

STATE OF TEXAS
COUNTY OF COLLIN

HEALTHCARE FOUNDATION
MEETING MINUTES
MAY 3, 2010

On Monday, May 3, 2010 , the Collin County Health Care Foundation Board of Trustees met in Regular Session in the Commissioners Courtroom, Jack Hatchell Collin County Administration Building, 4th Floor, 2300 Bloomdale Road, City of McKinney, Texas, with the following members of the Board present, and participating, to wit:

Present:

President Keith Self
Trustee Matt Shaheen
Trustee Joe Jaynes
Trustee Kathy Ward

Absent:

Trustee Jerry Hoagland

1. President Self called to order the meeting of the Collin County Health Care Foundation at 6:03 p.m.

2. **Consent agenda to approve:** President Self asked for any comments on the consent agenda. There being none a motion was made to approve the consent agenda. (Time: 6:03 p.m.)

Motion by: Trustee Joe Jaynes
Second by: Trustee Matt Shaheen
Vote: 4 - 0 Passed

a. AI-31794 Disbursements for the period ending April 27, 2010, Auditor.

HCF RESOLUTION NO. 2010-2055-05-03

b. AI-31748 Agreement with National Cinemedia to run video advertisements at local cinemas for Public Health Emergency & Medical Reserve Corp (MRC) volunteer recruitment and further authorize the Board President to finalize and execute same, Homeland Security.

HCF RESOLUTION NO. 2010-2056-05-03

c. **AI-31747** Amendment to the contract with the Department of State Health Services (DSHS) for Program Attachment No. 001 to Contract No. 2010-033287, Amendment No. 001A: NSS-WIC Local Agency-NOIMM program to increase the administrative reimbursement from \$10.40 to \$10.64 per client for increased counseling requirements for the WIC program and further authorize the Board President to finalize and execute same, Health Care.

HCF RESOLUTION NO. 2010-2057-05-03

d . **AI-31752** Grant application for the FY2011 Cities Readiness Initiative Grant with the Texas Department of State Health Services (TDSHS) in the amount \$161,951 (no matching funds) Homeland Security.

HCF RESOLUTION NO. 2010-2058-05-03

e. **AI-31755** Filing of the April 12, 2010, Minutes, County Clerk.

HCF RESOLUTION NO. 2010-2059-05-03

GENERAL DISCUSSION

3. **AI-31807** Status of FY2010 Healthcare Budget, Budget.

Bill Baumbach, Wylie, approached the Board to give his comments regarding indigent healthcare. He has been following the funds in the Health Care Trust Fund and knows some of the issues the Board is dealing with. He asked the Board to look at this not only as a budget issue, but also as a human being issue before any decisions were made. The reason needs have gone up is obvious with the economy and with unemployment. Not everyone has government health insurance. The numbers are real, the need is real. He asked that the Board take this into consideration with tonight's vote.

Monika Arris, Budget, gave a power point presentation to update the Board on the Indigent Health Care budget to date. The presentation included the inpatient hospital care costs are \$654,000 which is 121% of the adopted budget. The projected expenditures by fiscal year end is approximately \$1.2 million. Outpatient care costs are \$468,000 which is about 83% of the budget. This cost could be at \$900,000 by fiscal year end. Ms. Arris noted that the figures were seasonally adjusted and were estimates.

Primary care services, which is the Prima Care program, in years past has been capped at \$400,000. As of today bills received are approximately \$298,000; therefore, the program was put on hold as of May 1, 2010 while they wait for additional bills to come in. It is believed the \$400,000 cap has already been reached. The cap has not been reached in the past two years, so this is something new to the County.

Pharmaceutical services are at \$133,000 as of today and are projected to be \$281,000 by fiscal year end. Trustee Shaheen asked how these figures were reached. Ms. Arris replied that the statistics are based on the patient load and how they seasonally adjust. Total expenditures are currently about 92% of the budget. This is an issue being seen in other counties as well and is not specific to Collin County. Williamson County has seen an increase of 54% and Denton County has seen an increase of 55% as compared to the same time last year.

The estimated annual cost per patient rose from \$11,000 to \$12,000 to between \$18,000 and \$19,000. Trustee Shaheen noted the sharp increase and asked why it was so high. Ms. Arris replied that there has been an increase in hospital stays and those figures have gone up.

Candy Blair, Health Care Services, approached to address the questions from the Board. Ms. Blair explained that the hospitals are maximizing revenue from patients including indigent patients and hospital services can be very expensive. More people are utilizing care and the hospitals are invoicing. A large increase was seen in the fall due to the H1N1 virus. The increase in hospital costs have contributed to the increase in the County costs.

Ms. Arris continued the presentation showing the monthly patient caseload which includes those who use the program on a monthly basis. Currently there are about 233 in the program. Of those, 78 have some type of income such as unemployment or social security benefits. Of the 78, 47 are 50% above federal poverty level and 10% are below the federal poverty level.

The number of new patients has been steadily increasing. President Self asked about the diagnosis. Ms. Blair said the typical top five including cardiac, hypertension, diabetes, and surgeries. Trustee Jaynes asked if the increase was related to H1N1. Ms. Blair confirmed this and said that is why Ms. Arris included a seasonal trend. They saw a huge spike in January and hope to see it seasonally come back down.

The presentation continued with how these numbers impact the Health Care Foundation. As of October 1, 2009, which is the beginning of the fiscal year, the fund balance was \$13,901,592. Over the past two years revenues have been approximately \$2.25 million while the expenditures have been approximately \$4 million. It is projected that approximately \$2 million of the fund balance will be used by the 2010 fiscal year end. There will be a revenue adjustment to the fund of approximately \$400,000 which is due to a loss in rental and interest loss.

Ms. Arris is requesting from the Board three budget amendments from the Health Care Trust Fund balance. First, \$709,693 for inpatient care which would bring the FY2010 adjusted budget to \$1.25 million. Second, \$333,664 for outpatient care which would bring the FY2010 adjusted budget to \$900,000. And \$52,000 for pharmaceutical services which would bring that FY2010 adjusted budget to \$230,000.

Ms. Arris remarked the Board needed to discuss whether to extend the Prima Care program by raising the cap from \$400,000 to \$600,000 which would be a budget amendment of \$200,000 from the fund balance.

If the FY 2010 trend continues, it is possible to exhaust the Health Care Foundation funds by 2013. If this happens, health care would have to be absorbed by the General Fund in 2014. President Self clarified the total amount of the budget adjustments which is \$1,295,357. Trustee Shaheen commented it is the ongoing deficit of \$2 million annually that will exhaust the funds by 2013, to which Ms. Arris replied yes. What needs to be watched is the patient load and decide if they should continue accepting new patients. Trustee Jaynes inquired what it would do to the fund balance should this be approved. Ms. Arris said the balance would go to approximately \$10.6 million. President Self remarked that they needed to look at the list of what the County must provide and what they can provide. The mandatory services that must be provided are inpatient care, outpatient care and up to three prescriptions per month from pharmaceutical services. The Prima Care program is optional. Ms. Blair confirmed this to be correct.

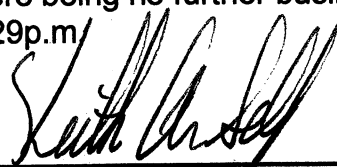
President Self asked if the \$52,000 that is being requested is for the three prescriptions per month requirement. Ms. Blair replied yes, however, the County also provides for diabetic medication. If they went to strictly mandatory requirements the diabetic medication would be eliminated. The requested adjustment would cover the critical medications as currently being provided by the County without any additional funds. Board members agreed that the issue was really whether to continue the Prima Care program. President Self asked if the requested \$200,000 would actually cover the costs since the statistics show such a sharp increase. Ms. Blair said they believed the increase was due mainly to the H1N1 virus and they are hoping to see a seasonal decline. Motion to approve the recommendation of a \$1.2 million adjustment from trust fund balance. (Time: 6:29 p.m.)

Motion by: Trustee Joe Jaynes
Second by: Trustee Kathy Ward
Vote: 4 - 0 Passed

HCF RESOLUTION NO. 2010-2060-05-03

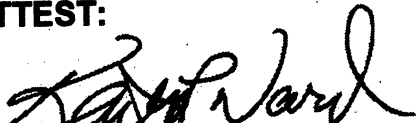
EXECUTIVE SESSION

The Board did not recess into Executive Session. There being no further business of the Board, President Self adjourned the meeting at 6:29p.m/



Keith Self, President

ATTEST:



Kathy Ward, Trustee