the care required or the identified needs of the patient, regardless of the external agency's recommendation. Justification for the course of action taken is documented. Information from the external entity is collected and incorporated into our assessment and improvement activities.
   3. If the admission or continued stay in question is determined to be justified, the attending physician shall be informed of the decision and an appropriate date set for subsequent continued stay reviews noted in the coordinator's review sheet and in the patient's record.

VIII. Professional Services Review and Medical Care Evaluation Studies

A. The UMC and/or other designated medical staff committees shall evaluate medical necessity and appropriateness associated with operative/invasive procedures and utilization of blood products and pharmaceuticals.

B. The UMC reviews professional services provided to determine medical necessity and to promote the most efficient use of available health facilities and services. Professional services include aspects of care rendered by but not limited to laboratory personnel, physical therapists, nurses, medical imaging personnel, and other members of the medical staff.
   1. Ongoing and/or focused review of professional services and medical care will evaluate the following:
      a) Under-utilization of available and necessary services;
      b) Overuse or inappropriate use of services
      c) Services not provided in the most appropriate setting/level of care;
      d) Timeliness of scheduling and provision of services;
      e) Issues that contribute to variance (unnecessary) hospital days;
      f) Quality of clinical documentation to support medical necessity
      g) Patient flow;
      h) One-day hospitalizations;
      i) Thirty day readmissions;
      j) Effectiveness of discharge planning and coordination of care across the continuum.

2. The UMC may request analysis from various allied health personnel or specified departments within the hospital.
3. Data that is used must be obtained from one or more of the following sources:
   a) Medical records or other appropriate hospital documents.
   b) Internal electronic data reports.
   c) External organizations that compile statistics, design profiles, and produce other comparative data.
   d) Cooperative endeavors with QIOs, fiscal agents/contractors, other service providers, or other appropriate agencies.
4. Findings from studies are presented at either the UMC or another appropriate medical staff committee with authority to evaluate the appropriateness, effectiveness, efficiency, and timeliness of care.
   a) Actions are taken when results indicate an opportunity for improvement.
   b) Results may be incorporated into regular Peer Review and/or OPPE that are evaluated as a component of the organization's credentialing/privileging activities.
5. Other Reviews
   a) The committee will honor requests to review individual cases by any physician on the medical staff.
   b) The committee will also review cases referred to it by other sources within the hospital.
   c) The committee also reviews and evaluates criteria and length of stay norms used by the Utilization Management review program, including any ancillary health care professionals who develop criteria for review related to the services they provide.

## IX. Discharge Planning

A. The organization requires effective and timely discharge planning for all patients. Organizational policies and procedures provide guidance for the collaborative process that involves physicians, key clinical disciplines, and patients (or their legal representatives). Patients and their families are educated about and involved in formulating post-discharge care plans.
B. The Admission nurse and case manager/social worker for each patient initiates the discharge assessment and planning process as soon as possible after admission or the next business day based on the bio-psychosocial needs of the patient. The care manager/social worker will develop a discharge plan for any patient with identified post-discharge needs and/or if the physician/patient/family requests that a discharge plan be developed.
C. The patient's discharge plan is re-evaluated as necessary to identify and address factors that may arise as a result of the patient's response to care/treatment.
D. A care manager or social worker is assigned to coordinate discharge planning for high priority patients. Patients in need of special post-discharge services, those who have complex medical conditions, an environment deemed to be unsafe, or those unable to be safely cared for at home are considered high priority. These patients and/or their legal representatives are provided information about appropriate post-discharge services based on geography and/or contracts with their payer. Patients/representatives are informed of their right to choose post-

discharge provider(s) in keeping with the Social Security Act § 1861 (ee). Patients are likewise informed about any providers with whom the hospital has a financial interest.

E. The Care Management department maintains complete and accurate information about community- based services and facilities including long-term care, sub-acute care, home care, hospice, durable medical equipment providers, and other potential resource providers.

F. In keeping with HIPAA, the hospital communicates accurate and pertinent information about the patient's medical condition and treatment needs to appropriate continuing care providers so as to assure safe care. The patient's medical record must contain sufficient information in the discharge summary or progress notes to describe the patient's condition at discharge as well as special discharge plans and applicable instructions regarding post discharge care.

G. The hospital will issue to all Medicare patients the "Important Message from Medicare" (IM) as required by CMS.

1. Within 2 calendar days of the day of admission, the hospital issues the IM and obtains the signature of the Medicare beneficiary or his or her representative to indicate that he/she received and understood the notice. As soon as possible prior to discharge, but no more than 2 days before discharge, the IM, or a follow-up copy of the signed IM, is provided to each Medicare beneficiary.
2. A Hospital-Issued Notice of Non-coverage (HINN) must also be provided to any beneficiary who expresses dissatisfaction with an impending hospital discharge as required by the Social Security Act. The timeframe shall be consistent with COP regulations and detailed in a separate policy.

H. As specified by the Notice of Observation Treatment Act, the hospital will issue notification to all Medicare and Medicare Advantage patients receiving observation services as an outpatient for more than 24 hours and no later than 36 hours after the time each individual begins receiving such services (or sooner, upon release)

1. The written and verbal notification will include:
   a) The reason for receiving observation services.
   b) An explanation of the implications of such status on services furnished by the hospital, such as the implications of cost-sharing requirements and for subsequent eligibility for coverage under this title for services by a skilled nursing facility (SNF)
2. The hospital will obtain the signature of the patient or an individual acting on behalf of the patient
3. The patient will receive a paper copy of the signed Medicare Outpatient Observation Notice (MOON)

X. Documentation

A. Care Management will document initial and concurrent reviews utilizing InterQual/MCG criteria according to Care Management department policy.

B. Communications and conclusions obtained from outside agencies through initial and concurrent reviews are documented in the electronic medical record.

C. Each extension of length of stay procured from an outside agency, (i.e., Blue Cross, Aetna, etc.), is documented in the electronic medical record.
D. Care Management notes pertinent to discharge planning and patient education are integrated into the hospital's documentation system.
E. Patient choice letters, denial notices, Important Notices from Medicare, and other regulatory required documents are maintained as part of the patient's medical record.
F. Medical staff members involved in a patient's care must document the reason(s) for admission and continued stay and provide rationale for the medical necessity of treatment and services. Upon the patient's discharge, this information shall be summarized in the physician's discharge summary or progress notes.

## XI. Committee Records

A. The UMC will maintain written records of all its activities. Minutes of each committee meeting shall be documented and at minimum include: 1. The name of the committee;
~~2.~~ 1. The date and duration of each meeting;
~~3.~~2. The names of the committee members present and absent;
3. The names of any ex officio members present and absent;
4.
~~4.~~5. ~~5.~~ A description of its activities in the following areas:
   a) Any medical care evaluation study including subject studied, the reason for the study, date the study was started, the date the study was completed, as well as the follow-up recommendations made from previous studies that have been implemented;
   b) Physician profile data pertinent to resource management, LOS, etc;
   c) Physician advisor report and recommendations;
   d) Monthly statistics to include variance day findings and other data collected and reviewed;
   e) Pertinent risk management issues and items for discussion.

## XII. Statement of Confidentiality

A. Recognizing the inherent rights of the individual to privacy, all case management/utilization records and information will be dealt with under the highest standards of confidentiality.
   1. All records will be kept in confidence and in accordance with The Health Insurance Portability and Accountability Act of 1996, 45CFR, parts 160 and 164 (HIPAA).
   2. All medical information that relates to and identifies individual patients and practitioners and certain data relating to health care institutions is strictly confidential and shall not be made known or accessible to the public or to any governmental unit, agency, or department, except as authorized by HIPAA and other applicable state or federal requirements.
   3. Only specifically identified professional utilization reviewers and staff will be authorized to review medical data.

4. All persons to whom an offer of employment is tendered will be informed of the confidentiality of data, rules and regulations governing the data, and penalties for disclosure.
5. PAs will, by necessity, be reviewing "privileged" information concerning patients and providers throughout the concurrent review process. They are also informed of the need for absolute respect for the confidentiality of this information.
6. Any patient with diagnoses which relate to drug, alcohol, or mental conditions will be required to sign a release of information consent form prior to release of information to his/her insurance company for various purposes including utilization management issues.
7. This UM Plan is a continuous activity of the organized medical staff applicable to all patients. All inquiries from the fiscal intermediary will be honored, and the medical records, as well as the committee records, will be available upon request.

## XIII. Statement of Conflict of Interest

No member may participate in the review and/or authorization of clinical cases in which he or she is the primary caregiver, is the participant in a specific situation under review, or has any involvement either in the case or with the practitioner that would impact the member personally, professionally, or financially.

## XIV. Approval of Plan

The UM Plan has been reviewed, evaluated, and approved by the hospital's Executive Committee of Medical Staff, Parkland Health & Hospital System Board of Managers, and constitutes the official plan, policy, and procedure for conduction of UM of its services.

It is available upon request to the Secretary of Health and Human Services or his/her designated agents, and to duly authorized licensing and inspecting bodies for the purpose of determining whether the plan and the hospital meet the Conditions of Participation as described in the CMS State Operations Manual. The UM plan will be reviewed and evaluated on an annual basis.

Terms and Definitions Used in Utilization Management

ADMISSION AUTHORIZATION: Approval for treatment obtained from Payer or designated utilization management organization for services to be provided as an inpatient or observation patient.

ADMISSION REVIEW: The initial evaluation of planned or provided medical treatment using clinical appropriateness criteria, e.g. InterQual/Milliman.

ADVERSE DETERMINATION: Decision by Payer or designated Utilization Management organization to deny or reduce payment for services provided that would be otherwise covered benefits.

AMBULATORY PAYMENT CLASSIFICATION (A PC) SYSTEM: An encounter-based classification system for outpatient reimbursement, including hospital-based clinics, emergency departments, observation, and ambulatory surgery. Payment rates are based on categories of services that are similar in cost and resource utilization.

APPEAL: Request for reversal of authorization/payment following a denial or underpayment.

AUTHORIZATION: Approval for treatment obtained from Payer or designated Utilization Management organization for services provided.

AVOIDABLE DAY (also known as a Variance DAY): A hospital day that, based on criteria, could have been avoided. Typically, the patient could have been served in a more costeffective setting such as outpatient, SNF, or Home Care.

CARE MANAGEMENT: A collaborative process of assessment, planning, facilitation and advocacy for options and services to meet an individual's health needs through communication and available resources to promote quality cost-effective outcomes. (CMSA)

CASE MIX: The mix of patients treated within a hospital that generally reflects the severity of the patients served.

CASE MIX INDEX (CMI): The average DRG weight for all cases paid under PPS. The CMI generally reflects the severity of patients served and is a measure of the relative costliness of the patients treated. A low CMI may denote DRG assignments that do not adequately reflect the resources used to treat Medicare patients.

CENTER FOR MEDICARE AND MEDICAID SERVICES (CMS): CMS is the HHS agency responsible for administering the Medicare, Medicaid, SCHIP (State Children's Health Insurance), and several other health-related programs. Additional information regarding CMS and its programs is available at:
http://www.cms.hhs.gov/home/aboutcms.asp

CLINICAL DENIAL: Refers to lack of authorization or payment based on a lack of Medical appropriateness (usually related to intensity of service not matching severity of illness) or

necessity (usually related to the care proposed or given not being medically necessary given the clinical presentation of the patient).

CLINICAL PEER REVIEW- INTERNAL: Evaluation for clinical appropriateness or quality concern by the facility's designated physician advisor or by a second physician so designated by that physician advisor or the m~~M~~edical staff of the facility, which practices in the same or similar specialty as the physician managing the medical condition, procedure, or treatment under review.

CLINICAL PEER REVIEW- EXTERNAL: Evaluation for clinical appropriateness or quality concern by an external ~~bodies~~ body- designated physician advisor (usually the Payer but often the QIO) who practices in the same or similar specialty as the physician managing the medical condition, procedure, or treatment under review.

CO-INSURANCE: When a Medicare beneficiary receives Part A services for more than 60 days during an illness encounter, he or she is responsible for a coinsurance amount that is equal to one-fourth of the inpatient hospital deductible per-day for the 61$^{st}$-90$^{th}$ day spent in the hospital. In addition, a beneficiary is responsible for a coinsurance amount equal to one-eighth of the inpatient hospital deductible per day for the 21st through the 100th day of Skilled Nursing Facility (SNF) services furnished during an illness episode. *See also: Lifetime reserve days*

CO-PAYMENT: The amount of the billed charges that are the responsibility of the patient (also see Deductible).

COMPLICATION: A complication is an unexpected condition that arises during a hospital stay or encounter that prolongs the length of stay by at least 1 day for 75% of the patients and intensifies the use of necessary healthcare resources.

CO-MORBIDITY: A preexisting condition (usually chronic) that, because of its presence with a specific condition, causes an increase in the length of stay by about 1 day in 75% of the patients.

COMPLICATION/CO-MORBIDITY (CC): A CC code is assigned for each complication or comorbidity that substantially increases the hospital resources needed to care for patients with certain DRGs.

CONCURRENT AUTHORIZATION: Approval for treatment obtained from Payer or designated Utilization Management organization at the time services are being provided.

CONCURRENT DENIAL: Decision of Payer or designated Utilization Management organization not to authorize services prior to or during the care is being provided and identified by the concurrent review process carried out by either Utilization Management or Care Management.

CONCURRENT REVIEW: Evaluation of ordered/delivered medical treatment, using clinical appropriateness criteria such as InterQual/Milliman, prior to or during the care being provided. This may be a required step in the process by payers to obtain continued authorization or

may be the normal clinical evaluation process of the facility as determined by approved internal criteria based review guidelines.

COST EFFECTIVENESS: The efficacy of a program in achieving given intervention outcomes in relation to the program costs. (Rossi and Freeman, 1993)

CRITICAL/CLINICAL PATHS: Focus on a patient and document essential steps in the diagnosis and treatment of a condition or the performance of a condition. They document a standard pattern of care to be followed for each patient and are developed primarily as a nursing tool specific to a healthcare organization and its unique system (Meyer and Feingold, 1995). Synonyms for Care Paths: critical paths, practice guidelines/parameters, clinical guidelines/protocols/algorithms, care tracks, care maps, care process models, case care coordination, collaborative case management plans, collaborative care tracks, collaborative paths, coordinated care, minimum standards, patient pathways, quality assurance triggers, reference guidelines, service strategies, recovery routes, target tracks, standards of care, standard treatment guidelines, total quality management, key processes, anticipated recovery paths (Lumsdon and Hagland, 1993)

DEDUCTIBLE: The amount of the billed charges that are the responsibility of the patient (also see Co-payment).

DENIAL CATEGORY: The major classifications or groupings of denials. These include technical denials, clinical denials, contractual disparities and underpayments.

DENIAL REASON: The explanation for a denial, reduction in level of service, or underpayment. The denial reason is often provided by the Payer at the time the denial is received and is then entered into the denial system under the appropriate denial code.

DETERMINATION: Decision by a Payer or designated Utilization Management organization regarding authorization for payment of services provided.

DIAGNOSIS-RELATED GROUPS (DRGs): A system for determining case mix, used for payment under Medicare's PPS and by some other payers. The DRG system classifies patients into groups based on the principal diagnosis, type of surgical procedure, presence or absence of significant comorbidities or complications, and other relevant criteria. DRGs are intended to categorize patients into groups that are clinically meaningful and homogeneous with respect to resource use. Each DRG is assigned a relative weight that compares its costliness to the average for all DRGs.

DISCHARGE PLANNING: The process of assessing the patient's needs of care after discharge from a healthcare facility and ensuring that the necessary services are in place before discharge. This process ensures a patient's timely, appropriate, and safe discharge with appropriate use of resources.

DISCHARGE SCREEN (DS): The third component of the lnterQual/Milliman criteria review process for clinical appropriateness.

DOWNCODE: A payor driven reduction in payment for services at a lower level of reimbursement than that at which the care was provided.

EXPEDITED APPEAL: Verbal request for appeal that usually takes place concurrently with the medical services that are being provided or within 72 hours of the appeal.

EXPECTED REIMBURSEMENT: The dollar amount, given the clinical services provided and contract or agreement with the Payor source, that the facility anticipates receiving for the care provided.

FEE-FOR-SERVICE: Type of payment used by some health insurers that pays providers for each service after it has been delivered.

FISCAL INTERMEDIARY (FI): An entity that has a contract with CMS to determine and make Medicare payments for Part A and certain Part B benefits to hospitals and other providers of services and to perform related functions.

GEOMETRIC LENGTH OF STAY (GLOS or GMLOS): The GLOS is a statistically adjusted value for all cases for a given DRG, allowing for the outliers that would normally skew the data. The GLOS is used to determine payment for transfer cases (i.e. the per diem rate).

GROUPER: The software program that assigns DRGs.

HOSPITAL ISSUED NOTICE OF NON-COVERAGE (HINN): A notice issued to a patient or the patient's representative when the hospital believes that a patient's hospital stay is non-covered due to lack of medical necessity or because the care is not delivered in the most appropriate setting, or is custodial in nature. A HINN may be given prior to admission, at admission, or at any point during the inpatient stay.

HMO: Health Maintenance Organization. A state-licensed health plan that offers prepaid, comprehensive coverage for both hospital and physician services, and also manages care and restricts members to using only healthcare providers affiliated with the plan.

HOSPITAL INPATIENT PROSPECTIVE PAYMENT SYSTEM (PPS): Medicare's method of paying acute care hospitals for inpatient care. Prospective per case payment rates are set at a level intended to cover operating costs for treating a typical inpatient in a given DRG. Payments for each hospital are adjusted for differences in area wages, teaching activity, and care to the poor, and other factors. Hospitals may also receive additional payments to cover extra costs associated with atypical patients (outliers) in each DRG.

IMPORTANT MESSAGE FROM MEDICARE: This notice informs Medicare beneficiaries about their hospital discharge appeal rights. Beneficiaries who choose to appeal a discharge decision will receive a more detailed notice. Effective as of July 2, 2007, hospitals must deliver the revised version of the Important Message from Medicare (IM) CMS-R-193 (an existing statutorily required notice) to explain discharge appeal rights.

The final rule, CMS-41 05-F: Notification of Hospital Discharge Appeal Rights was published on November 27, 2006 and can be accessed at:
http://www.access.gpo.gov/su_docs/fedreg/a061127c.html
More information about the final rule and the notices can be found on the CMS website at:
http://www.cms.hhs.gov.BNI/12_HospitalDischargeAppealNotices.asp

INTENSITY OF SERVICE (IS): The second component of the InterQual/Milliman criteria reviews process for medical appropriateness. The intensity of service is the level of clinical care being provided to the patient.

INTERQUAL/MILLIMAN CRITERIA: Commercial decision support guidelines licensed for use by hospitals and managed care companies, to evaluate the appropriateness of medical interventions and level of care based on clinical criteria and standards.

LEVEL I APPEAL: Contractually defined, this is the first written request to the Payer for reconsideration and Reversal of denied day(s), services, or payment. (These appeals are generally performed by the hospital's Care Management staff)

LEVEL 2 APPEAL: Contractually defined, this is the second written request to the Payer for reconsideration and reversal of denied day(s), services, or payment. The 2nd level appeal is sent when the response to the 1st appeal declines, or partially declines, reversal of authorization or payment. (These appeals are generally performed by the patient's attending physician and/or hospital physician advisor with the assistance of the Care Management staff).

LEVEL 3 APPEAL: A higher level of request for reversal of authorization or payment than the 1st and 2nd level appeals. The 3rd level appeal is to an independent external party (such as the Department of Insurance) and is coordinated with the Hospital Administrative Team and may require legal advice.

LIFETIME RESERVE DAYS: Medicare beneficiaries have 60 lifetime reserve days of coverage which they may elect to use after benefits expire in a course of an illness. The coinsurance amount for these days is equal to one-half of the inpatient hospital deductible.

MAJOR COMPLICATION/COMORBIDITY (MCC): Diagnosis codes for complication/comorbidities that reflect the highest level of severity.

MANAGED CARE: Approaches to health services delivery and benefit design that integrate management and coordination of services with financing to influence utilization, cost, quality, and outcomes. (Vital Signs, 1999)

MEDICAID: A state/federal health benefit program for the poor who are aged, blind, disabled, or members of families with dependent children. Each state sets its own eligibility standards.

MEDICARE: A health insurance program for people over 65, those eligible for Social Security disability payments, and those who need kidney dialysis or transplants. See Hospital Insurance, Supplementary Medical Insurance.

MEDICARE+CHOICE: A program created by the Balanced Budget Act of 1997 that grants beneficiaries the choice to opt out of traditional Medicare to select a coordinated plan (HMOs, PPOs, or plans offered by provider- sponsored organizations); private feefor-service plans; or plans with medical savings accounts.

MODIFIERS: Modifiers are codes that are used to "ENHANCE OR ALTER THE DESCRIPTION OF A SERVICE OR SUPPLY" UNDER CERTAIN CIRCUMSTANCES. Modifiers enable response to special payment policy requirements and provide additional information about a service or procedure without changing the core definition of the service or procedure. Examples of modifiers include but are not limited to:

- 22 increased procedure or service
- 23 unusual anesthesia
- 24 unrelated evaluation and management service by the same physician during a post-op period
- 50 bilateral procedure

OFFICE OF INSPECTOR GENERAL (OIG): The OIG is an agency within the Department of Health and Human Services that is ultimately responsible for investigating instances of fraud and abuse within the Medicare and Medicaid programs.

OUTLIERS: Cases with extremely long lengths of stay (day outliers) or extraordinarily high costs (cost outliers) compared with others classified in the same diagnosis-related group. Hospitals receive additional PPS payment for these cases.

OUTPATIE NT OBSERVATION: A level of care involving a well-defined set of specific, clinically appropriate services which include ongoing short term treatment, assessment, and reassessment, that are furnished while a decision is being made regarding whether or not a patient will require further treatment as an inpatient.

OUTPATIENT PROSPECTIVE PAYMENT SYSTEM (OPPS): The reimbursement program for outpatient hospital services under Medicare Part B. Such services are classified into groups called Ambulatory Payment Classifications or APCs. Services in each APC are similar clinically and in terms of the resources they require. A payment rate is established for each APC. Depending on the services provided, hospitals may be paid for more than one APC for an encounter.

PART A MEDICARE: Medical Hospital Insurance (HI) under Part A of Title XVlll of the Social Security Act, which covers beneficiaries for inpatient hospital, home health, hospice, and limited skilled nursing facility services. Beneficiaries are responsible for deductibles and copayments. Part A services are financed by the Medicare HI Trust Fund, which consists of Medicare tax payments.

PART B MEDICARE: Medicare Supplementary Medical Insurance (SMl) under Part B of Title XVII of the Social Security Act, which covers Medicare beneficiaries for physician services, medical supplies, and other outpatient treatment. Beneficiaries are responsible for monthly premiums, copayments, deductibles, and balance billing. Part B services are financed by a combination of enrollee premiums and general tax revenues.

PARTIAL DENIAL: Denial of a portion of the days, services, or payment for an individual case.

PENDED CONCURRENT REVIEW: Request for further clinical information or for referral of the case to a physician level of review, which usually delays, or places a "pending" status on the concurrent authorization, until such time as the information is transmitted to the payor and assessed.

PER DIEM RATE: Payment to hospitals for each day of care rather than for a DRG.

PHYSICIAN ADVISOR: Physician, working for the hospital under contract or through Administrative Staff position, who provides review of cases for clinical appropriateness. The Physician Advisor is most often used to review cases and consult with the admitting/attending physician when the admitting/attending physician refuses to discharge the patient or move them to another appropriate level of care although they do not meet standard review criteria for continued stay at the current level of care.

PRE- AUTHORIZATION: Approval for treatment obtained from payer or designated Utilization Management organization prior to services being provided. Generally applicable to non-emergent and elective services.

PRE-CERTIFICATION: Certification by the payer, prior to care being delivered, that the patient is a member of the payer's group plan or is a policyholder. Pre-certification does not authorize care but certifies that the patient is enrolled in the payer's product.

PRINCIPAL DIAGNOSIS: The condition established after study to be chiefly responsible for occasioning the admission of the patient to the hospital for care.

PRINCIPAL PROCEDURE: A procedure performed for definitive treatment rather than diagnostic or exploratory purposes or that was necessary to treat a complication. The principal procedure is typically related to the principal diagnosis.

PROSPECTIVE PAYMENT SYSTEM: A healthcare payment system used by the federal government since 1983 for reimbursing providers/agencies for medical care provided to Medicare and Medicaid beneficiaries. The payment is fixed and based on the operating costs typically associated with a patient's diagnosis.

RECOVERY AUDIT CONTRACTOR (RAC): A CMS approved entity that seeks to detect and correct improper payments through the Medicare program in order to protect the Medicare Trust Fund.

REDUCTION IN LEVEL OF CARE (RLOC): Action by the payer to reduce payment for days or services to a level of payment below that which at which the care was provided.

RELATIVE WEIGHT (RW): An assigned weight that is intended to reflect the relative resource consumption associated with each DRG. The higher the RW, the higher the payment.

RETROACTIVE DENIAL: Decision by payer or designated Utilization Management organization to deny or reduce authorization and/or payment after the services have been provided. This may also be a decision by payer or designated Utilization Management organization to deny or reduce payment for services that were previously authorized.

SUBSEQUENT REVIEW: Clinical review(s) following initial review for the same case. See Concurrent Review.

SEVERITY OF ILLNESS (Sl): The first component of the lnterQual/Milliman criteria review process for medical appropriateness. The severity of illness is the level of clinical need of the patient given review of disease processes, the risk to the patient's continued health and recovery and ongoing care needs.

TECHNICAL DENIAL: A denial received for other than clinical reasons, usually determined by lack of internal process compliance with technical contract language regarding precertification, authorization, notification and/or Utilization Management.

TOTAL DENIAL: Denial of all days, services, or payment for an individual case.

TRANSFER DRG: "Transfer DRGs" have the potential to reduce hospital payments using a per diem rate for certain DRGs. Transfer DRGs payment reductions apply when Medicare patients stay one or more days less than the Geometric Length of Stay (GLOS) and are transferred to a nursing home, home health, or rehab facility. CMS maintains a list of “transfer DRGs" that is typically updated each year. The per diem rate is calculated by dividing the full DRG payment by the GLOS for the DRG. Transfer DRG cases are paid twice the per diem rate for the first day with subsequent days paid at the per diem rate up to the full DRG amount.

UNDERPAYMENT: Reduced payment below contractually expected amount. An underpayment is usually linked to the belief on the payer's part that the services provided were unnecessary given the clinical condition of the patient and alternative treatment sources available within the care continuum.

UTILIZATION REVIEW (UR); UTILIZATION MANAGEMENT (UM): Evaluation of the necessity, appropriateness, and efficiency of the use of health care resources, services, procedures, and facilities. In a hospital, this includes review of the appropriateness of admissions, services ordered and provided, length of a stay, and discharge practices) both on a concurrent and retrospective basis.

VARIANCE DAY (also known as an AVOIDABLE DAY): A hospital day that, based on criteria, could have been avoided. Typically, the patient could have been served in a more cost-effective setting such as outpatient, SNF, or Home Care.

# Approve Fiscal Policy 8311-1-02, Accounting Policy

# Fiscal 8311-1-02 Accounting Policies

Requirements regarding this document are found in:

- The Texas Health & Safety Code 281.049

Background:

- Last published 6/4/20 (3-year approval period).

Revisions:

- Update the Scope to indicate who the document applies to, rather than where the document applies.

Approvals:

- Joe Mayer, Treasury Director
- Tabitha Lee, Controller
- Board Budget and Finance Committee (scheduled 5/23/23)
- Board of Managers (scheduled 6/28/23)

| Accounting Policies | 8311-1-02 | Published: MM/DD/YY |
|---|---|---|
| Fiscal | | Page **1** of **2** |

**PURPOSE:**

To set forth Parkland's major accounting policies to provide guidance for financial reporting and accounting.

**SCOPE:**

All Parkland Health ("Parkland") ~~facilities, including but not limited to hospitals, ambulatory surgery centers, clinics, and all corporate departments/divisions.~~employees and agency personnel.

**Commented [CM1]:** Replace with appropriate updated scope, indicating who this document applies to, instead of "where".

**POLICY:**

1. Parkland's accounting structure follows the guidelines described in **The Audit and Accounting Guide for Healthcare Entities** published by the American Institute of Certified Public Accountants.
2. Parkland's fiscal year starts on October 1 and ends on the following September 30. Parkland is a political subdivision of the State of Texas and is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code.
3. Parkland compiles financial statements (Statement of Revenues and Expenses, Balance Sheet and other reports as requested by management or the Board of Managers) on a monthly basis. Each year, Parkland's financial statements reporting the results of operations for the entire fiscal year are audited by an independent Certified Public Accountant.
4. Parkland reports the results of operations by the accrual basis of accounting. In summary, the accrual basis requires the recording of revenues when earned (not when the cash is received) and the recording of expenses when incurred (not when the cash is paid). The resources of Parkland are classified as either general or restricted funds. General funds include resources that the Board of Managers may use for any designated purpose. Restricted funds include the Parkland Foundation and special purpose funds whose resources are restricted by donors for specific purposes.

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5. Parkland provides tax supported care at a reduced charge to Dallas County residents whose income is within Parkland guidelines and who are unable to obtain benefits from commercial insurance, or State or Federal programs.

6. Capital assets are recorded at cost, or if donated, fair market value at the date of receipt. Costs of major renewals and betterments which extend useful lives are capitalized while maintenance and repairs are charged to current operations. Disposals are removed at carrying cost less accumulated depreciation with any resulting gain or loss included in other revenue.

   A. Capital assets are depreciated over the estimated useful life of the asset (using the straight-line method) as published in the American Hospital Association's Guide to Estimated Depreciable Lives. A capital asset has a minimum value of $5,000 and an estimated useful life of at least 3 years.

7. Parkland capitalizes interest cost of restrictive tax-exempt borrowings net of any interest earned on temporary investments of the proceeds for construction projects funded by tax-exempt borrowings. Interest expense is also capitalized for projects financed with operating funds.

8. Upon receipt, contributions, grants and other revenue restricted by donors for specific purposes are recorded to the appropriate restricted fund. Each restricted fund has an administrator responsible for monitoring the income and expenses, and for determining that the fund's assets are being used for the stated purpose. The Parkland Foundation (Foundation), a nonprofit corporation established in 1986, is combined as part of the restricted funds because Parkland is deemed to have control of the Foundation as the majority of the Foundation's Board of Directors is appointed by the Parkland's Board of Managers.

**DEFINITIONS:**

N/A

**REFERENCES:**

N/A

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# Approve Fiscal Policy 8311-1-11, Tax Incentives Policy

# Fiscal 8311-1-11 Tax Incentives

Requirements regarding this document are found in:

- The Texas Health & Safety Code 281.049

Background:

- Last published 6/5/20 (3-year approval period).

Revisions:

- Update Scope to apply to all Workforce members
- Add definition of Workforce member to Definition section
- Remove phrase in Item 2 that could be interpreted as restricting services to only citizens of Dallas County.

Approvals:

- Joe Mayer, Treasury Director
- Tabitha Lee, Controller
- Board Budget and Finance Committee (scheduled 5/23/23)
- Board of Managers (scheduled 5/24/23)

| Tax Incentives | 8311-1-11 | Published: 06/05/20 |
|---|---|---|
| Fiscal | | Page **1** of **2** |

**PURPOSE:**

To set forth a policy statement governing participation in tax increment financing districts and tax abatements.

**SCOPE:**

All Parkland Health ("Parkland") ~~facilities, including but not limited to hospitals, ambulatory surgery centers, clinics, and all corporate departments/divisions.~~ Workforce members.

**POLICY:**

1. Under State law, Parkland is not required to participate in any tax increment financing districts unless Parkland enters into an agreement with the municipality creating the tax increment financing district.
2. In order to assure that all revenues are best utilized to provide health care services ~~to the citizens of Dallas County~~, it is Parkland's policy not to participate in tax increment financing districts, except in unusual circumstances.
3. Under State law, determination for tax abatements is authorized by Dallas County, and Parkland is obligated to participate if the County approves the abatement on Parkland's behalf.

**Commented [CM1]:** Recommend we delete this, primarily because under EMTALA we provide emergency services to anyone.

**DEFINITIONS:**

Workforce member: An Officer, board member, employee, volunteer, contractor, vendor, trainee, or other person whose conduct, in the performance of work for Parkland, is under the direct control of Parkland, whether or not he or she is paid by Parkland. "Workforce member" also includes all physicians, other members of the medical staff, and non-physician clinical providers, whether or not employed by Parkland.

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**REFERENCES:**

N/A

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# Approve Fiscal Policy 8311-11-15, Supplemental Retirement Plan Investment Policy

# Fiscal 8311-1-15 Supplemental Retirement Plan Investment Policy

Requirements regarding this document are found in:

- The Texas Health & Safety Code 281.049

Background:

- Last published 6/5/20 (3-year approval period).

Revisions:

- Management has made only minor formatting, grammar, and punctuation revisions.

Approvals:

- Joe Mayer, Treasury Director
- Rick Humphrey, CFO
- Investment Committee (3/6/23)
- Board Budget and Finance Committee (scheduled 5/23/23)
- Board of Managers (scheduled 6/28/23)

| Supplemental Retirement Plan Investment Policy | 8311-1-15 | Published: MM/DD/YY |
|---|---|---|
| Fiscal | | Page **1** of **10** |

## Background and Purpose

The Dallas County Hospital District, dba: Parkland Health ~~& Hospital System~~ ("Parkland") sponsors 457(b), 403(b) and 401(a) plans known as the Parkland Supplemental Retirement Plan ("Plans") for employees who are eligible to participate.

The purpose of this Investment Policy Statement ("IPS") is to assist Parkland's Board of Managers ("Board") in effectively establishing, monitoring, evaluating, and revising the investment program established for the Plans. The Board has the authority to oversee the investment of the Plans' assets and will discharge its responsibilities under the Plans solely in the interests of the Plans' participants and their beneficiaries.

This IPS may be modified from time to time by action of the Board. The policy identifies a set of investment objectives, guidelines, and performance standards for the investment of the Plans' assets. The purpose is to facilitate decision making with respect to investments.

This IPS does not create or imply any contract between Parkland and/or the Board and any participant. If there is any conflict between this IPS and the Plan Document, the terms and conditions of the Plan Document will control.

## Roles and Responsibilities

### Board of Managers

The responsibility for the Plans rests with the Board. The Board is broadly responsible to oversee the administration of the Plans and the investment of the Plans' assets. Its duties include establishing investment policy, hiring service providers, and evaluating the success of service providers in carrying out the policy.

The responsibilities of the Board, as named fiduciary for the Plans, include:

- Establishing the number and types of investment options available to plan participants, including the default investment alternative for participants who fail to make investment elections;
- Identifying investment options within each asset class that it deems appropriate and prudent to make available to plan participants;
- Monitoring investment results by means of regular reviews and analyses to determine whether the asset classes and investment options offered are meeting the guidelines and criteria identified in this IPS;

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Monitoring and evaluating the Plans' expenses;

Ensuring there is a comprehensive employee communication program in place for the participants of the Plans. The communication program provides information to assist participants in making informed decisions regarding the investment of contributions and existing balances among the investment choices offered in the Plans; and

Retaining and monitoring service providers as necessary including, but not limited to, recordkeeper, trustee, investment consultants, and investment managers.

## Investment Committee

The Investment Committee ("Committee") shall:

Serve as an investment advisor to the Board;

- Be composed of members who are selected based upon their overall investment experience, including managing or supervising similar-sized investment portfolios, and their willingness to serve as community volunteers without compensation, but with reimbursement for reasonable out-of-pocket expenses incurred in accomplishing their Investment Committee-related duties;
- Be eligible for indemnification related to actions taken within the scope of their duties as members of the Investment Committee, to the fullest extent allowed by applicable law;
- Recommend to the Board appropriate Investment Consultants, Investment Managers, Trustees and Custodians, mutual funds or other vendors to implement the Policy; and
- Suggest investment goals and objectives for the Plans and recommend an appropriate investment structure to be incorporated into this Policy.

## Staff

Staff is responsible for the day-to-day management of the Plans; for bringing relevant issues to the attention of the Board; and for working with various service providers to implement the decisions made by the Board. Specifically, the Staff is responsible for the following:

Managing and monitoring plan activity;

Coordinating the Committee meetings, investment manager presentations and discussions, and investment consultant activities, presentations and discussions with the Committee;

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Identifying issues to be brought before the Committee and Board and preparing recommendations on those matters;

Handling other matters periodically as directed by the Committee and Board;

Providing information to the Plans' recordkeeper as appropriate;

Facilitating the audit process by preparing financial statements and acting as an interface between the auditors and various service providers; and

Verifying compliance with guidelines and regulations.

## Investment Consultant

The primary role of the investment consultant is to assist the Committee and Staff in fulfilling their responsibilities by providing information, analysis, and recommendations that support a prudent process. The responsibilities of the investment consultants are as follows:

Provide perspectives on capital markets;

Periodically review investment policies and objectives;

Research and recommend structure and investments that are appropriate in furthering the Plans' investment policies and objectives;

Recommend appropriate performance measures and benchmarks and report on the effectiveness of those adopted;

Maintain contact with and report on changes within the investment manager organizations (including the gain or loss of key individuals and accounts);

Measure, evaluate, and report investment managers' performance results;

Monitor recordkeeper and investment option expenses in the context of services provided;

Monitor governance and plan structure and report to the Committee and staff as needed; and

Report quarterly to the Committee.

## Recordkeeper

The Recordkeeper provides, among other things:

Suitable and accurate participant recordkeeping and administrative services;

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Accurate and timely plan data, information, and reports including required information regarding the Plans' fees;

Notifications regarding concerns or issues with respect to recordkeeping or administrative services;

Information on participant activity;

Required participant notices, tax withholding and deposit, direct rollover, and other requirements relating to the Plans' distributions;

Informational items, such as prospectuses, and;

Enrollment materials, education, and communication, as necessary.

## Custodian

The Custodial Trustee will provide (among other things) the following services:

Asset safekeeping;

Pricing;

Reconciliation with investment managers to ensure trades are correct and affirmed;

Settlement of securities transactions;

Collection of income;

Investment accounting services;

Determination of the Net Asset Value for each fund;

Distribution of proxies to appropriate parties;

Communication to Parkland of any concerns or issues with respect to Custodial Trustee Services; and

Periodic holding, transaction, valuation, and performance data at the Plan and Fund levels.

## Investment Managers

The specific duties and responsibilities of each of the Plans' investment managers are to manage the assets under their supervision in accordance with the guidelines and objectives outlined in their respective prospectuses, participation agreements or other governing documents (e.g., Investment Management Agreements).

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Managers should be responsive to the Board, Committee, Staff, or consultant and provide information as necessary.

## Investment Structure Philosophy

### Objective

The Plans should offer participants an array of investment options that provide them with the ability to construct a diversified portfolio appropriate to the individual's time horizon and risk tolerance.

Menu design facilitates diversified investment by plan participants. As such, menu design will take into account the belief that choices offered affect participants' allocation decisions.

### Investment Structure

The Board has chosen to adopt a two-tiered investment structure that provides (1) asset allocation options for "do-it-for-me" participants and (2) core asset class building blocks that allow "do-it-yourselfer" participants to create their own asset allocations based on their unique investment profiles.

Asset Allocation Options offer diversification and professional management. The assets of participants who do not make an active selection among the available investment options will be placed in the asset allocation options.

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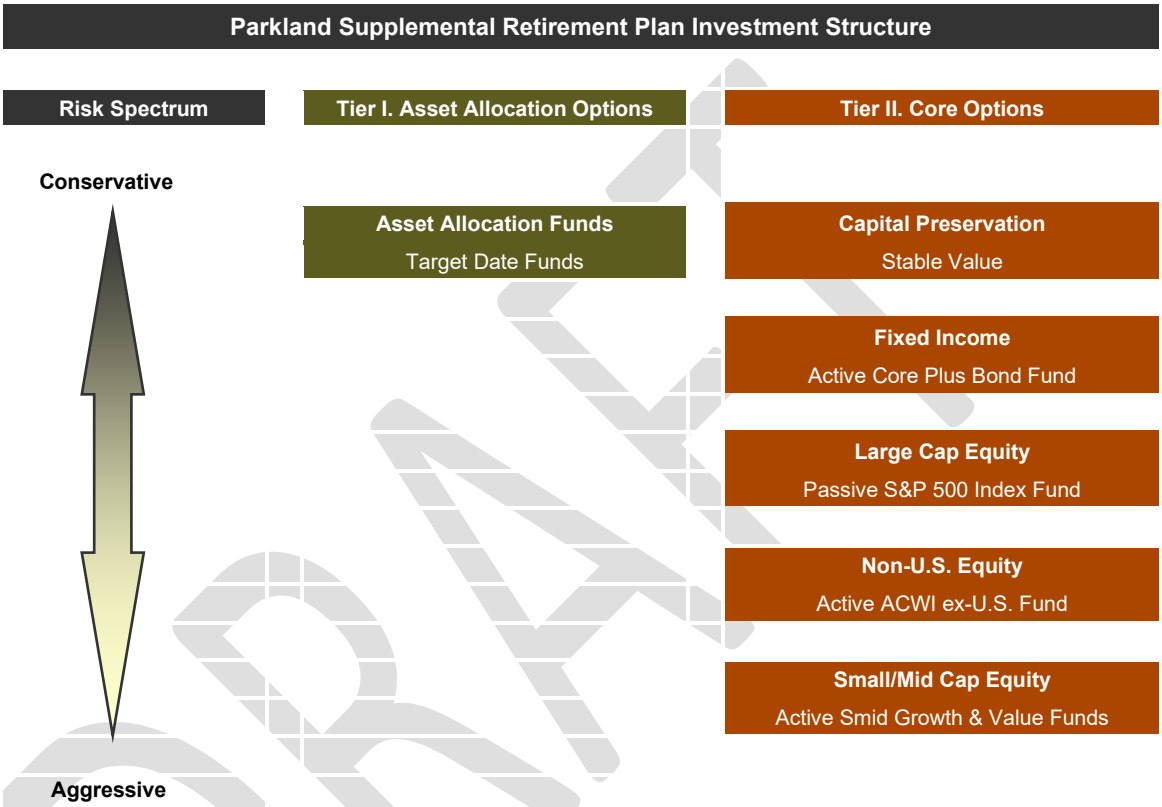
Core Investment Options include the basic building blocks participants need to create a diversified portfolio.

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## Manager Selection Criteria

When selecting investment managers, the Board will employ a search process. This process might include the following steps and/or others that the Board determines appropriate:

Formulation of specific investment manager search criteria that reflect the requirements for the mandate under consideration.

Identification of qualified candidates from the manager search database maintained by the Investment Consultant and other sources.

Analysis of qualified candidates in terms of:

Quantitative characteristics (e.g., return, risk, other relevant portfolio characteristics) and fees relative to similar products or mandates.

Qualitative characteristics such as key personnel, investment philosophy, and decision-making process.

Evaluation of finalist candidates by the Committee based on a thorough due diligence process with an ultimate recommendation to the Board.

Selection and hiring of a finalist by the Board.

### Performance Monitoring

On a quarterly basis, the Committee will review the performance of the Plans' investment options to ensure that they are meeting expectations. In evaluating all investment managers, the Committee will consider qualitative and quantitative factors likely to impact the future performance of the investment option.

If an investment manager fails to meet standards such as the following qualitative or quantitative issues, a formal review may be warranted.

1. **Qualitative issues** to evaluate in an investment manager include:

   Ownership changes (e.g., key people "cash out")

   Departure of key investment professionals

   Changes in the decision-making process

   Changes in investment philosophy

   Involvement in material litigation or fraud

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**Quantitative Issues** to evaluate include underperformance over a full market cycle, changes in risk profile, portfolio characteristics that are inconsistent with expectations and costs that are high relative to stated benchmarks and peers.

The performance of the strategy managed by each Investment Manager will be expected to achieve minimum performance standards. Active managers should:

Rank in the top 50% of an appropriate peer group of actively managed portfolios;

Meet or exceed an appropriate benchmark net of management fees;

Maintain a risk level, as measured by the standard deviation of quarterly returns, which is comparable to that of the appropriate benchmark. To the extent that the Investment Manager takes more/less risk than the market and/or the appropriate peer group, returns are expected to increase/decrease commensurately.

These performance measurement standards should be achieved over rolling three- and five-year periods. Although failure to achieve these performance measurement standards will not result in the automatic termination of an Investment Manager, the Committee and the Board shall review any Investment Manager that fails to achieve the standards and shall document its reasons for retaining the Investment Manager and such manager will be placed on a watch list.

A number of factors may contribute to an investment manager's over- or underperformance at any given time, including market dynamics, investment skill, and/or pure chance. It may be imprudent to terminate an investment manager solely for failing to meet performance expectations. Performance could be attributable to factors that do not reflect deficiencies in skills or strategy.

## Other Investment Provider Selection

### Participant Advice Provider and Managed Account Selection

In selecting an advice or managed account provider, the Board will seek suitable services, organizational stability, a reasonable and transparent investment approach, and appropriate operational capabilities. The provider will also be required to supply necessary support of the advice provided, such as reporting and customer service. On an ongoing basis, the Committee and Board will monitor the provider's process and fees; however, it will not monitor the actual advice provided to individual participants.

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### Self-directed brokerage account provider selection

Should the Board select a self-directed brokerage account provider, they would evaluate and monitor fees, including annual maintenance charges and trading costs. In addition, the self-directed brokerage provider would be required to provide appropriate services, such as trading, transactional oversight, and customer service. Because the self-directed brokerage account would not be a designated investment account within the Plans, the Board would not monitor the individual investments or their expenses within the self-directed brokerage account.~~Fee Payment Policy~~

The Board will seek to provide participants with access to high-quality investment options with reasonable investment management and administrative expenses relative to services provided.

Investment management expenses will be reviewed periodically to determine whether a lower-cost share class or investment vehicle is available and feasible.

Regarding fees for plan administration:

Participants will pay for the administration of the Plans, and for their own individual plan transactions.

Participants pay fixed dollar administrative fee. Periodically, the Committee will review fee policy and any suggested changes will be recommended to the Board.

The Committee will work with the investment consultant to evaluate investment costs and administrative fees on a periodic basis. This information will be benchmarked appropriately.

## Investment Policy Review Procedures

As a general rule, the Committee should review this IPS annually. However, it is not expected that the investment policy will change frequently; in particular, short-term changes in the financial markets generally should not merit an adjustment in the investment policy.

The Appendix will be updated and changed as needed to reflect Board decisions.

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## Appendix

Plan information and list of current providers as of ~~August 2019~~March 2023.

### Plan Information

| | |
|---|---|
| Names of Plan(s): | Dallas County Hospital District ~~Parkland Health & Hospital System~~ Supplemental Retirement Plan consisting of 457(b), 403(b) and 401(a) plans |
| Plan Sponsor: | Dallas County Hospital District, dba: Parkland Health ~~& Hospital System~~ |
| Plan Contact: | Joe Mayer<br>Treasury Director<br>Parkland Health ~~& Hospital System~~<br>Direct Dial: 214-590-4123<br>Email: joe.mayer@phhs.org<br>8435 N. Stemmons Frwy, Suite 900<br>Dallas, TX 75247 |
| Employer ID Number: | 75-600-4221 |
| Recordkeeper: | Milliman U.S.A. |
| Custodian: | Charles Schwab Bank |
| Investment Consultant: | Callan LLC |

DRAFT

# Approve Patient Settlements

# Approve Medical Executive Committee Resolution for Appointments/Reappointments, Privileges and Staff Status Changes of the Medical Staff and Non-Physician Clinical Providers

DALLAS COUNTY HOSPITAL DISTRICT
PARKLAND HEALTH

RESOLUTION NO. _____

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RESOLUTION

Be it resolved, the Dallas County Hospital District Board of Managers by a vote of _____ YES and ____ NAY, does by this resolution adopt/reject the following:

WHEREAS, the Medical Executive Committee recommends approval of the Appointments/Reappointments, Privileges and Staff Status Changes of the Medical Staff and Non-Physician Clinical Providers as presented.

THEREFORE BE IT RESOLVED that the Board of Managers approves the recommended Appointments/Reappointments, Privileges and Staff Status Changes of the Medical Staff and Non-Physician Clinical Providers.

Dated this 28th of June, 2023

_____ _____

Marjorie D. Petty, JD
Chair

Steve Roth, JD, MPH
Assistant Secretary

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| | |
|---|---|
| Marjorie D. Petty, JD | Yes_____ No_____ Abstain _____Absent_____ |
| Ramon Miguez, PE | Yes_____ No_____ Abstain _____Absent_____ |
| Lisa Sutter | 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_____ |
| Vincent Hall | Yes_____ No_____ Abstain _____Absent_____ |
| Farida Minner, RN | Yes_____ No_____ Abstain _____Absent_____ |
| Elizabeth Palacios, MD | Yes_____ No_____ Abstain _____Absent_____ |
| John Proctor | Yes_____ No_____ Abstain _____Absent_____ |

# Recognitions

# Parkland Receives 2023 America's Essential Hospitals Gage Award for Population Health



AMERICA'S ESSENTIAL HOSPITALS

*Access and Quality for All*

# Parkland Announced as Five-Ribbon Hospital by Newsweek

# Update on Texas 88th Legislative Session: Parkland Priorities

# Questions & Discussion Related to Update on Texas 88th Legislative Session: Parkland Priorities

# CEO System Update

# Questions & Discussion Related to CEO System Update

# Discussion Regarding Strategic Direction of the System

# Review FY24 Parkland Health Budget Assumptions

Preliminary Draft - Subject to Change & Board Approval

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# Board of Managers

FY2024 Budget Review

June 28, 2023

Parkland

Preliminary Draft - Subject to Change & Board Approval

# Revenue Comparison of Significant Changes

## Net Patient Revenue

- Significant increase of approximately $107 million in CHIRP claims payments
- Price increase moderated from 4% to 1.5% this year, resulting in lower additional revenue from commercial payors than typical

## Tax revenues

- Planned 4% increase, consistent with prior years

## FEMA funds

- No further applications will be submitted
- FEMA is working to complete payment on all applications, with significant amounts expected in FY24

Parkland

# Governmental Revenue
# Comparison of Significant Changes

Amounts in millions

| | FY23 Forecast | FY 24 Budget | Variance |
|---|---|---|---|
| Cost Report Allowances | 38,904 | 27,173 | (11,731) |
| Government Subsidies | 597,825 | 538,498 | (59,327) |
| Tax Revenue | 805,909 | 838,146 | 32,237 |
| FEMA Funds | 5,637 | 19,807 | 14,170 |
| Variance | 1,448,275 | 1,423,624 | (24,651) |

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# Governmental Revenue
# Comparison of Significant Changes

## Cost report allowances

- Parkland was underpaid on DSH-UC claims payments because amounts are based on lower discharges experienced during COVID years
- True-up will be included on the cost report

## Tax revenues

- Planned 4% increase, consistent with prior years

## FEMA funds

- No further applications will be submitted
- FEMA is working to complete payment on all applications, with significant amounts expected in FY24

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# Significant Supplemental Variances

## FMAP

- Enhanced FMAP amounts to states ended with the PHE ending
- More than $50 million in additional IGT required for FY24

## Medicaid DSH

- Program changes to CHIRP have provided increased amounts to private hospitals, excluding some from the DSH program
- These unused amounts allocated primarily to public hospitals, with Parkland receiving an increase of over $20 million

## Medicaid UC

- Small change in methodology, with increased funding in FY23
- FY24 amounts return to normal, resulting in $46 million loss

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# Significant Supplemental Variances

## DSRIP

- Program ended in 2022, with final amounts of $16 million recognized in FY23

## Hospital Augmented Reimb Program (HARP)

- Impact of FMAP change is a reduction of $18 million

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# FY2024 Expense Assumptions

## Expense Assumptions

- FTE/Staffing correlated to new benchmarked standards
- Salaries & Benefits
  - 2.0% market adjustment
  - 3.0% merit increase*
  - 5.0% Benefits increase*
- Medical/Surgical Supplies
  - 5.5% increase for inflation
- Drugs
  - 7.0% increase

* Work is still ongoing to determine FY24 amounts

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# FY2024 Expense Assumptions

## Expense Assumptions - Continued

- Fees
  - 5.5% increase overall
- Insurance Premiums
  - 10% increase*
- Purchased Medical Services
  - 3.5% increase

* Work is still ongoing to determine FY24 amounts

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# FY2024 FTE Assumptions

## Establishing Department Productivity Targets

- Target setting using historical performance, benchmarking data and future assumptions to identify a fair and realistic target.

- Productivity target determines the budgeted productive FTEs based on budgeted volume for “variable” departments and historical FTE utilization for “fixed” departments.

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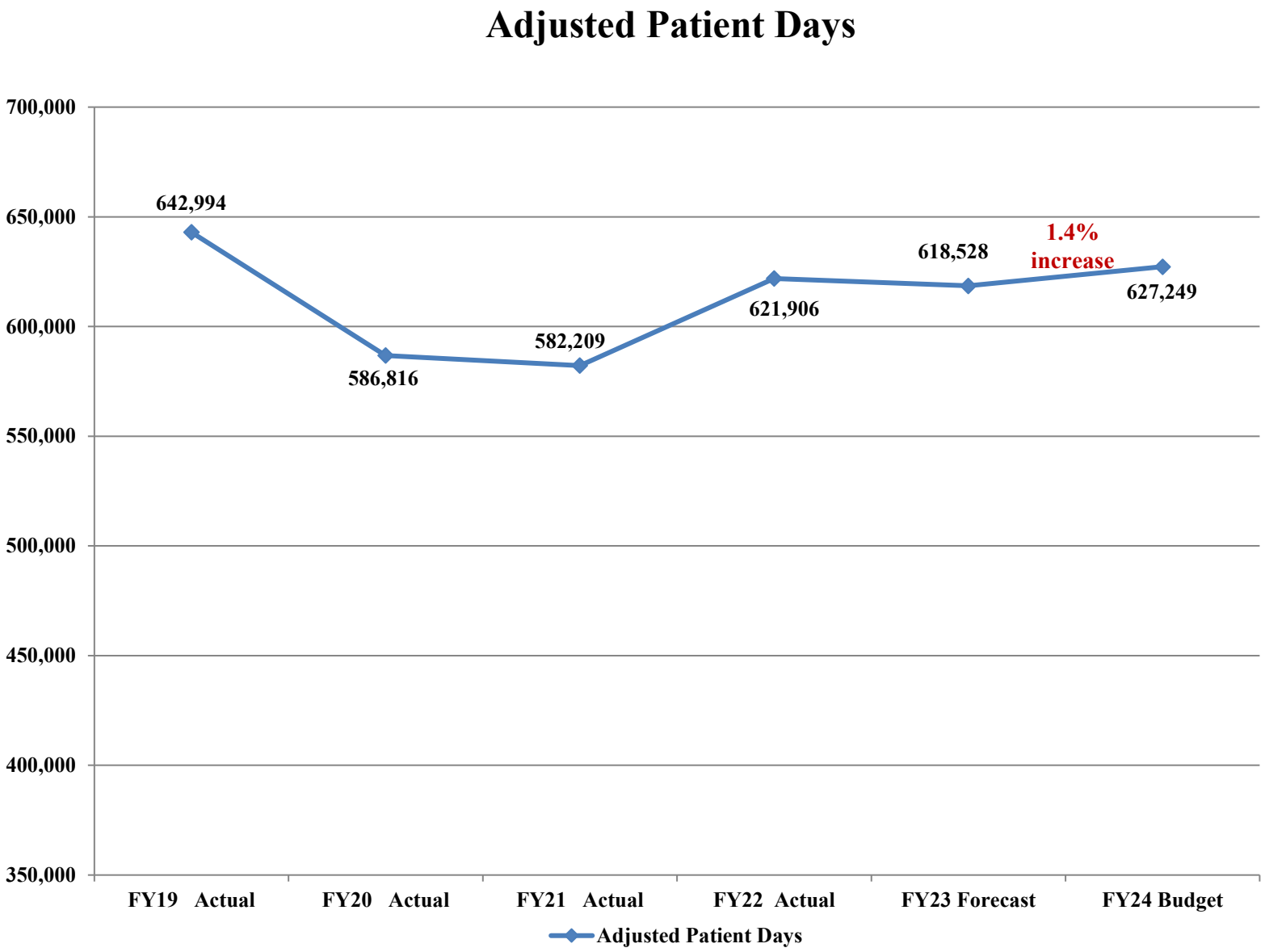
# FY 2024 Volume Trends



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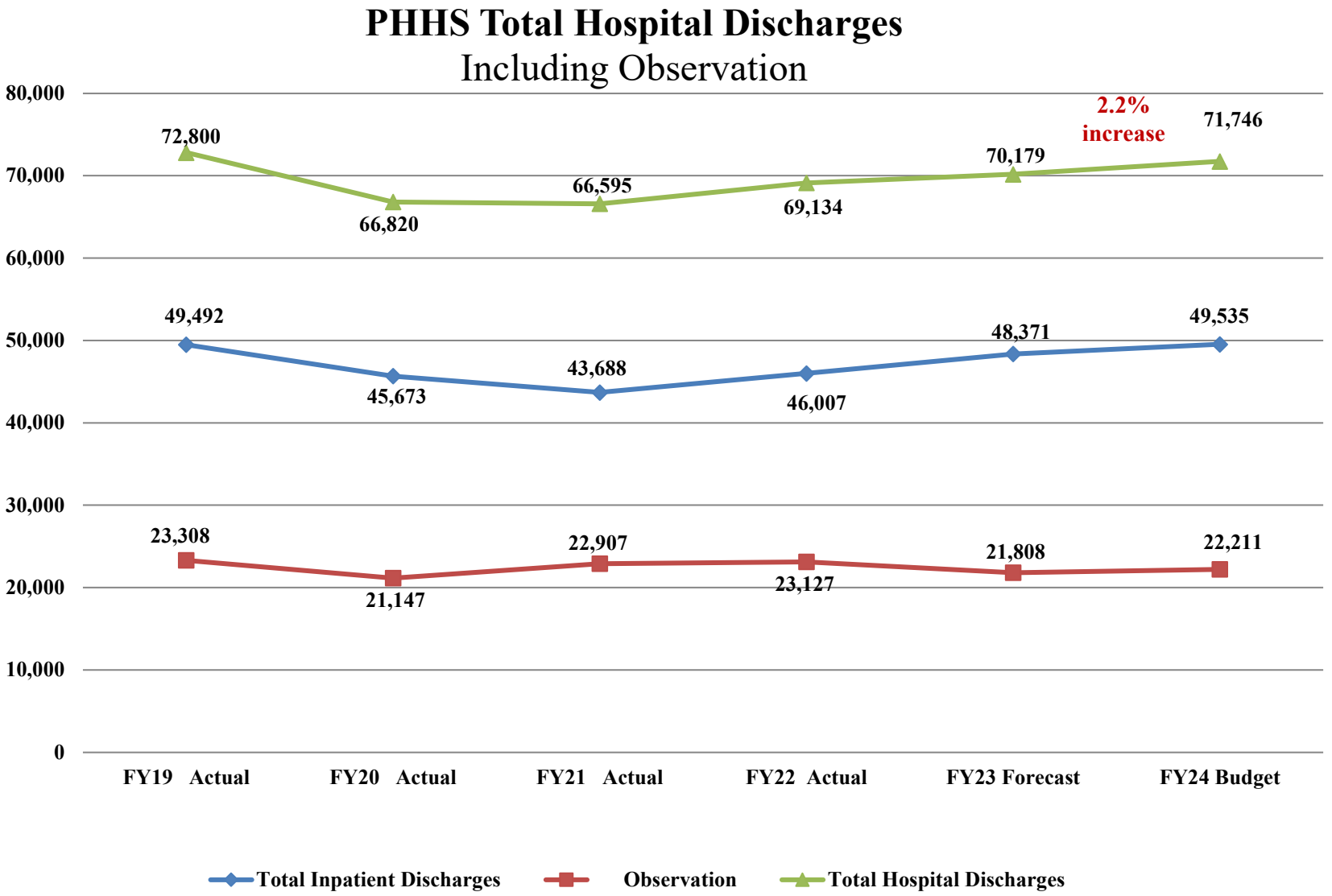
# FY 2024 Volume Trends



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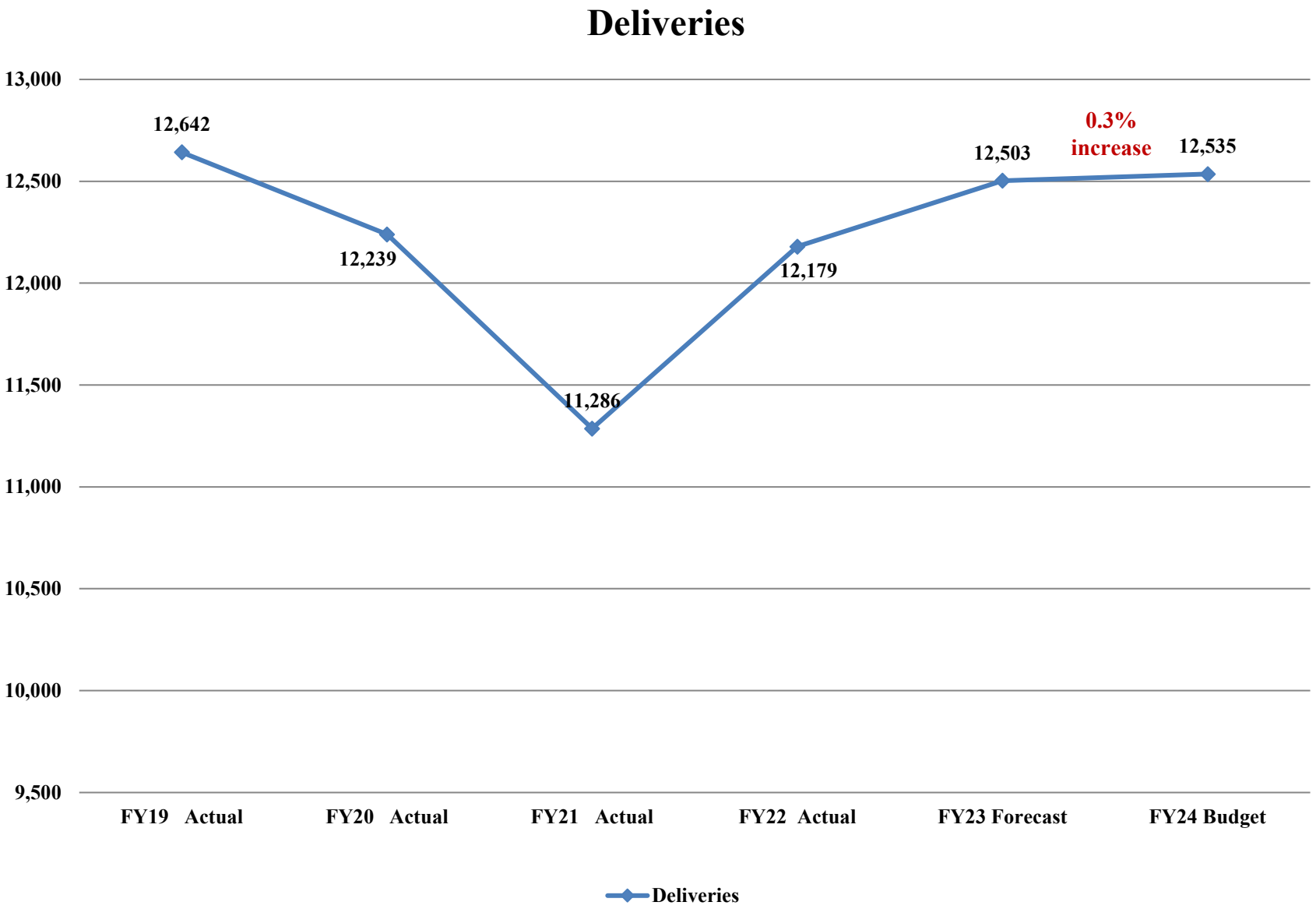
# FY 2024 Volume Trends



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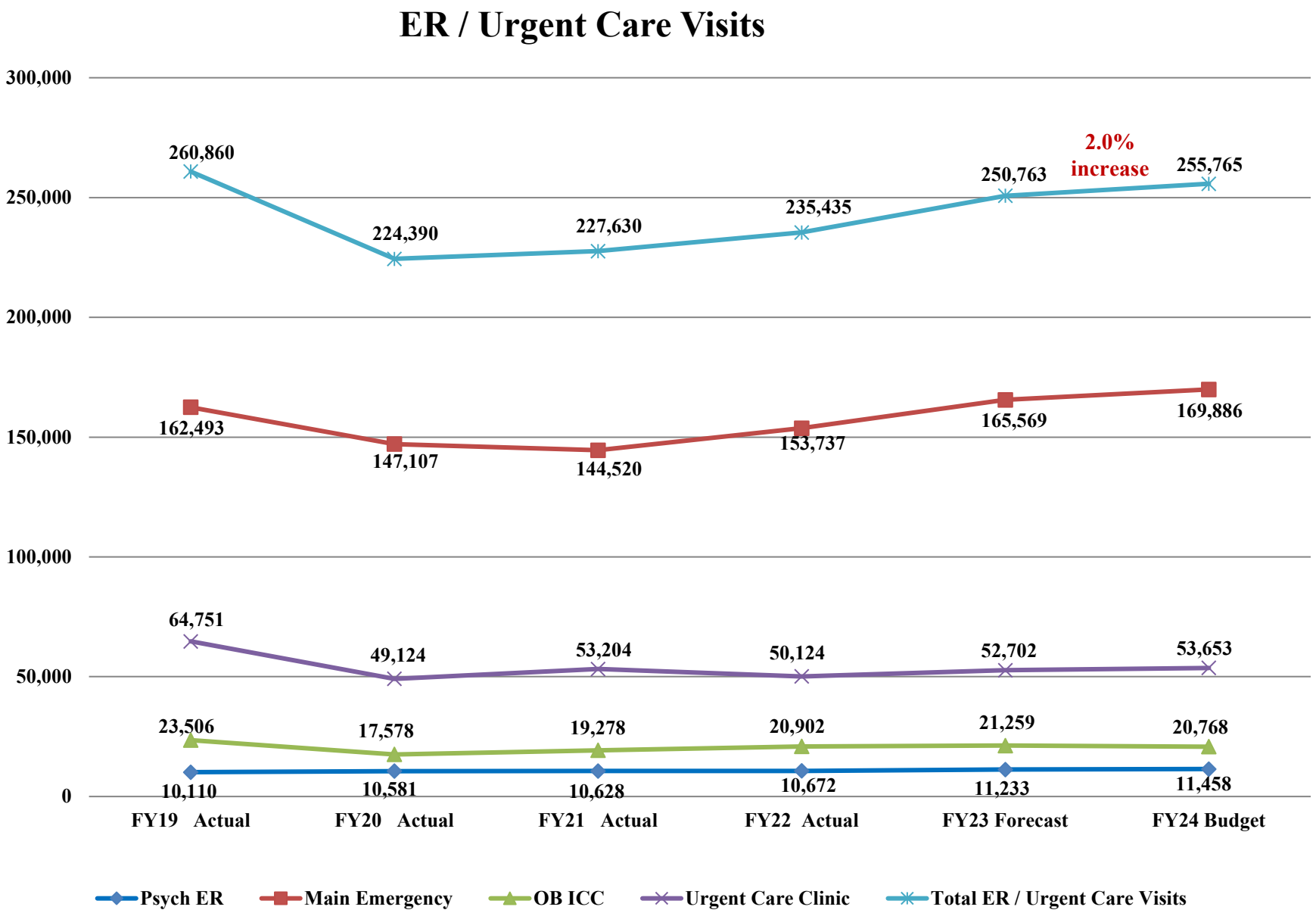
# FY 2024 Volume Trends



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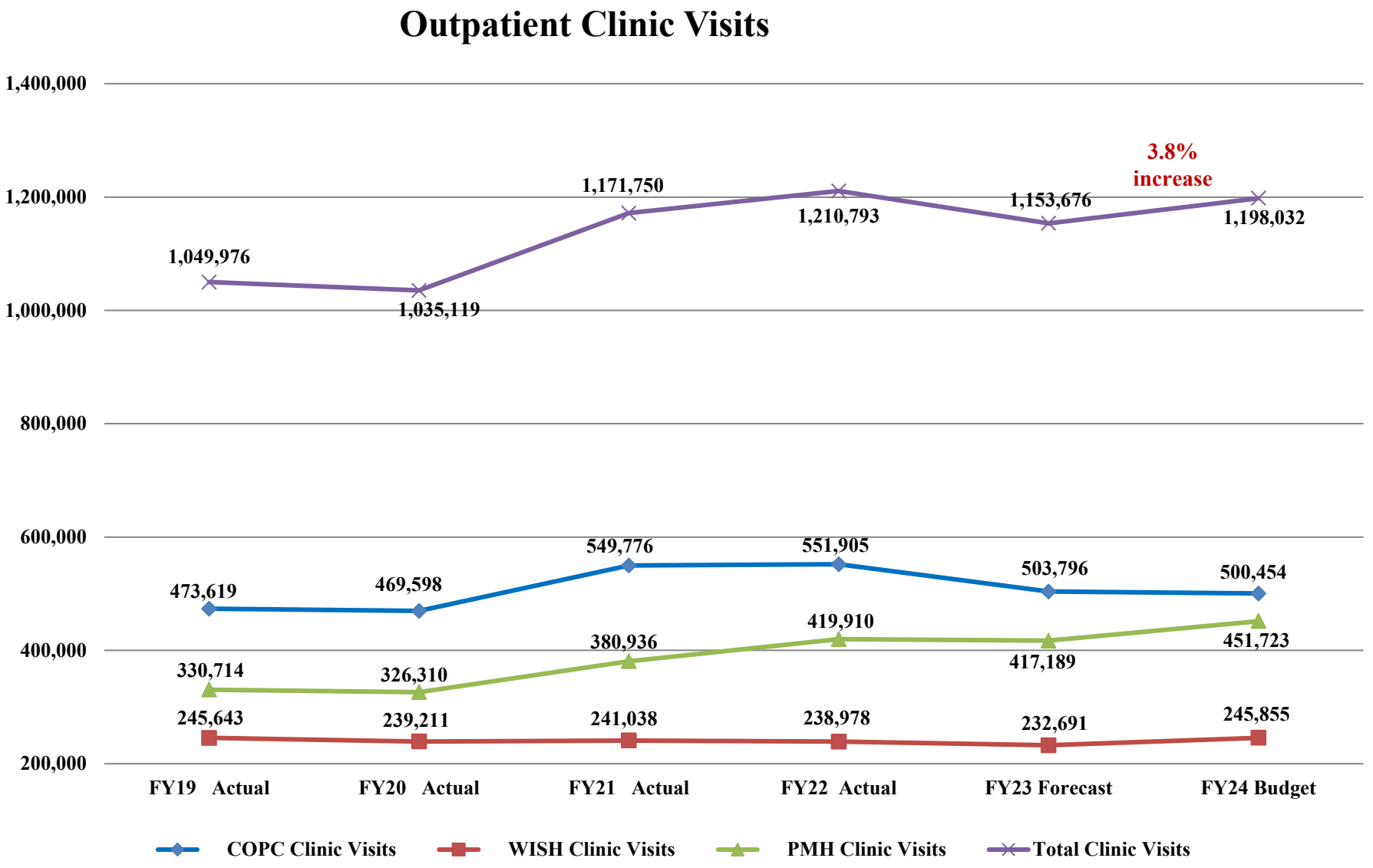
# FY 2024 Volume Trends



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# FY2024 Preliminary Tax Revenue

- Preliminary information regarding taxable valuations indicates an estimated increase of about 8%
- Parkland assumes a tax rate of $0.2245 * for FY2024 of which $0.01007 is for debt service
- Parkland seeks to cap its tax revenue increase at 4% over the prior year budget
- Current year tax collection percentages remain constant at approximately 100%

*Final rate to be determined upon receipt of the certified tax rolls

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# Tax Rate Trends

**Tax rates are trending downward as property values increase:**

| Fiscal Year | | Tax Rate |
|---|---|---|
| 2016 | | $0.2860 |
| 2017 | | $0.2794 |
| 2018 | | $0.2794 |
| 2019 | | $0.2794 |
| 2020 | | $0.2695 |
| 2021 | | $0.2661 |
| 2022 | | $0.2550 |
| 2023 | | $0.2358 |
| 2024 | * | $0.2245 |

* Preliminary, subject to certification of values

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# FY 2024 Debt Financing Levy

**We expect a modest decrease in the debt service tax rate for FY 2024 from the FY 2023 budget assuming an 8% increase in taxable values**

**Required Debt Service Rate using estimated December 31, 2022 Taxable Values**

**(Dollars in Millions)**

| Projected Transactions | FY2023 | FY2024 |
|---|---|---|
| 2009 Series Debt Service - Interest | $ 22.8 | $ 22.6 |
| 2009 Series Debt Service - Principal | 3.4 | 15.2 |
| Normal Federal Subsidy – Build America Bonds | (8.0) | (7.9) |
| Subsidy Sequestration | 0.5 | 0.5 |
| 2019 Series Debt Service – Interest | 7.1 | 6.5 |
| 2019 Series Debt Service - Principal | 11.7 | 0.7 |
| Tax Requirement - Debt Service | $ 37.5 | $ 37.6 |
| | | |
| Estimated Tax Base | $344,766 | $372,347 |
| Tax Rate per $100 (Dollars) | $0.010865 | $0.010070 |
| Voter Approved Debt Service Rates | $0.025000 | $0.025000 |

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# FY24 Budget Calendar

- July 25th : First Presentation to Finance Committee
- July 26th : First Presentation to Board of Managers
- August 15th: First Presentation to Commissioners Court
- August 22nd : Final Presentation to Finance Committee
- August 23rd : Final Presentation to Board of Managers and Vote on Budget & Resolution
- September 5th : Final Presentation to Commissioners Court and Public Hearing and Vote

# Economic Development Opportunities Update

# Texas Healthcare Trustee (THT) Conference Update

*Executive Session*

# Discussion of Master Service Agreement for Physician Services Contract

*Executive Session*

# Discussion Regarding Negotiation for Expansion of Nursing Home QIPP Relationship

*Executive Session*

# Consultation with Attorney on Internal Investigation Process and Update on Pending Investigation

*Executive Session*

# Personnel Matters Pertaining to Duties and Responsibilities of Chief Executive Officer

*Executive Session*

# Personnel Matters Pertaining to Duties and Responsibilities of Board Members

# Medical Executive Committee: Credentialing Report

# Medical Executive Committee Delineation of Privileges Anesthesiology & Pain Medicine

# Medical Executive Committee Delineation of Privileges Neurosurgery

# Medical Executive Committee Delineation of Privileges
# Radiation Oncology

# Medical Executive Committee Delineation of Privileges Non-Physician Clinical Provider Staff - Women's Health

# Patient Settlements