

AGENDA

Thursday, March 1, 2018 – 12:00 PM
(February Meeting)

CONSENT AGENDA: ALL ITEMS MARKED WITH A SINGLE ASTERICK (*) ARE PART OF THE CONSENT AGENDA AND REQUIRE NO DELIBERATION BY THE GOVERNING BOARD. ANY BOARD MEMBER MAY REMOVE AN ITEM FROM THIS AGENDA TO BE CONSIDERED SEPARATELY.

PROCEED TO BOTTOM OF THIS DOCUMENT FOR APPEARANCE & EXECUTIVE SESSION GUIDELINES

In accordance with the provisions of the Americans with Disabilities Act (ADA), persons in need of a special accommodation to participate in this proceeding shall, within three (3) days prior to any proceeding contact the Administrative Office at 9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City 77591 (409) 949-3406.

ANY MEMBERS NEEDING TO BE REACHED DURING THE MEETING MAY BE CONTACTED AT 409-938-2288

REGULARLY SCHEDULED MEETING

Meeting Called to Order

- *Item #1 Agenda
- *Item #2**ACTION** Excused Absence(s)
- *Item #3**ACTION** Consider for Approval February 1, 2018 Minutes
- *Item #4**ACTION** Consider for Approval Ratification of the Action from the Executive Committee Call on Thursday February 22, 2018
- *Item #5**ACTION** Annual Policy/Plan Review
 - Workers' Compensation Policy
 - Limited English Proficiency Policy
 - Safety and Risk Management Policy
 - Workplace Environment Policy
 - Dental Scope of Services Policy
 - Coastal Health & Wellness Sliding Fee Policy
 - Emergency Operation Policy
 - Performance Improvement Plan
- *Item #6 Informational Report
 - Drug Free Workplace
 - Criminal and Motor Vehicle Record Background Check
 - Employee Leave
- Item #7**ACTION** Consider for Approval 2017 Audit Financial Report
- Item #8 Executive Report
- Item #9**ACTION** Consider for Approval Financial Committee Report January 2018
- Item #10**ACTION** Consider for Approval Bad Debt Write-off and Adjustment Report for 2017
- Item #11**ACTION** Consider for Approval Request to Purchase Microsoft Cloud

- Item #12 **ACTION** Consider for Approval Request to Purchase Microsoft Datacenter Licenses-\$25,901
- Item #13 **ACTION** Consider for Approval Billing and Collection Policy
- Item #14 **ACTION** Consider for Approval Quarterly Access to Care Report
- Item #15 **ACTION** Consider for Approval Customer Service Survey Report
- Item #16 **ACTION** Consider for Approval Privileging Rights for Richland Mosley, DDS
- Item #17 Review Process to Evaluate Governing Board
- Item #18 Review Joint Commission Accreditation Report

Adjournment

Tentative Next Meeting: March 29, 2018

Appearances before Governing Board

A citizen desiring to make comment(s) to the Board, shall submit a written request to the Executive Director by noon on the Thursday preceding the Thursday Board meeting. The written request must include a brief statement identifying the specific topic and matter presented for consideration. The Executive Director shall include the requested appearance on the agenda, and the person shall be heard, so long as he or she appears at the Board Meeting.

Executive Sessions

When listed, an Executive Session may be held by the Governing Board in accordance with the Texas Open Meetings Act. An Executive Session is authorized under the Open Meetings Act pursuant to one or more the following exceptions: Tex. Gov't Code §§ 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding a prospective gift or donation), 551.074 (personnel matters), 551.0745 (personnel matters affecting Coastal Health & Wellness advisory body), 551.076 (deliberation regarding security devices or security audits), and/or 551.087 (deliberations regarding economic development negotiations). The Presiding Officer of the Governing Board shall announce the basis for the Executive Session prior to recessing into Executive Session. The Governing Board may only enter into Executive Session if such action is specifically noted on the posted agenda.

The Galveston County Health District's Boardroom is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need accommodations, auxiliary aids, or services such as interpreters, readers, or large print are requested to contact GCHD's Director of Contracts and Compliance, at 409-938-2213, or via e-mail at lwilliams@gchd.org at least 48 hours prior to the meeting, so that appropriate arrangements can be made.

**Governing Board
February 2018
Item #/2
Excused Absence(s)**

Governing Board

February 2018

Item #/3

Consider for Approval February 1, 2018 Minutes

**Coastal Health & Wellness
Governing Board Meeting
February 1, 2018**

Board Members

Present:

Dr. Howard
Jay Holland
David Delac
Mario Hernandez
Victoria Dougharty
Virginia Valentino
Jose Boix
Dorothy Goodman

Staff:

Mary McClure, Executive Director
Dr. Foster
Dr. Alhassan
Andrea Cortinas
Sandra Cuellar
Lea Williams
Mary Orange
Tikeshia Thompson Rollins

Kathy Barroso, GCHD CEO
Pisa Ring
Laura Walker
Anthony Hernandez
Kristina Garcia
Michelle Peacock
Tiffany Carlson
Kenna Pruitt
Mario Acosta

Excused Absence: Miroslava Bustamante

Unexcused Absence:

***Approval of Consent Agenda**

Upon a motion by Virginia Valentino, seconded by Mario Hernandez, Consent Agenda items one through five were unanimously approved.

*Dr. Howard Board Chair, asked that item #9 recognizing the Retirement of Florinda Suayan be moved up before Executive Session.

Item #9 Recognizing the Retirement of Florinda Suayan

Dr. Howard, Board Chair, asked the Board to consider for approval for resolution recognizing the retirement of Florinda Suayan. Upon a motion made by Virginia Valentino, seconded by Dorothy Goodman the consideration was unanimously approved by the Board.

Item #6 EXECUTIVE SESSION

Texas Government Code Section 551.071, Consultation with Attorney: the Coastal Health & Wellness Governing Board will enter into an executive session as permitted under the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, pursuant to Section 551.071 of the Government Code: to seek the advice of its attorney about pending or contemplated litigation or on a matter in which the duty of the attorney to the Coastal Health & Wellness under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act relating to 17-CV-00109, United States of America, ex rel. Tammy Lynn Babcock and Malek Bohsali v. Coastal Health & Wellness, and Galveston County Health District.

Item #7 Reconvene Regular Open Meeting

Reconvene to regular meeting at 12:36 p.m.

Item #8 Recognizing the Retirement of Richard Randolph, DDS

Dr. Howard, Board Chair, asked the Board to consider for approval for resolution recognizing the retirement of Dr. Richard Randolph. Upon a motion made by Virginia Valentino, seconded by Dorothy Goodman the consideration was unanimously approved by the Board.

Item #10 Executive Report

Mary McClure, Executive Director, presented the January 2018 Executive Report to the Board

Item #11 Consider for Approval Financial Committee Report (November & December)

Mary Orange, Business Office Manager, asked the Board to consider for approval financial committee report for November & December.

November

Mary informed the Board that the MTD increase in Fund Balance \$55,467. Revenues were \$1,253,449 higher than budgeted this month. MTD revenues related to Self-Pay, Private Insurance, Medicaid, Medicare and Contract Revenue were all higher than budgeted due to recording Receivables. HHS Grant revenue is over budget MTD \$29,926. This includes base amount of \$285,040 plus QI Funds of \$1,100 and DSHS II funds of \$4,402. Mary also stated that the YTD revenues are \$5,866,339 higher than budgeted due to recording of AR balances. Private insurance, Self-Pay, Medicaid, Medicare and Contract Revenue are higher than budgeted, while Title V is on target for new contract effective 9/1/17. Expenses were (\$1,197,383) higher MTD than budgeted due to recording of Bad Debt Expense, and are (\$5,251,388) higher YTD than budgeted, but are offset by savings in personnel. YTD increase in fund balance of \$124,698. Total fund balance \$4,831,123 as of 11/30/17.

December

Mary informed the Board that the MTD increase in Fund Balance \$63,219. Revenues were \$1,266,635 higher than budgeted this month. MTD revenues related to Self-Pay, Private Insurance, Medicaid, Medicare and Contract Revenue were all higher than budgeted due to recording Receivables. Mary also stated that the YTD revenues are \$7,132,975 higher than budgeted due to recording of AR balances. Private insurance, Self-Pay, Medicaid, Medicare and Contract Revenue are higher than budgeted, while Title V is on target for new contract effective 9/1/17. Expenses were (\$1,203,416) higher MTD than budgeted due to recording of Bad Debt Expense, and are (\$6,454,804) higher YTD than budgeted, but are offset by savings in personnel. YTD increase in fund balance of \$187,918. Total fund balance \$4,894,351 as of 12/31/17. Upon a motion made by Jay Holland, second by Dorothy Goodman, the consideration was unanimously approved by the Board.

Item #12 Consider for Approval Quarterly Compliance Report

Lea Williams, Director of Contracts and Compliance, General Counsel, asked the Board to consider for approval quarterly compliance report. There were 2 internal audits with no actions taken; 1 External audit with no findings; there were 2 Incidents reported one Non- preventable and one Preventable; there were 208 Terminations Letters sent for Bad Debt and 138 Reinstatements; there was 1 Termination for Bad Behavior and 3 Warning Letters sent for behavior. Upon a motion made by Virginia Valentino, second by Mario Hernandez, the consideration was unanimously approved by the Board.

Item #13 Consider for Approval Quarterly Visits and Collections Report Including a Breakdown by Payor Source for Recent New Patients

Mary Orange, Business Office Manager, asked the Board to consider for approval quarterly visits and collections report including a breakdown by payor source for recent new patients. Mary pointed out the Board that the total visits by financial class for 2017 was \$3,374 and 2016 was 3,305 which was a 2.1% change. YTD average went from \$3,485 in 2016 to \$3,592 in 2017 which represents a 3% change. The YTD payor mix there was a decrease in self-pay patients at -3.1% and an increase in private insurance at 3.4%. On the YTD total visits for 2017 we has \$43,101 and 2016 \$41,821 which is a difference of 3%. On the unduplicated visits YTD for 2017 we had \$13,823 compared to 2016 of 13,326 which was an increase of 3.7%. Mary also stated that the charges & collections for December 2017 we billed \$836,993, adjusted (\$577,605), net billed \$259,388, collected \$145,708 so we collected 56% of the net charges compared to December 2016 we collected 67% so we are down -16% compared to one year ago. YTD is -3% to -4% less in 2017 compared to 2016. Mary also informed the Board of how the visit break out by payor mix and what the net revenue is compared to the net billed revenue. 49,532 visits compared to 47,708 our net revenue per visit is now \$59.65 compared to 2016 \$54.09. Self-Pay gross charges for 2017 was \$6,505,783, collections were \$841,620 which was 12.9% gross charges and 80.3% net compared to 2016 we collected 13.1% gross charges and 7.9% net. On the new patient by financial class Mary also pointed out to the Board that in 2017 we had 3,970 compared to 3,679 in 2016.

Upon a motion made by Virginia Valentino, second by Dorothy Goodman, the consideration was unanimously approved by the Board.

Item #14 Consider Re-Privileging of Coastal Health & Wellness

Mary McClure, Executive Director, asked the Board to consider for approval re-privileging for both Dr. Abdul-Aziz Alhassan, Medical Director, and Dr. Beverly Foster, Dental director.

Dr. Beverly Foster, Dental Director, asked the Board to consider for approval re-privileging for Dr. Bang Nguyen.

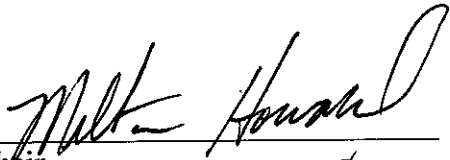
Upon a motion made by Dorothy Goodman, second by Mario Hernandez, the consideration was unanimously approved by the Board.

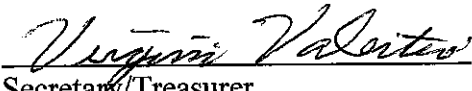
Item #15 Consider for Approval Privileging Rights for Unsil Keiser, DDS

Dr. Beverly Foster, Dental Director, asked the Board to consider for approval privileging for Dr. Unsil Keiser. Upon a motion made by Dorothy Goodman, second by Virginia Valentino, the consideration was unanimously approved by the Board.

Adjournment

A motion to adjourn was made by Dorothy Goodman, seconded by Mario Hernandez. The Board adjourned at 12:41 p.m.


Chair
3 - 1 - 2018
Date


Secretary/Treasurer
3 - 1 - 2018
Date

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Governing Board

February 2018

Item #/4

Consider for Approval Ratification of the Action

From the Executive Committee Call on Thursday February 22, 2018

**Coastal Health & Wellness
Governing Board
Executive Committee Call
February 22, 2018**

**Board Committee
Members:**

Dr. Milton Howard
Jose Boix
Virginia Valentino

Staff:

Mary McClure, Executive Director
Tikeshia Thompson Rollins
Anthony Hernandez

*An Executive Committee meeting was held on Thursday February 22, 2018 at 11:00 a.m.
The committee approved item #1*

Item #1 Consider for Approval Coastal Health & Wellness Infection Control Policy

Mary McClure, Executive Director, asked the Board to consider for approval the Coastal Health & Wellness Infection Control Policy. Upon a motion made by Virginia Valentino, second by Jose Boix the consideration was unanimously approved by the Executive Committee.

- Coastal Health & Wellness Infection Control Policy

Adjournment

Upon on a motion to adjourn was made by Virginia Valentino, second by Jose Boix. The Executive Committee adjourned at 11:08


Chair

3-1-2018
Date


Secretary/Treasurer

3-1-2018
Date

Coastal Health & Wellness (CHW) Infection Control Policy

Purpose

Healthcare-associated infections (HAIs) are infections that patients acquire during the course of receiving healthcare. These infections can happen in either inpatient or outpatient settings. HAIs affect millions of people every year and are caused by a wide variety of bacteria, fungi, and/or viruses. HAIs can be devastating and even deadly and pose a threat to patients, healthcare workers, and the general public's health. Wherever patient care is provided, adherence to infection prevention guidelines is needed to ensure that all care is safe care. Everyone who works in the organization has responsibilities for preventing and controlling infection.

Policy

It is the policy of CHW to implement infection control procedures according to evidence-based guidelines in order to minimize the risk of HAIs among patients and staff.

Procedure

- A. The Clinical Compliance Specialist (CCS) will conduct a risk assessment in order to prioritize infection risks.
- B. The Infectious Disease Control Committee will select evidence-based infection control procedures¹ based on the prioritized infection risks.
- C. The CHW Governing Board will review and approve the selected Infection Control Policy.
- D. Staff will be trained on the infection control guidelines annually or more frequently as needed.
- E. Clinical staff will be trained on infection control guidelines and procedures annually or more frequently as needed based on their job requirements.
- F. All training will be documented and monitored by the Clinical Compliance Specialist and CHW Administrative office.
- G. Any event, activity, or incident involving an exposure to a potentially infectious agent is reported on the center's incident report form and the center CCS directs an investigation into the incident. Immediate action is taken as appropriate and reported according to the center's Incident Reporting Procedure.
- H. The Clinical Compliance Specialist, working with appropriate clinical staff, regularly reviews infection control procedures and updates as needed.

¹ See CDC Guidelines: [CDC Evidence-based Guidelines for Infection Control](#); See AAMI Guidelines: <http://www.aami.org/standards/index.aspx>

- I. The Clinical Compliance Specialist reports infection control monitoring and any incidents to the Infectious Disease Control Committee and subsequently to the Governing Board Quality Assurance (QA) Committee.
- J. CHW will evaluate the effectiveness of its infection prevention and control activities on a quarterly basis. The findings will be used when revising the priorities risks, goals and activities for preventing and controlling infection. The findings from the evaluation are communicated at least annually to the Infectious Disease Control Committee.
- K. Staff should report any infection control concerns to their immediate supervisor and to the Clinical Compliance Specialist.

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**Governing Board
February 2018
Item #/5
Annual Policy/Plan Review**

- **Worker's Compensation Policy**
- **Limited English Proficiency Policy**
- **Safety and Risk Management Policy**
- **Workplace Environment Policy**
- **Dental Scope of Services Policy**
- **Coastal Health & Wellness Sliding Fee Policy**
- **Emergency Operation Policy**
- **Performance Improvement Plan**

Workers' Compensation

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness (collectively "District") employees who have voluntarily opted out of their common law right as a class-member to the Worker's Compensation Act.

Policy

It is the District's policy to be in compliance with and follow the minimum requirements of the Texas Workers' Compensation Act (TWCA), which covers:

- **On-the-job injury:** An event or occurrence in the course and scope of employees' designated work which results in damage or harm to the body; and
- **Occupational illness:** An illness contracted by an employee due to a condition or exposure present in the workplace which the employee otherwise wouldn't have been exposed to.

Workers' Compensation benefits are provided through a Third Party Administrator (TPA) who determines if claims are compensable. If a claim is compensable, the TPA may provide compensation and medical benefits in accordance with the TWCA.

Reporting

An employee who sustains an injury or exposure in the course and scope of employment must immediately notify his/her supervisor and the Risk and Safety Coordinator. The employee must also complete an *Employee Incident or Injury Report* form, which is available on the employee extranet site, as soon as possible and no later than twenty-four (24) hours after occurrence of the injury or exposure. A drug and/or alcohol test may be performed on employees sustaining a work-related injury or exposure in accordance with executive guidelines and the *Drug-Free Workplace* policy.

Those occupational illnesses and/or exposures which require post exposure management will be handled in accordance with the District's *Infection Control Plan*, which outlines prevention, reporting and follow-up requirements.

Compensation

If an employee sustains an on-the-job injury which renders him/her unfit for performing the duties of the job and it is deemed compensable by TPA, the employee will receive pay as follows:

- If the employee is out on workers' compensation for less than eight days, the employee has the option to utilize his/her vacation and personal leave for up to the first seven days off work.
- Beginning on the eighth day and for any days thereafter that the employee is unfit for duty, the employee will not be able to utilize his/her vacation or personal leave. The employee shall receive payments from the TPA in accordance with the law, via checks issued directly to the employee from the TPA.
- Employees out due to a compensable workers' compensation injury will not

accrue paid benefits, such as vacation and personal leave and will not be paid for holidays; however, this time period will be credited service toward vesting for the employee's retirement and longevity. Employees on workers' compensation leave will be required to pay the employee and dependent portion of benefits (medical, dental, etc). Employees shall not be permitted to supplement workers' compensation benefits with paid vacation or personal leave.

Seeking Treatment

Employees should not use their personal health insurance for work related injuries or exposures.

In response to Texas Labor Code 504.053, employees who sustain a work related injury or exposure **must** seek treatment from a treating doctor on the Alliance network list of doctors. The Alliance network includes both primary care physicians and specialists. Any employee who chooses to seek treatment from a non-Alliance provider assumes the risk of payment for medical treatment and the potential loss of income benefits.

Please note that in emergency care situations, employees should seek care at the nearest emergency facility, regardless of whether or not the emergency care facility is a part of the Alliance network. However, all related post-emergency care treatments should be sought through a provider in the Alliance network.

The Alliance provider listing is available online at www.pswca.org. Employees may also contact TML, the District's TPA, at 1-800-762-1818 for assistance in locating an in-network provider.

Designated staff are permitted to attend medical visitations with injured employees to facilitate communication with the provider, and to assist the employee in returning to work and/or home.

Returning to Work

The District will make reasonable efforts to provide suitable return to work opportunities for employees who are unable to perform regular duties following a work related injury. Only work that is considered to meet legitimate business needs of the District will be considered.

The Risk and Safety Coordinator will work with the employee, Human Resources, provider, and the employee's supervisor to research work assignments in which the injured employee is capable of accepting. Refusal of a bona fide offer of employment will directly 1) impact income benefits provided to the employee by the TPA; and 2) may impact the employee's continued employment with the District.

Family and Medical Leave Act (FMLA)

If an employee sustains an injury in the course and scope of employment for which the employee is receiving workers' compensation benefits, the injury may also qualify the employee for FMLA leave. In such cases, it will be the policy of the District to facilitate workers' compensation and FMLA concurrently on behalf of the employee. While out on workers' compensation and approved FMLA, accrued paid leave shall not be used for any purpose during the period in which the employee is receiving workers' compensation benefits. (Reference: Family Medical Leave policy)

Neutral Absence Control

Any employee away from work for whatever reason for a period of six consecutive months will be terminated from the District due to unavailability for work, except for those employees who are out in

accordance with USERRA, as defined by federal law (Reference: *Family and Medical Leave Act* and *Employee Leave* policies).

Employee Responsibilities

It is the employee's responsibility to:

- Know and follow safety policies and procedures;
- Report any injury or exposure **immediately** to the supervisor **and** Risk and Safety Coordinator as soon as possible and no later than twenty-four (24) hours after occurrence of the injury or exposure;
- Complete the *Employee Incident or Injury Report* form and return the form to Risk and Safety Coordinator within twenty-four (24) hours of the injury or exposure;
- Seek treatment from an in-network provider on the Alliance network (unless emergency circumstances dictate otherwise);
- Provide a notarized statement to the Risk and Safety Coordinator within ten (10) calendar days of the employee sustaining a work related illness or exposure;
- Complete baseline testing within ten (10) calendar days if the employee sustains a work-related exposure;
- If medical attention is necessary, inform the treating provider that return to work opportunities may be available to accommodate the employee's inhibited physical abilities;
- Notify the Risk and Safety Coordinator immediately if the employee's work status changes;
- When released by the treating provider to return to work, the employee shall present clearance paperwork to the Risk and Safety Coordinator and Human Resources, and notify these parties of the employee's next regular shift as assigned by his/her supervisor;
- Comply with TPA procedures and TWCA regulations;
- Cooperate with and assist the TPA representative(s) handling the workers' compensation case; and
- Stringently follow all orders and restrictions made by providers while at home and at work.

Supervisor Responsibilities

It is the supervisor's responsibility to:

- Assist in obtaining immediate medical attention for the injured worker, as deemed appropriate;
- Notify the Risk and Safety Coordinator **immediately** and no later than twenty-four (24) hours of the injury/illness;
- Ensure that an *Employee Incident or Injury Report* form is completed and sent to the Risk and Safety Coordinator as soon as possible and no later than twenty-four (24) hours following occurrence of the injury or exposure;
- Ensure the injured worker with restrictions understands to not violate restrictions; and
- Report any incidents in which the injured worker violates medical restrictions to Risk and Safety Coordinator.

Risk and Safety Coordinator Responsibilities

It is the Risk and Safety Coordinator's responsibility to:

- Ensure the District's compliance with the Workers' Compensation Act;
- Work with the injured employee's supervisor to find a bona fide opportunity that'll enable the employee to return to work;
- Monitor workers' compensation claims and serve as a liaison between the employee and the TPA;
- Maintain a log of accidents and injuries, train employees on proper reporting of incidents, and make official recommendations to supervisors pertaining to training of common incidents;
- Regularly communicate with the injured worker and supervisor during the employee's time away from work and monitor progress of the employee during his/her recovery period;
- Attend medical appointments as necessary; and

- Determine if the employee's absence meets requirements to be designated as FMLA in accordance with the Family and Medical Leave Act. (*Reference: Family and Medical Leave Act.*)

Retaliation

Texas law prohibits retaliation against an employee because the employee in good faith filed a workers' compensation claim, hired an attorney, testified or will testify in a workers' compensation proceeding.

Law

It is the intent of this policy to be in compliance with the Texas Workers' Compensation Act and Uniformed Services Employment and Reemployment Rights Act.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Forms

- *Employee Incident or Injury Report*

Limited English Proficiency

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance, and Coastal Health & Wellness (collectively “the District”) employees, volunteers, students, and contractors (business associates).

Policy

To ensure compliance with *Title VI of the Civil Rights Act of 1964*, the District sets forth the following policy for persons with limited English proficiency (LEP). The purpose of this policy is to provide persons with limited English proficiency meaningful access to the District services and benefits. No person will be denied access to the District services and benefits as the result of the inability or limited ability to communicate in the English language. This policy shall apply to all the District programs and services.

Risk and Safety Coordinator/ Director of Compliance Responsibilities

It is their responsibility to:

- coordinate with Patient Information and HR to provide effective language assistance and identify resources that will be used to provide effective language assistance;
- assist employees in accessing language line and/or other available interpretation services; and
- investigate client complaints.

Supervisor's Responsibilities

It is the supervisor's responsibility to:

- ensure employees, patients or customers know resources are available to provide effective language assistance; and
- document employee training on accessing or requesting language assistance.

Employee Responsibilities

It is the employee's responsibility to:

- schedule sign language as needed and send information to the Accounts Payable clerk;
- utilize the Language Line to assist clients, as needed; and
- within one business day of accessing the Language Line, complete the Language Line Usage form and forward the approved form to the Accounts Payable Clerk.

Laws

It is the intent of this policy to be in compliance with *Title VI of the Civil Rights Act of 1964*.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Safety and Risk Management

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness (collectively “District”) employees, volunteers, and contractors.

Policy

It is the District’s policy to comply with applicable federal, state, and local standards in regards to safety and risk management.

Personnel at all levels shall be accountable for the reporting of injuries and/or incidents, as well as the prevention of job related injuries, illnesses and incidents. Every employee shall be required to comply with all safety regulations, policies and procedures as set forth by the District, and the District will provide the necessary support to ensure that comprehensive safety processes and policies are maintained.

Program Managers are responsible for developing program specific guidelines to address procedural and/or other specific safety needs. Program specific guidelines must be aligned with the *Safety and Risk Management* policy, and *The Employee Safety Manual*.

Risk and Safety Sub-Committee

For operations guided by the United Board of Health and the Governing Board, a team of staff members shall comprise the District’s Risk and Safety Sub-Committee, which will be responsible for reviewing preventable incidents, offering recommendations for pertinent safety improvements and/or training and, if approved, implementing these recommendations.

Program Manager Responsibilities

It is the Program Manager’s responsibility to:

- Assist the safety committees by ensuring safety recommendations are departmentally implemented;
- Document corrective actions when relevant to preventable safety incidents; and
- Ensure staff receives safety training and job-related supplies and equipment as deemed applicable to staff members’ scope of employment.

Risk and Safety Coordinator / Director of Compliance Responsibilities

It is their responsibility to:

- Work with the safety committees to develop comprehensive safety guidelines to include reporting procedures and processes, carrying out incident investigation procedures, and education and training staff about safety plans and policies;
- Conduct surveys, audits and inspections;
- Prepare and submit required safety reports to the safety committees;

- Assist in implementing safety guidelines;
- Act as a resource to management and employees on matters concerning safety and risk management;
- Collect and track training records and accident data;
- Review accident and incident reports for accuracy and completeness; and
- Retain all records and information related to investigations, trainings, and meetings in accordance with record retention guidelines.

Employee Responsibilities

District employees shall remain responsible for:

- Practicing safety in the workplace at all times;
- Contacting emergency services immediately if he/she suspects any behavior that is life threatening or poses safety or security risks;
- Understanding and following policies, procedures, and/or guidelines related to safety and risk management;
- Attending safety trainings, as required;
- Complying with job-related program requirements;
- Utilizing personal protective equipment (PPE) properly and in accordance with departmental procedures;
- Immediately reporting at-risk conditions, behaviors, accidents, and incidents to his/her supervisor, and the Risk and Safety Coordinator via an *Employee Incident or Injury Report* form;
- Immediately reporting on-the-job injuries or exposures to his/her supervisor, and the Risk and Safety Coordinator via an *Employee Incident or Injury Report* form, **AND** following necessary steps as outlined in the *Infection Control Plan* (if applicable);
- Completing an *Employee Incident or Injury Report* form as soon as possible, and absolutely no later than twenty-four (24) hours after occurrence of the injury or exposure; and
- Accepting safety as a personal responsibility and remaining aware of the safety and general wellbeing of other employees, clients and the general public.

Supervisor Responsibilities

It is a supervisor's responsibility to:

- Understand and follow policies and procedures related to safety and risk management;
- Inform and educate employees about policies and procedures related to safety and risk management;
- Develop and train employees about program specific safety guidelines;
- Train employees on how to properly use and store personal protective equipment (PPE);
- Document all trainings;
- Report all accidents and incidents in accordance with District policy and guidelines;
- Identify unsafe and hazardous working conditions and initiate corrective measures;
- Counsel employees requiring guidance or redirection;
- Take or recommend appropriate corrective disciplinary action when necessary; and
- Promote safety within his/her specific work area by setting an example of safe behavior.

Violations

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Forms

-
*Employee
Incident
or Injury
Report*

Work Environment

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness (collectively “the District”) employees, volunteers, students and contractors (business associates).

General Policy

Galveston County Health District is responsible for promoting a work environment free of hostile, intimidating, threatening, humiliating, bullying, or violent behavior in which customers and employees can conduct official business. The Health District intends for its work environment to be safe, positive, respectful, and productive, and has zero tolerance for behavior, actions, or language that is not conducive to that type of environment.

Employees are expected to act in a manner which acknowledges their responsibility in helping the Health District achieve this goal through such things as adherence to the **Health District’s I CARE values**, maintaining a safe and functional work area, properly using Health District office materials/machines and assisting in the effort to maintain a harassment-free, retaliation-free, and violence-free workplace as outlined below.

An employee who violates this policy and/or a supervisor who knows about and fails to report the violation or take appropriate corrective action against such an employee is subject to corrective action up to and including dismissal.

The Health District’s I CARE Values:

Health District employees are expected to adhere to the Health District’s I CARE values as follows:

- **Integrity** - We are honest, trustworthy and transparent in all we do.
- **Customer Service** – We are committed to providing exceptional customer service.
- **Accountability** - We hold ourselves to high standards and take responsibility for our actions.
- **Respect** - We uphold a standard of conduct that recognizes and values the contributions of all.
- **Equality** - We equally value and serve all members of the community.

Public service is a public trust. As public servants, we will be fair, open, ethical, responsive, accountable, and dedicated to the public we serve. We foster a work environment that makes the best use of available resources. In so doing, we will make the Health District an example of leadership and excellence. We will be guided by the **I CARE values**.

Work Areas

Work areas are expected to be maintained in a manner which adheres to safety rules, assists staff in doing their jobs, and projects the Health District’s commitment to providing quality service. Work areas must be secured in a manner which allows for accessibility by authorized persons as designated by the supervisor. Staff must not use, duplicate, or possess keys to Health District work sites without proper

authorization. Unauthorized persons require management approval to access Health District work sites. Visitors are to be appropriately identified.

Equipment Use

Health District computer hardware and software, copy machines, office supplies and other equipment are only intended for use in conducting official District business. Employees are expected to:

- adhere to this restriction; and
- handle Health District equipment in a manner that will not cause damage or loss of such equipment.

The Health District maintains the right to monitor equipment usage and employees do not have an expectation of privacy to use Health District equipment for non-Health District business. Other business equipment expectations can be found in the *Computer Usage* policy.

Workplace Harassment and Workplace Violence

Employees are expected to conduct themselves in a manner which promotes a work environment that is free of harassment and violence. The Health District prohibits and will not tolerate an employee engaging in such behavior, either at a Health District work site or during the performance of work-related duties.

Weapons

Unless authorized by law, employees are prohibited from possessing illegal weapons or explosives on District property. Employees are required to follow all laws and regulations as described in Government Code, Chapter 411, pertaining to a license to carry a concealed handgun.

Workplace Harassment

Workplace harassment is a form of offensive and/or oppressive treatment or behavior which to a reasonable person creates an intimidating, hostile, or abusive work environment. It can be verbal or physical behavior which is derogatory, abusive, disparaging, "bullying", or disrespectful.

It may or may not be related to a person's legally protected status or a status protected by Health District policy (e.g., sex, race, color, national origin, age disability, religion, sexual orientation, veteran's status). Harassing behavior is prohibited under this policy and any employee found engaging in such behavior directed at fellow employees, customers, contractors, or visitors to the workplace will be subject to disciplinary action up to and including dismissal.

Some examples of behavior which may be considered harassment include, but are not limited to the following:

- Unwelcome touching of a personal nature which can encompass leaning over, cornering or pinching.
- Slurs and jokes about a class of persons, such as those who are disabled.
- Display of calendars, posters, pictures, drawings, or cartoons which reflect disparagingly upon a class of persons.
- Disparaging or disrespectful comments even if unrelated to a person's protected status.

- Loud, angry outbursts or obscenities directed toward another employee, a customer, contractor, or visitor in the workplace.
- A pattern of action and/or words which demean or humiliate a subordinate/coworker.

Please refer to the Health District policy on *Sexual Harassment* for specific information relating to sexual harassment.

Any employee who feels that he/she has been adversely affected by workplace harassment is to refer to the Health District's *Employee Complaint/Issue Resolution* policy.

Violence in the Workplace

Workplace violence is behavior that threatens the safety of Health District employees and/or customers; affects the health, life or well-being of Health District employees and/or customers; or results in damage to property belonging to the Health District or its employees/customers. Such acts include, but are not limited to:

- threatening, coercing, or assaulting an employee or customer;
- carrying weapons on a Health District work site or concealing a weapon on a Health District work site that is not legally authorized;
- any behavior that causes other to feel unsafe; or
- damaging or attempting to damage property belonging to the Health District or another employee.

Situations at the work site that cause an immediate threat to the health, safety, or a negative outcome are to be immediately reported to the Risk and Safety Coordinator, local building security (if available), and/or local law enforcement authorities.

Training

The Director of [Contracts and Compliance](#), [General Counsel](#) and ~~Contracts~~ and/ or the Risk and Safety Coordinator will give annual trainings on procedures on how to handle workplace issues involving harassment, safety, security, or confidentiality.

Violation

Violation of this policy may result in appropriate corrective action, up to and including suspension or dismissal. Supervisors are to take appropriate corrective action according to the *Corrective Action* policy.

Forms

- *Employee Incident or Injury Report*



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Health & Wellness

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-Approved: 2/23/2017
By: CHW Governing Board
-Effective: 4/1/2014
-Reviewed: 2/23/2017

Scope of Services Policy for Coastal Health & Wellness Dental Clinics

Comprehensive primary oral health services: Personal oral health care, delivered in the context of family, culture, and community, which includes all but the most specialized oral health needs of the individuals being served. The range of services includes preventive care and education, outreach, emergency services, basic restorative services, and periodontal services. Additional services may include basic rehabilitative services that replace missing teeth to enable the individual to eat, benefit from enhanced self-esteem, and have increased employment acceptability

The Coastal Health & Wellness Dental Clinics have the following Scope of Services:

Acute Emergency Dental Services (Required): Services which eliminate acute infection, control bleeding, relieve pain, and treat injuries to the maxillofacial and intra-oral regions.

Activities: diagnosis, pulp therapy, tooth extraction, palliative or temporary restorations and fillings, periodontal therapy, and prescription of medications.

Prevention and Diagnosis (Required): Services that protect individuals and communities against disease agents by placing barriers between an agent and host and/or limits the impact of a disease once an agent and host have interacted so that a patient community can be restored to health. Risk assessment should occur for children, in particular, in migrant camps, homeless shelters and community schools where at risk children attend.

Activities: professional oral health assessment, dental sealants, professional applied topical fluorides and supplement prescriptions where necessary, oral prophylaxis, and patient community education on self maintenance and disease prevention, and pediatric dental screening to assess need.

Treatment of Dental Disease Early Intervention Services (Program Expectation):

Basic dental services which maintain and restore oral health function:

Activities: restorative services which include dental fillings and single unit metal stainless steel crown, composite and acrylic crowns; periodontal (gum and bone) maintenance services such as periodontal scaling, non-surgical periodontal therapy; space maintenance procedures to prevent orthodontic complications for patients 3-13; limited endodontic therapy to prevent tooth loss; and interceptive orthodontic treatment provided to prevent severe malocclusion for patients 6-12.

P.O. BOX 939 • LA MARQUE, TEXAS 77568 • (409) 938-2234

Services for Special Needs Patients: Special needs patients include, but are not limited to, those with developmental disabilities, genetic disorders, or those with acquired medical disabilities such as HIV and tuberculosis.

Rehabilitative Services (optional): Provision of low cost solutions to replace dentition that would allow patients to obtain employment, education, or enhance self esteem. (This requires cost sharing or co-payments from patient.)

Activities: fabrication of removable prosthetics such as dentures and partial dentures, single unit fixed prosthetics, elective oral surgery, and other specialty services.

Coastal Health & Wellness Policy for Restorative Services **Sole**

****Sole** Use of Stainless Steel Crowns**

Root canal therapy on posterior teeth are selective and limited. Placement of porcelain or noble metal crowns is cost prohibitive. Stainless steel crowns are the only alternative.

Limited Endodontic Therapy

Being selective with root canal therapy is a must. Youth 6 to 18 with good oral hygiene and no missing teeth are excellent candidates. However, they must be informed that at this facility only stainless steel crowns are placed as a final restoration.

Anterior root canals are done when there is limited tooth destruction and a post and/or composite can be placed as a final restoration. No porcelain and/or noble crowns are permitted when there are missing teeth and all treatment plans should be modified to reach completion utilizing a partial or full removable appliance.

Fixed appliances or implants are not to be used.

Effective Date - April 1, 2014

Coastal Health & Wellness Sliding Fee Schedule Policy

Purpose

This policy applies to operations in the Coastal Health & Wellness (CH&W) Clinics and all Coastal Health & Wellness employees.

Definitions

- FPG – Federal Poverty Guidelines
- SFDS – Sliding Fee Discount Schedule
- Family Member (size) - Family members who are considered for the eligibility criteria for Sliding fee program include the following individuals who live in the same household:
 - Patient
 - Spouse (including same sex marriage recognized by U.S. Jurisdiction)
 - Children up to age 18 or up to age 21 if a high school or college student
 - Elderly patients that are dependent on their children for support and are claimed as a dependent on their income taxes will be placed on a sliding fee level based on the income of their children.
- Income - It is CH&W's policy to use the Census Bureau's standard definition of income which is as follows:
 - Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources.
 - Noncash benefits (such as food stamps and housing subsidies) **do not** count.
 - Before taxes.
 - Excludes capital gains or losses.
 - If a person lives with a family, add up the income of all family members. (Non-relatives, such as housemates, do not count.)

Policy

It is the policy of Coastal Health & Wellness (CH&W) to assure that no patient will be denied health care services due to an individual's inability to pay for such services. To accomplish this goal CH&W has developed a Sliding Fee Program (SFP) in accordance with the guidelines and requirements of HRSA Policy Information Notice (PIN) 2014-02.

Procedure

A. Sliding Fee Program

CH&W will offer to all eligible patients a sliding fee discount based on income and family size and no other factor. The definition of income and family size will be based on the established current Federal Poverty Guidelines (FPG). The Federal Poverty Guidelines are a version of the income thresholds used by the U.S. Census Bureau to estimate the number of people living in poverty. Individuals and families with annual income above two hundred percent (200%) of the FPG are not eligible for sliding fee

Version 5/2016

discount program. The Sliding Fee Schedule Policy is reviewed and approved annually by the Governing Board.

B. Sliding Fee Discount Schedule (SFDS)

The FPG will be updated annually (typically published in January or early February in the Federal Register) and approved at the next month's board meeting with an effective date of the subsequent month in order to allow time to train staff and update systems. See Appendix A the current year's sliding fee scale.

C. Sliding Fee Notification

The Sliding Fee Program will be made known to patients, at a minimum, through one of these formats:

- 1) Notices/signage in waiting room and/or reception and/or service areas,
- 2) Staff discussions/notification,
- 3) CH&W published patient brochures
- 4) Promotional materials.
- 5) As part of the patients registration process (assessment for income) unless the patient declines/refuses to be assessed)

The communication to patients will be provided in the appropriate language and literacy levels for CHW's patient population (at a minimum English and Spanish).

D. Application

The patients will be required to complete a sliding fee application in addition to the income verification documentation. At such time, the staff will process the sliding fee application and income verification documentation directly into CH&W's computer system (NextGen) and determine the patient's eligibility and pay category for the Sliding Fee Program based on the following information on the application form and proof of income documentation:

- 1) Patient's income - It is CH&W's policy to use the Census Bureau's standard definition of income which is as follows:
 - a. Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources.
 - b. Noncash benefits (such as food stamps and housing subsidies) **do not** count.
 - c. Before taxes.
 - d. Excludes capital gains or losses.
 - e. If a person lives with a family, add up the income of all family members. (Non-relatives, such as housemates, do not count.)

Income Used to Compute Poverty Status (Money Income) by the Census Bureau (1)

2) Patient family size (dependents only) - Family members who are considered for the eligibility criteria for Sliding fee program include the following individuals who live in the same household:

- a. Patient
- b. Spouse (including same sex marriage recognized by U.S. Jurisdiction)
- c. Children up to age 18 or up to age 21 if a high school or college student

- d. Elderly patients that are dependent on their children for support and are claimed as a dependent on their income taxes will be placed on a sliding fee level based on the income of their children

Based on these two factors the patient will be notified of their eligibility and sliding fee discount classification (pay category). Proof is valid for 1 year. This eligibility determination process will be conducted in an efficient, respectful and culturally appropriate manner to assure that the administrative operating procedures for such determination do not themselves present a barrier to care.

E. Proof of Income

The Sliding Fee Program Proof of Income documentation to determine eligibility will require the patient to provide one of the following:

- 1) Most current tax returns modified adjusted gross income (MAGI) amount,
- 2) Last payroll check stub(s) (gross income), one month's worth of pay (consecutively last 30 days of check stubs)
- 3) Social security earnings,
- 4) Letter from Employer may be accepted as proof of income if a patient does not file income tax returns and does not get paid with a check,
- 5) Self declaration*

* The patient may self-declare his/her income if proof of income is unavailable. However, management review and approval is required.

If applicant appears to be eligible for Medicaid, a written denial of coverage by Medicaid may also be required.

Some patients may choose not to provide information that the health center requires for assessing income and family size, even after being informed that they may qualify for sliding fee discount. These patients are considered by CH&W as declining to be assessed for eligibility for sliding fee discounts. As long as CH&W has followed its policies and procedures and the patient declines to be considered for the SFDS, CH&W may consider the patient ineligible for such discounts.

F. Eligibility Period

The patient's eligibility will be valid for one (1) year. The eligibility period is also automatically programmed into CH&W's computer system once eligibility is confirmed. Proof of income and the application is scanned and maintained directly in the NextGen system. This will allow Management to perform QA reviews for compliance and evaluate the effectiveness of the sliding fee program.

G. Services Covered

The sliding fee discount will apply to all services within the CHW approved scope of project, whether required or additional for all of CH&W locations. CH&W does have multiple SFDS based on services/mode of delivery (see below).

H. Schedule of Fees

CH&W maintains one schedule of fees (charge master) for all patients and this fee schedule is designed to cover reasonable costs of providing services in the approved scope of project using a Relative Value Unit (RVU's) and adjusting as needed for consistency with locally prevailing rates. This fee schedule is approved by the Governing Board and evaluated annually to ensure it is consistent with locally

prevailing rates and CH&W's cost structure. See also Fee schedule/charge master formula in the billing and collections policy.

I. Structure of Sliding Fee Discount Schedule (SFDS)

The Sliding Fee Discount Schedule is designed by CH&W in a manner that adjusts based on ability to pay. To accomplish this, CH&W has designed five discount pay classes above 100% and at or below 200% of the FPG. Only a nominal charge will be charged for individuals and families with annual income at or below 100% of the FPG. This nominal fee is a fixed amount, and does not reflect the true value or cover costs of the services but is rather applied in order for patients to invest in their care and to minimize the potential for inappropriate utilization of services. This nominal charge is also less than the fee paid by a patient in the first "sliding fee discount pay class" beginning above 100% of the FPG.

All Services (except Denture)					
	A	B	C	D	E
Income Threshold for Sliding Fee (FPG)	<= 100%	101%-125%	126%-150%	151%-175%	176%-200%
Nominal Fee	\$15.00				
% of Charges Paid		20%	40%	60%	80%
% of Discount		80%	60%	40%	20%
Deposit Amount		\$20.00	\$ 25.00	\$ 30.00	\$ 40.00

Dentures Only						
	A	B	C	D	E	F
Income Threshold for Sliding Fee (FPG) Must be Paid in Full	100%	101-125%	126-150%	151-175%	176-200%	Over 200%

The above SFDS is applied to all services CH&W provides for which we have established charges, regardless of service type (required or additional) or the mode of delivery (directly or through contract) for which we are financially liable (Form 5A, Columns I & II HRSA Grant). For services that we do not provide directly but that CHW has a formal written referral arrangement (as specified in our Form 5A, Column III HRSA Grant), it is our policy to ensure the formal agreement includes language the entity/provider being referred to offers our patients a sliding fee discount that is equal or better than ours and complies with the criteria requirements outlined in PIN 2014-02 on page 12. All formal agreements will be amended to include such language and all new referral agreements will automatically include the language to ensure compliance. The organization will also monitor this

through a combination of patient inquiries as referrals are made and or through annual certification by the referral provider. For referring providers that offer a discount that is better than the one provided by CH&W, compliance with PIN 2014-02 is not required.

J. Evaluating the Sliding Fee Schedule

This sliding fee discount schedule is evaluated annually to ensure it is not a barrier to care from the patient's prospective. This is accomplished by CH&W using one or more of these methods:

- 1) Meeting with a user group of the board and discussing from the consumers prospective the amounts being charged.
- 2) Evaluating the amount of paid debt CH&W has in comparison to the established base line and if the amount has increased significantly doing further analysis to determine if this factor is causing any barrier to care due to the patients inability to pay.
- 3) Obtaining feedback from the Staff on their observations of CH&W's effectiveness in addressing financial barriers to care for the patients.
- 4) Performing a patient survey.
- 5) Input from patient focused groups.
- 6) Reviewing patient complaints.
- 7) Number of nursing visits**
- 8) Perform blind or random tests of referring providers sliding fee program to ensure compliance and determine if barrier to care for CH&W patients.

The method(s) used to evaluate the effectiveness of CHW's sliding fee program from the perspective of reducing patient financial barriers to care will be shared with the Governing Board in order to assist them in determining the appropriateness of CH&W's sliding fee policy. This will occur annually in conjunction with the update of the FPG.

**There is no charge for nurse visits in order to further ensure finances are not barriers to care.

K. Patients with Third party coverage who are eligible for SFDS

CH&W sliding fee policy is based on income and family size only, so there may be patients with third party insurance that does not cover, or only partially covers, fees for certain health center services that may be eligible for CH&W's sliding fee program. In such cases, subject only to potentially legal and contractual limitations, the charge for each SFDS pay class is the maximum amount an eligible patient in that pay class is required to pay for a certain service, regardless of insurance status.

L. Applying the Policy and Training Staff

These policies and procedures will be uniformly applied across all CH&W patient population, and Staff will be trained to assist with the uniform implementation of the process and systems will be updated as the policy is updated, to assist with compliance. and at a minimum, Staff will be trained when hired and each time the policy is updated.

(1) <http://www.census.gov/hhes/www/poverty/about/overview/measure.html>

Coastal Health & Wellness
 9850-C Suite C 103 E. F. Lowry Expressway
 Texas City, Texas 77591
 H80CS00344

I. CHW's DISCOUNT ELIGIBILITY SCHEDULE

2018 / 2019

% OF POVERTY PAY CODE:		GROSS ANNUAL INCOME													
		100%		125%		150%		175%		200%		100			
		0		20		40		60		80		100			
		From	To	From	To	From	To	From	To	From	To	Over			
FAMILY SIZE	1	0	12,140	12,141	15,175	15,176	18,210	18,211	21,245	21,246	24,280	24,280 +	3035	12140	
	2	0	16,460	16,461	20,575	20,576	24,690	24,691	28,805	28,806	32,920	32,920 +	4115	16460	
	3	0	20,780	20,781	25,975	25,976	31,170	31,171	36,365	36,366	41,560	41,560 +	5195	20780	
	4	0	25,100	25,101	31,375	31,376	37,650	37,651	43,925	43,926	50,200	50,200 +	6275	25100	
	5	0	29,420	29,421	36,775	36,776	44,130	44,131	51,485	51,486	58,840	58,840 +	7355	29420	
	6	0	33,740	33,741	42,175	42,176	50,610	50,611	59,045	59,046	67,480	67,480 +	8435	33740	
	7	0	38,060	38,061	47,575	47,576	57,090	57,091	66,605	66,606	76,120	76,120 +	9515	38060	
	8	0	42,380	42,381	52,975	52,976	63,570	63,571	74,165	74,166	84,760	84,760 +	10595	42380	
For each added family member add: (to max. income)			4,320		5,400		6,480		7,560		8,640				

Emergency Operations

-Approved
UBOH 03/06/2017
CHW 02/23/2017
-Effective 01/29/2009

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness ([CHW](#)) (collectively "District") employees, volunteers, and contractors.

Policy

It is the District's policy that all employees fulfill their respective emergency response duties during a declared emergency. There is a specific group of emergencies that shall statutorily compel the District and select personnel to respond accordingly.

Chief Executive Officer / [CHW](#) Executive Director

In the event of an emergency declared by either the County Judge or Local Health Authority, the Chief Executive Officer or designee, and the [CHW](#) Executive Director or designee shall have the authority to control the purview of their respective District operational domains and associated employees by:

- Expanding and/or altering operations;
- Reducing services;
- Permitting employees to evacuate the District and setting terms of said evacuation;
- Approving the emergency expenditure of funds;
- Granting emergency leave as needed due to extenuating circumstances (*Reference: Employee Leave Policy*);
- Paying overtime to non-exempt and exempt employees outside of the normal payroll process;
- Waiving or changing regular fees; and
- Taking other actions deemed necessary to protect the health and safety of the citizens of Galveston County.

Non-Essential and Essential Employees

Depending upon the type and scope of emergency, employees shall be designated either as essential or non-essential employees by the Chief Executive Officer, [CHW](#) Executive Director, or designee. Accordingly, it is the responsibility of the employee to contact his/her supervisor to determine if he/she has been deemed essential or non-essential as a result of the circumstance.

Non-essential employees are defined as employees whose presence is unnecessary in the implementation of all or some portions of the *All Hazards Emergency Management Plan*, or in sustaining the continuity of other District operations as deemed necessary by the Chief Executive Officer or [CHW](#) Executive Director, but who cannot leave their positions until released by their supervisor. Non-essential employees are responsible for:

- If evacuated and/or temporarily relieved of their duties as a result of the emergency, calling the District's emergency number (409-938-2489) on a daily basis for return to duty information;
- Remaining in contact with his/her supervisor regarding assignments and return to duty information; and
- Remaining abreast of the emergency situation by monitoring radio, television, internet and other means of communication for relevant instruction.

Essential employees are defined as employees whose presence is critical in implementing at least some aspect of the *All Hazards Emergency Management Plan*. Any exempt or non-exempt employee may be deemed essential in order to provide for the safety and well-being of the general public or for the restoration of vital services before, during and/or after an emergency circumstance. Such personnel typically include, but are not limited to, executive managers and staff, PHEP staff, and EMS employees as well as other individuals who are required within the course and scope of their employment to provide services for the benefit of the general public during emergency situations. The Chief Executive Officer, [CHW](#) Executive Director or designees shall determine which essential employees are required to remain in the workplace, county or otherwise designated location during an emergency.

All employees are required to annually complete an Employee Hurricane Location Form (Reference: *All Hazards Emergency Management Plan*) and submit a copy to their supervisor and the Public Health Emergency Preparedness Supervisor-~~Coordinator~~. It shall remain the employee's responsibility to pre-plan the safeguarding and/or relocation of his/her family before the employee is required to report to the District for his/her respective duty during an emergency situation.

Non-Essential and Essential Employee Compensation

(Reference: *All Hazards Emergency Management Plan*)

If a public health emergency/disaster situation occurs or a Disaster Declaration is issued for any jurisdiction which may incorporate crucial services provided by the District or its employees, both exempt and non-exempt employees may be compensated in accordance with the following clauses.

1. **Non-essential employees** released from duty by the Chief Executive Officer, CHW Executive Director or designee may receive compensation (disaster pay) at their regular rate of pay until they are expected to return to work, or the expiration of three (3) working days – whichever event occurs sooner.
2. **Essential employees** performing District responsibilities during declared emergencies shall be paid in accordance with the terms set forth below.

During such circumstances, non-exempt employees shall be paid their regular wage for the first forty (40) hours they work during the work week, which shall always begin and reset each Thursday at 12:01 am, and one-hundred fifty percent (150%) their regular wage for every hour worked thereafter. Exempt employees undertaking District responsibilities during a declared emergency may, at the discretion of the Chief Executive Officer or CHW Executive Director, be paid at straight-rate of their average respective hourly pay (individual weekly salary/40) for every additional hour worked in excess of forty (40) hours. Likewise, the work week for exempt employees shall begin and reset every Thursday at 12:01 am.

This policy may be modified in emergency situations as deemed necessary by the Chief Executive Officer, CHW Executive Director, or designee. Each emergency approval made by the Chief Executive Officer, CHW Executive Director or designee will be brought to the respective Board at the next board meeting for review and ratification.

Employee Responsibilities

Each employee shall be responsible for:

- Understanding and following this policy, and seeking clarification from his/her supervisor if unsure about any portion of the policy or charged responsibilities during a declared emergency;
- Calling the District's emergency number daily at (409) 938-2489 for return to duty information;
- Contacting his/her supervisor to determine if he/she is considered a non-essential or essential employee;
- Reporting to work and possibly performing duties outside of his/her current job description to assist during emergency circumstances, as delegated by the Chief Executive Officer, Executive Director, or designee;
- Remaining in contact with his/her supervisor regarding specific assignments and return to duty information;
- Remaining abreast of the emergency situation by monitoring the radio, television and/or internet for work-related instructions;
- Referring to the ICS chart and/or his/her supervisor for assigned roles during an emergency; and
- Providing a telephone contact outside of the potential evacuation area via the Employee Hurricane

Location Form to act as a point of contact between the evacuated employee and their supervisor.

Linkages and Collaborations

The District has established numerous contractual agreements and procedures with entities in and around Galveston County that address how the District shall partner with these entities to engage in rescue and safety collaborations during declared emergencies and multiple other incidents which may pose a threat to the health, safety and/or wellbeing of area residents. Depending upon the posed circumstance, employees shall abide by specific instructions as delineated in the *All Hazards Emergency Management Plan*, or as set for in Point of Distribution or other specified agreements, which are retained in the District's contract library, MediTract.

Maintaining Operational and Financial Stability

The District has established administrative controls necessary to manage the expenditure of funds and to provide reasonable accountability and justification for expenditures made to support emergency operations. This shall be done in accordance with the established local fiscal policies and standard cost accounting procedures. Records should be collected and centrally stored by event, to the maximum extent possible. These procedures are explicitly defined in *Section H* of the District's *All Hazards Emergency Management Plan*.

Supervisor Responsibilities

In the event of an emergency situation, each supervisor is shall responsible for:

- Understanding and following this policy, and seeking clarification from his/her supervisor if ambiguity or uncertainty about any portion of the policy or responsibilities during a declared emergency exists;
- Communicating non-essential and essential statuses to direct reports;
- Communicating expectations to essential employees regarding job duties during an emergency; and
- Orienting new and existing employees to emergency operations upon hire and annually thereafter.

Human Resource Responsibilities

In the event of an emergency situation, The Human Resources Director **Manager** shall be responsible for:

- ~~• Including the following statement in all job descriptions: "Be available to accept new assignments to meet disaster related District responsibilities;" and~~
- ~~• Ensuring orientation for new employees addresses the scope of responsibility the employee is expected to undertake during a disaster or emergency circumstance.~~

Law

It is the intent of this policy to be in compliance with provisions set forth by the District's *All Hazards Emergency Management Plan*, and by the Health Resources and Services Administration's Public Information Notice (PIN) 2007-15.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.



COASTAL HEALTH & WELLNESS PERFORMANCE IMPROVEMENT PLAN 2016-2017 2018-2019

Purpose:

The purpose of this Plan is to outline how Coastal Health & Wellness (CHW) will assure that a meaningful performance improvement program is implemented with continuous monitoring, clear organizational roles and responsibilities for carrying out the Plan, and how performance improvement data will be evaluated and reported to the Quality Assurance Committee (QAC) and the CHW Governing Board (GB).

Introduction:

The CHW Governing Board is the policy-making authority for CHW clinical operations. The Board establishes CHW operational policies, CHW Performance Improvement Plan, CHW Vision and Mission, and the organizational Strategic Health Plan 2016-2021, which has outlined priorities relevant to the CHW, as well as, goals and objectives to be accomplished. This Performance Improvement Plan (PIP) is seen as the plan to continuously evaluate the Strategic Health Plan's priorities, goals, and objectives by focusing on measurements of systems and outcomes necessary to accomplish them.

Responsibilities:

Coastal Health & Wellness Governing Board (GB): Is the policy-level authority to assure the vision and mission of the organization is accomplished. As outlined in the Coastal Health & Wellness GB bylaws, execution and operational aspects of Board policies are delegated to the Executive Director or his or her designee. The Executive Director has assigned performance improvement to the Quality Assurance Committee (QAC).

- At a minimum, on quarterly basis, the GB will receive, review and provide comment on performance improvement data prepared by the Executive Director and recommended by the QAC. Performance Improvement data will include, but not be limited to: patient perceptions of care, treatments and services including their specific needs and expectations (via patient satisfaction surveys, etc) and information on how well the organization meets these needs.
- The GB will also receive data on priority indicators derived from defined goals and objectives.
- In addition, the GB will receive, on a quarterly basis, a Compliance Auditor Director of Contracts, Compliance and General Counsel's Report which summarizes quality assurance issues.

The GB will meet in confidential, closed "executive session" when information reveals identifying information of patients or employees. In accordance with its bylaws, the GB conducts an annual self-assessment. This self-assessment evaluates many responsibilities including the effectiveness of performance improvements.

Quality Assurance Committee (QAC): Is comprised of executive level managers and supervisors representing all functional areas of clinic operations (business, medical, and dental), including the Executive Director, Medical Director, Chief Nursing Officer, Nursing Director, Dental Director and clinic managers. The committee's purpose is to ensure compliance with contract requirements and to promote quality medical and dental health services for clinic patients. The QAC reviews and recommends the Performance Improvement Plan to the GB annually. Committee minutes are kept with documentation of actions and follow-up to assure appropriate improvements are made.

Coastal Health & Wellness Clinic Supervisors: All supervisors in the Coastal Health & Wellness Clinics are responsible for coordinating with the Executive Director to set up systems to collect data identified as essential to monitoring and evaluating the Performance Improvement Plan based on the Strategic Health Plan. Supervisors will assure that staff ~~are~~ **is** adequately trained on essential data to be collected, and have the tools needed to effectively and efficiently monitor established measures. Additionally, supervisors will take appropriate management actions to maintain the data collection efforts in their area of responsibility as a priority.

As designated by the Executive Director members of the QAC monitor and evaluate the measures established under the Performance Improvement Plan by developing monthly, quarterly, and annual reports of established key indicators. Designated individuals will coordinate with members of the QAC to develop guidelines and establish organizational responsibilities in order to accomplish related organizational goals and objectives. ~~The~~ These individuals will have the latitude to work with employees in order to set up monitoring systems and to collect data and information necessary to generate required reports for the QAC and/or GB. ~~The CNO They~~ **Supervisors** will coordinate the collection of data and its subsequent aggregation and analysis, including frequency, statistical tools, historical trends, etc.

Approach to Quality Improvement: The Coastal Health & Wellness Clinic uses many approaches to improvement as outlined in the attachments to this Plan.

The framework for the Coastal Health & Wellness Performance Improvement Plan is developed in collaboration with a broad and inclusive group of community stakeholders and takes into consideration local morbidity and mortality data and the Healthy People 2020 objectives. Strategic planning fosters integrated priorities across the entire organization. During **2018-2019**, leaders will collect data on

- Clinic medical and dental productivity
- Access to care measures
- Patient satisfaction survey results
- Patient complaint data on unresolved complaints
- Patients with controlled hypertension
- Insurance credentialing
- Medical & Dental chart audits for quality of care measures
- Other measures identified by HRSA (meaningful use and clinical measures), Department of State Health Services or the QAC.

In 2018-2019 leaders will continue work to implement new information technology for meaningful use, collaborate with Texas Association of Community Health Centers (TACHC) to meet the requirements of the Patient Centered Medical Home credential and continue to expand the Population Health program. New technology will provide opportunities to improve data gathering and data accuracy which will result in more efficient and safe patient care processes. As technology rolls out, meaningful reporting measures and patient services improvements such as chronic disease management and medication safety systems will be developed. Clinic staff will also continue to develop measures over the next year to meet the next level of Meaningful Use (of electronic records) required and optional measures for Centers for Medicare and Medicaid Services (CMS).

Measures from the Bureau of Primary Health Care Review: Clinical measures in the Bureau of Primary Health Care grant and mandatory reporting system will be integrated into routine QA monitoring and improvement activities to assure baseline numbers are accurate for the **Uniform Data System (UDS)** reporting tool.

Medical and Dental Peer Review: Medical and Dental Peer Review will continue to serve as a vehicle to evaluate and improve the quality of medical and dental health services at the Coastal Health & Wellness Clinic. Monthly measures for medical and dental are reviewed by audit of individual records or by data gathered through electronic reports generated from the system. Currently Medical and Dental Peer Review measures are reviewed by the QAC and feedback to providers is part of the monthly inservice. See attached Clinical Peer/Midlevel Review Plan.

Quality Assurance Program: Coastal Health & Wellness has a program to monitor quality controls in the medical and dental settings. The goal is stated in the Clinical Peer/Midlevel Review document attached. A key area of review is “compliance with clinical requirements, including but not limited to, Governing Board approved policies, Coastal Health & Wellness scope-of-services, as well as state/federal contracts and medical practice requirements”.

Environment of Care and Infection Control Program: The program has predetermined measures for the effectiveness of efforts in safety, life safety, security, hazardous materials, utilities, medical equipment, emergency preparedness and infection control. Improvements are driven by identification of opportunities for improvement through measurement and data analysis. These are reviewed **and approved annually** by the QAC.

Staff Competencies: Licensed Independent Providers are credentialed and privileged in accordance with the attached “Credentialing and Privileging By-laws for Professional Provider Staff.” Other licensed staff is periodically credentialed and works under supervision. Providers are subject to review in accordance with the attached “Clinical Peer/Midlevel Review” document. A current goal is to continue to improve clinic staff competency through standardizing and improving practices across the Coastal Health & Wellness sites. Managers will develop competency standards and monitoring schedules. An assessment of all staff competency is made annually as a part of the Performance Evaluation process.

Sentinel Events:

Definition: A sentinel event is a serious occurrence in **the** CHW that results in the death or serious injury of a patient, staff or visitor. It also includes an event that causes risk of death or injury, in that if it were repeated, injury or death might occur. Injury may be physical or psychological. It is not related to the course of a patient’s illness or condition. Sentinel events are preventable occurrences. Some examples are death or serious injury from a medication error, from transmission of a nosocomial infection, from a breach of security resulting in an abduction or rape, from breach of a safety measure or avoidable delay in treatment.

Sentinel events are reported as incidents. In the rare instance that a sentinel event should happen in CHW, a root cause analysis focusing on improving systems and processes will be undertaken by an appropriate multi-disciplinary group assigned by the Quality Assurance Committee.

Incidents that do not rise to the level of a sentinel event are also thoroughly investigated and corrective actions are taken by managers. Such incidents are considered to be important learning and improvement opportunities and are analyzed by appropriate Peer Review groups. Process improvements are made based on Peer recommendations. See the attached “Clinical Peer/Midlevel Review” document.

Attachments:

- I. Galveston County Health District Coastal Health & Wellness Clinic Quality Management Program Written Plan (For DSHS Funded Programs)
- II. Coastal Health & Wellness Clinical Peer/Midlevel Review
- III. Patient Safety and Quality of Care Statement
- IV. Coastal Health & Wellness Credentialing and Privileging By-Laws for Professional Provider Staff
- V. Coastal Health & Wellness HRSA Health Care Plan Clinical Measures

Performance Improvement Plan drafted by the Quality Assurance Sub-Committee

Reviewed and approved by the Quality Assurance Committee 12/7/2017

Reviewed and Approved by the Coastal Health & Wellness Clinic Governing Board 12/7/2017

Milton Howard, DDS
Chairman, Coastal Health & Wellness Governing Board

Date

GALVESTON COUNTY HEALTH DISTRICT COASTAL HEALTH & WELLNESS
QUALITY MANAGEMENT PROGRAM
WRITTEN PLAN (FOR DSHS FUNDED PROGRAMS)

These guidelines are an attachment to the approved Coastal Health & Wellness (CHW) Governing Board's Performance Improvement Plan.

Purpose:

This guideline is designed to ensure clinic compliance with contract requirements of Department of State Health Services (DSHS) funded programs and to promote quality medical and dental health services for clinic patients.

Laws, Regulations and Policies:

All GCHD/CHW programs abide by the Civil Rights Act, including title VI regarding Limited English Proficiency, the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. Policies guiding employees regarding these Laws are approved by the Coastal Health & Wellness Clinic Governing Board and are posted on the GCHD employee ~~intranet~~ **extranet** site.

Abortions: **No** federal or DSHS funds are used for abortion or for abortion-related activities. No abortion-related activities are conducted in the Coastal Health & Wellness Clinics.

Child Abuse: The staff of ~~the~~ Coastal Health & Wellness Clinic abides by the DSHS Child Abuse Screening, Documenting and Reporting Policy requirements and posts its internal procedures on the employee ~~intranet~~ **extranet**. Each revision, made to ensure compliance, is approved by the Quality Assurance Committee (QAC).

Human Trafficking: ~~There is a written policy on human trafficking in place in CHW and annual staff training is provided.~~ Coastal Health & Wellness Clinic employees are provided with annual training along with a written policy on Human Trafficking and a link with additional information to review on the employee extranet site.

Domestic and Intimate Partner Violence: ~~There is a written policy on intimate partner violence in place in CHW and annual staff training is provided.~~ Coastal Health & Wellness employees are able to review and obtain a written policy/guidelines on Domestic and Intimate Partner Violence on the employee extranet site. The Employee Extranet also offers staff patient resources to hand out in English and Spanish. Staff training is provided annually.

Clinic Operations:

Consent: A general consent for treatment is obtained through the Patient Services area before services are rendered. A patient signs a new general consent each time financial screening is completed. Informed consents are completed by clinical staff before an invasive procedure is done. ~~A guideline, Use of Consent and Informed Consent, outlines consent expectations and is posted on the employee intranet site.~~

Client Grievance: This procedure is covered in the Coastal Health & Wellness Operational Policy, approved annually by the Coastal Health & Wellness Governing Board. Issues and complaints are addressed and resolved at the lowest possible level, in the most immediate and effective manner. **Complaints that are unresolved by staff are addressed by Clinic Administrative staff. The Clinic Administrative staff will report the complaint to the department supervisor/manager. The supervisor/manager will then investigate and resolve the complaint in a timely manner including obtaining patient satisfaction. All complaints that are sent to the Clinic Administration Office are investigated, tracked and the result communicated to the patient in a timely manner.** ~~Those that are~~

~~not resolved to the patient's satisfaction at the Coastal Health & Wellness Administration level are investigated and resolved by the Executive Office.~~ If the result of the investigation does not meet patient satisfaction at the department supervisor/manager **Administrative** level, the investigation will then go to the Clinic Administration Office to obtain resolution. The GCHD Customer Service Policy also discusses grievance procedures and is provided on the employee extranet to review.

Release of Information: The procedures and forms that guide Release of Information from the Coastal Health & Wellness Clinic electronic records is posted on the employee ~~intranet~~ **extranet** site. Fees are **approved by the Board approved.**

Privacy and Confidentiality: Policies that address privacy include the Work Environment Policy, HIPAA Policy, computer Usage Policy and employee Ethics and Standards of Conduct Policy **and can be found on the employee extranet site.** Medical records procedures also address transfer of records.

Format order within the record: Electronic records have specific formats within the medical and dental electronic programs including templates and summary documents.

Record Retention: CHW has a Record Management Program in compliance with Title 6, Subtitle C, Local Government Code (Local Government Records Act), including adoption of appropriate records control schedules issued by the Texas State Library and Archives Commission, as well as with DSHS medical record retention schedules. Paper records are retained both on site and off site and are destroyed according to schedule, only with the approval of the Records Management Committee. Disposal, when appropriate, is accomplished by the outside contractor per contract guidelines.

Infectious Disease Control:

Coastal Health & Wellness has an Infection Control Plan for all staff that outlines responsibilities for using standard precautions, employee health practices, reporting contagious diseases and how CHW handles blood borne pathogen exposures and training. There is also an Immunization Policy for employees and volunteers. Coastal Health & Wellness Clinic department supervisors are expected to develop departmental procedures for specific components of the infection control program. For example, areas with sterilizers must have procedures for use, maintenance and quality assurance activities for the sterilizers. Coastal Health & Wellness Clinic outlines infection control program goals annually, identifies high risk procedures and describes monitoring activities in the Coastal Health & Wellness Infection Control Program guidelines.

Personnel Policies Address:

Job descriptions containing required qualifications and licensure for all personnel including contracted positions: *Hiring Process, Performance Evaluation, Credentialing and Privileging By-Laws for Professional Staff*

A written orientation plan for new staff: *Orientation Plan for New Staff; Orientation Training PowerPoint presentations on the employee ~~intranet~~ **extranet** site*

Staff development based on employee needs: Staff development activities are determined by department supervisors or by executive leadership (Executive Director, Medical and Dental Directors) through the process of developing staff inservice agendas on a monthly basis. Activities are determined by standards (Joint Commission, Bureau of Primary Care, DSHS, etc.), by results of quality assurance monitoring (chart audits, etc.), by clinical needs (training on new equipment, new processes), compliance with regulatory activities (HIPAA, Fraud, etc.) and by organizational needs.

Annual job evaluations of personnel, to include observation of staff/client interactions during clinical, counseling and educational settings: *Performance Evaluation Policy*

Staff who have contact with clients are appropriately identified (name badge): *Dress Code*

The agency has current Protocols for Physician Assistants (PAs) and Advanced Practice Nurses (APNs), which have been reviewed, agreed upon and signed annually by the physician, PAs and APNs: *Well Child Protocols*

The agency has current SDOs which have been reviewed, agreed upon and signed annually by the physician that delineates who is authorized to perform specific functions: *Medical Director's SDOs for MA IIIs that administer medications;*

Quality Management: The agency has a written and implemented internal Performance Improvement Plan used to evaluate services, processes and operations within the agency. All Coastal Health & Wellness administrative policies and procedures related to DSHS, will be reviewed and approved by the QA Committee to include documentation of the approval in the QM meeting minutes.

QA Committee: The Quality Assurance Committee consists of the Executive Director, the Medical Director, the lead Mid-Level Provider, the Dental Director, the Nursing Director, and other clinic managers. The Committee meets at least quarterly, but more often as needed. This Committee evaluates the Performance Improvement Plan and processes annually, reformulates the Program Plan in response to lessons learned, and the Governing Board approves and signs the Plan annually. Committee minutes are kept with documentation of actions and follow up to assure appropriate improvements are made.

Evaluation of administrative policies and procedures and review of facilities: Approval of administrative policies is the responsibility of the Coastal Health & Wellness Governing Board. Policies are reviewed and approved annually by the Board. Review of facilities is accomplished in accordance with the GCHD Safety Manual and Risk Management Policy. Reports are generated quarterly to the Quality Assurance Committee.

Evaluation of eligibility and billing functions: For DSHS-funded programs such as Title V, eligibility and billing audits (at least 10 records) are completed at least twice yearly by staff and results are reviewed by the QA Committee. When findings fall below 90% compliance per the review tool, quarterly eligibility and billing audits are completed. On review and recommendation of the QA committee, more or less frequent audits may be resumed. It is the responsibility of the QA committee to suggest improvement activities when compliance falls below 90%, or whenever such activities are deemed appropriate.

Clinical Record Reviews: For DSHS-funded programs such as Title V Medical and Dental Services and Texas Health Steps Medicaid visits, data is pulled from the EHR by the Medical Assistant 4 and compiled by the **Nursing Director**. Results are then reviewed and discussed by the QA Committee. When audit findings demonstrate 90% or more compliance, audits are performed twice yearly with at least five Title V and 5 Texas Health Steps medical visits sampled from each clinic site and five Title V Dental records sampled from each clinic site. The Title V and Texas Health Step audit tools are utilized for these reviews. When findings demonstrate less than 90% compliance, reviews are conducted quarterly on at least a total of 10 Title V and Texas Health Steps records that can be from either clinic site. Records chosen for audit are from various providers as possible. Records are audited per Dental and Medical Review tools. It is the responsibility of the QA committee to suggest improvement activities when compliance falls below 90% or whenever such activities are deemed appropriate. Corrective action may be taken as deemed appropriate.

Adverse Outcomes: Adverse Outcomes are broadly defined in the Coastal Health & Wellness Performance Improvement Plan. Adverse outcomes include: medication errors (by clinic staff or pharmacy staff), delay in addressing lab results or other delay in diagnosis or treatment, other adverse outcomes due to services provided. Adverse outcomes are completely investigated by appropriate staff (Executive Director, Risk and Safety Coordinator, Compliance Officer, etc.) as designated by the Executive Director or designee. Root causes are determined when possible. Improvement activities and follow up is completed. Outcomes may be discussed in Peer Review. A discussion of adverse outcomes, to include improvement activities and follow-up, will be addressed in the Quality Assurance meeting minutes. If there are no adverse outcomes to report, the minutes will contain documentation of no adverse outcomes.

Client Satisfaction Surveys: A Governing Board approved survey is given to patients to complete ~~completed monthly by staff on a daily basis and reported at least quarterly to the QA Committee and the committee may suggest improvement activities as appropriate.~~ Any areas of concern are reviewed and investigated by the department supervisor/manager. Survey tallies are reported to the Coastal Health & Wellness Governing Board QA Committee and Governing Board on a quarterly basis.

Facility: The Coastal Health & Wellness Clinic is subject to GCHD policies and plans, including the Safety Manual and Infection Control Plan that address handling storage and disposal of hazardous, chemical and infectious waste and medications, fire safety and maintenance, testing and inspection of equipment.

Prepared for compliance with DSHS policies and approved by the Quality Assurance Committee on August 10, 2010. Revised per DSHS technical assistance September 3, 2010. Reviewed and approved September 21, 2011; June 14, 2012; July 23, 2013; August 20, 2014; October 21, 2015; December 7, 2017, XXXXX

Mary McClure
Coastal Health & Wellness Executive Director

Date

Abdul-Aziz Alhassan, MD
Coastal Health & Wellness Medical Director

Date



Patient Safety and Quality of Care Coastal Health & Wellness Statement

Patient Safety and excellent quality of care is of the utmost importance to us. Patients can be assured that Coastal Health & Wellness (CHW) has all the standard systems in place for patient safety, quality assurance, and quality of care improvements.

Our **mission goal** is to continuously improve health care for the public by evaluating our health care processes and outcomes; and by inspiring in our staff excellence, safety and the highest quality of care possible. Our **vision objective** is for our patients to experience the safest, highest quality, best-value health care available anywhere.

Safety & Quality of Care is addressed in many ways. A few highlights include:

- **Joint Commission Accreditation** (www.jointcommission.org) – The Joint Commission is an independent, not-for-profit organization. The Joint Commission accredits and certifies more than 18,000 health care organizations and programs in the United States. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards.
- **Risk, Safety, Infection Control and Medication Management** guidelines are annually reviewed and staff practices are routinely monitored.
- **Investigations** of possible adverse occurrence with root cause analysis are conducted and improvements implemented when needed.
- **Peer Reviews** of provider staff's patient records are performed to identify outcomes impacting patient health and wellness, and to discover ways of improving the quality of care offered.
- **Mid-level Reviews** A lead physician routinely reviews mid-level clinical records. Mid-levels are Physician Assistants and Nurse Practitioners employed at Coastal Health & Wellness.

Coastal Health & Wellness follows national safety guidelines and standards. Staff routinely manages our clinics in terms of security, fire safety, medical equipment safety, reliable power and utility systems, and maintains a functional clinic environment. We address medication and infection control risks, keep accurate records, ascertain the competency of our staff and provide care in accordance with recognized standards.

As a Coastal Health & Wellness patient, you should speak up if you have questions or if you wish to discuss an issue of safety or the quality of your care. You may contact Clinic Administration at (409) 949-3406. If your concerns are not addressed, you may contact The Joint Commission at (800) 994-6610.

Your health and safety are our biggest concern!



Coastal Health & Wellness Clinical Peer/Midlevel Review *A Medical and Dental Quality of Care Improvement Program*

These guidelines are an attachment to the approved Coastal Health & Wellness Governing Board's Performance Improvement Plan.

PURPOSE

~~The guidelines are provided~~ To assist the Coastal Health & Wellness Clinical Professional Staff implement the Coastal Health & Wellness Clinical Peer/Midlevel Review Program. The overall goals of the program are (1) to monitor and evaluate the quality and appropriateness of health care management and clinical services provided, (2) investigate complaints and adverse incidents, and (3) provide information needed when considering clinic privileges of providers.

Legitimate findings and recommendations for improvement will be shared in a summary with all medical or dental providers on a monthly basis during the Coastal Health & Wellness clinical provider in-service. Some findings will be shared with individual providers as they require an intervention in a patient's care and/or require corrective actions according to the Employee Corrective Action policy.

~~Legal Framework of Program~~ **LEGAL FRAMEWORK OF PROGRAM**

Pursuant to the Federal Tort Claims Act which provides liability coverage for the Coastal Health & Wellness Clinics, all official Coastal Health & Wellness professional staff are subject to review to evaluate quality of services, provide feedback and be given the opportunity for improvement or corrective action as may be indicated. Further, the Texas Medicaid Managed Care program requires that all provider staff be subject to review and that quality improvement and corrective actions be taken and monitored, as appropriate.

The Clinical Peer/Midlevel Review Program provides quality of care review activities consistent with the Texas Medicaid Practice Act (MPA) and the federal Health Care Quality Improvement Act (HCQIA). *This structure provides both (1) immunity for good faith reviews by staff who performs the activities according to these guidelines and (2) protects all documents and information generated by the Program from discovery.* All persons participating in this program and performing authorized quality reviews must adhere to these confidentiality provisions and must sign the attached affidavit indicating that they have reviewed this document and will hold confidential all activities and proceedings generated by the Clinical Peer/Midlevel Review Program.

To qualify for the confidentiality and immunity protections afforded, all Peer/Midlevel Review activities must be carried out pursuant to these guidelines and must be performed at the direction of or on behalf of the Coastal Health & Wellness Quality Assurance Committee comprised of the Executive Director, ~~GCHD-CNO~~, Medical Director, Dental Director, Nursing Director, with the participation of other business and clinical staff based on the quality or compliance issue being addressed.

The evaluation of qualifications, credentials, and privileges of licensed and certified staff are performed in accordance with Credentialing and Privileging By-Laws for Professional Provider Staff.

KEY AREAS OF REVIEW

1. Accuracy of clinical documentation, diagnoses, and treatments
2. Quality and appropriateness of services provided
3. Adherence to Coastal Health & Wellness Clinical Practice Guidelines and/or evidence-based national standards of care
4. Compliance with clinical requirements, including but not limited to, Governing Board approved policies, Coastal Health & Wellness scope-of-services, as well as state/federal contracts and medical practice requirements.
5. Current UDS-required reportable clinical measures. <http://bphc.hrsa.gov/policy/pall012/VaII012.pdf>.
6. Care efficiency and the appropriateness of care decision-making, including but not limited to, prescribed medications, referrals, follow-up visits, lab tests ordered, etc.

TYPES OF REVIEWS COVERED UNDER THIS PROGRAM

1. Investigations of patient complaints, adverse occurrences, and sentinel events typically performed by the Medical Director and/or designee
2. Review of midlevel charts for compliance with supervising physician requirements of the Texas Medical Board. Typically these reviews are performed on at least 10% of all midlevel encounters by the Coastal Health & Wellness Medical Director or designee in accordance with Prescriptive Authority Agreements. The Medical Director or designee, as necessary, provides rapid feedback and intervention regarding adverse quality of care findings. The Medical Director or designee also presents an aggregate report of findings to all medical staff during the monthly in-service.
3. Quality of Care Peer Reviews are chart reviews performed monthly by qualified personnel. The purpose of the review is monitor quality of care through chart reviews of specific relevant evidence-based quality measures. The reviews must be performed by a qualified clinician; however, the extraction of data from a selection of charts may occur by a trained clinical staff. The Medical Director or designated qualified clinician reviews the data and determines the percentage of records that meet the quality of care standard and presents an aggregate report of findings to all medical staff during the monthly in-service.
4. Physician Peer Reviews are comprehensive reviews performed monthly by each of our physicians. The purpose of this review is to examine the care provided by our physician staff. This review encompasses all services of our clinic including pediatrics, behavioral health, and prenatal care.
5. Dental Peer Reviews are chart reviews performed monthly by qualified dental staff. The purpose of the review is to monitor quality of care through chart reviews of specific relevant evidence-based quality measures. The reviews are performed by the Dental Director or designee. An extraction of data from a selection of charts may occur by a trained staff. The Dental Director or qualified designee reviews the data and presents an aggregate report of findings to all dental staff during the monthly in-service.

GUIDELINES FOR TYPES OF REVIEWS

Patient Complaints, Adverse Occurrences, and Sentinel Events

1. Quality of care concerns and patient complaints that are reported to the Clinic Administration **Executive** Office will be thoroughly investigated by the appropriate manager.
2. The appropriate manager will gather and review documentation regarding the incident/complaint, including but not limited to, medical records, logs, electronic records, witness written statements, etc.
3. The appropriate manager will draft a chronological report of key findings based on documentation and present to Executive Director for review.
4. The Executive Director will review for completeness and appropriateness of the findings and formulate recommendations, including but not limited to staff and practice expectations, employee corrective actions, training needs, and procedures/guideline development.

5. Depending on the nature of the infractions, the appropriate manager may report the incident to Joint Commission, National Practitioner Databank, and/or appropriate professional licensing board and/or to law enforcement.
6. The document will be reviewed by the Quality Assurance Committee for recommendations and in the in-service for appropriate staff such as providers, dental, nursing, or lab.

Midlevel Supervisory Reviews

1. On a weekly basis, at least 10% of patient visits with Midlevels are electronically selected.
2. On a weekly basis, the Medical Director or qualified designee reviews these records for appropriate documentation of history, physical exam, diagnosis(es), and plan according to established clinical practice guidelines and evidence-based clinical standards of care.
3. When the Medical Director or designee finds a quality of care concern, he or she will document the concern and recommendation to the appropriate midlevel provider in an email marked "*Privileged and Confidential Chart Review Findings*." In urgent instances, the Medical Director or designee will consider appropriate clinical or corrective interventions.
4. At least monthly, the Medical Director or designee will prepare an aggregate report for those records which had findings. The report will indicate the types of finding, quantity of each, and recommendations for each.
5. For most frequent findings, it is expected that the Medical Director or designee provides a brief presentation on the topic during the monthly in-service. An alternative would be to arrange for a topic expert, to present on the subject matter.
6. The Dental Director reviews 10% of the dental hygienist's records at least monthly according to an approved review form and gives feedback to the hygienist(s) at least monthly regarding expected improvements in care or documentation.

Quality of Care Peer Review Procedure:

1. QA Committee recommends schedule and clinical conditions for scheduled monthly review.
2. Committee establishes benchmarks based on clinical practice guidelines, US Preventive Taskforce, other evidence-based standards of care or state/federal requirements
3. Medical Director or designee drafts data extraction tools for QA Committee review and approval
4. Up to 10 randomly selected records (addressing the condition under review) for each provider will be pulled for data extraction
5. Medical Director's designee, extracts data from each chart using the approved extraction tool
6. Medical Director reviews extraction forms and completes findings on approved form
7. Medical Director's designee compiles results for aggregate and provider summary reviews
8. Medical Director or designee presents results to Providers at Monthly in-service

Dental reviews are similarly conducted by the Dental Director according to measures discussed and approved by the QA Committee and a review calendar approved by the QA Committee.

ABOUT CLINICAL PRACTICE GUIDELINES

The Committee recommends new and updated Clinical Practice Guidelines that provide an accepted, evidence-based, cost-effective standard-of-care for clinical practice at the Coastal Health & Wellness Clinic, prioritizing common conditions or prevention. Variations from the standards are acceptable for documented medical reasons. Recommendations are to be submitted in writing, by the Medical Director or Dental Director to the Coastal Health & Wellness Quality Assurance Committee for review and possible action.

Recommended Clinical Practice Guidelines should reflect the most frequently addressed health and medical problems at the Coastal Health & Wellness Clinic, as well as those for which care is delegated to midlevel practitioners (APN/PA) with prescriptive authority. For example, if the review is to focus on hypertension, then

the professional staff should identify the appropriate management plan, based on the medical indications, standard of care, Coastal Health & Wellness Clinic resources, and formulary.

Reviewed and Approved by Quality Assurance Committee 12/7/2016

I, a member of the Coastal Health & Wellness Quality Assurance Committee, acknowledge that I have read and understand the Coastal Health & Wellness Clinical Peer/Midlevel Review Program guidelines as written above. I further attest that I will abide by the guidelines and will practice strict confidentiality regarding the proceedings of the Program and of the Quality Assurance Committee, both in reference to information regarding Coastal Health & Wellness patients, as well as Coastal Health & Wellness staff.

_____ Executive Director	_____ Date
_____ Medical Director	_____ Date
_____ Dental Director	_____ Date
_____ Nursing Director	_____ Date
_____ Lead Mid-Level	_____ Date
_____ Lead Medical Assistant	_____ Date
_____ Director of Contracts, Compliance and General Counsel	_____ Date
_____ Risk & Safety Coordinator	_____ Date
_____ Controller	_____ Date
_____ Director of IT	_____ Date
_____ End User Training & Support	_____ Date
_____ Patient Information Manager	_____ Date
_____ Nurse Case Manager	_____ Date

Patient Services Manager

Date

Business Office Manager

Date

Lab/X-Ray Supervisor

Date

Dental Supervisor

Date



**Governing Board
February 2018
Item #/6
Information Report**

- **Drug Free Workplace**
- **Criminal and Motor Vehicle Record Background Check**
- **Employee Leave**

Drug-Free Workplace

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority and Coastal Health & Wellness (collectively “the District”) employees, volunteers, students, and contractors (business associates).

Policy

The District shall provide a drug-free workplace in compliance with the Drug-Free Workplace Act of 1988.

It is a violation of the *Drug-Free Workplace* policy to be under the influence of, or manufacture, use, possess, sell, trade, and/or offer for sale alcohol, illegal drugs, or intoxicants while representing the District, conducting District related business, during all working hours, while on District property, operating any vehicle owned by the District, and/or while present at District sponsored events.

Drug/Alcohol Testing

Prospective District employees shall be required to take a drug test AFTER a pending offer of employment. If the test returns a positive result, the pending offer shall be revoked and the candidate will receive notification of this revocation in the form of an Adverse Action letter. Prospective employees wishing to dispute a positive result may have the same sample retested at their own expense.

Employees may be required to take a “for cause” drug or alcohol test if approved by the Chief Executive Officer, CHW Executive Director or designee. The Chief Executive Officer, CHW Executive Director, or designee may approve “for cause” drug testing on an employee if a significant complaint from the public or a coworker is received and/or if the employee’s supervisor witnesses a behavioral change in the employee which has a negative effect on the work environment.

Supervisors are responsible for contacting Human Resources immediately if it is suspected that an employee is under the influence of drugs and/or alcohol while carrying out duties of their employment.

Any employee who is operating a company owned vehicle and is involved in a vehicle accident or incident that results in damage or injury to any vehicle, personal or private property, or person, regardless of fault, will be drug and alcohol tested immediately after the incident.

To assure compliance, District executives may initiate, as needed, random drug/alcohol testing in service areas where indicated (*Reference: Vehicle Accident/Incident policy*).

Consequences

Any employee who tests positive for illegal substances, including prescription drugs without a valid prescription, will be terminated immediately. Employees will be subject to the same consequences of a positive drug test if he/she refuses the screening or the test, adulterates or dilutes the specimen, substitutes the specimen with that from another person, refuses to sign required forms or refuses to cooperate in the testing process in such a way that prevents accurate completion of the test.

One of the goals of the *Drug-Free Workplace* policy is to encourage employees to voluntarily seek help with alcohol and/or drug related problems. Disciplinary action will not be taken against an employee who proactively voluntarily identifies him/herself as a user of illegal drugs or an abuser of alcohol prior to being identified through other means, and who obtains official documented counseling and/or rehabilitation through the District's employee assistance program (EAP), and thereafter refrains from using illegal drugs and/or alcohol abuse in accordance with the provisions of this policy.

Reporting to Outside Agencies

Should an employee hold a license or certification from a state or federal agency (i.e. RN, paramedic, M.D., D.D.O., registered sanitarian, etc.), the District shall report the positive test result to the applicable agency in accordance with rules and regulations set forth by the licensing agency.

Tobacco Use

The use of all forms of tobacco products including, but not limited to, cigarettes, cigars, pipes, and other smoking products; dip, chew, snuff and any other smokeless tobacco products; and electronic products that deliver nicotine or other substances, such as electronic cigarettes or vaporizers are prohibited inside, around, or on the grounds, including the parking lots and roadways, of any District buildings, facilities and vehicles, owned or leased, at any and all times while an employee is officially representing the District.

Assistance/Information

Employees are encouraged to make use of the District's employee assistance program if they are concerned that they or a family member may have a drug and/or alcohol problem. Employees proactively seeking treatment through the employee assistance program will receive no sanction for seeking such assistance.

Confidentiality

Information received by the District regarding drug test results and/or an employee's mandatory or self-referral to the employee assistance program is confidential, and such information shall be made solely to those individuals on a need-to-know basis.

Violation

Any violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension, with or without loss of pay, or termination. It is the intent of this policy to be in compliance with the Drug-Free Workplace Act of 1988.

Criminal and Motor Vehicle Record Background Check Policy

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority and Coastal Health & Wellness (collectively “the District”) employees.

Policy

All offers of employment at the District are contingent upon satisfactory results of the subsequently denoted background checks. Background checks shall be conducted only after a pending job offer has been made to the applicant. No applicant shall be denied employment on the basis of simply having a criminal record. Factors that will determine eligibility of hire are provided below.

Background checks will include:

- **Social Security Verification:** validates the applicant's Social Security number, date of birth and former addresses.
- **Criminal History:** includes a review of the applicant's criminal convictions. The following factors will be considered when determining if applicants with a criminal history shall be rendered an offer of employment:
 - The nature of the crime and its relationship to the position;
 - The time of the conviction;
 - The number (if more than one) of convictions; and
 - Whether hiring, transferring or promoting the applicant would pose an unreasonable risk to the business, or to its employees, customers and/or vendors.

The following additional background searches will be required, if applicable to the position:

- **Motor Vehicle Records:** provides a report of an individual's driving history in the state(s) requested. This search will be conducted on any employee operating a company owned vehicle. Employees subject to such checks as a condition of employment will undergo these checks annually.

Procedure

Applicants must complete a background check authorization form AFTER a pending offer of employment is extended to the applicant, and shall return the completed authorization form to Human Resources. Human Resources will order the background check upon receipt of the signed authorization form. Human Resources and/or contracted employment screening services will conduct the checks. All results will be reviewed by Human Resources. Upon review of said results, Human Resources shall notify the hiring manager, via email, that the employee is eligible or not eligible for hire.

In instances where negative or incomplete information is obtained, Human Resources shall assess the potential risks and liabilities related to the job's requirements and determine whether the

applicant is fit to be hired. If a decision not to hire a candidate is made based on the results of a background check, the candidate shall receive a Fair Credit Reporting Act (FCRA) Adverse Action letter from Human Resources that shall also notify the candidate of the contracted screening service issuing these results. Background check information will be maintained in a file separate from employees' personnel files. The District shall reserve the right to modify this policy at any time without notice.

Supervisor Responsibilities

Supervisors are responsible for communicating program specific expectations to assigned employees and providing feedback to Human Resources in the event that a supervisor becomes aware that the employee has received a traffic violation and/or been convicted of a crime.

Violation

Violation of this policy and/or a poor background check may result in corrective action up to and including termination of employment, or the revocation of the offer of employment.

Employee Leave

Audience

This policy applies to all full-time with benefits Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness (collectively “the District”) employees.

Policy

It is the Health District’s policy to provide leave as listed below to full-time with benefit employees. Paid leave does not count as hours worked when determining hours paid at the gross overtime hourly rate. Employees will not accrue any leave while on any type of extended unpaid leave of absence unless the employee falls under the Uniformed Services Employment & Reemployment Rights Act (USERRA). Part-time positions at GCHD will be hired with no benefits with the exception of the required retirement program deductions.

Vacation Leave

Vacation leave is paid time off for vacation or to pursue other personal activities. It is the employee’s responsibility to request supervisory approval for use of vacation leave at least two weeks prior to use, when feasible. (*Reference: Attendance policy*)

When an employee reaches 6-months of employment, the amount they would have accrued during the first six months will be dropped into their vacation balance for use.

Any employee transferring from full-time to part-time without benefits status will be paid the balance of their accrued, but unused vacation leave. Employees will be paid the balance of their accrued, but unused vacation leave upon termination, if proper notice is given as outlined in the Health District’s *Separation of Employment* policy. (*Reference: Separation of Employment policy*)

Tier 1 (Full-time Coastal Health & Wellness Physicians, Midlevels and Dentists)		
Service Time	Annual Accrual	Maximum Carryover
0-6 months	None	N/A
6-months – 4 years	120 hours	80 hours
5 – 9 years	160 hours	80 hours
10 – 14 years	200 hours	80 hours
15 – 19 years	240 hours	80 hours
20+ years	280 hours	80 hours
Tier 2 (Full-time Coastal Health & Wellness, Health District, and GAAA Administrative Employees)		
Service Time	Annual Accrual	Maximum Carryover
0-6 months	None	N/A
6-months – 4 years	80 hours	80 hours
5 – 9 years	120 hours	80 hours
10 – 14 years	160 hours	80 hours
15 – 19 years	200 hours	80 hours
20+ years	240 hours	80 hours

Tier 3 (Full-time GAAA Field Employees)		
Service Time	Annual Accrual	Maximum Carryover
0-6 months	None	N/A
6-months – 4 years	96 hours	96 hours
5 – 9 years	144 hours	96 hours
10 – 14 years	192 hours	96 hours
15 – 19 years	240 hours	96 hours
20+ years	288 hours	96 hours

Sick Leave

Sick leave can be used for personal injury or illness of an employee with supervisory approval. Documentation may be required at the discretion of the supervisor.

An employee may use 80 hours of their accrued sick leave for immediate family members as defined through the Family and Medical Leave policy. (*Reference: Family and Medical Leave policy*)

When an employee reaches 6-months of employment, the amount they would have accrued during the first six months will be dropped into their sick leave balance for use. Sick leave is not compensable upon termination of employment.

Tier 1 and Tier 2 (Full-time Coastal Health & Wellness, Health District, and GAAA Administrative Employees)		
Service Time	Annual Accrual	Maximum Carryover
0-6 months	None	N/A
6-months+	64 hours	480 hours
Tier 3 (Full-time GAAA Field Employees)		
Service Time	Annual Accrual	Maximum Carryover
0-6 months	None	N/A
6-months+	72 hours	576 hours

Maximum Carryover Amount

During the year, vacation and sick leave can be accrued past the maximum carryover amount; however, only the maximum carryover amount will be carried over from one calendar year to the next. Year-end balances over the maximum carryover limits will be forfeited. Pay periods often cross from one calendar year to the next so the last day of the pay period that includes December 31 (of any given year) will be considered the cutoff date for use of vacation and sick leave.

Wellness Exam Leave

Wellness exam leave is to be used for preventative exams (examples include: medical, dental, vision, well-child checkups, etc.). Employees must provide a health professional's statement to their supervisor for all preventative exams. Wellness exam leave is not compensable upon termination of employment.

Full-time Coastal Health & Wellness, Health District, and GAAA Administrative Employees		
Service Time	Time	Maximum Carryover
6-months+	16 hours per year (can be used by the hour)	N/A
Full-time GAAA Field Employees		
Service Time	Time	Maximum Carryover
6-months+	24 hours per year (can be used by the hour)	N/A

Funeral Leave

For the purpose of funeral leave, immediate family member is defined as the employee's spouse, or the employee's or spouse's children, parents, brothers, sisters, grandparents, grandchildren, great-grandparents, great-grandchildren, employee's current step-family relationships (i.e. an employee's or spouse's step-parent), a person identified as a legal guardian, and for a person who resides in the employee's household. It is the employee's responsibility to notify his/her supervisor of the need for funeral leave as soon as possible. *(Reference: Attendance policy)*

Full-time Coastal Health & Wellness, Health District, and GAAA Employees		
Service Time	Time	Maximum Carryover
0-6 months	None	N/A
6-months+	Up to 24-hours per occurrence	0

Jury Duty Leave

Employees summoned for jury duty or as a witness under court subpoena (if not work-related) will be granted jury duty leave. This policy does not apply to those employees who are a defendant in a trial. It is the employee's responsibility to notify his/her supervisor as soon as possible if he/she has been summoned for jury duty or as a witness under court subpoena and to provide the supervisor with proof from the court of date(s) and time(s) of jury duty or court summons. *(Reference: Attendance policy)*

Full-time Coastal Health & Wellness, Health District, and GAAA Administrative Employees		
Service Time	Time	Maximum Carryover
0-6 months	None	N/A
6-months+	Up to 10 days per occurrence	0
Full-time GAAA Field Employees		
Service Time	Time	Maximum Carryover
0-6 months	None	N/A
6-months+	Up to 96 hours per occurrence (must be used for jury duty which falls on the employee's regularly scheduled shifts)	0

Military Leave

Paid Military Leave

Under Texas Law, those employees who are members of the state military forces or any of the reserve components of the United States Armed Forces, are entitled to 15-days of paid military leave for each fiscal year to attend required training or duty. A written request along with a copy of the military orders is to be submitted to the Chief Executive Officer or designee for Public Health and GAAA employees or the Executive Director for Coastal Health & Wellness employees for approval prior to the commencement of the leave. Benefits continue to accrue during the 15-day period.

Unpaid Military Leave and Veterans Re-employment

It is the Health District's policy to comply fully with the Uniformed Services Employment and Reemployment Rights Act (USERRA).

Continuing Education Leave

Eligible providers with job-related licensures that require continuing education will be provided continuing education leave consistent with the annual licensure requirement. Continuing education leave must be approved in advance and consistent with written guidelines. Annual continuing education leave may be from 1- 40 hours (no more than 5 business days annually) as necessary to meet licensure-required annual continuing education requirements. Continuing education leave is not compensable upon termination of employment nor can it be carried over to a new calendar year.

Licensed Medical/Dental Provider Continuing Education Leave		
Service Time	Time	Maximum Carryover
0-6 months	None	N/A
6 months+	1 – 40 Hours	None

Holiday Pay

The District recognizes 11 holidays per year in accordance with the County of Galveston's holiday schedule. The holiday schedule is located on the District's extranet site.

Full-time non-exempt employees who receive advanced approval and who work on a District-recognized holiday will receive 8 hours holiday pay in addition to time worked.

Full-time GAAA field employees who work on a holiday receive up to 8 hours of straight pay for time worked on the holiday. The GAAA field employee holiday schedule will be released each year along with the District's holiday schedule. (*Reference: Hours Worked and Compensatory/Overtime policy*)

If the employee is on approved FMLA leave, he/she will not be paid for any holiday that falls during the leave unless the employee is supplementing FMLA leave with vacation or sick leave on the day before and the day after the holiday, in which case the holiday may be paid. (*Reference: Hours Worked and Compensatory / Overtime, Attendance and Family and Medical Leave policies*)

Emergency Leave

Emergency leave is available to full-time and part-time employees, if scheduled to work, in the event of a Health District emergency which would result in the closure of Health District facilities. The Chief Executive Officer or designee for Public Health and GAAA employees or the Executive Director for Coastal Health & Wellness employees must approve Emergency Leave. (*Reference: Emergency Operations policy*)

Administrative Leave

Administrative leave with pay may be granted with the approval of the Chief Executive Officer or designee for Public Health and GAAA employees or the Executive Director for Coastal Health & Wellness employees for circumstances such as mandatory referrals to the EAP, appeal periods for employees issued intent to terminate notices, and for other extenuating circumstances. (*Reference: Employee Assistance and Employee Corrective Action policies*)

Extenuating Circumstances

In the cases of extenuating circumstances, the employee may submit a written request for the approval of additional leave. The request must be submitted through the supervisor to the Human Resource Manager for consideration by the Chief Executive Officer or designee for Public Health and GAAA employees or the Executive Director for Coastal Health & Wellness employees. The employee must have satisfactory job performance before the approval of additional leave will be granted.

Leave Without Pay

Leave without pay will not be approved by supervisors, as a pattern of leave without pay may be cause for employee corrective action.

Neutral Absence Control

Any employee away from work for whatever reason for a period of six consecutive months will be terminated from the Health District, except those employees who are out under USERRA as outlined by federal law.

Employee's Responsibilities

- receive proper approval from his/her supervisor based on the type of leave requested;
- provide a health professional's statement to their supervisor for use of Wellness Leave;
- provide documentation for use of Sick Leave, if requested by their supervisor;
- ensure electronic timesheets are completed properly and submitted according to deadlines;
- consider business needs when requesting leave; and
- report timesheet issues and concerns to their supervisor and the IT Help desk.

Supervisor Responsibilities

It is the supervisor's responsibility to (*Reference: Attendance policy*):

- review the biweekly leave report provided by payroll to ensure excessive compensatory time and/or vacation hours are not being accrued that may impact budget;
- inform employees of carryover limits and possible loss of accrued time;
- obtain the health professional's statement from employee's utilizing Wellness Leave;
- request documentation in a fair and consistent manner from employees utilizing Sick Leave;
- ensure electronic timesheets are completed properly and submitted according to deadlines;
- monitor time and attendance of employees on an ongoing basis;
- consider business needs when approving or rejecting requests for time off; and
- communicate the departmental expectations to all assigned employees.

Laws

It is the intent of this policy to be in compliance with the Fair Labor Standards Act, Texas Payday Law and Uniformed Services Employment and Reemployment Rights Act.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

[Back to Agenda](#)

Governing Board

February 2018

Item #/7

Consider for Approval 2017 Audit Financial Report

Coastal Health & Wellness

A Presentation for the
Governing Board



PRESENTED BY: JANSEN OTTERNESS

INTRODUCTIONS



Jansen Otterness
Senior Manager





OUR GOALS FOR TODAY

- 1** Audit Results
- 2** Key Performance Indicators
- 3** Industry Updates
- 4** Tweetable Moments

BKD

Financial Statement Audit

Year Ended September 30, 2017

BKD

1

AUDIT OVERVIEW

- The full audit report will contain three audit opinions
 - Financial Statements
 - Internal Control
 - Compliance (Health Center Program)
- Anticipate unmodified opinions
- One finding related to compliance
 - Reporting material weakness
 - “Other” instance of noncompliance

BKD

1

AUDIT RESULTS

Balance Sheet

September 30, 2017

Cash	5,135,000
Patient & Contract Receivable, Net	310,000
Total Assets	5,575,000
Current Liabilities	275,000
Deferred Revenues	50,000
Total Liabilities	325,000
Fund Balance	5,250,000
Total Liabilities and Net Assets	5,575,000

BKD

1

**AUDIT
RESULTS****Statement of Revenues, Expenditures,
and Changes in Fund Balance**September 30, 2017

Net Patient Service Revenue	3,635,000
Federal & State Grant Revenue	3,025,000
Other Revenue	60,000
Total Revenue	6,720,000
Wage Related Expense	6,185,000
Supplies	1,250,000
Total Expenses	9,585,000
Transfers In	3,695,000
Increase in Fund Balance	830,000

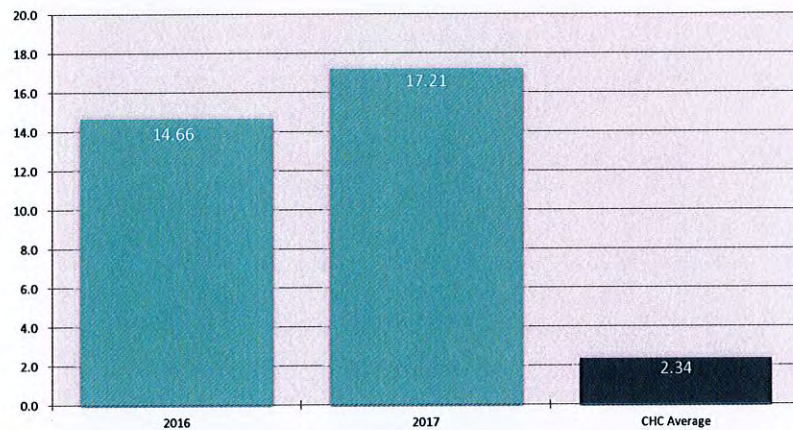
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**Key Performance
Indicators**

BKD

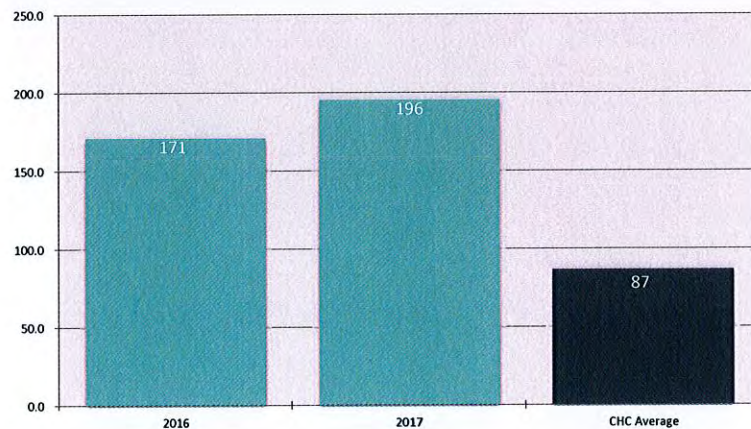
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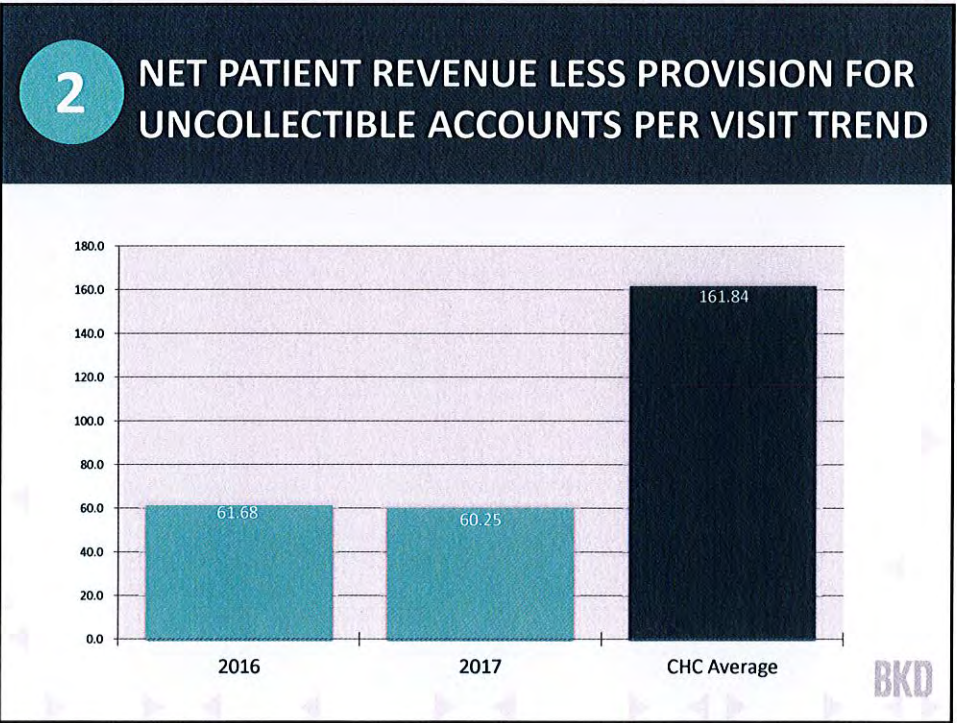
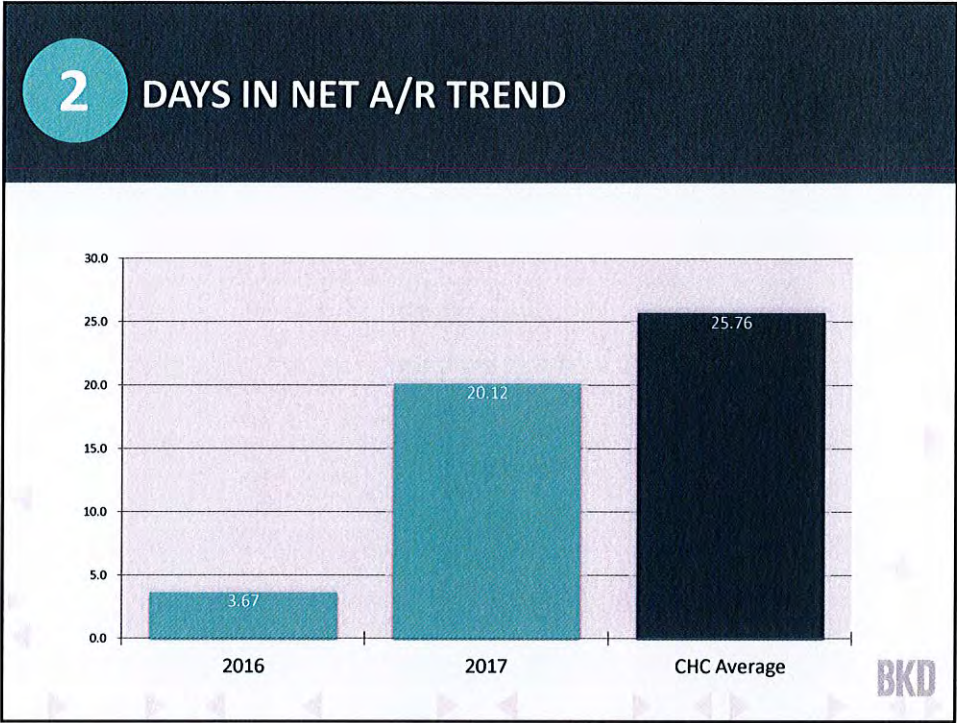
CURRENT RATIO TREND



2

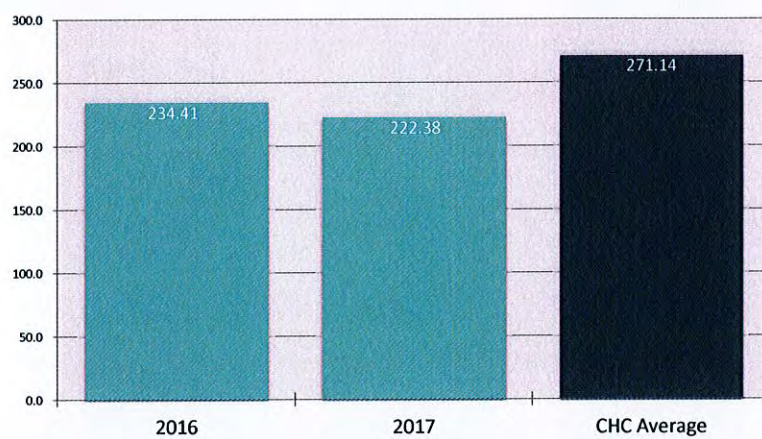
DAYS CASH ON HAND TREND





2

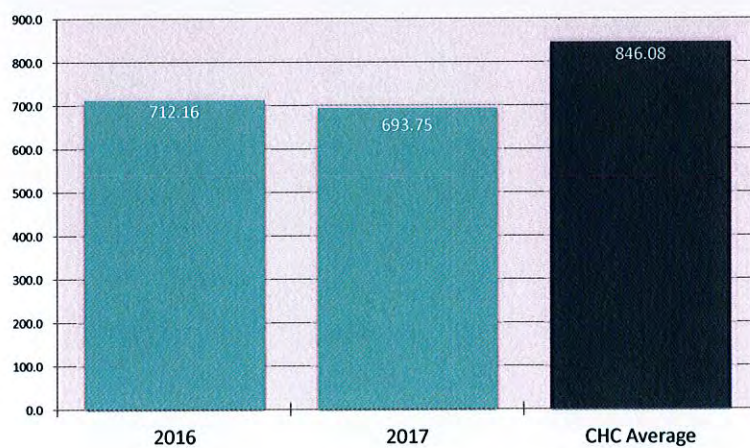
EXPENSE PER VISIT TREND



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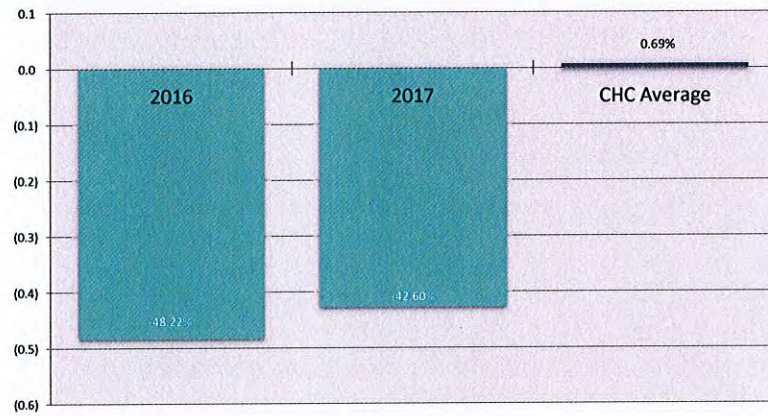
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COST PER PATIENT COMPARISON



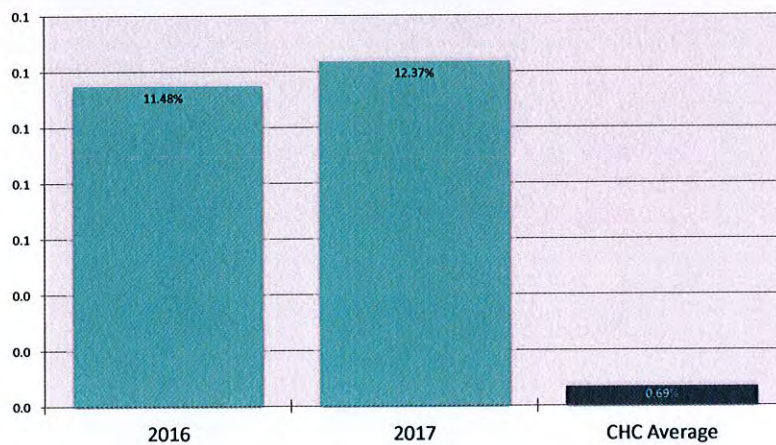
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2

OPERATING INCOME AS % OF OPERATING REVENUES – EXCLUDING COUNTY FUNDING

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2

OPERATING INCOME AS % OF OPERATING REVENUES – INCLUDING COUNTY FUNDING

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Industry Update

BKD

3 GRANT FUNDING IN-DEPTH

- Two streams of funding:
 - **Mandatory** funding under the ACA (~70%)
 - Base **discretionary** funding from Congress (~30%)
- Total funding for CHCs has been increased based on most recent continuing resolution – funding through 9/30/2019.
- Recent events illustrate the need to reduce reliance on federal grants.

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3

MEDICARE FQHC REIMBURSEMENT

- Medicare is under a Prospective Payment System (PPS)
 - National payment rate adjusted for geographic location for 1/1/18 to 12/31/18
 - \$169.27 (\$166.60 x 1.016 Regional Adj.)
 - New patient - \$227.09
 - No deductible for FQHC services
 - Coding and charge structure issues are in focus

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3

CHC STUDY

(HRSA SPONSORED –
BY CAPITAL LINK)

What are the characteristics of high-performing health centers?

- Longer average tenure of management staff
- Higher pediatric focus
- Lower mid-level to physician ratio
- Newer facilities
- Higher proportion of enabling services & staff
- Higher utilization of services (average 4.1 visits per year)

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Tweetable Moment

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4



**TWEETABLE
MOMENT**

#ValueCHCs
@bkdhc

You have good reasons to be proud, so we've created a few "*Tweetable Moment*" ideas for you to celebrate & share your success on social media.

REMINDER:

Always follow your health center's social media policy when posting.

BKD



The numbers are in & our annual audit with @BKDHC shows our cost per patient continues to fall below the state and national average! Coastal Health & Wellness and @GCHDinfo are proud to provide quality healthcare to our community!

**BKD**

Questions?

**BKD**

Thank you!

For more information, please feel free to contact:

Jansen Otterness
713.499.4600
jotterness@bkd.com

BKD

Galveston County Health District
Independent Auditor's Report and Financial Statements
September 30, 2017



Galveston County Health District

September 30, 2017

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Galveston County Health District

Management's Discussion and Analysis

September 30, 2017

Introduction

The following discussion and analysis of the financial performance of Galveston County Health District (the District) provides an overview of the District's financial activities for the year ended September 30, 2017. Readers should consider the information presented here in conjunction with the District's financial statements that follow this section.

Financial Highlights

- Total assets and deferred outflows of resources of the District exceeded total liabilities and deferred inflows of resources at the close of 2017 by \$17.8 million.
- Of this amount, \$1.6 million represents the District's net investment in capital assets; \$1.8 million is restricted for net pension asset and there is an unrestricted net surplus of \$14.4 million.
- The District had total cash and investments of \$13.1 million as of September 30, 2017, an increase of \$661 thousand from September 30, 2016.
- The District had expenses net of program revenue of \$5.8 million and general revenues of \$7.8 million.
- The District reported an increase in total net position of \$2.0 million (12 percent) in 2017.
- As of the close of the current fiscal year, the District's governmental funds reported an ending fund balance of \$14.5 million.
- The General Fund reported a fund balance of \$4.3 million at the end of the current year. The unassigned fund balance for the General Fund was \$163 thousand, or 2 percent, of total General Fund expenditures. There was a \$387 thousand increase in the total fund balance for the General Fund from September 30, 2017.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements 3) notes to the financial statements and, 4) required supplementary information which includes this management's discussion and analysis, budget to actual reports, and information regarding the District's pension plan. In addition to the basic financial statements, this report also contains other supplementary information as listed in the table of contents.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to that of a private-sector business.

Statement of Net Position

The statement of net position presents information on all of the District's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Statement of Activities

The statement of activities presents information showing how the government's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future periods, *e.g.*, earned but unused vacation leave.

The government-wide financial statements present functions of the District that are provided from funding sources (*governmental activities*). The government-wide financial statements can be found on Pages 11-12 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District consist solely of governmental funds (*the General Fund and Special Revenue Funds*).

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The basic governmental fund financial statements can be found on Pages 13-16 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on Pages 17-36 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's general fund, Coastal Health & Wellness Fund (CHW) and the Galveston Area Ambulance Authority Fund (GAAA) budgets and the District's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on Page 37 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$17.3 million at September 30, 2017.

Condensed Statement of Net Position (in Thousands)

	2017	2016	Dollar Change	Total Percentage Change
Assets				
Current and other assets	\$ 17,413	\$ 15,342	\$ 2,071	13%
Capital assets, net	1,654	1,380	274	20%
Total assets	19,067	16,722	2,345	14%
Deferred Outflows of Resources	1,071	1,299	(228)	-18%
Liabilities				
Long-term liabilities	436	551	(115)	-21%
Other liabilities	1,308	947	361	38%
Total liabilities	1,744	1,498	246	16%
Deferred Inflows of Resources	576	684	(108)	-16%
Net Position				
Net investment in capital assets	1,603	1,296	307	24%
Restricted	1,850	1,622	228	14%
Unrestricted	14,365	12,921	1,444	11%
Total net position	\$ 17,818	\$ 15,839	\$ 1,979	12%

The largest portion of the District's net position (\$13.1 million) reflects its cash and cash equivalents. The District was able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

Net position of the District achieved a \$2.0 million increase. Key elements of the increase are shown in the table below.

Condensed Statement of Activities
(in Thousands)

	2017	2016	Dollar Change	Total Percentage Change
Revenues				
Program revenues:				
Charges for services	\$ 12,003	\$ 12,065	\$ (62)	-1%
Operating grants and contributions	6,629	6,786	(157)	-2%
General revenues:				
Unrestricted grants and contributions	7,706	7,929	(223)	-3%
Investment earnings, unrestricted	61	52	9	17%
Total revenues	26,399	26,832	(433)	-2%
Expenses				
Public health	3,308	3,202	106	3%
Public health reimbursable	3,329	2,865	464	16%
Animal services	1,222	1,207	15	1%
Pollution control	930	861	69	8%
Patient services	9,739	9,836	(97)	-1%
Ambulance services	5,892	5,225	667	13%
Program Expenses	24,420	23,196	1,224	5%
Change in Net Position	1,979	3,636	(1,657)	-46%
Net Position, Beginning of Year	15,839	12,203	3,636	30%
Net Position, End of Year	\$ 17,818	\$ 15,839	\$ 1,979	12%

Revenues from governmental activities totaled \$26.4 million for the fiscal year ended September 30, 2017, while expenses totaled \$24.4 million. The District's total revenues decreased by \$433 thousand or 2 percent from prior year. The District's total expenses increased by \$1.2 million, or 5 percent from the prior year. Primary factors included an increase in ambulance services expense of \$667 thousand due to new personnel and operating supplies, and an increase in public health reimbursable expenses of \$464 thousand due to the addition of new grants such as Zika.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of September 30, 2017, the District's governmental funds, which consist of a General Fund and Special Revenue Funds, reported ending fund balances of \$14.5 million, an increase of \$1.6 million during the year.

The General Fund is the chief operating fund of the District. At the end of the year, unassigned fund balance of the General Fund was \$163 thousand, a \$643 thousand decrease from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 2 percent of total general fund expenditures, while overall General Fund balance represents 48 percent of that same amount.

The CHW, a major governmental fund, had an increase of \$832 thousand to an overall CHW Fund balance of \$5.3 million at the end of the year.

The GAAA Fund, a major governmental fund, had an increase in fund balance of \$431 thousand during the year to bring the year-end fund balance to \$5 million.

General Fund Budgetary Highlights

Revenues

The District's final 2017 General Fund budget estimated revenues of \$12.6 million. The actual realized revenues for the period were \$13.1 million, or 4 percent, greater than budgeted primarily due to increases in birth/death certificates and consumer health permits issued, as well as increased grant revenue due to new grants.

Public Health Program service revenues were over budgeted amounts by \$68 thousand, or 4 percent, due to increases in birth/death certificates and consumer health permits issued. The Public Health division includes service revenues from immunization, vital statistics, potable water testing, and inspections/permits associated with food services, septic tanks, swimming pools and waste water.

Animal Service program revenues (which included both field and shelter services) were over budgeted amounts by \$56 thousand, or 11 percent, due to donations and increases in animal redemption fees.

Pollution Control program revenues were \$10,712 or 8 percent higher than budgeted primarily due to the sale of fixed assets.

Expenditures

Operating expenditures and other financing uses in 2017 were budgeted at \$12.6 million, and actual expenditures and other financing uses incurred at September 30, 2017, were \$12.7 million, or 101 percent, of what had been projected for the year.

Public Health Program expenditures were \$238 thousand or 7 percent, lower than budgeted due primarily to savings in supply and travel costs.

Public Health Reimbursable expenditures (grant funded services) were \$444 thousand, or 16 percent, higher than budgeted due primarily to increased contract services and supply and advertising costs related to grants. These costs were offset by increases in grant revenue.

Animal Service expenditures were \$50 thousand, or 4 percent, lower due to savings from spay/neuter costs and salary and benefit costs from salary lapses.

Pollution Control expenditures were \$63 thousand, or 7 percent, lower due to savings in salary and benefit costs from salary lapses.

Expenditures for services provided through CHW and the County Indigent Healthcare Program ended the year \$19 thousand, or 10 percent, lower than budgeted due to savings in salary and benefit costs from salary lapses.

Capital Assets and Debt Administration

Capital Assets: The District's investment in capital assets as of September 30, 2017, amounts to \$1.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, furniture and equipment, and vehicles. The total increase in the District's investment in capital assets for 2017 was 20 percent.

	Capital Assets (in Thousands)		Dollar Change	Total Percentage Change
	2017	2016		
Improvements other than buildings	\$ 52	\$ 281	\$ (229)	-81%
Furniture and equipment	2,593	2,339	254	11%
Vehicles	2,294	2,165	129	6%
Less accumulated depreciation	(3,285)	(3,405)	120	-4%
Total capital assets, net	\$ 1,654	\$ 1,380	\$ 274	-68%

Additional information on the District's capital assets can be found in Note 4 in the notes to financial statements.

The District's long-term liabilities increased by \$52 thousand due to an increase in compensated absences of \$85 thousand offset by principal payments of \$33 thousand on the District's note payable.

	Long-term Liabilities (in Thousands)		
	2016	Increase (Decrease)	2017
Notes payable	\$ 84	\$ (33)	\$ 51
Compensated absences	556	86	642
Total	\$ 640	\$ 53	\$ 693

Economic Factors and Next Year's Budgets and Rates

The District is currently operating under its fiscal year 2018 budget, which was adopted and passed by its respective Boards in accordance with state and federal guidelines. The table below provides a comparison of the fiscal year 2017 and fiscal year 2018 budgets for both estimated revenues and expenditures.

Fund	Year Ending September 30,	
	2018	2017
General Fund:		
Revenue and transfers	\$ 13,093,390	\$ 12,573,473
Expenditures	13,093,390	12,573,473
Coastal Health & Wellness:		
Revenue and transfers	10,495,403	10,124,913
Expenditures	10,495,403	10,124,913
Galveston Area Ambulance Authority:		
Revenue and transfers	7,312,003	6,533,601
Expenditures	7,312,003	6,533,601

General Fund: In comparison to 2017, 2018 revenues budgeted under the General fund increase by \$520 thousand, or 4 percent, primarily due to an increase in county revenue and vital statistics revenue. Public health revenues projected to be \$365,317 more than 2017, and Animal Services revenues projected to be \$107,637 more than 2017.

CHW Fund: The budget for CHW increased by \$371 thousand, or 3.7 percent, from 2017. Revenues are projected to increase due to reimbursable amount per visit increases. Also, grant revenue projects increased by \$208,855, offset by \$133,645 reduction in county revenues, due to new and expanded existing grants. The BCCS grant for \$101,126 was transferred to the General Fund. Wages increased by \$491,998 resulting for the 1.5 percent cost of living (COLA) adjustment and group health insurance premiums increased 8 percent.

GAAA Fund: The budget for GAAA increased by \$778 thousand, or 12 percent. The Mainland Net area was added in 2018, with projected revenues of \$645,312, along with projected expenditures of \$605,109. This area was not included in 2017. Galveston 911 revenues are projected to increase by \$83,188, with a projected increase of patient fees and private insurance revenues, which is offset by a \$42,019 increase in expenditures.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Galveston County Health District: Andrea Cortinas, Controller, P.O. Box 939, La Marque, Texas, 77568.

Basic Financial Statements

Galveston County Health District
Statement of Net Position
September 30, 2017

Assets

Cash and cash equivalents	\$ 13,029,806
Investments	30,312
Receivables, net	2,345,858
Prepaid expenses	121,681
Inventories	35,626
Net pension asset	1,850,010
Capital assets, net of depreciation:	
Improvements, other than buildings	35,434
Furniture and equipment	573,652
Vehicles	1,044,602
	<hr/>
Total assets	19,066,981

Deferred Outflows of Resources

Pensions:	
Net difference between projected and actual earnings	734,336
Change in assumptions	81,472
Contributions made subsequent to measurement date	255,133
	<hr/>
Total deferred outflows of resources	1,070,941
	<hr/>
Total assets and deferred outflows of resources	20,137,922

Liabilities

Accounts payable and accrued liabilities	992,673
Unearned revenue	59,211
Noncurrent liabilities:	
Due within one year	256,484
Due in more than one year	435,935
	<hr/>
Total liabilities	1,744,303

Deferred Inflows of Resources

Pensions:	
Differences between expected and actual experience	575,955
	<hr/>
Total liabilities and deferred inflows of resources	2,320,258

Net Position

Net investment in capital assets	1,602,834
Restricted for net pension asset	1,850,010
Unrestricted	14,364,820
	<hr/>
Total net position	\$ 17,817,664

Galveston County Health District
Statement of Activities
Year Ended September 30, 2017

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Functions/Programs:				
Governmental activities:				
Public health	\$ 3,307,695	\$ 1,667,210	\$ -	\$ (1,640,485)
Public health, reimbursable	3,328,814	40,158	3,140,271	(148,385)
Animal services	1,221,593	583,021	-	(638,572)
Pollution control	929,706	143,778	422,893	(363,035)
Patient services	9,738,657	3,636,127	3,061,770	(3,040,760)
Ambulance services	5,893,931	5,932,680	4,266	43,015
Total governmental activities	<u>\$ 24,420,396</u>	<u>\$ 12,002,974</u>	<u>\$ 6,629,200</u>	<u>\$ (5,788,222)</u>
General revenues:				
Grants and contributions not restricted to specific programs				\$ 7,706,256
Investment earnings, unrestricted				<u>60,639</u>
Total general revenues				<u>7,766,895</u>
Change in net position				1,978,673
Net position, beginning of year				<u>15,838,991</u>
Net position, end of year				<u>\$ 17,817,664</u>

Galveston County Health District
Balance Sheet – Governmental Funds
September 30, 2017

	General Fund	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 3,560,436	\$ 5,136,551	\$ 4,332,819	\$ 13,029,806
Investments	10,104	10,104	10,104	30,312
Receivables:				
Federal	770,374	35,103	-	805,477
State	96,890	-	-	96,890
Patient, program and other (net where applicable)	129,801	310,798	1,002,892	1,443,491
Due from other funds	52,086	-	-	52,086
Prepaid expenses	33,818	82,131	5,732	121,681
Inventories	35,626	-	-	35,626
Total assets	<u>\$ 4,689,135</u>	<u>\$ 5,574,687</u>	<u>\$ 5,351,547</u>	<u>\$ 15,615,369</u>
Liabilities				
Accounts payable and accrued liabilities	\$ 356,262	\$ 274,118	\$ 362,293	\$ 992,673
Unearned revenue	48,794	-	10,417	59,211
Due to other funds	-	49,742	2,344	52,086
Total liabilities	<u>405,056</u>	<u>323,860</u>	<u>375,054</u>	<u>1,103,970</u>
Fund Balances				
Nonspendable	69,444	82,131	5,732	157,307
Committed	4,051,483	4,419,272	3,081,265	11,552,020
Assigned	-	749,424	1,889,496	2,638,920
Unassigned	163,152	-	-	163,152
Total fund balances	<u>4,284,079</u>	<u>5,250,827</u>	<u>4,976,493</u>	<u>14,511,399</u>
Total liabilities and fund balances	<u>\$ 4,689,135</u>	<u>\$ 5,574,687</u>	<u>\$ 5,351,547</u>	<u>\$ 15,615,369</u>

Galveston County Health District
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2017

Total fund balances – governmental funds	\$	14,511,399
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		1,653,688
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Deferred inflows and outflows related to pensions are not recognized on the fund financial statements.		494,986
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Net pension asset is not financial resources and is not reported in the funds.		1,850,010
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Long-term liabilities are not due and payable in the current period and are not reported in the funds:

Notes payable		(50,854)
Compensated absences		(641,565)

Net position of governmental activities.	\$	<u>17,817,664</u>
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Galveston County Health District
Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds
Year Ended September 30, 2017

	General Fund	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total Governmental Funds
Revenues				
Program services and patient service revenue, net, where applicable	\$ 2,434,167	\$ 3,636,127	\$ 5,932,680	\$ 12,002,974
Intergovernmental:				
Federal/state	3,563,164	3,023,474	-	6,586,638
Local	7,081,813	38,296	628,709	7,748,818
Investment earnings	15,981	23,762	20,897	60,640
Total revenues	<u>13,095,125</u>	<u>6,721,659</u>	<u>6,582,286</u>	<u>26,399,070</u>
Expenditures				
Current:				
Public health	3,360,570	-	-	3,360,570
Public health reimbursable	3,272,346	-	-	3,272,346
Animal services	1,205,009	-	-	1,205,009
Pollution control	845,078	-	-	845,078
Patient services	174,901	9,444,968	-	9,619,869
Ambulance services	-	-	5,442,151	5,442,151
Debt service:				
Principal retirement	-	-	33,171	33,171
Interest and fiscal charges	-	-	2,782	2,782
Capital outlay	155,481	139,895	673,599	968,975
Total expenditures	<u>9,013,385</u>	<u>9,584,863</u>	<u>6,151,703</u>	<u>24,749,951</u>
Excess (Deficiency) of Revenues Over Expenditures	4,081,740	(2,863,204)	430,583	1,649,119
Other Financing Sources (Uses)				
Transfers in (out)	(3,694,754)	3,694,754	-	-
Net Change in Fund Balances	386,986	831,550	430,583	1,649,119
Fund Balances, Beginning of Year	3,897,093	4,419,277	4,545,910	12,862,280
Fund Balances, End of Year	<u>\$ 4,284,079</u>	<u>\$ 5,250,827</u>	<u>\$ 4,976,493</u>	<u>\$ 14,511,399</u>

Galveston County Health District
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended September 30, 2017

Net change in fund balances – total governmental funds	\$	1,649,119
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$768,155) exceeded depreciation expense (\$478,823) and loss on disposals (\$15,846) in the current period.

273,486

Repayment of note principal is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

33,171

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Net change in net pension asset	\$	228,240	
Net change in deferred inflows and outflows of resources		(119,927)	
Accrued compensated absences		(85,416)	22,897

Change in net position of governmental activities.	\$	1,978,673
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Galveston County Health District

Notes to Financial Statements

September 30, 2017

Note 1: Nature of Operations and Summary of Significant Accounting Policies

The Galveston County Health District (District) is governed by Subtitle E, Health and Safety Code, Chapter 121 Local Public Health Reorganization Act. This law provides for the formation, structure and operation of the District. The District was formed by a contractual arrangement between the County of Galveston and the cities within the county which provides for an Administrative Board (Galveston County United Board of Health) that sets policy and associated operating budget(s) for the public health, pollution control, animal services and ambulance services operated by the District. The Board of Health has delegated to the Coastal Health & Wellness (CHW) Governing Board the operational responsibility for health care that is provided through the community health center's medical and dental clinics.

Reporting Entity

These financial statements include all activities and operations of the District including CHW and the Galveston Area Ambulance Authority (GAAA). A 13-member board is nominated by the Commissioners Court of Galveston County, Texas and approved by a majority of the member governments. This board governs the District. These financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations or functions as part of the District's financial reporting entity. Based on these considerations, no other entities, organizations or functions have been included in the District's financial reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the District's financial reporting entity are based on criteria prescribed by accounting principles generally accepted in the United States of America (GAAP). These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity.

Basis of Accounting and Presentation

The basic financial statements include both government-wide and fund financial statements as follows:

Government-Wide Financial Statements

The government-wide financial statements report information on all of the activities of the District, CHW and GAAA. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through intergovernmental revenues and other nonexchange transactions. The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. Direct expenses are those that are clearly associated with a specific function or identifiable activity. Expenses that cannot be specifically identified to a particular function are charged to funds based on time spent for that function and are included in

Galveston County Health District

Notes to Financial Statements

September 30, 2017

the functional categories. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or identifiable activity and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or identifiable activity.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental each displayed in a separate column.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund

The CHW is used to account for the operations of two community clinics throughout Galveston County. The principal sources of revenues for this fund are Federal and Local grants, program revenues from Galveston County and charges for patient services. Expenditures relate to the costs of providing medical and dental outpatient services at the clinics.

The GAAA Fund accounts for the contract operations of emergency medical services and medical transport services programs. Principal revenues consist of charges for services.

Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include grants, entitlements and similar items; and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Grants, entitlements and donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as unearned revenues.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in available spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of general long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available.

The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include federal funds, local funds and investment earnings. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences and obligations for workers' compensation, which are recognized as expenditures when payment is due. Pension expenditures are recognized when amounts are due to a plan.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows and outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Cash and Investments

The District considers all liquid investments with original maturities of three months or less to be cash equivalents. At September 30, 2017, all investments represent amounts held in TexPool money market accounts.

Inventories

Inventory consists of medical and office supplies and is reported at original costs.

Capital Assets

Capital assets, which include improvements other than buildings, furniture and equipment, and vehicles, are reported in the governmental activities column, in the government-wide financial statements.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Unearned Revenue

Unearned revenue represents advances on grants and contract awards for which the District has not met all of the applicable eligibility requirements.

Deferred Outflows/Inflows of Resources

The District reports increases in net position that relate to future periods as deferred outflows of resources in a separate section of its statement of net position.

The District reports decreases in net position that relate to future periods as deferred inflows of resources in a separate section of its statement of net position.

Patient Accounts Receivable

Effective July 2017, patient accounts receivable for CHW are reduced by an allowance for uncollectible accounts. In evaluating the collectability of accounts receivable, the District analyzes its past history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for uncollectible accounts. Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts.

For receivables associated with services provided to patients who have third-party coverage, the District analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for uncollectible accounts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely).

For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the District records a significant provision for uncollectible accounts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated or provided by the sliding fee or other policy) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

Net Patient Service Revenue

The District has agreements with third-party payers that provide for payments to the District at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments. Retroactive adjustments are

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Capital assets are defined as assets with an initial value or cost greater than or equal to \$5,000 and an estimated useful life of greater than two years. Costs for the purchase or construction of facilities and other fixed assets are recorded as capital outlay expenditures in the governmental fund financial statements. Interest incurred during construction periods is not capitalized. Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

Asset Description	Estimated Useful Life
Improvements other than buildings	5-10 years
Furniture and equipment	3-10 years
Vehicles	7 years

Depreciation expense is charged directly to the department/function based on the department that utilizes the related asset.

Long-term Obligations

In the government-wide financial statements, long-term debt for notes payable and compensated absences are reported as liabilities in the governmental activities statement of net position.

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation, compensatory and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the District. All vacation and compensatory pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, such as those resulting from employee resignations and retirements.

Pensions

The District participates in an agent defined benefit pension plan *Texas County and District Retirement System*, (TCDRS). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TCDRS and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known. Patient service revenue as reported for CHW for the year ended September 30, 2017, is net of an allowance for uncollectible accounts of \$3,299,276.

Fund Balances – Governmental Funds

The fund balances for the District's governmental funds are displayed in five components:

Nonspendable – Nonspendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted – Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers. When restricted and unrestricted fund balance exists for the same purpose, restricted fund balance will be used first.

Assigned – Assignments of fund balance are imposed by the District's intention of use for specific purposes, but with no formal action.

Committed – To indicate fund balance that can be used only for the specific purposes determined by a formal action of the Galveston County United Board of Health (the District's highest level of decision-making authority). Commitments may be changed or lifted only by the Board of Health taking the same formal action that imposed the constraint originally.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications.

Income Taxes

The District is not subject to federal or state income taxes.

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. All annual appropriations lapse at year-end and are re-established in the succeeding year.

Note 2: Deposits and Investments

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) requires that deposits in financial institutions be collateralized with federal depository insurance and other acceptable collateral in specific amounts. The act further specifies the types of securities that can be used as collateral. The District's written investment policy establishes additional requirements for collateralization of deposits. No legal opinion has been obtained regarding the enforceability of any of the collateral arrangements.

At September 30, 2017, the District's deposits were fully collateralized and, therefore, were not exposed to custodial credit risk.

Investments

The District is authorized by the Public Funds Investment Act (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) certain collateralized mortgage obligations; (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities; (5) certain "A" rated or higher obligations of states and political subdivisions of any state; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) insured or collateralized certificates of deposit; (8) certain fully collateralized repurchase agreements; (9) bankers' acceptances with limitations; (10) commercial paper rated "A-1" or "P-1" or higher and a maturity of 270 days or less; (11) no-load money market mutual funds and no-load mutual funds with limitations; (12) certain guaranteed investment contracts; (13) certain qualified governmental investment pools; and (14) a qualified securities lending program.

TexPool

The District participates in TexPool, the Texas Local Government Investment Pool. The State Comptroller of Public Accounts exercises oversight responsibility of TexPool, which includes (1) the ability to significantly influence operation; (2) designation of management and (3) accountability for fiscal matters. Additionally, the state Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. As permitted by GAAP, TexPool uses amortized cost (which excludes unrealized gains and losses) rather than market value to compute share price. Accordingly, the fair value of the District's position in TexPool is the same as the value of TexPool shares.

Note 3: Receivables

As of September 30, 2017, accounts receivable consisted of the following.

Galveston County Health District
Notes to Financial Statements
September 30, 2017

	General	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total
Federal:				
Reimbursement of expenditures under federal grants	\$ 770,374	\$ 35,103	\$ 0	\$ 805,477
State:				
Reimbursement of expenditures under state grants	96,890	0	0	96,890
Patient, program and other:				
Patient, net	-	310,798	278,792	589,590
Program and other	129,801	-	724,100	853,901
	129,801	310,798	1,002,892	1,443,491
Total	<u>\$ 997,065</u>	<u>\$ 345,901</u>	<u>\$ 1,002,892</u>	<u>\$ 2,345,858</u>

Note 4: Capital Assets

Capital assets activity for the year ended September 30, 2017, is presented below:

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental activities:				
Improvements, other than buildings	\$ 281,027	\$ -	\$ 228,958	\$ 52,069
Furniture and equipment	2,338,550	253,816	-	2,592,366
Vehicles	2,165,312	514,339	385,476	2,294,175
Total cost	4,784,889	768,155	614,434	4,938,610
Less accumulated depreciation:				
Improvements, other than buildings	(236,734)	(8,859)	(228,958)	(16,635)
Furniture and equipment	(1,807,252)	(211,462)	-	(2,018,714)
Vehicles	(1,360,701)	(258,502)	(369,630)	(1,249,573)
Total accumulated depreciation	(3,404,687)	(478,823)	(598,588)	(3,284,922)
Capital assets, net	<u>\$ 1,380,202</u>	<u>\$ 289,332</u>	<u>\$ 15,846</u>	<u>\$ 1,653,688</u>

Depreciation expense was charged to functions/programs of the primary government as follows.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Function:		
Public health	\$	24,408
Public health, reimbursable		59,006
Animal services		18,733
Pollution control		15,857
CHW		64,305
GAAA		<u>296,514</u>
Total depreciation expense, functions	\$	<u>478,823</u>

Note 5: Net Patient Service Revenue

Services rendered by CHW and GAAA generate patient service revenue. As a result, the District recognizes patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for the sliding fee program, the District recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of the District's uninsured patients who do not qualify for the sliding fee program will be unable or unwilling to pay for the services provided. Thus, the District records a significant provision for uncollectible accounts related to uninsured patients in the period the services are provided. This provision for uncollectible accounts is presented on the statement of activities as a component of net patient service revenue.

The District has agreements with third-party payers that provide for payments to the District at amounts different from its established rates. These payment arrangements include:

Medicare. Covered Federally Qualified Health Center (FQHC) services rendered by CHW to Medicare program beneficiaries are paid in accordance with provisions of Medicare's Prospective Payment System (PPS) for FQHCs. Medicare payments, including patient coinsurance, as now paid on the lesser of the District's actual charge or the applicable PPS rate. Services not covered under the FQHC benefit are paid based on established fee schedules. Covered services rendered by GAAA to Medicare program beneficiaries are paid based on Medicare established fee for service rates.

Medicaid. Covered FQHC services rendered by CHW to Medicaid program beneficiaries are paid based on a prospective reimbursement methodology. The District is reimbursed a set encounter rate for all services provided under the plan. Covered services rendered by GAAA to Medicaid program beneficiaries are paid based on a flat rate established by Medicaid.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

The District has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the District under these agreements includes prospectively determined rates per unit of service and discounts from established charges.

Note 6: Interfund Balances and Transfers

Interfund balances due to/from as of September 30, 2017, are as follows:

Receivable Fund	Payable Fund	Amounts
General Fund	CHW Fund	\$ 49,742
General Fund	GAAA Fund	2,344
		<u>\$ 52,086</u>

The outstanding balances between funds result mainly from the time lag between the dates (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Transfers between funds during the year ended September 30, 2017, were as follows:

Transfers From Fund	Transfers in Fund	Amount
General Fund	CHW Fund	\$ 3,694,754

This represents the transfer of local funds from Galveston County to the General Fund that are allocated to CHW to supplement the operation of the clinics.

Note 7: Long-term Obligations

The following is a summary of long-term obligation transactions for the year ended September 30, 2017.

	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Note payable	\$ 84,025	\$ -	\$ (33,171)	\$ 50,854	\$ 33,755
Compensated absences	556,149	722,249	(636,833)	641,565	223,000
Total long-term debt	<u>\$ 640,174</u>	<u>\$ 722,249</u>	<u>\$ (670,004)</u>	<u>\$ 692,419</u>	<u>\$ 256,755</u>

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Note payable is due to a federal agency in monthly principal installments, plus interest at an annual rate of 1.75 percent through February 18, 2019. The note is collateralized by a pledge of the District's revenues for each fiscal year while any of the notes are outstanding, after a provision has been made for the payments required in connection with any outstanding indebtedness of the District. Future maturities on the notes payable are as follows:

Year	Amount
2018	\$ 33,755
2019	17,099
	<u>\$ 50,854</u>

Accrued compensated absences represent vacation and compensatory time off earned by District, CHW and GAAA employees. These employees are 100 percent vested with respect to these benefits when earned. These amounts are expected to be paid from future available resources upon termination or retirement.

Note 8: Fund Balances

The District reports the following General Fund, CHW Fund and GAAA Fund equity as non-spendable and committed at September 30, 2017, classified governmental fund balances as follows:

Galveston County Health District

Notes to Financial Statements

September 30, 2017

	General	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund
Nonspendable:			
Prepaid items	\$ 33,818	\$ 82,131	\$ 5,732
Inventories	35,626	-	-
Total nonspendable fund balances	<u>\$ 69,444</u>	<u>\$ 82,131</u>	<u>\$ 5,732</u>
Committed:			
IT infrastructure/software upgrades	\$ 274,875	\$ 203,097	\$ -
Public health emergencies	250,000	-	-
Reserve for leave payouts	165,000	-	-
Medical/dental equipment	-	240,885	-
Vehicle replacements	-	-	590,000
CHW clinic renovations	600,000	750,000	-
Animal services	361,608	-	-
Operating equipment	-	-	327,000
Texas City furniture/fixtures/remodel	-	12,750	-
Employee one-time supplemental payment	-	52,540	-
Reserve for Medicaid cost report audit	-	-	1,427,302
Reserve for payment to the County	-	-	736,963
Operating reserves	2,400,000	3,160,000	-
Total committed fund balances	<u>\$ 4,051,483</u>	<u>\$ 4,419,272</u>	<u>\$ 3,081,265</u>

Note 9: Pension Plans

TCDRS Defined Benefit Plan

The District provides retirement benefits for full-time employees through agent, multiple-employer, defined-benefit plan. This plan is administered by the state-wide, public-employee Texas County and District Retirement System (TCDRS). TCDRS is governed by the TCDRS Board of Trustees and administers the pension plans of approximately 738 counties and districts. It issues in the aggregate, on a calendar-year basis, a comprehensive annual financial report which is available upon request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034. The CAFR is available, upon written request, from the TCDRS Board of Trustees at P.O. Box 2034, Austin, Texas, 78768-2034 or at www.tcdrs.org.

The TCDRS plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at age 60 and above with eight or more years of service, with 30 years of service regardless of age or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions to the plan to receive any employer financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits, with interest. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitments to contribute. At retirement, disability or death, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates, as prescribed by the TCDRS Act.

Employees Covered by Benefit Terms

TCDRS reports annual financial information on the calendar year basis, which coincides with the federal payroll reporting year-end. At the December 31, 2016, valuation and measurement date the following employees were covered by the benefit terms:

Covered Employees - TCDRS Calendar Year Basis	2016
Inactive employees or beneficiaries currently receiving benefits	19
Inactive employees entitled to but not yet receiving benefits	247
Active employees	289
Totals	555

Funding Policy/Contributions

The District has chosen a variable rate plan under the provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. The District's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The District contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the District and are currently 7 percent. The District's elected contribution rate was 3.28 percent during the 2017 fiscal year.

If a plan has had adverse experience, the TCDRS Act has provisions which allow the employer to contribute a fixed supplemental contribution rate determined by the system's actuary above the regular rate for 25 years or to reduce benefits earned in the future.

Net Pension Asset

The District's Net Pension Asset (NPA) was measured as of December 31, 2016, and the Total Pension Liability (TPL) used to calculate the NPA was determined by an actuarial valuation as of that date.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Actuarial Assumptions

The TPL in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	2.0% per year
Investment rate of return	8.0% per year
Ad hoc cost of living adjustments	Not included

Salary increases were based on a service-related table. Mortality rates for active depositing members were based on the RP-2000 Active Employee Mortality Table for males with a two-year set-forward and the RP-2000 Active Mortality Table for females with a four-year setback, both with the projection scale AA. Mortality rates for service retirees, beneficiaries and non-depositing members were based on the RP-2000 Combined Mortality Table with the projection scale AA, with a one-year set-forward for males and no age adjustment for females. Mortality rates for disabled retirees were based on the RP-2000 Disabled Mortality Table for males with no age adjustment and RP-2000 Disable Mortality Table for females with a two-year set-forward, both with the projection scale AA.

Actuarial assumptions used in the December 31, 2016, valuation were based on the results of actuarial experience studies. The experience study in TCDRS was for the period January 1, 2009 through December 31, 2012, except where required to be different by Governmental Accounting Standards Board (GASB) 68. Healthy postretirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013, valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 8.00 percent. The pension plan's policy for to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation, as well as the production of income, to satisfy the short-term and long-term funding needs of TCDRS.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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Notes to Financial Statements

September 30, 2017

Asset Class	Target Allocation	Geometric Real Rate of Return
U.S. Equity	13.50%	4.70%
Private Equity	16.00%	7.70%
Global Equities	1.50%	5.00%
International Equities, Developed	10.00%	4.70%
International Equities, Emerging	7.00%	5.70%
Investment, Grade Bonds	3.00%	0.60%
High-Yield Bonds	3.00%	3.70%
Opportunistic Credit	2.00%	3.83%
Direct Lending	10.00%	8.15%
Distressed Debt	3.00%	6.70%
REIT Equities	2.00%	3.85%
Master Limited Partnerships	3.00%	5.60%
Private Real Estate Partnerships	6.00%	7.20%
Hedge Funds	20.00%	3.85%
Total	100.00%	

Galveston County Health District
Notes to Financial Statements
September 30, 2017

Discount Rate

The discount rate used to measure the TPL was 8.10 percent. This rate reflects the long-term rate of return funding valuation assumption of 8.00 percent, plus 0.10 percent adjustment to be gross of administrative expenses. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a) - (b)
Balances as of December 31, 2015	\$ 9,349,824	\$ 10,971,594	\$ (1,621,770)
Changes for the year:			
Service cost	1,347,810	-	1,347,810
Interest on total pension liability	794,836	-	794,836
Effect of economic/demographic gains or losses	(57,384)	-	(57,384)
Refund of contributions	(313,886)	(313,886)	-
Benefit payments	(89,627)	(89,627)	-
Administrative expenses	-	(8,912)	8,912
Member contributions	-	914,897	(914,897)
Net investment income	-	819,567	(819,567)
Employer contributions	-	428,694	(428,694)
Other	-	159,256	(159,256)
Net changes	1,681,749	1,909,989	(228,240)
Balances as of December 31, 2016	\$ 11,031,573	\$ 12,881,583	\$ (1,850,010)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability (asset) of the District, calculated using the discount rate of 8.10 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10 percent) or 1 percentage point higher (9.10 percent) than the current rate.

Galveston County Health District

Notes to Financial Statements

September 30, 2017

	1% Decrease in Discount Rate (7.1%)	Current Discount Rate (8.1%)	1% Increase in Discount Rate (9.1%)
District's net pension liability (asset)	\$ 42,974	\$ (1,850,010)	\$ (3,359,196)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2017, the District recognized pension expense of \$248,844. At September 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 575,955	\$ -
Changes in actuarial assumptions	-	81,472
Net difference between projected and actual investment earnings	-	734,336
Contributions subsequent to the measurement date	-	255,133
	<u>\$ 575,955</u>	<u>\$ 1,070,941</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions subsequent to the measurement date, will be recognized in pension expense as follows:

2017	\$ 103,439
2018	103,439
2019	69,955
2020	(27,416)
Thereafter	<u>(9,564)</u>
Total	<u>\$ 239,853</u>

Deferred Compensation Plan

In addition, the District makes available a deferred compensation plan under Internal Revenue Code Section 457 (the Plan). The Plan was effective April 1, 2000, and is available to employees of the General Fund, CHW Fund and GAAA Fund. The assets of the Plan shall be held in trust for the exclusive benefit of the plan participants and their beneficiaries. The Plan is administered

Galveston County Health District
Notes to Financial Statements
September 30, 2017

by an authorized administrator who is responsible for ensuring that the Plan is operating in accordance with Plan terms and conditions including but not limited to investment options. Employees may voluntarily contribute up to a basic annual limit of \$18,000 into the Plan.

Note 10: Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities as of September 30, 2017, are comprised of following:

	General Fund	Coastal Health & Wellness Fund	Galveston Area Ambulance Authority Fund	Total
Trade payables	\$ 174,766	\$ 73,183	\$ 232,053	\$ 480,002
Accrued payroll	179,028	200,935	130,240	510,203
Other	2,468	-	-	2,468
	<u>\$ 356,262</u>	<u>\$ 274,118</u>	<u>\$ 362,293</u>	<u>\$ 992,673</u>

Note 11: Operating Leases

The District previously entered into operating leases with the following lessors:

Galveston Housing Authority. The District entered into a five-year lease to lease space at the Island Community Center to operate the CHW (formerly 4C's) medical and dental clinic. The lease commenced on August 1, 2011, and terminated on July 31, 2017. The District signed a one-year extension on a month-to-month basis with lease payments of \$14,530 per month. The CHW Governing Board is responsible for evaluating current needs and options for the Galveston clinic site for future years.

The District also entered into a five-year lease in order to obtain space at the Island Community Center for operation of the Women's, Infant's and Children's program. The lease commenced on April 1, 2017, and will expire March 31, 2022. Minimum lease payments are \$2,086 per month.

Dixie Partners. The District entered into a ten-year lease-to-lease space for the *Immunization and Women's, Infant's and Children's* program on the Gulf Freeway in Dickinson, Texas. The lease commenced on April 23, 2009, and will expire on April 23, 2019. Minimum lease payments were stated at \$5,000 per month in year one through five and \$5,500 per month in years six through ten. Additional monthly escrow payments of \$1,023 per month are also required as part of the lease agreement to cover taxes, insurance and maintenance costs. The leased space flooded during Hurricane Harvey in August 2017 and, therefore, the District made payments in

Galveston County Health District

Notes to Financial Statements

September 30, 2017

September to terminate the lease, therefore, no future payments will be made in 2018 and 2019. The District entered into a new lease for the program that commenced on October 16, 2017, and will expire on October 31, 2022. Minimum lease payment are \$3,300 per month with the first month prorated at \$1,760. The lease may be renewed once for a five-year period.

Bacliff VFD. The District entered into a lease agreement with the Bacliff Volunteer Fire Department to lease space for emergency medical services. Minimum lease payments were \$1,000 per month. The lease commenced on October 1, 2008, and was set to automatically renew each year. The District has the right to terminate the lease agreement annually at renewal by furnishing a 30-day written notice.

Hitchcock VFD. The District entered into a one-year memorandum of agreement with the Hitchcock Volunteer Fire Department effective October 1, 2016, at a cost of \$900 per month. The District has the right to terminate the lease agreement annually at renewal by furnishing a 30-day written notice.

Galveston County. Beginning in fiscal year 2012, the District remitted lease payments to Galveston County for the Animal Resource Center and Mid-County Annex (which are County-owned facilities). The monthly lease payments to the County include \$16,641 per month for the Animal Resource Center and \$74,572 per month for the Mid-County annex. These lease payments included the utilities, maintenance, janitorial and insurance costs associated with these buildings.

The District incurred total lease expenditures of \$1,410,949 during the year ended September 30, 2017.

Total minimum lease payments for the next five years are as follows.

Year	Minimum Lease Payments
2018	\$ 1,180,448
2019	1,181,988
2020	1,181,988
2021	64,632
2022	52,116
2023	1,760
	<u>\$ 3,662,932</u>

Galveston County Health District

Notes to Financial Statements

September 30, 2017

Note 12: Risk Management

The District is exposed to various risks related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The District's risk management programs encompasses various means of protecting the District against loss by obtaining property, casualty, and liability coverage through commercial insurance carriers and from participation in a risk pool. The participation of the District in the risk pool is limited to the payment of premiums. Settled claims have not exceeded insurance coverage in any of the previous four fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

The District is the defendant in a lawsuit claiming personal injuries due to an accident with a District vehicle. The District is the defendant in a lawsuit claiming wrongful termination under the False Claims Act by a former employee of the District, who is demanding approximately \$975,000. The District and its attorney are vigorously defending the matters.

Note 13: Concentrations

The following concentrations with particular customers existed as of and for the year ended September 30, 2017:

Galveston County. Approximately 37 percent of the District's revenues for the year ended September 30, 2017, were provided by Galveston County.

Federal Government. Approximately 23 percent of the District's revenues for the year ended September 30, 2017, were provided by the Federal Government.

Through CHW and GAAA, the District grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements. The mix of net receivables from patients and third-party payers at September 30, 2017, is as follows.

	Coastal Health & Wellness Fund	Galveston Ambulance Authority Fund	Total
Medicare	14%	52%	33%
Medicaid	23%	12%	18%
Other third-party payers	57%	24%	41%
Self-pay	6%	12%	9%
Total	100%	100%	100%

Galveston County Health District
Notes to Financial Statements
September 30, 2017

Note 14: Future Changes in Accounting Principles

GASB recently issued the following pronouncements:

GASB Statement No. 85, *Omnibus 2017* – This statement addresses practice issues that have arisen during implementation of other GASB standards. Among the topics addressed are blending of component units for a business-type activity that reports in a single column, presentation of goodwill from acquisitions that occurred prior to GASB 69, valuation of money market and certain other investments, and certain issues relating to pensions and other postemployment benefits. These updates either provide clarification, correction or additional guidance on the topics covered. This statement will become effective for the District in fiscal year 2018.

GASB Statement No. 87, *Leases* – This statement provides a new framework for accounting for leases under the principle that leases are financings. No longer will leases be classified between capital and operating. Lessees will recognize an intangible asset and a corresponding liability. The liability will be based on the payments expected to be paid over the lease term, which includes an evaluation of the likelihood of exercising renewal or termination options in the lease. Lessors will recognize a lease receivable and related deferred inflow of resources. Lessors will not derecognize the underlying asset. An exception to the general model is provided for short-term leases that cannot last more than 12 months. Contracts that contain lease and nonlease components will need to be separated so each component is accounted for accordingly. This statement will become effective for the District in fiscal year 2021.

Required Supplementary Information

Galveston County Health District
Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual,
General Fund
Year Ended September 30, 2017

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Program services	\$ 2,299,405	\$ 2,299,405	\$ 2,434,167	\$ 134,762
Intergovernmental:				
Federal/State	3,173,164	3,173,164	3,563,164	390,000
Local	7,085,904	7,085,904	7,081,813	(4,091)
Investment earnings	15,000	15,000	15,981	981
Total revenues	12,573,473	12,573,473	13,095,125	521,652
Expenditures				
Public health	3,598,610	3,598,610	3,360,570	238,040
Public health, reimbursable	2,827,983	2,827,983	3,272,346	(444,363)
Animal services	1,254,641	1,254,641	1,205,009	49,632
Pollution control	907,701	907,701	845,078	62,623
Patient services	194,089	194,089	174,901	19,188
Capital outlay	95,695	95,695	155,481	(59,786)
Total expenditures	8,878,719	8,878,719	9,013,385	(134,666)
Excess of Revenues Over Expenditures	3,694,754	3,694,754	4,081,740	386,986
Other Financing Uses				
Transfers out	(3,694,754)	(3,694,754)	(3,694,754)	-
Net Changes in Fund Balance	-	-	386,986	386,986
Fund Balance, Beginning of Year	3,897,093	3,897,093	3,897,093	-
Fund Balance, End of Year	\$ 3,897,093	\$ 3,897,093	\$ 4,284,079	\$ 386,986

Galveston County Health District
Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual,
Coastal Health & Wellness
Year Ended September 30, 2017

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Program services	\$ 3,159,382	\$ 3,159,382	\$ 3,636,127	\$ 476,745
Intergovernmental:				
Federal/State	3,181,454	3,181,454	3,023,474	(157,980)
Local	-	-	38,296	38,296
Investment earnings	22,500	22,500	23,762	1,262
Total revenues	6,363,336	6,363,336	6,721,659	358,323
Expenditures				
Patient services	10,124,913	10,124,913	9,444,968	679,945
Capital outlay	-	-	139,895	(139,895)
Total expenditures	10,124,913	10,124,913	9,584,863	540,050
Deficiency of Revenues Over Expenditures	(3,761,577)	(3,761,577)	(2,863,204)	898,373
Other Financing Sources				
Transfers in	3,761,577	3,761,577	3,694,754	(66,823)
Net Changes in Fund Balance	-	-	831,550	831,550
Fund Balance, Beginning of Year	4,419,277	4,419,277	4,419,277	-
Fund Balance, End of Year	\$ 4,419,277	\$ 4,419,277	\$ 5,250,827	\$ 831,550

Galveston County Health District
Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual,
Galveston Area Ambulance Authority
Year Ended September 30, 2017

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Program services	\$ 4,983,909	\$ 4,983,909	\$ 5,932,680	\$ 948,771
Intergovernmental:				
Local	1,534,442	1,534,442	628,709	(905,733)
Investment earnings	15,250	15,250	20,897	5,647
Total revenues	6,533,601	6,533,601	6,582,286	48,685
Expenditures				
Ambulance services	5,772,922	5,772,922	5,442,151	330,771
Debt service:				
Principal retirement	34,425	34,425	33,171	1,254
Interest and fiscal charges	1,254	1,254	2,782	(1,528)
Capital outlay	725,000	725,000	673,599	51,401
Total expenditures	6,533,601	6,533,601	6,151,703	381,898
Net Changes in Fund Balance	-	-	430,583	430,583
Fund Balance, Beginning of Year	4,545,910	4,545,910	4,545,910	-
Fund Balance, End of Year	\$ 4,545,910	\$ 4,545,910	\$ 4,976,493	\$ 430,583

Galveston County Health District
Notes to Required Supplementary Information
Year Ended September 30, 2017

Budgets and Budgetary Accounting

An annual operating budget is prepared for all of the District's funds. The District prepares its annual budget on a basis consistent with GAAP. The legal level of compliance is at the fund level.

Galveston County Health District
Texas County and District Retirement System - Schedule of
Changes in Net Pension Liability (Assets) and Related Ratios
Last Three Years Ending September 30,

	2016	2015	2014
Total Pension Liability			
Service cost	\$ 1,347,810	\$ 1,150,880	\$ 1,242,706
Interest	794,836	698,684	636,959
Effect of plan changes	-	(208,950)	-
Effect of assumption changes or inputs	-	122,207	-
Effect of economic/demographic gains	(57,384)	(364,240)	(570,617)
Benefit payments/refunds of contributions	(403,513)	(299,711)	(613,133)
Net Change in Total Pension Liability	1,681,749	1,098,870	695,915
Total Pension Liability – Beginning	9,349,824	8,250,954	7,555,039
Total Pension Liability – Ending (a)	11,031,573	9,349,824	8,250,954
Plan Fiduciary Net Position			
Contributions, employer	428,694	474,220	498,239
Contributions, employee	914,897	873,563	836,373
Investment income, net of expenses	819,567	(101,429)	575,465
Benefit payments/refunds of contributions	(403,513)	(299,711)	(613,133)
Administrative expense	(8,912)	(7,621)	(7,265)
Other	159,256	15,421	(8,021)
Net Change in Plan Fiduciary Net Position	1,909,989	954,443	1,281,658
Plan Fiduciary Net Position – Beginning	10,971,594	10,017,151	8,735,493
Plan Fiduciary Net Position – Ending (b)	12,881,583	10,971,594	10,017,151
District's Net Pension Asset – Ending (a) - (b)	\$ (1,850,010)	\$ (1,621,770)	\$ (1,766,197)
Plan fiduciary net position as a percentage of total pension liability (asset)	116.8%	117.3%	121.4%
Covered payroll	\$ 13,069,941	\$ 12,479,471	\$ 11,948,185
Net pension asset as a percentage of covered payroll	-14.2%	-13.0%	-14.8%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 67/68, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

Galveston County Health District
Texas County and District Retirement System -
Schedule of Employer Contributions
Last Ten Years Ending September 30,

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 354,346	\$ 441,853	\$ 478,634
Actual employer contribution	<u>354,346</u>	<u>441,853</u>	<u>478,634</u>
Contribution deficiency	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered payroll	13,770,402	13,118,255	12,337,624
Contributions as a percentage of covered payroll	2.6%	3.4%	3.9%

Galveston County Health District
Notes to the Schedule of Contributions
September 30, 2017

Valuation Date	Actuarially determined contributions rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	0.0 years (based on contribution rate calculated in 12/31/2016 valuation)
Asset Valuation Method	Five years smoothed market
Inflation	3%
Salary Increases	Varies by age and service. 4.9 percent average over career including inflation. (3.50 percent to 8.93 percent including inflation in previous valuation)
Investment Rate of Return	8%, net of investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	In the 2015 actuarial valuation, assumed life expectancies were adjusted as a result of adopting a new projection scale (110% of the MP-2014 Ultimate Scale) for 2014 and later. Previously Scale AA had been used. The base table is the RP-2000 table projected with Scale AA to 2014.
Changes in Plan Provisions Reflected in the Schedule	No changes in plan provisions are reflected in the Schedule of Employer Contributions.

Other Supplementary Information

Galveston County Health District
Schedule of Revenues – Budget and Actual,
General Fund

Year Ended September 30, 2017

With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017			Variance With Final Budget Positive (Negative)	2016 Actual
	Budgeted Amounts		Actual		
	Original	Final			
Revenues					
Program services:					
Public health	\$ 1,581,083	\$ 1,581,083	\$ 1,670,420	\$ 89,337	\$ 1,669,647
Public health, reimbursable	61,304	61,303	40,158	(21,145)	52,724
Animal services	523,953	523,953	579,811	55,858	521,962
Pollution control	133,066	133,066	143,778	10,712	126,245
	<u>2,299,406</u>	<u>2,299,405</u>	<u>2,434,167</u>	<u>134,762</u>	<u>2,370,578</u>
Intergovernmental:					
Federal/state:					
Public health, reimbursable	2,707,874	2,707,874	3,140,271	432,397	2,761,234
Pollution control	465,290	465,290	422,893	(42,397)	452,235
	<u>3,173,164</u>	<u>3,173,164</u>	<u>3,563,164</u>	<u>390,000</u>	<u>3,213,469</u>
Local - Galveston County	7,085,904	7,085,904	7,081,813	(4,091)	7,305,075
Investment earnings	<u>15,000</u>	<u>15,000</u>	<u>15,981</u>	<u>981</u>	<u>14,558</u>
Total revenues	<u>\$ 12,573,474</u>	<u>\$ 12,573,473</u>	<u>\$ 13,095,125</u>	<u>\$ 521,652</u>	<u>\$ 12,903,680</u>

Galveston County Health District
Schedule of Expenditures – Budget and Actual,
General Fund

Year Ended September 30, 2017

With Comparative Actual Amounts for the Year Ended September 30, 2016

	2017			Variance With Final Budget Positive (Negative)	2016 Actual
	Budgeted Amounts		Actual		
	Original	Final			
Expenditures					
Public health:					
Personnel services	\$ 2,396,458	\$ 2,396,458	\$ 2,413,590	\$ (17,132)	\$ 2,250,377
Supplies	206,884	206,884	109,974	96,910	165,494
Contractual services	42,170	42,170	34,631	7,539	37,860
Other	953,098	953,098	802,375	150,723	795,931
	3,598,610	3,598,610	3,360,570	238,040	3,249,662
Public health, reimbursable:					
Personnel services	2,126,551	2,126,551	2,103,428	23,123	2,034,490
Supplies	65,577	65,577	173,929	(108,352)	93,072
Contractual services	232,882	232,882	340,181	(107,299)	333,334
Other	402,973	402,973	654,808	(251,835)	429,759
	2,827,983	2,827,983	3,272,346	(444,363)	2,890,655
Animal services:					
Personnel services	781,630	781,630	735,839	45,791	732,957
Supplies	124,350	124,350	138,256	(13,906)	147,678
Contractual services	94,500	94,500	70,876	23,624	62,101
Other	254,161	254,161	260,038	(5,877)	267,190
	1,254,641	1,254,641	1,205,009	49,632	1,209,926
Pollution control:					
Personnel services	710,108	710,108	655,261	54,847	684,878
Supplies	10,406	10,406	6,751	3,655	11,337
Contractual services	49,880	49,880	57,125	(7,245)	48,899
Other	137,307	137,307	125,941	11,366	120,579
Capital outlay	95,695	95,695	155,481	(59,786)	-
	1,003,396	1,003,396	1,000,559	2,837	865,693
Patient services (indigent care):					
Personnel services	154,743	154,743	137,125	17,618	138,840
Supplies	6,846	6,846	3,554	3,292	5,665
Contractual services	6,500	6,500	6,440	60	5,941
Other	26,000	26,000	27,782	(1,782)	27,684
	194,089	194,089	174,901	19,188	178,130
Total expenditures	\$ 8,878,719	\$ 8,878,719	\$ 9,013,385	\$ (134,666)	\$ 8,394,066

Galveston County Health District
Schedule of Revenues – Budget and Actual,
GAAP Basis to Financial Status Report Basis Comparison
Coastal Health & Wellness Fund
Year Ended September 30, 2017

	GAAP Basis	Donated Services	Balance Per Financial Status Report
Revenues			
Program services	\$ 3,636,127	\$ -	\$ 3,636,127
Intergovernmental:			
Federal/State	3,023,474	-	3,023,474
Local	38,296	(6,306)	31,990
Investment earnings	23,762	-	23,762
	<u>6,721,659</u>	<u>(6,306)</u>	<u>6,715,353</u>
Total revenues			
Expenditures			
Patient services:			-
Personnel services	6,357,658	-	6,357,658
Supplies	1,248,691	-	1,248,691
Contracted services	742,330	-	742,330
Other	1,236,184	(6,306)	1,242,490
	<u>9,584,863</u>	<u>(6,306)</u>	<u>9,591,169</u>
Total expenditures			
Deficiency of Revenues Over Expenditures	(2,863,204)	-	(2,875,816)
Other Financing Sources			
Transfers in	3,694,754	-	3,694,754
Net Changes in Fund Balance	831,550	-	818,938
Fund Balance, Beginning of Year	4,419,277	-	4,419,277
Fund Balance, End of Year	<u>\$ 5,250,827</u>	<u>\$ 0</u>	<u>\$ 5,238,215</u>

DRAFT 02/26/2018

Galveston County Health District

Single Audit Reports

Year Ended September 30, 2017



Galveston County Health District

Single Audit Reports

September 30, 2017

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Galveston County Health District
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
U.S. Department of Health and Human Services				
Direct Programs:				
Health Center Program Cluster:				
<i>Consolidated Health Centers</i>	93.224	N/A	\$ -	\$ 917,572
<i>Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program</i>	93.527	N/A	-	2,053,032
Total Health Center Program Cluster			-	2,970,604
Passed through Texas Department of State Health Services:				
<i>Public Health Emergency Preparedness</i>	93.069	2016-001143-02	-	51,460
<i>Public Health Emergency Preparedness</i>	93.069	2016-001144-02	-	155,449
<i>Public Health Emergency Preparedness</i>	93.069	2015-003626-01	-	7,839
<i>Project Grants and Cooperative Agreements for Tuberculosis Control Programs</i>	93.116	2016-001420-01	-	53,300
<i>Immunization Cooperative Agreements</i>	93.268	2016-001049-01	-	235,492
<i>HIV Prevention Activities Health Department Based</i>	93.940	2016-001343-01	-	207,582
<i>HIV Prevention Activities Health Department Based</i>	93.940	2016-004097-01	-	170,117
<i>Preventative Health and Health Services Block Grant</i>	93.991	2016-001038-00	-	233,889
<i>Maternal and Child Health Services Block Grants to the States</i>	93.994	2016-003926-01	-	53,114
Total passed through Texas Department of State Health Services			-	1,168,242
Passed through Texas Health and Human Services Commission:				
<i>Public Health Emergency Preparedness</i>	93.069	537-18-0188-00001	-	15,721
<i>Public Health Emergency Preparedness</i>	93.069	537-18-0174-00001	-	56,105
<i>Public Health Emergency Preparedness</i>	93.069	537-18-0353-00001	-	385,669
<i>Immunization Cooperative Agreements</i>	93.268	537-18-0057-00001	-	15,659
<i>Centers for Disease Control and Prevention Investigations and Technical Assistance</i>	93.283	529-17-0023-0015	-	75,339
<i>Preventative Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)</i>	93.758	537-18-0218-00001	-	19,366
Total passed through Texas Health and Human Services Commission			-	567,859
Passed through National Association of County & City Health Officials:				
<i>Medical Reserve Corps Small Grant Program</i>	93.008	MRC11/15-0334	-	729
Total U.S. Department of Health and Human Services			-	4,707,434

Galveston County Health District
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
U.S. Department of Agriculture				
Passed Through Texas Department of Health and Human Services:				
<i>WIC Special Supplemental Nutrition Programs for Women, Infants, and Children</i>	10.557	2017-049803-001	-	923,099
Total U.S. Department of Agriculture			-	923,099
U.S. Environmental Protection Agency				
Passed Through the Texas General Land Office:				
<i>Land Office/Beach Monitoring and Notification Program Implementation Grants</i>	66.472	16-101-000-9301	-	107,893
Passed Through the Texas Commission on Environmental Quality:				
<i>Performance Partnership Grants</i>	66.605	582-14-40029	-	92,213
Total U.S. Environmental Protection Agency			-	200,106
U.S. Department of Homeland Security				
<i>Community Disaster Loans</i>	97.030		-	84,025
Passed Through the Texas Commission on Environmental Quality:				
<i>Homeland Security Biowatch Program</i>	97.091	582-16-60019	-	90,230
Total U.S. Department of Homeland Security			-	174,255
Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$ 6,004,894</u>

Galveston County Health District
Notes to the Schedule of Expenditures of Federal Awards
Year Ended September 30, 2017

Notes to Schedule

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Galveston County Health District under programs of the federal government for the year ended September 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Galveston County Health District, it is not intended to and does not present the net position and changes in net position of Galveston County Health District.
2. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Galveston County Health District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. The federal loan program listed subsequently is administered directly by Galveston County Health District, and balances and transactions relating to these programs are included in Galveston County Health District's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at September 30, 2017, consists of:

Federal CFDA Number	Program Name	Outstanding Balance at September 30, 2017
97.030	Community Disaster Loans	\$ <u>50,854</u>

**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based on an
Audit of the Financial Statements Performed in Accordance with
*Government Auditing Standards***

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District
Texas City, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Galveston County Health District (the District), as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 29, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the District's management in a separate letter dated February 29, 2018.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Houston Texas
February 29, 2018

**Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance and Report on Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

Independent Auditor's Report

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District
Texas City, Texas

Report on Compliance for Each Major Federal Program

We have audited of the Galveston County Health District's (the District), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended September 30, 2017. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the District's compliance.

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2017.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2017-001. Our opinion on the major federal program is not modified with respect to this matter.

The District's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and/or corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2017-001 that we consider to be a material weakness.

Galveston County United Board of Health
Coastal Health & Wellness Governing Board
Galveston County Health District

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and/or corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities and each major fund of the District as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated February 29, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Houston, Texas
February 29, 2018

Galveston County Health District
Schedule of Findings and Questioned Costs
Year Ended September 30, 2017

Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies)? ☐ Yes ☒ None reported
Material weakness(es)? ☐ Yes ☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit?

☐ Yes ☒ No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)? ☐ Yes ☒ None reported
Material weakness(es)? ☒ Yes ☐ No

5. The opinion expressed in the independent auditor's report on compliance for major federal awards was:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)?

☒ Yes ☐ No

Galveston County Health District
Schedule of Findings and Questioned Costs (continued)
Year Ended September 30, 2017

7. The District's major program was:

Cluster/Program	CFDA Number
Consolidated Health Centers – Health Center Program Cluster	93.224
Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program – Health Center Program Cluster	93.527

8. The threshold used to distinguish between Type A and Type B programs was \$750,000.

9. The Organization qualified as a low-risk auditee? ☐ Yes ☒ No

Galveston County Health District
Schedule of Findings and Questioned Costs (continued)
Year Ended September 30, 2017

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding
	No matters are reportable.

Galveston County Health District
Schedule of Findings and Questioned Costs (continued)
Year Ended September 30, 2017

Findings Required to be Reported by the Uniform Guidance

Reference Number	Finding
2017-0001	<p style="text-align: center;">Health Center Program Cluster CFDA 93.224 and 93.527 U.S. Department of Health and Human Services Award No. 3 H80CS00344-15-04 Program Year 2016</p> <p>Criteria or specific requirement – Reporting – 45 CFR 75.342</p> <p>Condition – The District is required to prepare and submit an annual Uniform Data System (UDS) for each calendar year, an annual Federal Financial Report (FFR) for each grant year and quarterly Federal Cash Transaction Reports for each grant budget period. These reports are to be prepared using accurate financial and operational data.</p> <p>Questioned costs – \$0</p> <p>Context – One report for each report type listed above was selected for testing with specific data. The sample was not, and was not intended to be, statistically valid. Of the 19 inputs tested, two inputs on the UDS and one input on the FFR were determined to be inaccurate based on supporting data provided.</p> <p>Effect – The FFR did not include contract pharmacy revenue in the total program income reported. The calendar year 2016 UDS report did not accurately report the nursing visits and total visits.</p> <p>Cause – The District’s review of the calendar year 2016 UDS did not detect the visit data reporting error and the FFR program income calculation had not been updated to capture contract pharmacy charges and adjustments.</p> <p>Identification as a repeat finding, if applicable – Not a repeat finding.</p> <p>Recommendation – The District should modify the UDS review procedures to ensure that reported data is consistent with actual results and should consider reconciling UDS data to the grant application. The FFR reporting model should be modified to capture all sources of program income that relate to the District’s grants.</p>

Galveston County Health District
Schedule of Findings and Questioned Costs (continued)
Year Ended September 30, 2017

Reference Number	Finding
2017-001 (Continued)	<p>Views of responsible officials and planned corrective actions</p> <p>UDS review – The annual UDS report data generated out of the electronic record system will be reconciled with the data entered in the HRSA electronic handbook prior to submission to eliminate any potential data entry errors.</p> <p>FFR – Historically, contract pharmacy revenue was not included in program income on the FFR because it was not reflected in estimated program income on the notice of grant award. Going forward, contract pharmacy revenue will be included in the FFR as program revenue.</p>

Galveston County Health District
Summary Schedule of Prior Audit Findings
Year Ended September 30, 2017

Reference Number	Summary of Finding	Status
	No matters are reportable.	

[**Back to Agenda**](#)



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

**Governing Board
February 2018
Item #/8
Executive Report**



A monthly newsletter about Galveston County's Community Health Center, **Coastal Health & Wellness**.

National Colorectal Cancer Awareness Month

March is known as Colorectal Cancer Awareness Month.

Among cancers that affect both men and women, colorectal cancer (cancer of the colon or rectum) is the second leading cause of cancer deaths in the United States. Every year, about 140,000 Americans are diagnosed with colorectal cancer, and more than 50,000 people die from it.

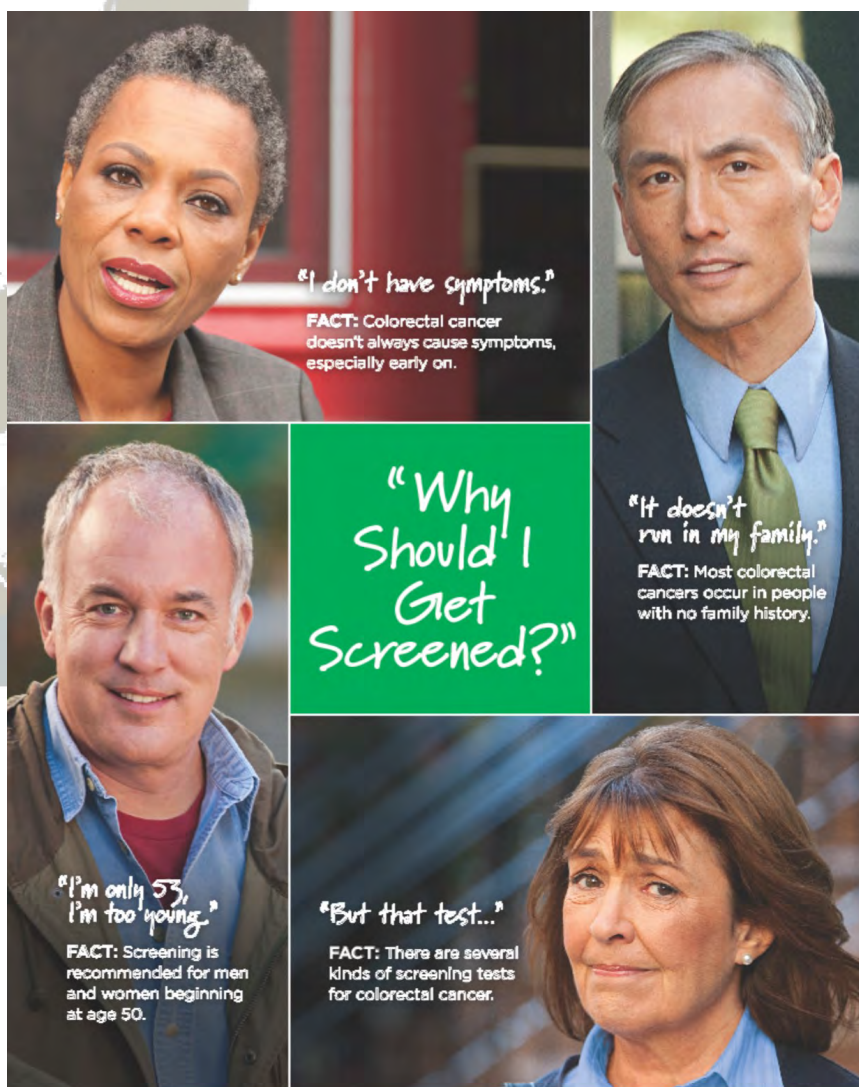
But this disease is highly preventable, by getting screened beginning at age 50.

Screening tests help prevent colorectal cancer by finding precancerous polyps (abnormal growths) so they can be removed.

Screening also finds this cancer early, when treatment can be most effective. If you're aged 50 to 75, get screened for colorectal cancer regularly. If you're between 76 and 85, ask your doctor if you should be screened.

You can help prevent colorectal cancer by being: physically active and maintaining a healthy weight.

Moderation in drinking and abstaining from smoking will also help.



Screening Saves Lives

Colorectal cancer is the 2nd leading cancer killer in the U.S. But it can be prevented. Screening helps find precancerous polyps so they can be removed before they turn into cancer. Screening can also find colorectal cancer early, when treatment is most effective. If you're 50 or older—don't wait. Talk to your doctor and get screened.



U.S. Department of
Health and Human Services
Centers for Disease
Control and Prevention

www.cdc.gov/screenforlife
1-800-CDC-INFO (1-800-232-4636)

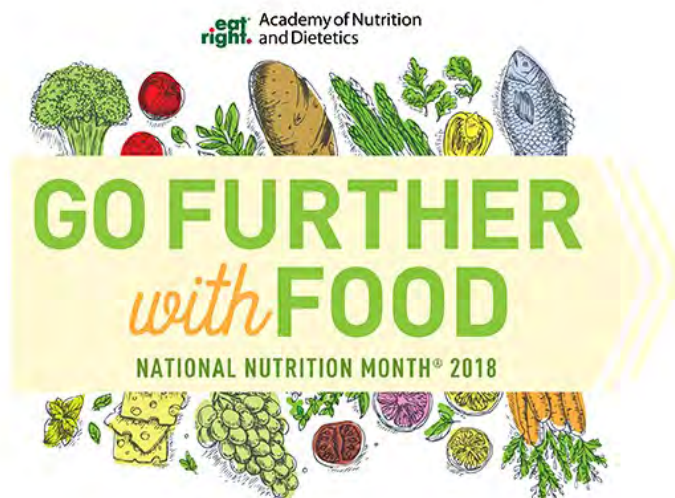
March is National Nutrition Month

March is [National Nutrition Month](#) and this year's theme is "Put Your Best Fork Forward!"

Part of leading a healthy life means eating a healthy diet and being physically active.

A recent [CDC study](#) highlights when, where, and how U.S. adults and children are eating a healthy diet. Those who are not getting enough fruits and veggies can take small steps towards meeting recommended amounts, including adding more fruit to your usual breakfast routine or adding vegetables to your meals.

Eating a diet rich in fruits and vegetables can help reduce the risk of many leading causes of illness and death, add important nutrients to your diet, and help with weight control.



Dental Assistants Recognition Week and National Dentist Day March 4-10 and March 6, 2018

Community health is important to Coastal Health & Wellness, and that includes your teeth! Keeping teeth healthy and clean is no easy task, so we appreciate all the wonderful work dentists do on National Dentist Day!

National Dentist's Day falls on March 6th every year. It was established to not only show appreciation and thanks for dentists, but to also bring awareness to dentistry.

Everyone is encouraged to get their teeth checked, as nearly 1 in 4 US adults have untreated cavities according to the CDC.

Coastal Health & Wellness offers same day appointments and has discounted rates for eligible uninsured residents.



National Physicians Week March 25-30, 2018

**NATIONAL
PHYSICIAN WEEK**
March 25 - 30, 2018

THANKS TO OUR PHYSICIANS!

- DR. ALHASSAN •
- DR. MCCRAY-GARRISON •
- DR. NAGORSKI •
- DR. KHAN •



Providing high-quality **medical, dental, and counseling** services to all Galveston County residents.

TEXAS CITY CLINIC

Mid-County Annex
9850-C Emmett F. Lowry Expy.
Texas City, TX 77591

GALVESTON CLINIC

Island Community Center
4700 Broadway F100
Galveston, TX 77551

Appointments and Information

(409) 938-2234 or (281) 309-0255

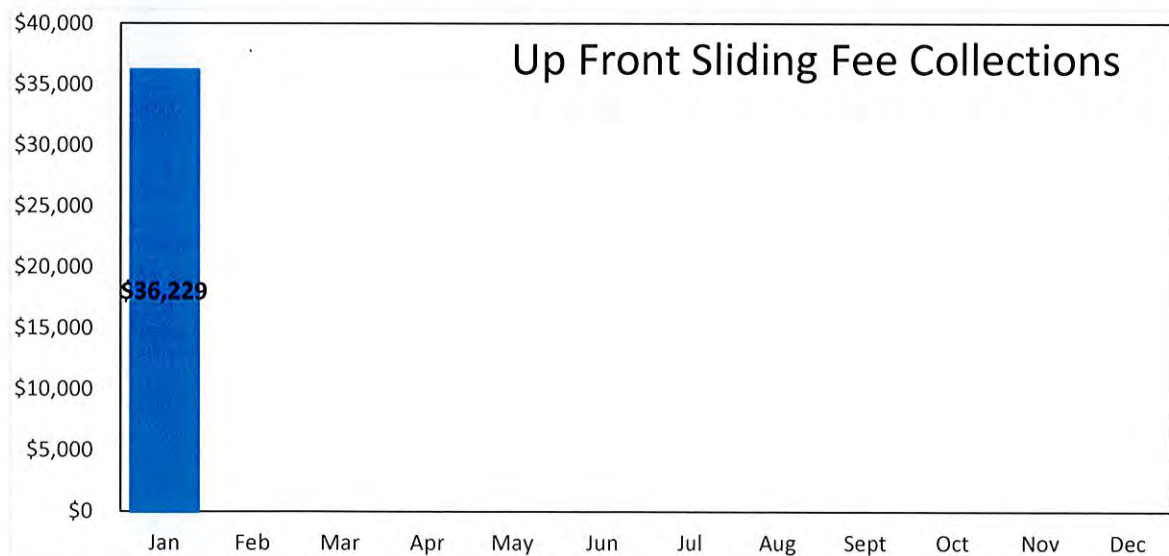
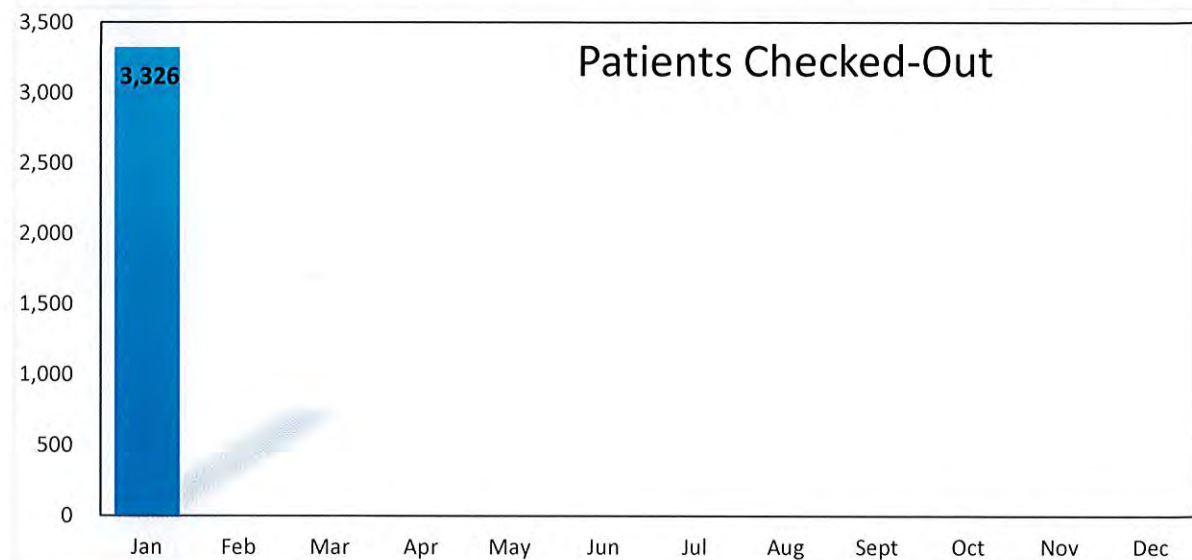
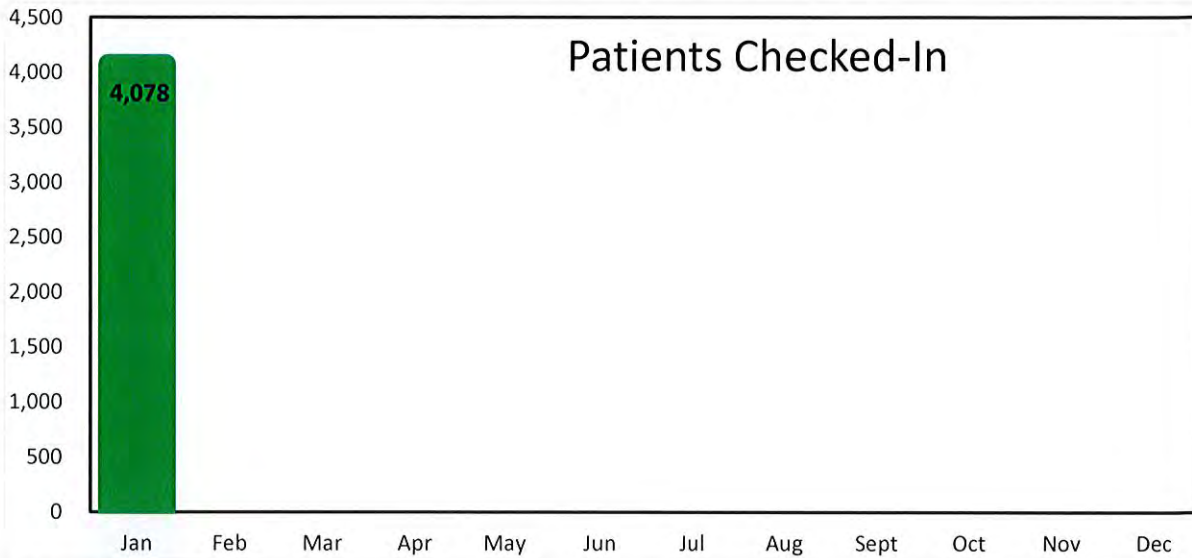
NurseLine

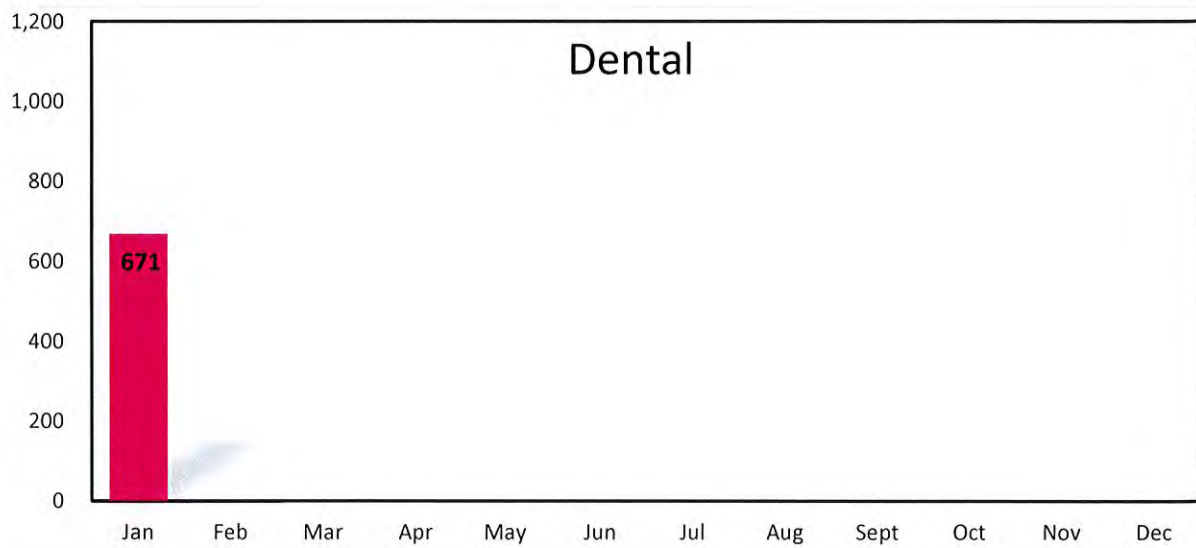
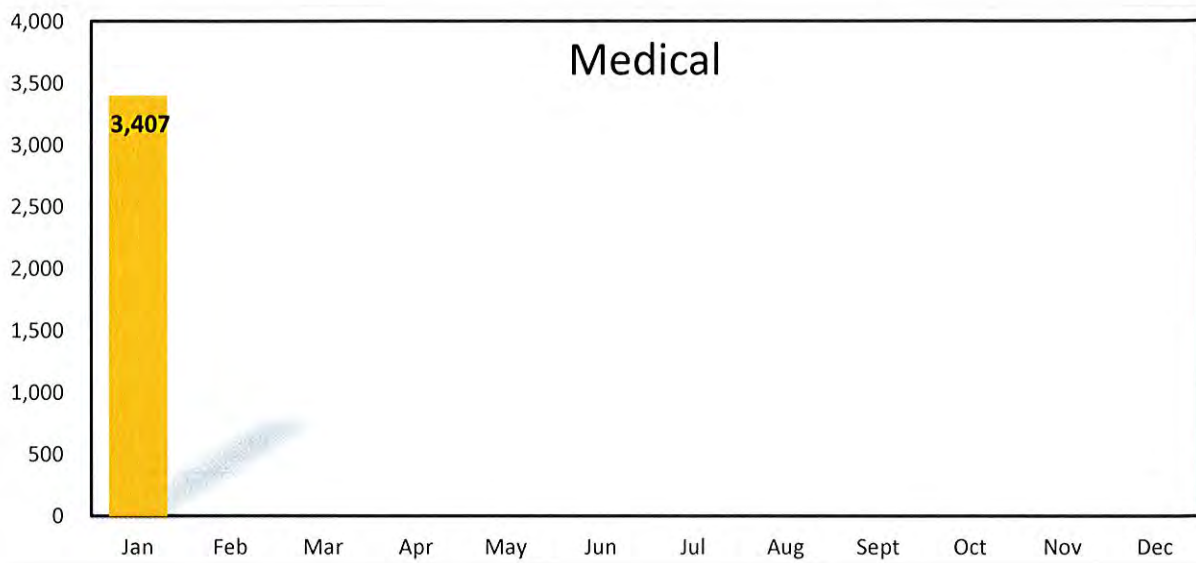
(409) 978-4213

GB Executive Report

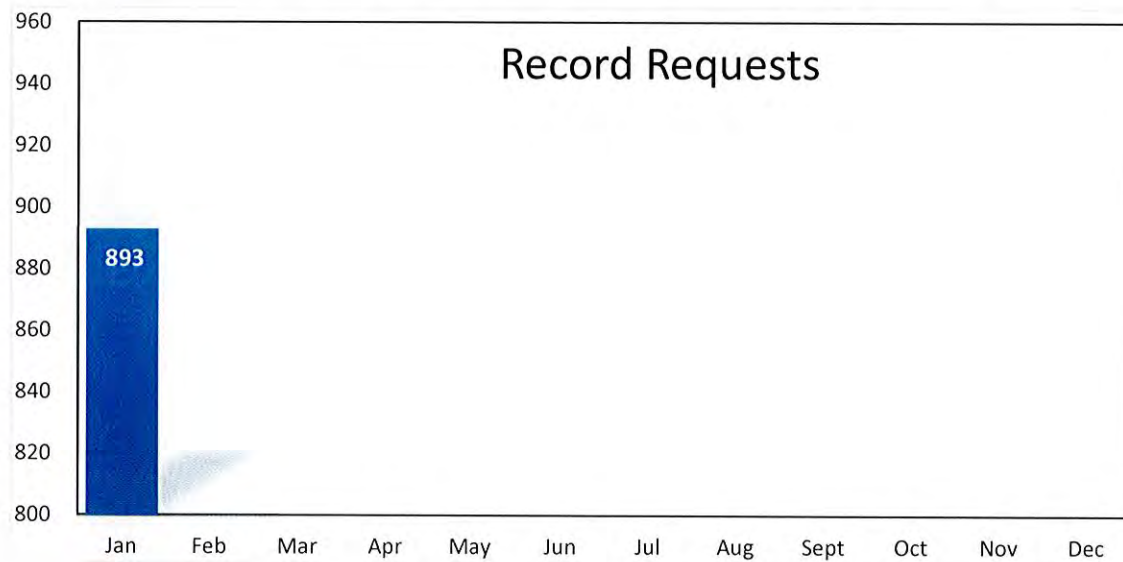
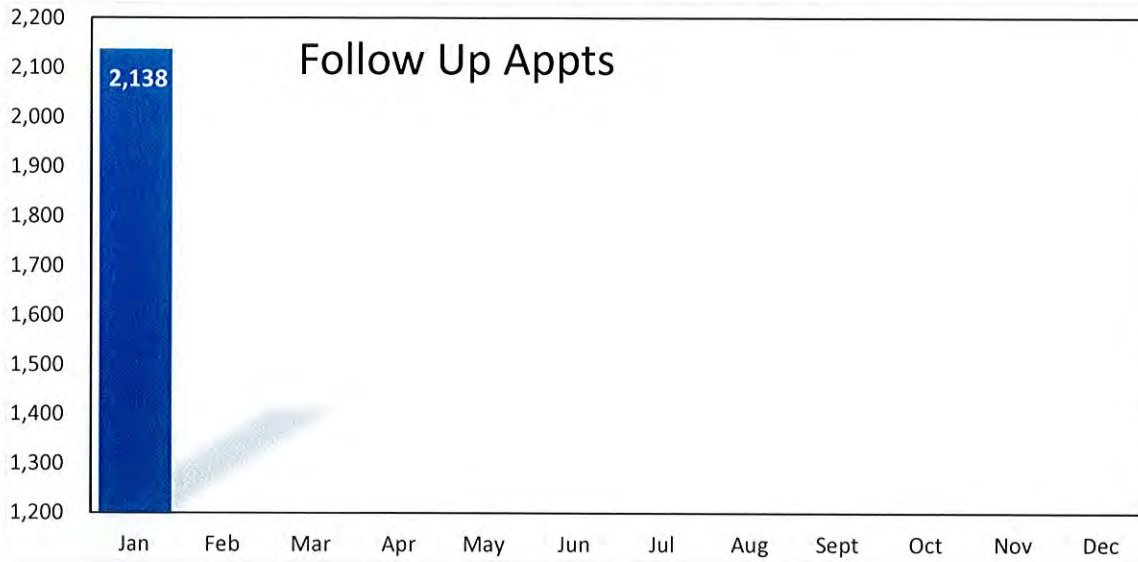
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Patient Services

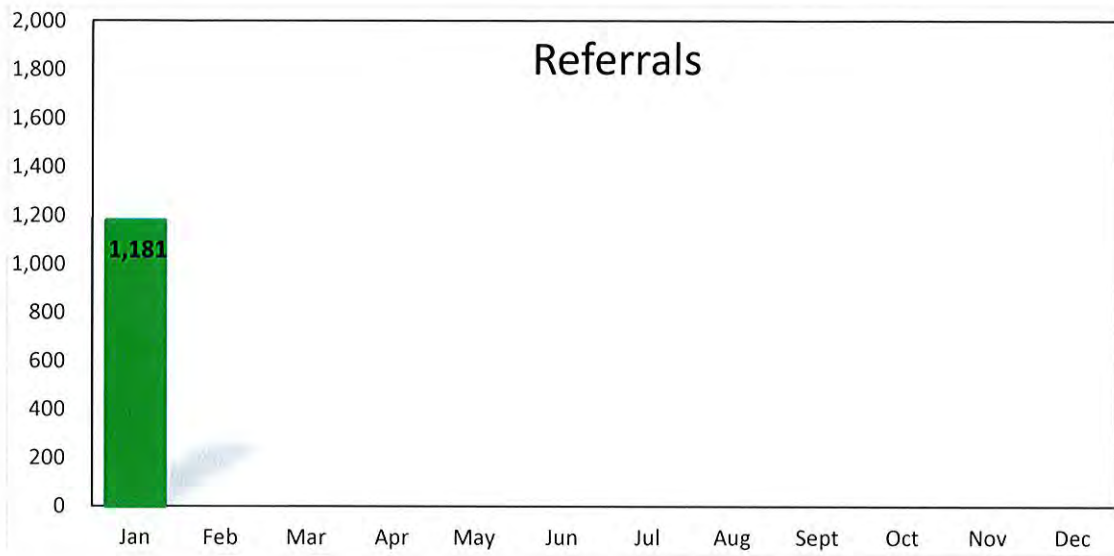




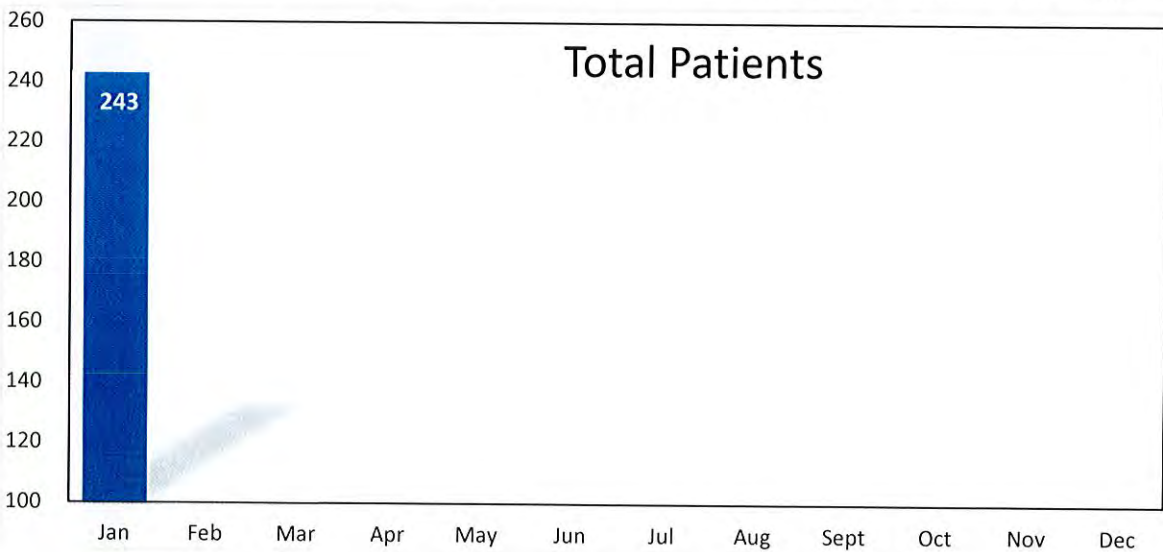
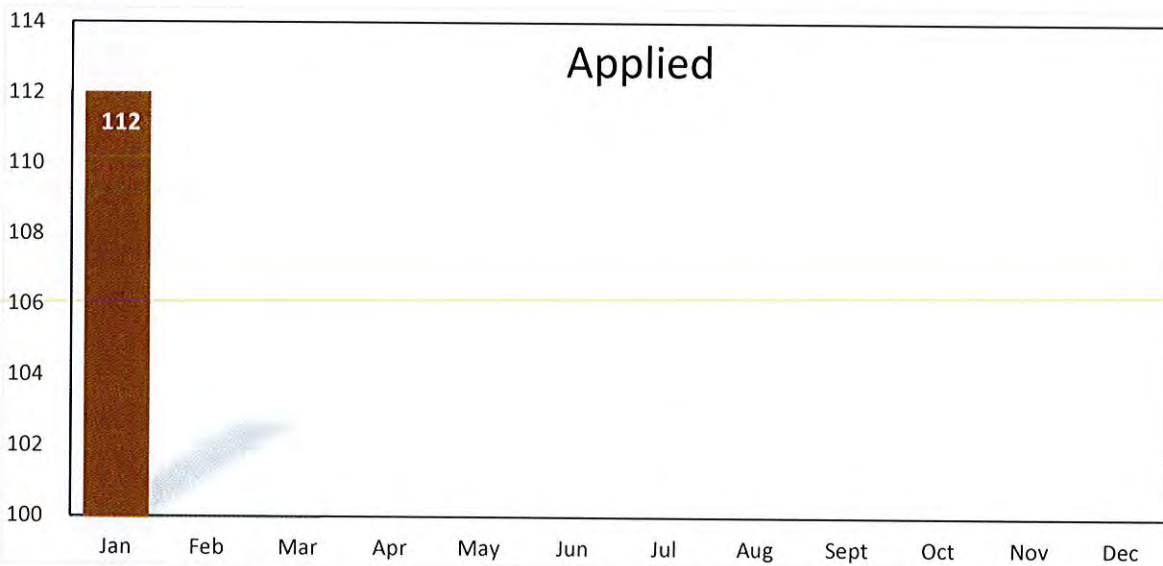
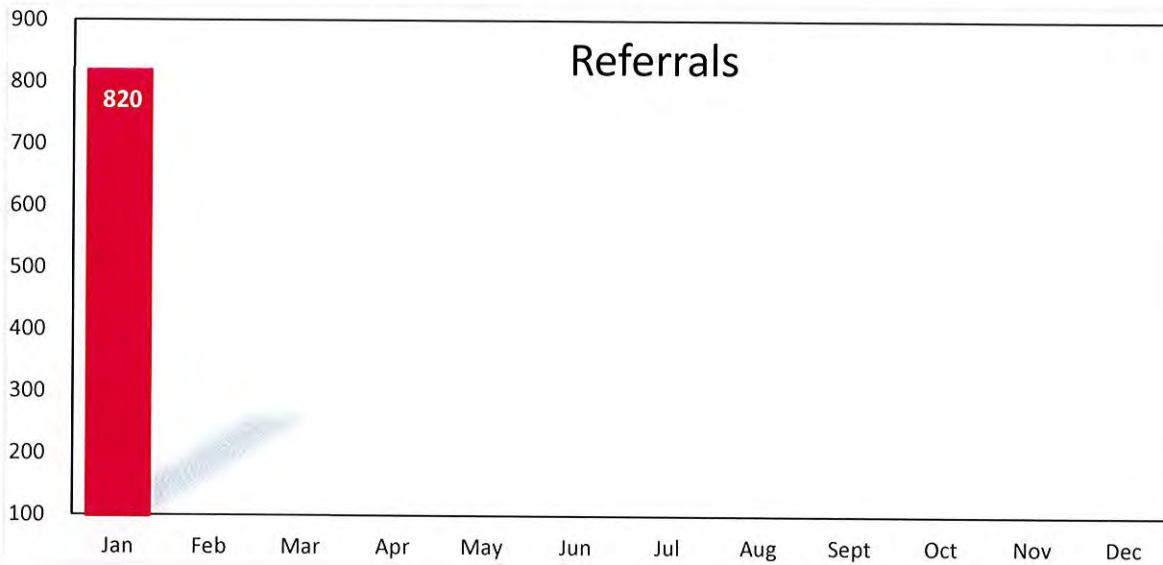
Electronic Records



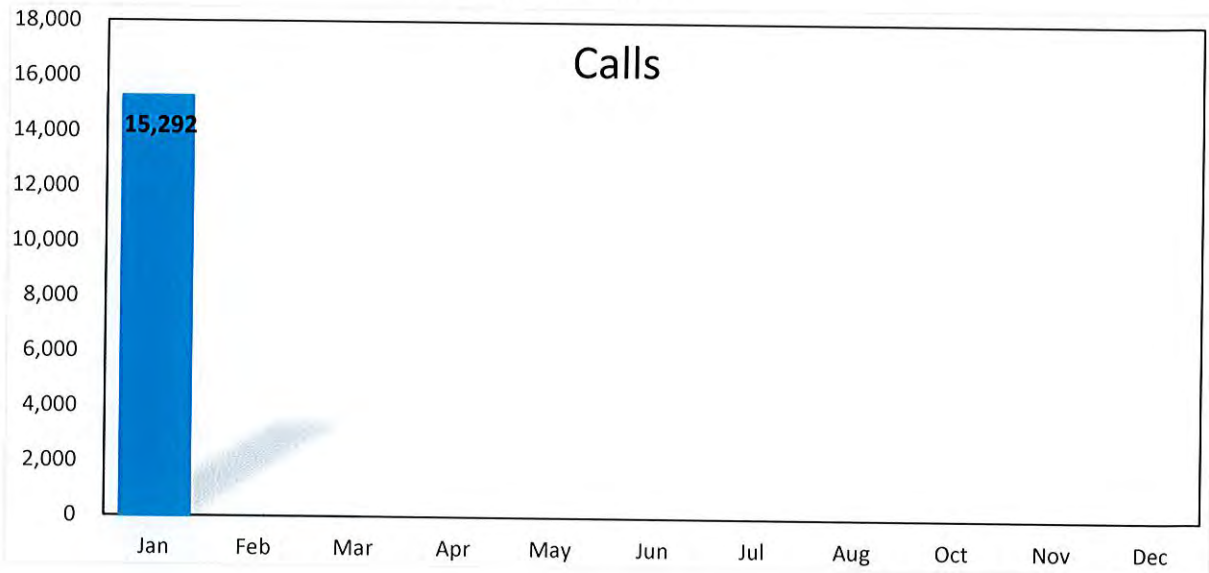
Case Management



County Indigent



Contact Center



CHW 2018 OUTREACH INITIATIVES (Mobile, Health Events, Presentations)

January

<u>DATE</u>	<u>LOCATION</u>	<u>TYPE of outreach</u>	<u>Number of BP, Glucose & A1c screenings</u>	<u>Number of contacts made by Community Health Worker</u>	<u>Number Hrs. of outreach</u>
3-Jan	Dickinson WIC	Health Fair	0	27	2
4-Jan	Hitchcock Chamber of Commerce	Health Fair	0	20	6
5-Jan	Dickinson WIC	Health Fair	0	15	3
5-Jan	Santa Fe High School	Health Fair	12	12	1
9-Jan	Our Daily Bread	Health Fair	13	34	2
9-Jan	Lighthouse Christian Ministries	Food Fair	3	34	2
11-Jan	Holy Rosary	Mobile	28	64	4
18-Jan	Nessler center Senior Program	Health Fair	30	36	4
19-Jan	United Methodist Church	Food Fair	0	52	4
22-Jan	Bolivar Fire Station	Food Fair /Health Fair	28	37	4
24-Jan	His Touch Worship Center	Health Fair	38	38	4
26-Jan	Santa Fe ISD	Health Fair	118	118	4
30-Jan	New Arrival Orientation	Health Fair	0	10	2
30-Jan	Aviamiento Church	Health Fair	34	42	4
30-Jan	Calvin Vincent Learning Center	Health Fair	12	35	2
Total Screenings			<u>270</u>		
Total CHW Contacts			<u>487</u>		
Total Outreach HRs			<u>40</u>		

Human Resources Update

CHW Career Opportunities:

- **Employee Onboarding** - Human Resources conducted new employee orientation for the following employee(s):
 - Brittany Rivers – CIHCP Specialist
 - Irma Quintanilla - Patient Care Admin Clerk
 - Ashley Gardner – Medical Aide
 - Juana Lazo – Medical Aide
 - Delores Gaynor – Medical Aide
- **Current Vacancies:**
 - CHW Vacancies:
 - Dental – Full-time Dental Assistant (2), Part-time Dental Assistant, Supervisor of Dental Assistants
 - Lab & X-Ray – Lab & X-Ray Technician (2)
 - Medical – Behavioral Health Counselor, Midlevel (Nurse Practitioner or Physician Assistant)
 - Nursing – LVN (2), Medical Aide

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Governing Board

February 2018

Item #/9

Consider for Approval Financial Committee Report January 2018

COASTAL HEALTH & WELLNESS

Governing Board



FINANCIAL SUMMARY

For the Period Ending January 31, 2018

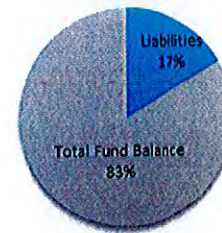
March 1, 2018

GCHD Board Room | 9850-A Emmett F. Lowry Expy. | Texas City, TX 77591

CHW - BALANCE SHEET as of January 31, 2018

	Current Month Jan-18	Prior Month Dec-17	Increase (Decrease)
ASSETS			
Cash & Cash Equivalents	\$5,323,399	\$4,896,307	\$427,093
Accounts Receivable	7,972,137	6,297,905	1,674,232
Allowance For Bad Debt	(7,177,335)	(5,782,546)	(1,394,790)
Pre-Paid Expenses	98,716	189,235	(90,519)
Due To / From	31,845	298,452	(266,607)
Total Assets	\$6,248,762	\$5,899,353	\$349,409
LIABILITIES			
Accounts Payable	\$316,953	\$104,162	\$212,791
Accrued Salaries	177,401	354,490	(177,089)
Deferred Revenues	541,518	546,349	(4,831)
Total Liabilities	\$1,035,873	\$1,005,002	\$30,871
FUND BALANCE			
Prior Year Fund Balance	\$4,179,682	\$4,194,614	(\$14,932)
Current Change	1,033,207	699,737	333,470
Total Fund Balance	\$5,212,889	\$4,894,351	\$318,538
TOTAL LIABILITIES & FUND BALANCE	\$6,248,762	\$5,899,353	\$349,409

Current Period Assets



Total Fund Balance

CHW - REVENUE & EXPENSES as of January 31, 2018

	Actual Jan-18	Budgeted Jan-18	PTD Budget Variance	YTD Budget Variance
REVENUE				
County Revenue	\$324,070	\$307,896	\$16,174	\$232,592
DSRIP Revenue	600,000	22,995	577,005	720,052
HHS Grant Revenue	208,484	260,617	(52,132)	(276,064)
Patient Revenue	1,677,243	277,192	1,400,051	8,371,777
Other Revenue	21,656	5,918	15,739	41,454
Total Revenue	\$2,831,454	\$874,617	\$1,956,837	\$9,089,812
EXPENSES				
Personnel	\$581,759	\$636,952	\$55,194	\$849,607
Contractual	47,478	58,751	11,272	61,382
IGT Reimbursement	258,720	0	(258,720)	(413,665)
Supplies	101,544	98,190	(3,354)	(84,390)
Travel	6,198	2,265	(3,933)	3,280
Bad Debt Expense	1,192,194	1,158,858	(1,394,790)	(8,339,906)
Other	107,495	78,459	(29,036)	(154,478)
Total Expenses	\$2,497,984	\$874,617	(\$1,623,367)	(\$8,078,171)
CHANGE IN NET ASSETS	\$333,470	\$0	\$333,470	\$1,011,641

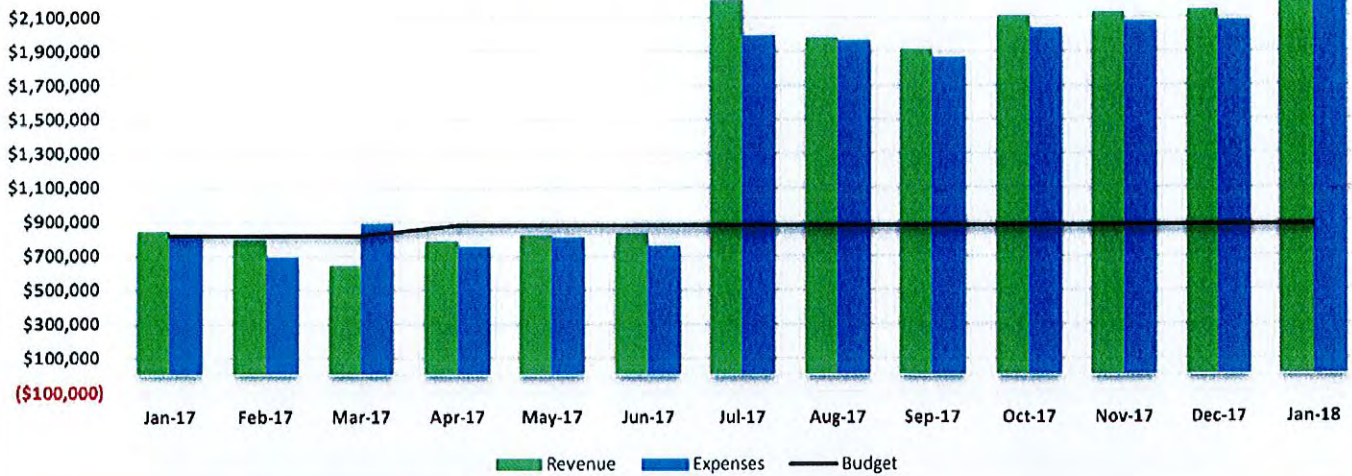
Current Month
Revenue & Expenses
Actual
■ Revenue ■ Expenses



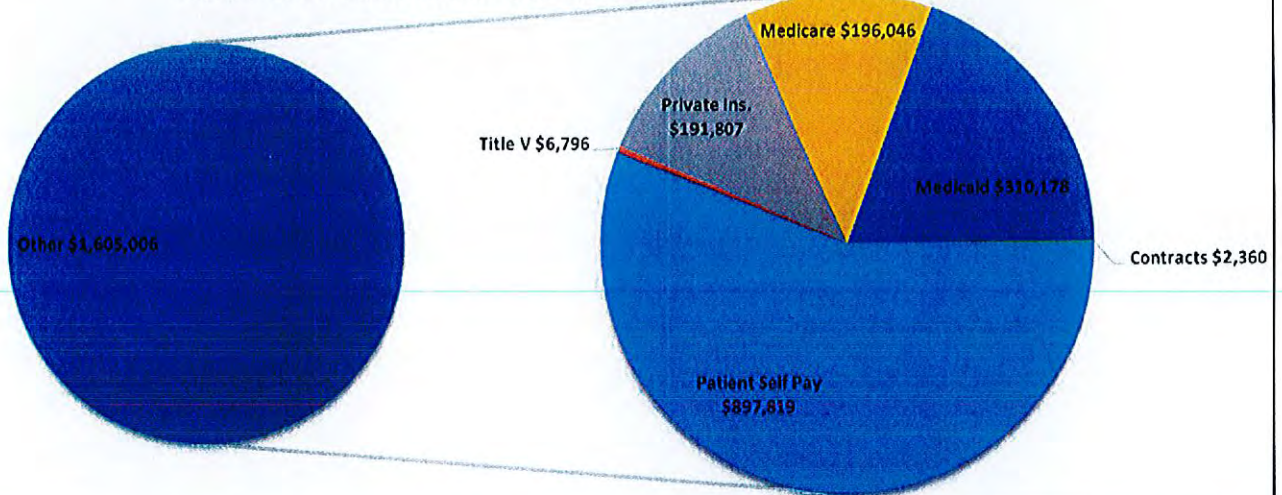
HIGHLIGHTS

- MTD Increase in Fund Balance of \$333,470.
- Revenues were \$1,956,837 higher than budgeted this month. MTD revenues related to Self Pay, Private Insurance, Medicaid, Medicare and Contract Revenue were all higher than budgeted due to recording Receivables.
- YTD revenues are \$9,089,812 higher than budgeted due to recording of AR balances as well as DSRIP Payment received in January. Private insurance, Self Pay, Medicaid, Medicare and Contract Revenue are higher than budgeted, while Title V is on target.
- Expenses were (\$1,623,367) higher MTD than budgeted due to Bad Debt Expense, and are (\$8,078,171) higher YTD than budgeted, but are offset by savings in personnel. Expenses also includes the IGT offset payment of \$258,720 related to DSRIP payment of \$600K.
- YTD increase in fund balance of \$1,033,207. Total fund balance \$5,212,889 as of 1/31/18.

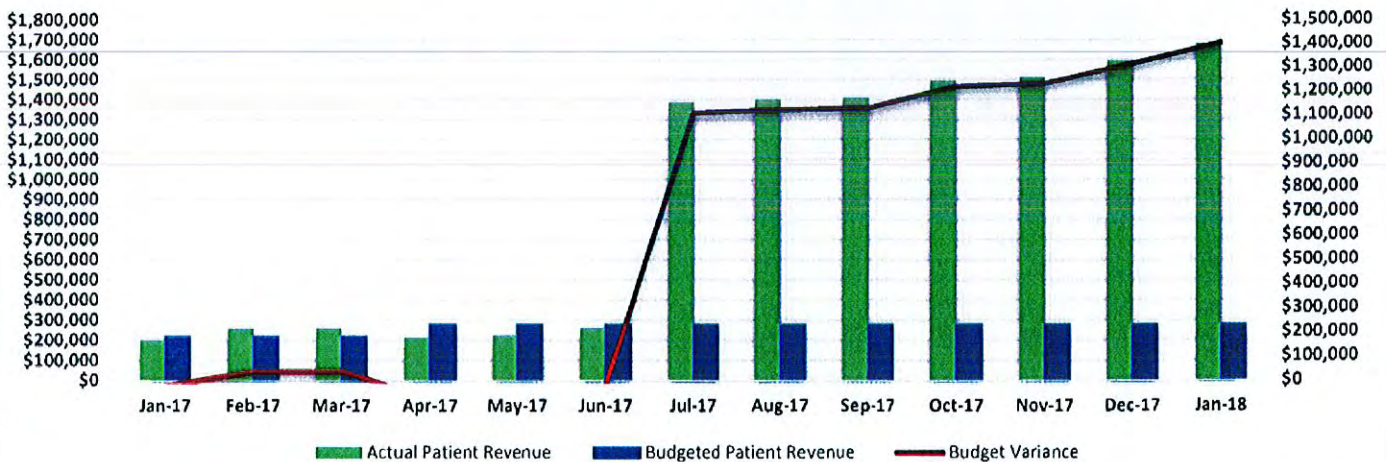
Actual Revenue & Expenses in Comparison to Budget



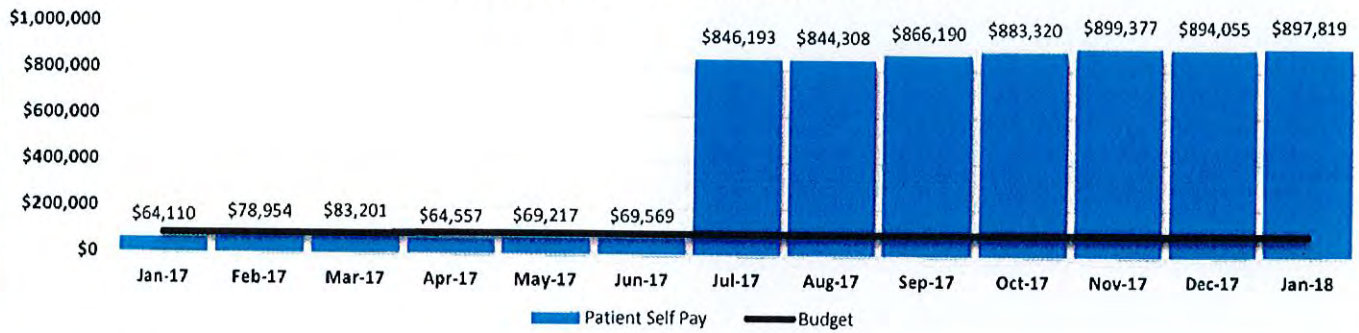
Current Period Patient Revenue with Third Party Payor Contributions Identified



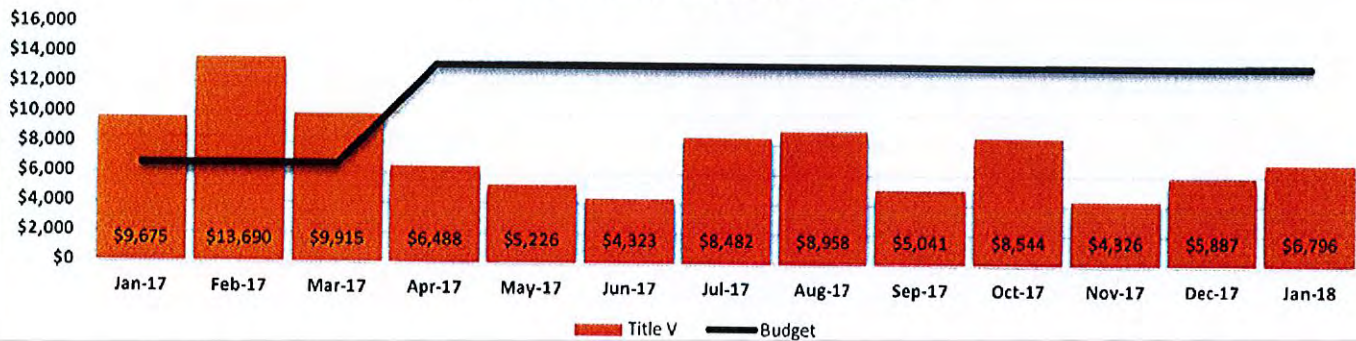
Actual Patient Revenue Rec'd vs Budget with Variance



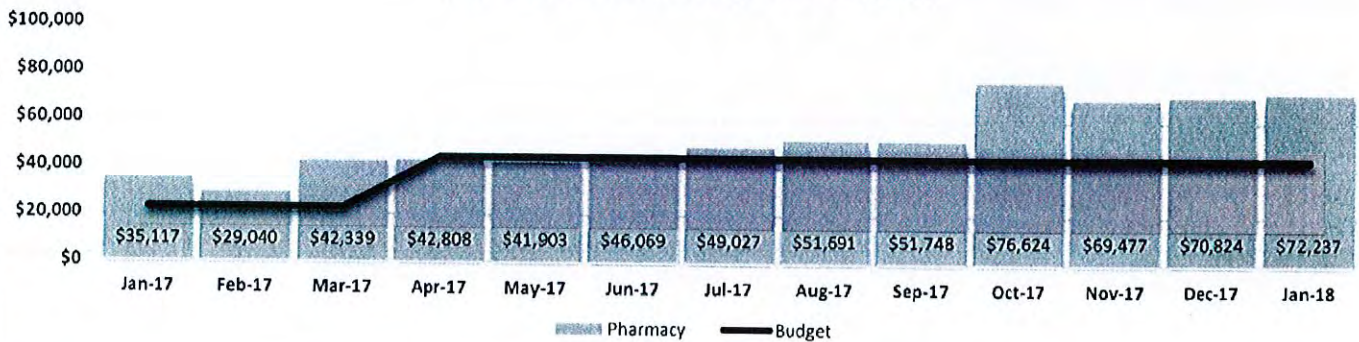
Patient Self Pay Revenue with Budget Line Comparison



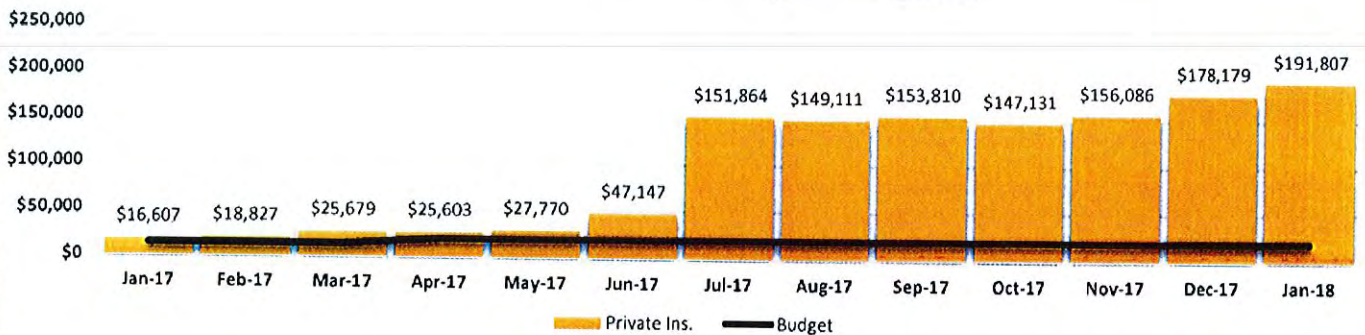
Title V Revenue with Budget Line Comparison

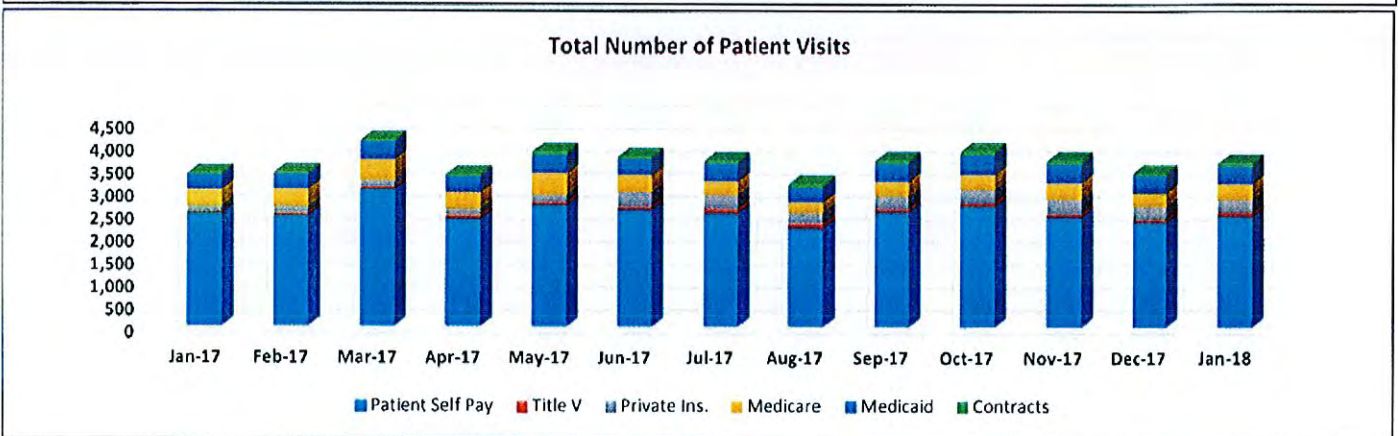
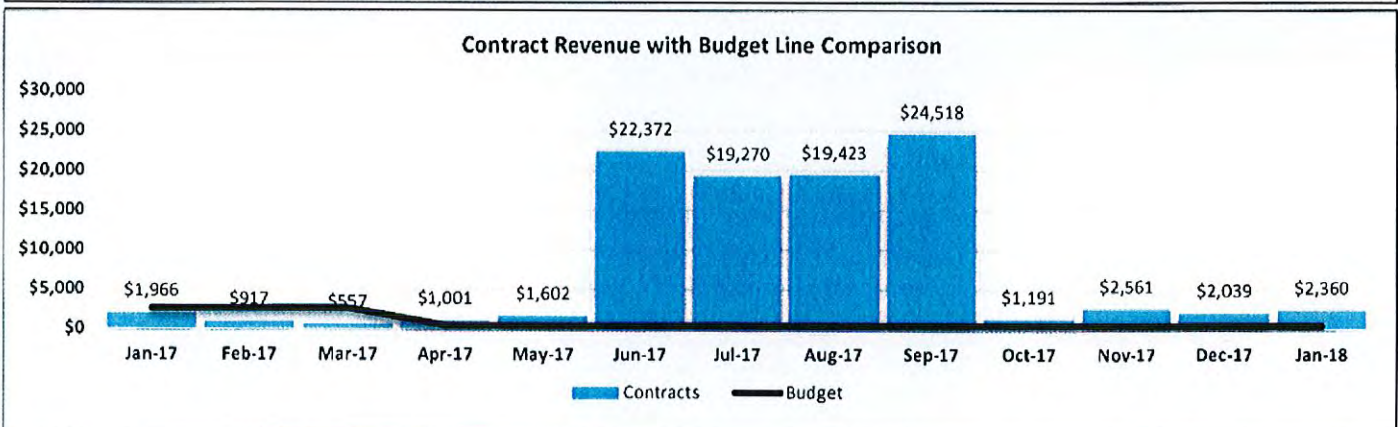
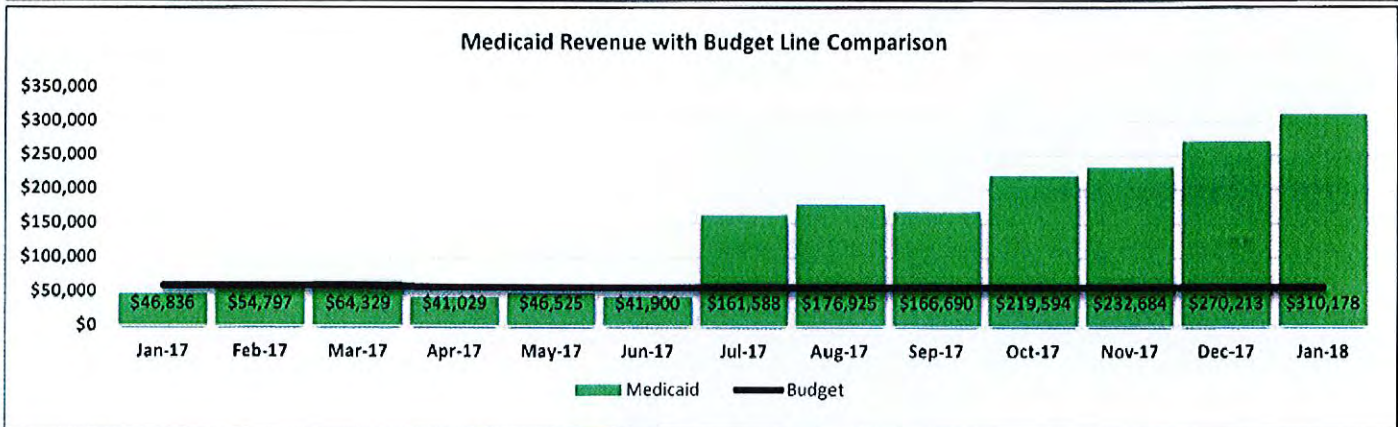
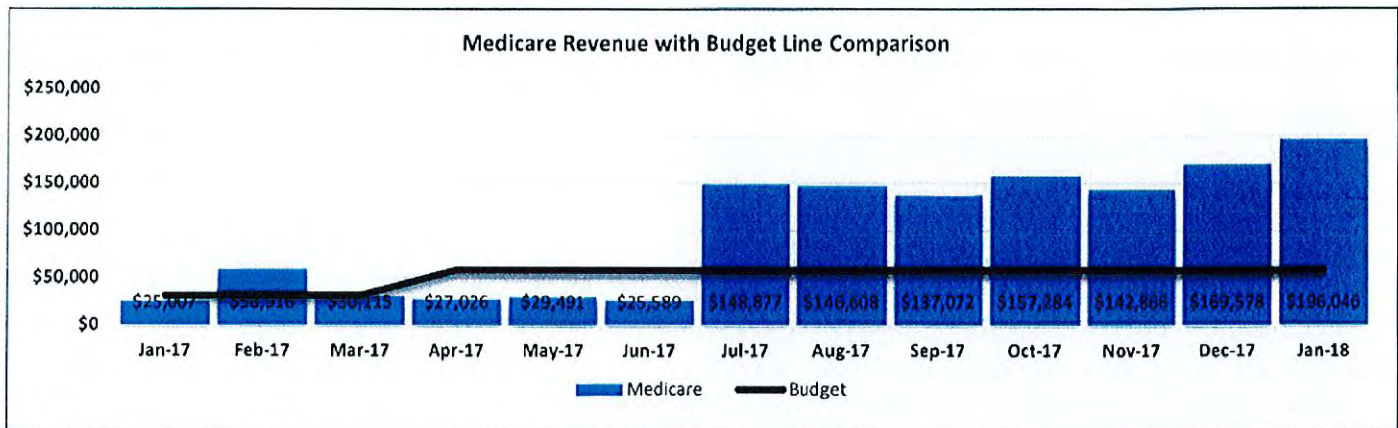


Pharmacy Revenue with Budget Line Comparison



Private Insurance Revenue with Budget Line Comparison

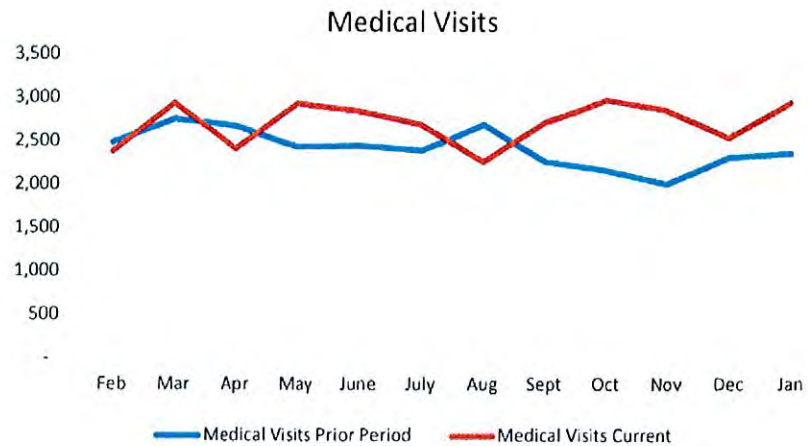




Coastal Health & Wellness Statement of Revenue and Expenses for the Period ending January 31, 2018 Version #2								
		Period Ending 1/31/2018	MTD Budget	MTD Budget Variance	YTD Actual	YTD Budget	YTD Budget Variance	Annual Budget
Grouping	Description							
HRSA	HHS GRANT REVENUE - Federal	\$208,484.45	\$260,817	(\$52,132)	\$2,330,102	\$2,606,167	(\$276,064)	\$3,127,400
Patient Rev	GRANT REVENUE - Title V	\$6,795.78	\$13,207	(\$6,411)	\$64,071	\$132,068	(\$67,997)	\$158,481
Patient Rev	PATIENT FEES	\$697,818.85	\$88,309	\$809,510	\$6,334,606	\$883,093	\$5,451,513	\$1,059,712
Patient Rev	PRIVATE INSURANCE	\$191,807.43	\$18,615	\$173,192	\$1,228,510	\$186,152	\$1,042,358	\$223,382
Patient Rev	PHARMACY REVENUE - 340b	\$72,236.63	\$44,040	\$28,197	\$572,408	\$440,398	\$132,010	\$528,477
Patient Rev	MEDICARE	\$196,045.76	\$57,412	\$138,633	\$1,180,437	\$574,125	\$606,312	\$688,950
Patient Rev	MEDICAID	\$310,178.06	\$55,275	\$254,903	\$1,667,326	\$552,749	\$1,114,577	\$683,299
Other Rev.	LOCAL GRANTS & FOUNDATIONS	\$2,701.00	\$2,668	\$34	\$27,013	\$26,675	\$338	\$32,010
Other Rev.	MEDICAL RECORD REVENUE	\$669.75	\$1,583	(\$914)	\$9,615	\$15,833	(\$6,218)	\$19,000
Other Rev.	MEDICAID INCENTIVE PAYMENTS	\$15,113.64	\$0	\$15,114	\$22,089	\$0	\$22,089	\$0
County	COUNTY REVENUE	\$324,070.33	\$307,896	\$16,174	\$3,311,554	\$3,078,962	\$232,592	\$3,694,754
DSRIP	DSRIP REVENUE	\$600,000.00	\$22,995	\$577,005	\$950,000	\$229,948	\$720,052	\$275,938
Other Rev.	MISCELLANEOUS REVENUE	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0
Other Rev.	OTHER REVENUE - SALE OF FIXED ASSET	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0
Other Rev.	INTEREST INCOME	\$2,672.64	\$1,667	\$1,006	\$21,884	\$16,667	\$5,197	\$20,000
Patient Rev	CONTRACT REVENUE	\$2,360.25	\$333	\$2,027	\$98,337	\$3,333	\$93,004	\$4,000
Other Rev.	LOCAL FUNDS / OTHER REVENUE	\$499.10	\$0	\$499	\$5,016	\$0	\$5,016	\$0
	Total Revenue	\$2,831,453.74	\$874,617	\$1,956,837	\$17,821,048	\$8,746,169	\$9,074,879	\$10,495,403
	EXPENSES							
Personnel	SALARIES	\$459,871.36	\$500,475	\$40,604	\$4,276,886	\$5,004,749	\$727,863	\$6,005,699
Personnel	SALARIES, Merit Compensation	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0.00
Personnel	SALARIES, PROVIDER INCENTIVES	\$1,000.00	\$4,400	\$3,400	\$9,800	\$44,000	\$34,200	\$52,800.00
	SALARIES, supplemental	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0.00
Personnel	SALARIES, O/T	\$4,744.24	\$5,000	\$256	\$50,874	\$50,000	(\$874)	\$60,000.00
Personnel	SALARIES, PART-TIME	\$16,601.99	\$23,559	\$6,957	\$189,280	\$235,585	\$46,305	\$282,702.00
Personnel	Comp Pay	\$150.69	\$0	(\$150.69)	\$826	\$0	(\$826)	\$0.00
Personnel	FICA EXPENSE	\$35,448.60	\$40,808	\$5,359	\$328,734	\$408,077	\$79,343	\$489,691.89
Personnel	TEXAS UNEMPLOYMENT TAX	\$349.20	\$1,672	\$1,323	\$7,600	\$16,722	\$17,503	\$20,066.85
Personnel	LIFE INSURANCE	\$1,327.64	\$1,195	(\$132.64)	\$13,196	\$11,949	(\$1,247)	\$14,339.39
Personnel	LONG TERM DISABILITY INSURANCE	\$960.81	\$1,101	\$140	\$9,520	\$11,010	\$1,491	\$13,212.54
Personnel	GROUP HOSPITALIZATION INSURANC	\$28,919.20	\$43,220	\$14,301	\$264,479	\$432,199	\$147,720	\$518,638.94
Personnel	WORKER'S COMP INSURANCE	\$1,721.48	\$2,687	\$966	\$7,534	\$26,672	\$19,137	\$32,006.01
	EMPLOYER SPONSORED HEALTHCARE	\$6,542.15	\$0	(\$6,542)	\$17,095	\$0	(\$17,095)	\$0.00
Personnel	HRA EXPENSE	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0.00
Personnel	PENSION / RETIREMENT	\$11,797.28	\$12,856	\$1,058	\$109,663	\$128,557	\$18,895	\$154,268.95
Contractual	OUTSIDE LAB CONTRACT	\$23,524.52	\$22,000	(\$1,524.52)	\$257,454	\$220,000	(\$37,454)	\$264,000.00
Contractual	OUTSIDE X-RAY CONTRACT	\$3,828.00	\$3,000	(\$828.00)	\$37,658	\$30,000	(\$7,658)	\$38,000.00
Contractual	MISCELLANEOUS CONTRACT SERVICES	\$7,264.50	\$12,961	\$5,696	\$84,520	\$129,607	\$45,086	\$155,528.00
Personnel	TEMPORARY STAFFING	\$12,318.00	\$0	(\$12,318)	\$181,309	\$0	(\$181,309)	\$0.00
Contractual	CHW CONTRACT BILLING SERVICE	\$7,047.93	\$10,045	\$2,997	\$81,585	\$100,450	\$18,865	\$120,540.00
IGT	IGT REIMBURSEMENT	\$258,720.00	\$0	(\$258,720)	\$413,665	\$0	(\$413,665)	\$0.00
Contractual	JANITORIAL CONTRACT	\$2,672.30	\$3,000	\$328	\$26,617	\$30,000	\$3,383	\$36,000.00
Contractual	PEST CONTROL	\$80.10	\$100	\$20	\$801	\$1,000	\$199	\$1,200.00
Contractual	SECURITY	\$3,060.44	\$7,045	\$4,585	\$37,468	\$70,450	\$33,982	\$91,740.00
Supplies	OFFICE SUPPLIES	\$7,517.30	\$6,690	\$827.30	\$44,086	\$66,902	\$22,816	\$80,282.49
Supplies	OPERATING SUPPLIES	\$19,407.64	\$20,375	\$967	\$192,020	\$203,750	\$11,730	\$244,500.00
Supplies	OUTSIDE DENTAL SUPPLIES	\$2,092.50	\$2,500	\$408	\$12,849	\$25,000	\$12,152	\$30,000.00
Supplies	PHARMACEUTICAL SUPPLIES	\$76,725.91	\$68,000	(\$8,725.91)	\$812,829	\$680,000	(\$132,829)	\$816,000.00
Supplies	JANITORIAL SUPPLIES	\$0.00	\$375	\$375	\$1,592	\$3,750	\$2,158	\$4,500.00
Supplies	PRINTING SUPPLIES	\$280.54	\$250	(\$30.54)	\$423	\$2,500	\$2,077	\$3,000.00
Supplies	UNIFORMS	\$520.14	\$420	(\$100.14)	\$2,493	\$4,200	\$1,707	\$5,040.00
Other	POSTAGE	\$657.64	\$733	\$78	\$6,254	\$7,333	\$1,080	\$8,800.00
Other	TELEPHONE	\$4,854.66	\$1,525	(\$3,330)	\$26,787	\$15,250	(\$11,517)	\$18,300.00
Other	WATER	\$30.50	\$31	\$1	\$305	\$310	\$5	\$372.00
Other	ELECTRICITY	\$1,430.10	\$2,083	\$653	\$17,826	\$20,833	\$3,007	\$25,000.00
Travel	TRAVEL, LOCAL	\$193.69	\$381	\$188	\$3,029	\$3,813	\$783	\$4,575.00
Travel	TRAVEL, OUT OF TOWN	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0.00
Travel	LOCAL TRAINING	\$220.00	\$417	\$197	\$2,712	\$4,167	\$1,455	\$5,000.00
Travel	TRAINING, OUT OF TOWN	\$5,783.97	\$1,467	(\$4,317)	\$13,626	\$14,668	\$1,042	\$17,602.00
Other	RENTALS	\$2,663.75	\$5,935	\$3,271	\$46,394	\$59,350	\$12,956	\$71,220.00
Other	LEASES	\$43,701.84	\$38,522	(\$5,180)	\$437,018	\$385,218	(\$51,800)	\$462,262.00
Other	MAINTENANCE / REPAIR, EQUIP.	\$5,725.01	\$7,563	\$1,837	\$60,570	\$75,625	\$15,055	\$90,750.00
Other	MAINTENANCE / REPAIR, AUTO	\$0.00	\$42	\$42	\$0	\$417	\$417	\$500.00
Other	FUEL	\$105.06	\$42	(\$63.06)	\$389	\$417	\$27	\$500.00
Other	MAINTENANCE / REPAIR, BLDG.	\$386.58	\$417	\$30	\$2,323	\$4,167	\$1,843	\$5,000.00
Other	MAINT/REPAIR, IT Equip.	\$0.00	\$125	\$125	(\$71,588)	\$1,250	\$72,838	\$1,500.00
Other	MAINTENANCE / Preventative, AUTO	\$151.00	\$42	(\$109.00)	\$168	\$417	\$251	\$500.00
Other	INSURANCE, AUTO/Truck	\$165.96	\$168	\$2	\$1,672	\$1,680	\$8	\$2,016.00
Other	INSURANCE, GENERAL LIABILITY	\$723.98	\$833	\$109	\$7,600	\$8,333	\$733	\$10,000.00
Other	INSURANCE, BLDG. CONTENTS	\$1,359.25	\$1,333	(\$26.25)	\$13,642	\$13,333	(\$309)	\$18,000.00
Other	COMPUTER EQUIPMENT	\$1,388.35	\$0	(\$1,388)	\$119,892	\$0	(\$119,892)	\$0.00
Other	OPERATING EQUIPMENT	\$21,250.00	\$0	(\$21,250)	\$26,906	\$0	(\$26,906)	\$0.00
Other	BUILDING IMPROVEMENTS	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0.00
Other	NEWSPAPER ADS	\$524.18	\$1,250	\$726	\$10,053	\$12,500	(\$2,447)	\$15,000.00
Other	SUBSCRIPTIONS, BOOKS, ETC	\$0.00	\$750	\$750	\$942	\$7,500	\$6,558	\$9,000.00
Other	ASSOCIATION DUES	\$2,946.07	\$2,833	(\$113)	\$27,872	\$28,333	\$462	\$34,000.00
Other	IT SOFTWARE, LICENSES, INTANGIBLES	\$13,187.84	\$9,258	(\$3,930)	\$159,679	\$92,583	(\$67,096)	\$111,100.00
Other	PROF FEES/LICENSE/INSPECTIONS	\$0.00	\$1,407	\$1,407	\$990	\$1,467	\$477	\$17,600.00
Other	PROFESSIONAL SERVICES	\$4,760.62	\$1,208	(\$3,572)	\$24,812	\$12,083	(\$12,729)	\$14,500.00
Other	MED/HAZARDOUS WASTE DISPOSAL	\$521.31	\$458	(\$63.31)	\$4,903	\$4,583	(\$320)	\$5,500.00
Other	TRANSPORTATION CONTRACT	\$323.84	\$813	\$489	\$5,920	\$8,125	\$2,205	\$9,750.00
Other	BOARD MEETING OPERATIONS	\$0.00	\$29	\$29	\$194	\$292	\$97	\$350.00
Other	SERVICE CHG - CREDIT CARDS	\$614.98	\$579	(\$35.98)	\$6,600	\$5,792	(\$808)	\$6,950.00
Other	CASHER OVER / SHORT	\$2.00	\$0	(\$2)	\$0	\$0	\$0	\$0.00
Other	LATE CHARGES	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0.00
Other	BAD DEBT EXPENSE	\$1,394,789.89	\$0	(\$1,394,790)	\$8,339,908	\$0	(\$8,339,908)	\$0.00
Other	MISCELLANEOUS EXPENSE	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0.00
	Total Expenses	\$2,497,983.53	\$874,617	(\$1,623,367)	\$16,787,840	\$8,746,169	(\$8,041,671)	\$10,495,403
	Net Change in Fund Balance	\$333,470.21	(\$0)	\$333,470	\$1,033,207	(\$0)	\$1,033,208	(\$0)

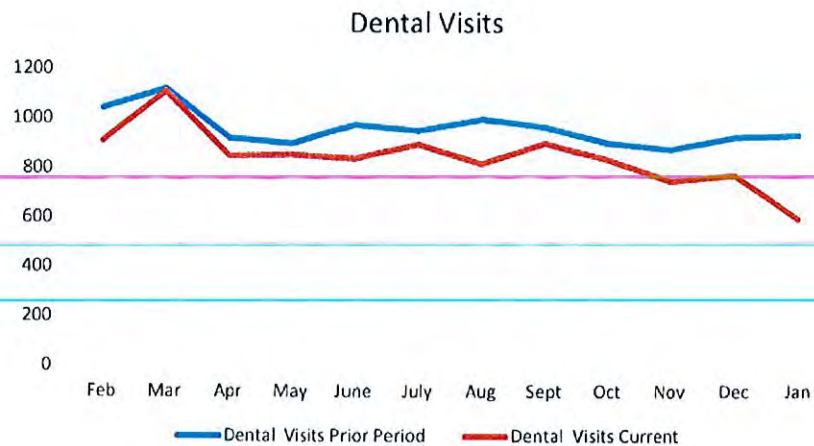
Medical Visits

	<u>Prior Period</u>	<u>Current</u>
Feb	2,485	2,390
Mar	2,756	2,943
Apr	2,673	2,417
May	2,435	2,939
June	2,450	2,850
July	2,395	2,696
Aug	2,693	2,267
Sept	2,265	2,720
Oct	2,164	2,974
Nov	2,012	2,857
Dec	2,316	2,542
Jan	2,353	2,939
	<u>28,997</u>	<u>32,534</u>



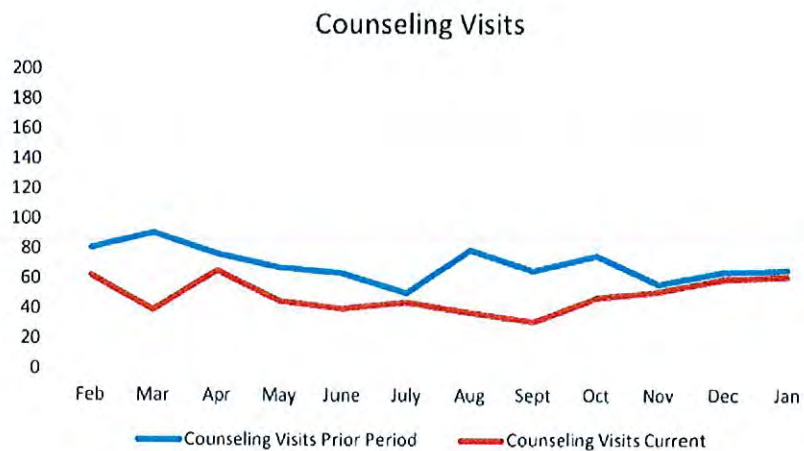
Dental Visits

	<u>Prior Period</u>	<u>Current</u>
Feb	1042	913
Mar	1120	1111
Apr	921	851
May	900	858
June	974	841
July	950	899
Aug	998	820
Sept	964	903
Oct	903	838
Nov	878	749
Dec	926	772
Jan	931	597
	<u>11,507</u>	<u>10,152</u>



Counseling Visits

	<u>Prior Period</u>	<u>Current</u>
Feb	81	63
Mar	91	40
Apr	77	66
May	68	46
June	64	41
July	51	45
Aug	80	38
Sept	66	32
Oct	76	48
Nov	57	52
Dec	65	60
Jan	66	62
	<u>842</u>	<u>593</u>



Vists by Financial Class - Actual vs. Budget
As of January 31, 2018 (Grant Year 4/1/17-3/31/18)

	Annual HRSA Grant Budget	MTD Actual	MTD Budget	Over/(Under) MTD Budget	YTD Actual	YTD Budget	Over/(Under) YTD Budget	% Over/ (Under) YTD Budget
Medicaid	4,810	388	401	(13)	3,849	4,008	(159)	-4%
Medicare	5,086	347	424	(77)	3,405	4,238	(833)	-20%
Other Public (Title V, Contract)	1,364	128	114	14	1,266	1,137	129	11%
Private Insurance	2,187	295	182	113	2,625	1,823	803	44%
Self Pay	35,801	2,440	2,983	(543)	24,674	29,834	(5,160)	-17%
	49,248	3,598	4,104	(506)	35,819	41,040	(5,221)	-13%

Unduplicated Patients - Current vs. Prior Year
UDS Data Calendar Year
January through December

	Current Year Annual Target	Jan 2017 Actual	Jan 2018 Actual	Increase/ (Decrease) Prior Year	% of Annual Target
Unduplicated Patients	16,345	2,730	3,001	271	18%

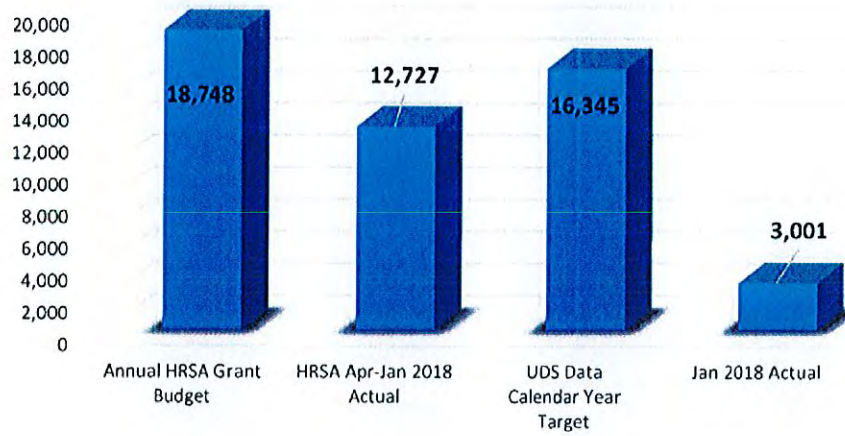
Unduplicated Patients - Current vs. Prior Year
HRSA Grant Year
April through March

	Annual HRSA Grant Budget	Apr-Jan 2017 Actual	Apr - Jan 2018 Actual	Increase/ (Decrease) Prior Year	% of Annual Target
Unduplicated Patients	18,748	12,063	12,727	664	68%

* Note - The clinic was closed for 5.5 days during Hurricane Harvey, but was open to walk-in patients on 8/31.

**Note - The clinic was closed for 2.0 days during January due to inclement weather.

Number of Unduplicated Patients



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Governing Board

February 2018

Item #/10

Consider for Approval Bad Debt Write-off and Adjustment Report for 2017

**Coastal Health & Wellness
Adjustment - Primary Payer
From 1/1/2017 to 12/31/2017**

	Adj Amt
Totals for Deceased Patient Adjustments (19)	(421.00)
Totals for Non-Covered Services (93)	(8,230.00)
*Totals for Zbad Debt Credit (44183)	(313,318.42)
Total	<u>(321,969.42)</u>

* Bad Debt Writeoffs	Amount
2014	243,219
2015	252,219
2016	1,007,748
2017	313,318
4 Year Average	<u>454,126</u>

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Governing Board

February 2018

Item #/11

Consider for Approval Request to Purchase Microsoft Cloud

Request to Purchase Microsoft Cloud Licenses

Background:

- GCHD entered in to a Microsoft Enterprise Agreement (EA) from April 1st, 2017 to March 31st, 2020 (3 year term) for the amount of **\$62,748.01/yr.** Current budgeted amount for FY18 is \$68,206.
- On each anniversary date (April 1st, 2018 & April 1st, 2019) Microsoft instructs us to perform a "True-Up" task to ensure that we have purchased the proper amount of licenses.
 - If we have additional licenses to purchase, it is done as a separate PO and subsequently added to future anniversary dates of our agreement.
- GCHD has purchased hardware (servers and storage) to host several applications locally, such as Exchange (Email) and it is currently housed at the Emergency Operations Center on FM 646 in League City.
 - We have been asked by the county to vacate our systems from the building by end of year.
 - As we accumulate email, we are required to consistently purchase more storage and servers.
- GCHD currently owns 325 licenses for Microsoft Office which are installed locally on the PCs.
 - These licenses are not Microsoft Cloud licenses.
- There are additional realized budgetary cost savings such as salary lapses and hardware purchases under budget.

Recommendations:

- GCHD purchase 325 Microsoft Cloud Licenses by our upcoming anniversary on April 1st, 2018.
 - Prevents the need for a "True-Up" cost for this year and subsequent years should our user count remain the same.

Benefits:

- GCHD data and emails will be more resilient during a Disaster Recovery (DR) Event.
- GCHD Staff does not have to maintain respective hardware and storage of the migrated systems
- Grants tools/capabilities to ensure HIPAA and other regulatory compliances.

Financials:

See Attached Exhibit A

Proposal:

- We are requesting approval to proceed with the purchase of the Microsoft Cloud Licensing at a cost of \$32,604. This cost will be offset by reductions in IT budgeted expenditures; thereby reducing the FY18 financial impact of this purchase to \$4,496 to be allocated as follows:
 - General Fund \$2,248
 - Coastal Health Wellness \$2,248

Exhibit A (Projected IT Costs)

Item Descriptions	Notes	CHW Costs	GCHD Costs	Total
Purchase Microsoft Cloud Licenses <i>(additional cost not budgeted)</i>	Microsoft Cloud usage	\$16,302	\$16,302	\$32,604
Purchase MS EA (yr 2) under budget <i>(budgeted cost savings)</i>	Microsoft Enterprise usage	-\$2,729	-\$2,729	-\$5,458
Cancel Cisco IronPort Email Security <i>(budgeted cost savings)</i>	Used to block spam	-\$3,125	-\$3,125	-\$6,250
Cancel Symantec Antivirus <i>(budgeted cost savings)</i>	Used to prevent Viruses	-\$3,150	-\$3,150	-\$6,300
Cancel VMWare License Support <i>(budgeted cost savings)</i>	Used to run servers. We are changing to Hyper V	-\$5,050	-\$5,050	-\$10,100
Total FY18 Additional Costs (current year):		(\$2,248)	(\$2,248)	(\$4,496)
Cancel Barracuda Email Archiver <i>(will not renew for FY19)</i>	Used to archive all email	-\$939	-\$939	-\$1,878
Cancel Malwarebytes <i>(will not renew for FY19)</i>	Used to block Malware	-\$2,484	-2,484	-\$4,968
Total FY19 Cost Savings (next year):		\$1,175	\$1,175	\$2,350

Coastal Health & Wellness - Annual Board Approved Reserve
Proposed Fund Balance Reserve Budget for the fiscal year ending March 31, 2019

Item	FY2019	Expended	FY 2019 Revised	
Microsoft Licensing (does not include any true-up or additions)	\$34,103	*	\$34,103	
Server 2016 Upgrades (add 4 new DataCenter Server licenses as a true-up)	\$26,904		\$16,968	New
Intel Solid-State Drive DC P4600 Series (#SSDPEDKE020T701); 6 x \$1,534.39 (CDW item 4611574)	\$4,605	Total 39,568.00	\$4,605	
Intel Storage System (#JBOD2312S3SP); 3 x \$925.57 (CDW item 4554753)	\$1,389		\$1,389	
HPE ProLiant DL380 Gen9 (#859085-S01); 3 x \$6,984.09 (CDW item 4092889)	\$10,476		\$10,476	
HP H241 2-Port Smart Host Bus Adapter (#726911-B21); 3 x \$203.95 (CDW item 3465476)	\$306	Oct (30,885.24)	\$306	
HPE SAS External Cable (#716197-B21); 3 x 97.80 (cdw item 3385075)	\$147	Nov (863.27)	\$147	
HPE Midline Hard Drive 1TB (#655710-B21); 6 x \$220.29 (CDW item 2637128)	\$663	Dec (5,698.89)	\$663	
Intel Common Redundant Power Supply (#FXX460GCRPS); 3 x \$168.17 (CDW item 3104657)	\$252		\$252	
AMD FirePro W7100 Accelerator Kit Graphics Card (#J0H10A); 3 x \$730.48 (CDW item 4295201)	\$1,095		\$1,095	
HPE 640FLR-SFP28 Network Adapter (#817749-B21); 3 x \$519.46 (CDW item 4578603)	\$780	Bal 2,120.60	\$780	
Samsung DDR4 32 GB DIMM 288-Pin (#M393A4K0BB1-CRC); 72 x \$301.57 (CDW item 4529050)	\$10,854		\$10,854	
HGST 10TB Ultra 4KN ISE HE10 20 PK (#0F27502-20PK); 2 x \$9,001.08 (CDW item 4699900)	\$9,001		\$9,001	
Switch Upgrades (ARC, Dickinson WIC, Galveston Clinic)	\$10,084		\$10,084	
Storage Upgrades (replace old SSD drives in one DATA center SAN)	\$11,409	*		
SignalStar (hardware/software solution to boost all cell carrier signals internally)	\$14,782			
Bomgar Update (conversion to a virtual appliance to replace legacy system)	\$500		\$500	
Security Badge Machine Programming Upgrades	\$575		\$575	
8Starpoint - Provisioning (system resource configurations and deployments)	\$19,200.00	* Total 19,200.00	7,200.00	
\$375/month		Oct-Dec (1,125.00)		
		Bal 18,075.00		
Replace desktop PC's	\$37,050		\$37,050	
Cisco IP Phones (PoE Switches at the desktop to eliminate wiring)	\$4,125	*	\$4,125	
UniFi AC Pro - Integrated wireless system for entire GCHD network; 20 x \$149	\$1,490	* Total 1,609.00	\$1,490	
UniFi Security Gateway - Integrated wireless system for entire GCHD network; 2 x \$119	\$119	* Nov (1,393.29)	\$119	
		Bal 215.71		
Solid State Drives for incremental upgrade to increase computer speed	\$4,200			
Storage Upgrades			\$7,800	
Microsoft Cloud Licensing			\$32,604	New
Miscellaneous			\$10,911	
* Indicates Carryover from prior Approved Fund Balance Reserve				
Subtotal - IT Expenditures	\$203,097	(\$39,966)	\$203,097	
Dental				
3 EVA sensors	\$15,000		\$15,000	
2 Fiber Optic Handpieces	\$2,000		\$2,000	
2 Impact Air Surg Handpiece	\$1,700		\$1,700	
2 Low Speed Handpiece	\$650		\$650	
2 Sterilizers	\$10,000		\$10,000	
1 Autoclaves	\$10,000		\$10,000	
1 Compressor	\$5,200		\$5,200	
1 Vacuum	\$4,100		\$4,100	
Medical				
4 Viewsonic screens	\$3,200		\$3,200	
2 Audiometer	\$2,700		\$2,700	
Xray system replacement	\$65,885		\$65,885	
Other new or replacement equipment as needed	\$120,450		\$120,450	
Subtotal - Medical/Dental Equipment additions/replacements	\$240,885		\$240,885	
Galveston Clinic Renovations	\$750,000		\$750,000	
Subtotal - Galveston Clinic Renovations	\$750,000		\$750,000	
Conference Room chairs - CHW Admin area - 12	\$4,200		\$4,200	
TV, including installation for Conference Room in CHW Admin area	\$1,000		\$1,000	
Storage cabinets - 4 - CHW Admin area	\$1,800		\$1,800	
Wiring and wall mounting for computers in CHW waiting areas	\$750		\$750	
Installation of two doors in Patient Services are for CICH and wall behind receptionist desk in Medical Clinic	\$5,000		\$5,000	
Subtotal - Texas City Furniture/Fixtures/Remodel	\$12,750		\$12,750	
Employee One-Time Supplemental Payment	\$52,540		\$52,540	
Subtotal - Employee One-Time Supplemental Payment	\$52,540		\$52,540	
Total Fund Balance Reserve Expenditures	\$1,259,272		\$1,259,272	
Total Operating Reserve	\$3,160,000		\$3,160,000	
Unreserved	\$287,162		\$287,162	
Proposed Board Approved Reserve	\$4,706,434		\$4,706,434	

Deleted line item or changed pricing.

Combined two line items and reestimated expense.

Balance after changes to keep Subtotal - IT Expenditures at same approved level.

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Governing Board

February 2018

Item #/12

**Consider for Approval Request to
Purchase Microsoft Datacenter Licenses -\$25,901**

Request to Purchase Microsoft Windows Server Datacenter Licenses

Background:

- GCHD currently does not own any Windows Server Datacenter Licenses
- GCHD budgeted \$51,802 for the purchase of these licenses (\$25,901 from the General Fund and \$25,901 from CHW).

Recommendations:

- GCHD purchase the Windows Datacenter Licenses by our upcoming anniversary on April 1st, 2018.

Benefits:

- We will be able to activate the servers purchased last year and migrate key applications to the new servers, providing a more reliable and efficient service.
- GCHD Staff does not have to maintain respective hardware and storage of the migrated systems
- A budgeted cost savings of \$17,865 from negotiations.

Proposal:

- We are requesting approval to expend \$16,968 from the CHW IT Equipment reserve to fund CHW's portion of the Windows Datacenter Licensing. The remaining balance of \$16,968 is GCHD's portion of this expense and will be funded through the FY18 General Fund budget.

Coastal Health & Wellness - Annual Board Approved Reserve
Proposed Fund Balance Reserve Budget for the fiscal year ending March 31, 2019

Item	FY2019	Expended	FY 2019 Revised	
Microsoft Licensing (does not include any true-up or additions)	\$34,103	*	\$34,103	
Server 2016 Upgrades (add 4 new DataCenter Server licenses as a true-up)	\$25,904		\$16,968	New
Intel Solid-State Drive DC P4600 Series (#SSDPEDKE020T701); 6 x \$1,534.39 (CDW item 4611574)	\$4,605	Total 39,568.00	\$4,605	
Intel Storage System (#JBOD2312S3SP); 3 x \$925.57 (CDW item 4554753)	\$1,389		\$1,389	
HPE ProLiant DL380 Gen9 (#859085-S01); 3 x \$6,984.09 (CDW item 4092889)	\$10,476		\$10,476	
HP H241 2-Port Smart Host Bus Adapter (#726911-B21); 3 x \$203.95 (CDW item 3465476)	\$306	Oct (30,885.24)	\$306	
HPE SAS External Cable (#716197-B21); 3 x 97.80 (cdw item 3385075)	\$147	Nov (863.27)	\$147	
HPE Midline Hard Drive 1TB (#655710-B21); 6 x \$220.29 (CDW item 2637128)	\$663	Dec (5,698.89)	\$663	
Intel Common Redundant Power Supply (#FXX460GCRPS); 3 x \$168.17 (CDW item 3104657)	\$252		\$252	
AMD FirePro W7100 Accelerator Kit Graphics Card (#J0H10A); 3 x \$730.48 (CDW item 4295201)	\$1,095		\$1,095	
HPE 640FLR-SFP28 Network Adapter (#817749-B21); 3 x \$519.46 (CDW item 4578603)	\$780	Bal 2,120.60	\$780	
Samsung DDR4 32 GB DIMM 288-Pin (#M393A4K0BB1-CRC); 72 x \$301.57 (CDW item 4529050)	\$10,854		\$10,854	
HGST 10TB Ultra 4KN ISE HE10 20 PK (#0F27502-20PK); 2 x \$9,001.08 (CDW item 4699900)	\$9,001		\$9,001	
Switch Upgrades (ARC, Dickinson WIC, Galveston Clinic)	\$10,084		\$10,084	
Storage Upgrades (replace old SSD drives in one DATA center SAN)	\$11,409	*		
SignalStar (hardware/software solution to boost all cell carrier signals internally)	\$14,782			
Bomgar Update (conversion to a virtual appliance to replace legacy system)	\$500		\$500	
Security Badge Machine Programming Upgrades	\$575		\$575	
8Starpoint - Provisioning (system resource configurations and deployments)	19,200.00	* Total 19,200.00	7,200.00	
\$375/month		Oct-Dec (1,125.00)		
		Bal 18,075.00		
Replace desktop PC's	\$37,050		\$37,050	
Cisco IP Phones (PoE Switches at the desktop to eliminate wiring)	\$4,125	*	\$4,125	
UniFi AC Pro - Integrated wireless system for entire GCHD network; 20 x \$149	\$1,490	* Total 1,609.00	\$1,490	
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Microsoft Cloud Licensing			\$32,604	New
Miscellaneous			\$10,911	
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2 Low Speed Handpiece	\$650		\$650	
2 Sterilizers	\$10,000		\$10,000	
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1 Compressor	\$5,200		\$5,200	
1 Vacuum	\$4,100		\$4,100	
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Other new or replacement equipment as needed	\$120,450		\$120,450	
Subtotal - Medical/Dental Equipment additions/replacements	\$240,885		\$240,885	
Galveston Clinic Renovations	\$750,000		\$750,000	
Subtotal - Galveston Clinic Renovations	\$750,000		\$750,000	
Conference Room chairs - CHW Admin area - 12	\$4,200		\$4,200	
TV, including installation for Conference Room in CHW Admin area	\$1,000		\$1,000	
Storage cabinets - 4 - CHW Admin area	\$1,800		\$1,800	
Wiring and wall mounting for computers in CHW waiting areas	\$750		\$750	
Installation of two doors in Patient Services are for CICH and wall behind receptionist desk in Medical Clinic	\$5,000		\$5,000	
Subtotal - Texas City Furniture/Fixtures/Remodel	\$12,750		\$12,750	
Employee One-Time Supplemental Payment	\$52,540		\$52,540	
Subtotal - Employee One-Time Supplemental Payment	\$52,540		\$52,540	
Total Fund Balance Reserve Expenditures	\$1,259,272		\$1,259,272	
Total Operating Reserve	\$3,160,000		\$3,160,000	
Unreserved	\$287,162		\$287,162	
Proposed Board Approved Reserve	\$4,706,434		\$4,706,434	

Deleted line item or changed pricing.

Combined two line items and reestimated expense.

Balance after changes to keep Subtotal - IT Expenditures at same approved level.

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Governing Board

February 2018

Item #/13

Consider for Approval Billing and Collection Policy

Coastal Health & Wellness Billing and Collection Policy

Purpose

Coastal Health & Wellness is committed to ensuring everyone receives the services they need regardless of ability to pay for services. Coastal Health & Wellness expects patients to pay their outstanding balances in a timely manner. A bill for services is based on the patient's ability to pay. Coastal Health & Wellness also provides payment plans as necessary should financial circumstances of a patient receiving services change, or if the current financial assessment does not accurately reflect the patient's ability to pay. A patient who refuses to pay his/her outstanding balance will be notified and may be subject to a payment plan, which may lead to suspension of services if not followed.

Coastal Health & Wellness accepts third-party coverage, but patients are expected to pay any remaining balance owed after the third-party coverage makes payments. Please note co-pays are required if a qualified insurance carrier is used to pay for services. Patients who do not have third-party coverage will be billed based on their ability to pay. All patients will be charged based on the Coastal Health & Wellness Patient Financial Guide (see attached).

Patients have a right to receive an explanation of their bill. Patients are also responsible for providing accurate information regarding health insurance, address, and applicable financial resources. (See Patient Rights and Responsibilities)

Definitions

Ability to Pay	<p>If services rendered to a patient are not covered by insurance or a public program, patients may undergo financial screening to determine what degree patients are able to pay.</p> <p>Based on financial screening, patients are assigned a discount based on the Board approved Sliding Fee Schedule Policy. A determination is made rendering the patient as either unable to pay our charges for services (0% pay) or able to pay 20%, 40%, 60%, 80% or 100% pay of Board approved fees for service.</p>
Bad Debt	Self-Pay charges classified as uncollectable.
Nominal Fee	A \$15 nominal fee per visit is charged to patients on a 0% pay code.

Deposits

Uninsured patients determined to have financial responsibility from 20% to 80% will be requested to pay a deposit and those on 100% will be required to pay a deposit per visit based on the following scale:

Patient Responsibility	20%	40%	60%	80%	100%
Deposit Requested at Check-in	\$20	\$25	\$30	\$40	
Deposit Required at Check-in					\$50

If an uninsured patient is financially screened to be below or at 80% pay (less than 200% Federal Poverty Level), the person is not refused services for inability to pay. If the nominal fee or deposit is not paid at time of check-in then the patient will receive a bill for the total amount due. However, the deposit must be collected on patients who waive financial screening or are deemed able to pay 100% (greater than the 200% Federal Poverty Limit) of Board approved fees prior to receiving services.

Payment Plan

A monthly minimum payment will be determined on the amount owed based on the patient's current financial status.

Self-Pay

All fees that are the patient's responsibility.

Third Party Payors

An organization that is utilized as a payment source for financing a patient's health services. (Examples: Medicare, Medicaid, Private Insurance).

Co-Pay

This applies to persons with private insurances and the Co-Pay amount is determined by the health insurance plan.

Billing Process

- A. Coastal Health & Wellness maintains dental and medical schedules of fees for all patients and these fee schedules are designed to cover reasonable costs of providing services in the approved scope of project using a Relative Value Unit (RVU's) and adjusting as needed for consistency with locally prevailing rates. These fee schedules are approved by the Governing Board and evaluated annually to ensure they are consistent with locally prevailing rates and Coastal Health & Wellness's cost structure.

Patients will be billed for all outstanding charges, including the unpaid portion of the claim which is deemed patient responsibility within 30 days of date-of-service.

- B. Coastal Health & Wellness will offer to all eligible patients a sliding fee discount based on income and family size and no other factor. The definition of income and family size will be based on the established current Federal Poverty Guidelines (FPG). Individuals and families with annual income above two hundred percent (200%) of the FPG are not eligible for sliding fee discount program. See Appendix A.
- C. Coastal Health & Wellness provides access to services without regard for a person's ability to pay. The center ensures sustainability by contracting with and billing Medicaid, CHIP, Medicare, and other government programs and also private insurers of patients in the center service area; the center charges for services not covered by insurance per our board-approved Sliding Fee Schedule Policy. Coastal Health & Wellness will first evaluate a patient's existing coverage or eligibility for coverage under public and private third payors before assessing their eligibility for sliding fee discount.
- D. Coastal Health & Wellness will bill third party payors daily.
- E. Coastal Health & Wellness makes every reasonable effort to collect reimbursements by public assistance programs and private health insurance on the basis of the full amount of fees and payments for such services without application of any discount.

Procedure

Coastal Health & Wellness will:

- A. Survey its service area for the costs of health care services, assess its costs and create a schedule of charges that it updates annually to reflect actual costs.
- B. Create a sliding fee schedule of discounts to apply to its various charges and review it periodically, updating as needed.
- C. Ensure a reasonable collection policy is approved by the Board. This will occur annually in conjunction with the update of the FPG.
- D. Enroll the center in Medicare Part A using the form CMS 855-A, setting up an NPI number for each site, a reimbursement rate with a cost report for the entire center; enroll all providers in Part B, getting them an NPI number so they may order and refer under the Medicare program.

- E. Enroll center in the appropriate Medicaid and CHIP programs available to it, and renew as required in Texas the programs of interest include primary Medicaid, preventive care (Texas Health Steps), care for foster children, dental care, behavioral health care, Healthy Texas Women's program, family planning, case management, and CHIP perinatal care. Enroll all providers as needed getting them an NPI number so they may order and refer under various Medicaid programs.
- F. Contract with the Medicaid/CHIP MCOs and appropriate MCO subcontractors in its area.
- G. Review what other government programs the center might work with.
- H. Ensure proper cost reports are submitted for rate setting with government programs.
- I. Conduct assessments annually to determine whether to contract with any Medicare MCOs in its area.
- J. Conduct assessments annually to determine whether to contract with any private insurers in its area.
- K. Ensure regular training of staff regarding billing for various payors.
- L. Review billing practices. This should include:
 - 1. Avoiding under-coding and over-coding;
 - 2. Ensuring proper documentation for what is billed, and
 - 3. Ensuring timely claims filing and appeals.
- M. Conduct regular assessments through the Quality Assurance Committee to ensure appropriate enrollment in programs, contracting and billing is occurring.

Financial Screening

- A. Patients may complete an Application for Discounted Health Services with Coastal Health & Wellness. If a patient completes the application and the financial screening process, the patient may be eligible for a discount of Governing Board approved fees for clinic services. To complete the application a patient/parent/legal guardian must bring:
 - 1. Proof of Identification (only for each household member that would like to become a patient)
 - 2. Proof of Income (for each household member)

Registration

A. To complete registration within the Coastal Health & Wellness system a patient/parent/legal guardian must bring:

1. Proof of Address (not required for discount eligibility but needed for registration)
2. If insured a copy of all Health Care Coverage (only for each household member that would like to become a patient)

Collection Classifications & Debt Collection Process

A. The following classifications determine how a patient's payment plan will be executed if full or partial payment is not made within 60 days after the service. Process will only be utilized after reasonable efforts have been made to secure payments and/or bill for amounts owed to Coastal Health & Wellness. Depending on the Collection Classification, a **Debt Warning Notice** may be issued. This Notice will inform the patient of his/her failure to pay the outstanding balance and either: a) request the patient to call the Business Office to initiate a budget payment plan or, b) warn the patient of his/her failure to comply with the budget payment plan. Patients will be billed for each visit based on their financial screening at the time services are received.

0% Pay	<p>Patients will be sent statements for outstanding balances.</p> <p>Outstanding balances at 180 days will be written off to Bad Debt.</p>
20% - 80% Pay	<p>Patients will be sent statements for outstanding.</p> <p>If at 60 days the balance is over \$100 the patient will be sent a Debt Warning Notice requesting that the patient contact the Business Office to setup a payment plan.</p>
100% Pay	<p>Patients will be sent statements for outstanding until paid.</p> <p>Patients at 100% pay are those who waived financial screening or have been assessed through financial screening to pay 100% of Board approved fees and are expected to pay the required deposit at the time of service.</p>

B. If there is no response after 30 days from the first Notice, a second Debt Warning Notice will be issued stating that future access to clinic services may be suspended due to failure to pay outstanding debt.

- C. If after 60 days from the second Debt Warning Notice there is no response or if the patient has failed to initiate or comply with a payment plan, the patient will be sent a Notice to Suspend his/her access to the Coastal Health & Wellness services based on non-payment.
- D. Outstanding balances at 180 days will be written off to Bad Debt.

Inability to Pay versus Refusal to Pay

Once a patient's ability to pay is determined, the patient is expected to pay for services based on the assigned percent of charges they are deemed able to pay. Patients who *refuse to pay* for services are patients who have not made full or partial payment within the 90 days, according to Collection Classifications. Patients with the *inability to pay* for services are those who have been financially screened to be at the 100% Federal Poverty Level or less (0% pay).

Provisions for Waiving Charges

Coastal Health & Wellness understands there may be extenuating circumstances that prevent a patient from being financially able to pay for the services in which they are responsible. These circumstances will be considered self-declared by the patient or parent/legal guardian, must be submitted in writing and approved by the appropriate level of management.

- A. Circumstances for waiving current visit fees:
 - 1. Recent loss of employment and no current income to help support their needs
 - 2. Recent hospitalization of self or person whom resides in the same household they are responsible for that impairs their ability to pay for care at this time
 - 3. A sudden death in the family or person whom resides in the same household they are responsible for that impairs their ability to pay for care at this time
 - 4. Persons affected by a natural disaster
 - 5. Homeless as determined by recent catastrophic events where their home dwelling is not habitable
- B. All current visit charges will be billed as normal and after review and approval from Patient Services Manager, Patient Information Manager or Business Office Manager the charges will be adjusted accordingly.
- C. Circumstances for waiving outstanding balance due:
 - 1. Admitted to skilled nursing facility for long term care or hospice that impairs their financial ability to pay
 - 2. Persons affected by a natural disaster that impairs their financial ability to pay
 - 3. Homeless as determined by recent catastrophic events where their home dwelling will be not habitable for an undeterminable time

- D. All outstanding charges will be billed as normal and after review and approval from Executive Director the charges will be adjusted accordingly.

Revenue Cycle Management

- A. Revenue Cycle Management is made up of three basic components which identify the various stages of the revenue generating process.

Front Office	This includes appointment scheduling, financial screening, and the check- in process.
Middle Office	After the patient receives services, this process includes charge completion, charge capture, diagnosis coding, charge entry and check-out.
Back Office	This includes billing, error and rejection process, accounts receivable management, collections, managing outstanding claims, payment and adjusting posting, contract compliance, denial and appeal processing and customer service.

- B. An electronic system is in place to track each stage of the revenue generating process. Written procedures are in place for the Revenue Cycle Management system, and job descriptions and responsibilities reflect those procedures.

Bad Debt & Adjustment Policy

- A. All self-pay patient's balances will be written off as Bad Debt after 180 days and will be brought to the Governing Board for review and approval annually.
- B. It is the policy of Coastal Health & Wellness to track and monitor monies that are written off from the original charge submitted to a third-party payor. Two distinct categories of adjustments are handled and monitored separately: contractual amounts, which are considered uncollectible as a result of a contractual agreement with a third-party payor and non-contractual amounts, which are considered uncollectible for reasons other than the contract. Third-party payor adjustments will be brought to the Board and the reason for the adjustment will be identified. These processes will happen biannually in December and June.
- C. To track and monitor all adjustments, Coastal Health & Wellness maintains a dictionary of detailed adjustment codes for contractual and non-contractual adjustments. The non-contractual adjustments also may be attached with transaction message codes, if applicable.

Reports to the Board

A. The following items will be reported on quarterly to the Coastal Health & Wellness Finance Committee and the Governing Board for their review:

1. Quarterly and YTD breakdown of visits by Department and Payor
2. New patient analysis
3. Quarterly and YTD breakdown of Charges and Collections
4. Account receivables by Payor and number of days in Accounts Receivable
5. Current collection rates by Payor
6. Adjustments during the reporting period
7. Number of patients with Budget Payment Plans
8. Number of patients suspended due to refusal to pay and number of those reinstated
9. Biannually third party no-contractual adjustments in December and June.

Authority Delegated to Executive Director

The Governing Board delegates to the ED authority to review individual cases and make decisions in the best interest of the Coastal Health & Wellness. All individual cases that are presented are done so by a Patient Advocate who is familiar with the patient's current status regarding payments and collection efforts.

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Governing Board

February 2018

Item #/14

Consider for Approval Quarterly Access to Care Report

2017 4th Quarter Access To Care Report

Galveston	# Available Appointments	# Kept	% Scheduled	% Unfilled	% Kept	% No Show
Counseling						
Bailey	32	7	30%	70%	78%	22%
Tigrett	446	54	22%	78%	54%	46%
Counseling Total	478	61	26%	74%	66%	34%
Dental						
Foster	126	87	97%	3%	70%	30%
Niguyen	584	384	91%	9%	72%	28%
Shetty	24	5	33%	67%	63%	37%
Trinh	140	87	81%	19%	76%	24%
Dental Total	874	563	76%	24%	70%	30%
Medical						
Alhassan	217	179	100%	0%	83%	17%
Baggett	276	189	83%	17%	83%	17%
Borillo	390	200	61%	39%	83%	17%
McGray-Garrison	339	211	76%	24%	82%	18%
Morgan	300	198	77%	23%	85%	15%
Nagorski	259	129	74%	26%	74%	26%
Ninova	147	119	77%	23%	79%	21%
Ogundiran	322	177	69%	31%	79%	21%
Olson	275	160	71%	29%	74%	26%
Riggs	478	310	83%	17%	79%	21%
Varghese	261	165	85%	15%	75%	25%
Medical Total	3264	2037	86%	14%	88%	12%

Texas City	# Available Appointments	# Kept	% Scheduled	% Unfilled	% Kept	% No Show
Counseling						
Bailey	107	42	58%	42%	42%	58%
Tigrett	722	141	38%	62%	54%	46%
Counseling Total	829	183	48%	52%	48%	52%
Dental						
Foster	674	467	100%	0%	69%	31%
Randolph	519	282	82%	18%	66%	34%
Shetty	1268	814	94%	6%	69%	31%
Trinh	984	479	64%	36%	76%	24%
Dental Total	3445	2042	85%	15%	70%	30%
Medical						
Alhassan	640	525	100%	0%	82%	18%
Baggett	275	188	85%	15%	78%	22%
Borillo	795	490	78%	22%	80%	20%
Cochran (OB)	26	7	38%	62%	70%	30%
Khan	1383	876	78%	22%	81%	19%
McGray-Garrison	778	431	73%	27%	76%	24%
Morgan	961	595	79%	21%	80%	20%
Nagorski	1161	674	75%	25%	77%	23%
Ninova	643	376	83%	17%	78%	22%
Ogundarian	931	370	80%	20%	78%	22%
Olson	974	567	80%	20%	73%	27%
Patawaran (OB)	13	7	69%	31%	78%	22%
Riggs	757	434	78%	22%	76%	24%
Short (OB)	13	4	62%	38%	50%	50%
Varghese	1151	674	78%	22%	78%	22%
Medical Total	10,501	6218	76%	24%	76%	24%

Monthly Provider Productivity						
	Jan	Feb	Mar	April	May	June
Counseling	0.4	0.5	0.5	0.5	0.5	0.5
Dental	1.6	1.6	1.8	1.2	1.9	1.4
Hygienist	1.2	1.4	1.3	1.6	1.2	1.3
Medical	2.2	2.1	2.4	2.2	2.1	2.1

Monthly Provider Productivity						
	July	Aug	Sept	Oct	Nov	Dec
Counseling	0.6	0.5	0.4	0.3	0.4	0.4
Dental	1.5	1.5	1.7	1.8	1.8	1.8
Hygienist	1.4	1.2	1.5	1.3	1.1	1.2
Medical	2.0	1.9	2.0	2.1	2.1	2.3

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Governing Board

February 2018

Item #/15

Consider for Approval Customer Services Survey Report

Quarterly Patient Satisfaction Survey 4th Quarter 2017

Questions

1. Promptness/professionalism of service upon arrival
2. Promptness of appointment time/informed of delay
3. Communication/care by provider
4. Communication/care by other staff

Were you completely satisfied with your visit?

Texas City

	Excellent	Good	Fair	Poor	# of Surveys
Question 1	2	0	0	0	2
Percentage	100.00%	0.00%	0.00%	0.00%	
Question 2	2	0	0	0	
Percentage	100.00%	0.00%	0.00%	0.00%	
Question 3	2	0	0	0	
Percentage	100.00%	0.00%	0.00%	0.00%	
Question 4	2	0	0	0	
Percentage	100.00%	0.00%	0.00%	0.00%	
Overall Satisfied	Yes	2	No	0	
Percentage		100.00%		0.00%	

Galveston

	Excellent	Good	Fair	Poor	# of Surveys
Question 1	5	0	0	0	6
Percentage	83.33%	0.00%	0.00%	0.00%	
Question 2	4	0	0	1	
Percentage	66.67%	0.00%	0.00%	16.67%	
Question 3	4	1	0	0	
Percentage	66.67%	16.67%	0.00%	0.00%	
Question 4	3	0	0	1	
Percentage	50.00%	0.00%	0.00%	16.67%	
Overall Satisfied	Yes	3	No	2	
Percentage		50.00%		33.33%	

Grand Total

	Excellent	Good	Fair	Poor	# of Surveys
Question 1	7	0	0	0	8
Percentage	87.50%	0.00%	0.00%	0.00%	
Question 2	6	1	0	1	
Percentage	75.00%	12.50%	0.00%	12.50%	
Question 3	6	1	0	0	
Percentage	75.00%	12.50%	0.00%	0.00%	
Question 4	5	0	0	1	
Percentage	62.50%	0.00%	0.00%	12.50%	
Overall Satisfied	Yes	5	No	2	
Percentage		62.50%		25.00%	

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Governing Board

February 2018

Item #/16

Consider for Approval Privileging Rights for Richland Mosley, DDS



Date: March 1, 2018

To: CHW Governing Board

Thru: Mary McClure, CPC MM
CHW Executive Director

From: Beverly Foster, DDS, MHA, CHCEF *Beverly Foster, DDS, MHA*
Dental Director

Re: Privileging

Upon the review of the completed credentialing file of Richland Mosley, DDS by Sandra Cuellar, HR Manager, and myself (Beverly Foster, DDS, MHA), we would like to recommend that the Coastal Health & Wellness Governing Board approve privileging for Richland Mosley, DDS based on the following information:

- Richland Mosley, DDS is a general dentist who will practice full-time at both Dental clinic sites. Richland Mosley, DDS graduated from the Baylor College of Dentistry. Dr. Mosley requesting general dentistry privileges.

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Governing Board

February 2018

Item #/17

Review Process to Evaluate Governing Board

Coastal Health & Wellness Governing Board Assessment

Please rate the Board (as a whole) for each item.

	Excellent	Good	Average	Needs Improvements	Poor
1. Understand the history and mission of the CHW clinics.					
2. Participate in planning, adoption, and evaluation of health improvement plans.					
3. Attendance at Board meetings to maintain a quorum.					
4. Focus on policy issues, not day to day management of the clinics.					
5. Open communication with the Executive Director.					
6. Annually evaluate the Executive Director.					
7. Maintains a financial committee to review and approve the budget and compare to actual expenditures.					
8. Respect Board member's opinions and constructively expresses concerns.					
9. Adopt policies and support clinic improvements.					
10. Act as an advocate for the CHW clinics in the community.					
11. Participation in committee meetings, retreats, and other CHW activities.					
12. Representation of health care needs of the community.					
13. Fulfillment of Board responsibilities in the bylaws.					
Comments on any of the above or general comments about how well the Board does its work:					

Completed forms should be turned in no later than **Wednesday March 14, 2018**. It can be faxed to (409) 949-3492, emailed to trollins@gchd.org, ahernandez@gchd.org or mailed to: Coastal Health & Wellness, Attn: Tikeshia Thompson Rollins & Anthony Hernandez, P.O. Box 939, La Marque, Texas 77568

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Governing Board

February 2018

Item #/18

Review Joint Commission Accreditation Report

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