

BOARD OF TRUSTEES

Budget and Finance Committee

Thursday, November 9, 2023

9:00 A.M.

(or immediately following the HRSA Special Call Board meeting)

BOARD ROOM

4800 Fournace Place, Bellaire, Texas 77401

The meeting may be viewed online at: <http://harrishealthtx.swagit.com/live>

Notice: Some Board Members may participate by videoconference.

Mission

Harris Health is a community-focused academic healthcare system dedicated to improving the health of those most in need in Harris County through quality care delivery, coordination of care, and education.

AGENDA

I. Call to Order and Record of Attendance	Ms. Barbie Robinson	2 min
II. Approval of the Minutes of Previous Meeting	Ms. Barbie Robinson	1 min
<ul style="list-style-type: none"> • Budget and Finance Committee Meeting – August 10, 2023 		
III. Discussion Regarding 2024 Budget and Finance Committee Meeting Frequency	Ms. Barbie Robinson	5 min
IV. Financial Matters	Ms. Barbie Robinson	20 min
<ul style="list-style-type: none"> A. Consideration of Recommendation of Acceptance of the Harris Health System Fourth Quarter Fiscal Year 2023 Investment Report – <i>Ms. Victoria Nikitin</i> 		<i>(5 min)</i>
<ul style="list-style-type: none"> B. Consideration of Recommendation of Acceptance of the Harris Health System Third Quarter Calendar Year 2023 Pension Plan Report – <i>Ms. Victoria Nikitin</i> 		<i>(5 min)</i>
<ul style="list-style-type: none"> C. Consideration of Recommendation of Acceptance of the Harris Health System September 2023 Quarterly Financial Report Subject to Audit – <i>Ms. Victoria Nikitin</i> 		<i>(5 min)</i>
<ul style="list-style-type: none"> D. Consideration of Recommendation of Approval for Subsidy Payments to Community Health Choice, Inc. for the Health Insurance Marketplace Non-Federal Premium Payments for Eligible Harris Health Patients for Calendar Year 2024 – <i>Ms. Victoria Nikitin and Ms. Pollie Martinez</i> 		<i>(10 min)</i>

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- | | | |
|--|----------------------------|-----------------|
| V. Executive Session | Ms. Barbie Robinson | 10 min |
| A. Discussion and Review Regarding the 2024 Operating and Capital Budget for Community Health Choice Texas, Inc. and Community Health Choice, Inc., Pursuant to Tex. Gov't Code Ann. §551.085, Including Consideration of Recommendation of Approval to the Harris Health System Board of Trustees Upon Return to Open Session – <i>Ms. Lisa Wright, CEO and Ms. Anna Mateja, CFO, Community Health Choice</i> | | <i>(10 min)</i> |
| VI. Reconvene | Ms. Barbie Robinson | 1 min |
| VII. Adjournment | Ms. Barbie Robinson | 1 min |

HARRIS HEALTH SYSTEM
MINUTES OF THE BOARD OF TRUSTEES
BUDGET & FINANCE COMMITTEE MEETING
Thursday, August 10, 2023
9:00 AM

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
I. Call to Order and Record of Attendance	<p>Ms. Marcia Johnson, Chair, called the meeting to order at 9:00 a.m. It was noted there was a quorum present and the attendance was recorded. Ms. Johnson stated that while some board members are in the room, others will participate by videoconference as permissible by state law and the Harris Health Videoconferencing Policy. Only participants scheduled to speak have been provided dial in information for the meeting. All others who wish to view the meeting may access the meeting online through the Harris Health website: http://harrishealthtx.swagit.com/live.</p>	
II. Approval of the Minutes of Previous Meeting		<p>Moved by Mr. Jim Robinson, seconded by Ms. Alicia Reyes, and unanimously approved the minutes of the May 11, 2023 meeting.</p>
III. Financial Matters		
A. Consideration of Acceptance of the Harris Health System Third Quarter Fiscal Year 2023 Investment Report	<p>Ms. Victoria Nikitin, Executive Vice President & Chief Financial Officer (CFO), delivered a presentation of the Harris Health System Third Quarter Fiscal Year 2023 Investment Report. She reported an investment income of approximately \$22M for the reported quarter with an interest rate return of 5.12%. There were no questions asked by the Committee. A copy of the Harris Health System Third Quarter Fiscal Year 2023 Investment Report is available in the permanent record.</p>	<p>Moved by Mr. Jim Robinson, seconded by Ms. Alicia Reyes, and unanimously accepted that the Committee recommends that the Board approve item III.A.</p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<p>B. Consideration of Acceptance of the Harris Health System Second Quarter Calendar Year 2023 Pension Plan Report</p>	<p>Ms. Nikitin delivered a presentation of Harris Health System Second Quarter Calendar Year 2023 Pension Plan Report. The market value of the plan’s assets increased \$72.4M this quarter and increased \$72.2M since the beginning of the calendar year. The investment return was 8.5% for the quarter ended June 30, 2023. Ms. Nikitin provided an overview of the Texas County & District Retirement System (TCDRS) benefits plan in comparison to Harris Health System pension plan. A copy of the Harris Health System Second Quarter Calendar Year 2023 Pension Plan Report is available in the permanent record.</p>	<p>Moved by Ms. Alicia Reyes, seconded by Mr. Jim Robinson, and unanimously accepted that the Committee recommends that the Board approve item III.B.</p>
<p>C. Consideration of Acceptance of the Harris Health System June 2023 Quarterly Financial Report Subject to Audit</p>	<p>Ms. Nikitin delivered a presentation of Harris Health System June 2023 Quarterly Financial Report. She reported that the operating income for the quarter ended June 30, 2023 was \$39.5M compared to budgeted income of \$6.5M. Total quarterly net revenue for June of \$611.5M was \$27.8 million or 4.8% more than budget. Net patient revenue was \$10.7M lower than expected, but offset by improved investment returns of \$23.8M. Medicaid Supplemental programs were \$18.9M greater than expected primarily due timing. The total quarterly expenses of \$572M million were \$5.1M or 0.9% less than budget. Staff costs were \$12.1M greater than budget due to increased pension expense from declining market performance of investments in the pension plan. Physician services were \$4.5M less than projected mostly due to the unfilled faculty vacancies. Purchased services for medical insurance subsidies decreased \$9.8M due to the Marketplace plan pricing effective for calendar year 2023. The change in the Community Health Choice plan pricing, and a corresponding decrease in subsidy, was discussed with the Board of Trustees in November 2022. Ms. Nikitin reported a total operating income of over \$188.8M primarily attributed to the System’s infrastructure investments. Dr. Porsa, Harris Health System President and CEO, touched upon the System’s efforts to reduce contract labor costs and he congratulated Harris Health Administration, clinical leaders, and staff for this initiative. Ms. Nikitin touched on Harris Health’s cash on hand, credit rating, and goals related to capital projects and infrastructure. A copy of the Harris Health System June 2023 Quarterly Financial Report is available in the permanent record.</p>	<p>Moved by Mr. Jim Robinson, seconded by Ms. Alicia Reyes, and unanimously accepted that the Committee recommends that the Board approve item III.C.</p>
<p>IV. Executive Session</p>	<p>At 9:29 a.m., Ms. Marcia Johnson stated that the Budget & Finance Committee would enter Executive Session for Item ‘A’ as permitted by law under Tex. Gov’t Code Ann. §551.085.</p>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
A. Review of the Community Health Choice Texas, Inc. and Community Health Choice, Inc. 2023 Financial Performance for the Six Months Ending June 30, 2023, Pursuant to Tex. Gov't Code Ann. §551.085		No action taken.
V. Reconvene	At 9:34 a.m., Ms. Marcia Johnson reconvened the meeting; she noted that a quorum was present and stated that no action was taken in Executive Session.	
VI. Adjournment	Moved by Ms. Alicia Reyes, seconded by Mr. Jim Robinson, and unanimously approved to adjourn the meeting. There being no further business, the meeting adjourned at 9:34 a.m.	

I certify that the foregoing are the Minutes of the Meeting of the Budget and Finance Committee of the Board of Trustees of the Harris Health System held on August 10, 2023.

Respectfully submitted,

Ms. Marcia Johnson, JD, Chair

Recorded by Cherry A. Pierson, MBA

Thursday August 10, 2023

Harris Health System Board of Trustees Board Meeting – Budget and Finance Committee Attendance

Note: For Zoom meeting attendance, if you joined as a group and would like to be counted as present, please submit an email to: BoardofTrustees@harrishealth.org before close of business the day of the meeting.

BUDGET & FINANCE COMMITTEE MEMBERS PRESENT	BUDGET & FINANCE COMMITTEE MEMBERS PRESENT	ADDITIONAL BOARD MEMBERS PRESENT
Ms. Marcia Johnson (<i>Chair</i>)		Ms. Barbie Robinson
Dr. Ewan D. Johnson (<i>Ex-Officio</i>)		Dr. Cody M. Pyke
Mr. Jim Robinson		Dr. Andrea Caracostis
Ms. Alicia Reyes (<i>Acting Committee Member</i>)		Ms. Jennifer Tijerina
HARRIS HEALTH EXECUTIVE LEADERSHIP, STAFF & SPECIAL INVITED GUESTS		
Alison Perez	Jeff Baffour	
Amy Smith	Jennifer Zarate	
Anna Mateja (<i>CFO, Community Health Choice, Inc.</i>)	Jerry Summers	
Antoinette “Toni” Cotton	Jessey Thomas	
Carolynn Jones	John Matcek	
Cherry Pierson	Kari McMichael	
Chethan Bachireddy	King Hillier	
Daniel Smith	Louis Smith	
Derek Curtis	Maria Cowles	
Derek Holmes	Matthew Schlueter	
DeWight Dopslauf	Melanie Stephens	
Dr. Esmaeil Porsa (<i>Harris Health President & CEO</i>)	Michael Hill	
Dr. Esperanza “Hope” Galvan	Michael Nnadi	
Dr. Glorimar Medina	Omar Reid	
Dr. Jackie Brock	Nicholas J. Bell	
Dr. Jennifer Small	Olga Rodriguez	
Dr. Martha Mimms	Omar Reid	
Dr. Matasha Russell	Patricia Darnauer	
Dr. Sandeep Markan	Patrick Casey	
Dr. Steven Brass	Randy Manarang	
Dr. Tien Ko	Ron Fuschillo	
Ebon Swofford (<i>Harris County Attorney’s Office</i>)	L. Sara Thomas (<i>Harris County Attorney’s Office</i>)	
Elizabeth Winn (<i>Harris County Attorney’s Office</i>)	Shawn DeCosta	
Errika Perkins (<i>Harris County Auditor’s Office</i>)	Victoria Nikitin	

Thursday, November 9, 2023

Discussion Regarding 2024 Budget and Finance Committee Meeting Frequenting

2024 Board & Board Committee Calendar

BOARD (9:00 AM-1:00 PM)	JANUARY 25, 2024 JULY 25, 2024 FEBRUARY 29, 2024 AUGUST 29, 2024 MARCH 28, 2024 SEPTEMBER 26, 2024 APRIL 25, 2024 OCTOBER 24, 2024 MAY 30, 2024 DECEMBER 12, 2024 JUNE 27, 2024	ASC AT LBJ GOVERNING BODY (9:00-10:30 AM)	FEBRUARY 22, 2024 AUGUST 22, 2024 MAY 23, 2024 NOVEMBER 21, 2024	BUDGET & FINANCE COMMITTEE (9:00-10:00 AM)	FEBRUARY 15, 2024 AUGUST 15, 2024 (9:00-9:30) MAY 16, 2024 NOVEMBER 14, 2024
SPECIAL CALL BOARD	NOVEMBER 14, 2024 (HRSA)	GOVERNANCE COMMITTEE (11:00 AM-12:00 PM)	JANUARY 9, 2024 JUNE 11, 2024 FEBRUARY 13, 2024 AUGUST 13, 2024 MARCH 12, 2024 SEPTEMBER 10, 2024 APRIL 9, 2024 OCTOBER 8, 2024 MAY 14, 2024 NOVEMBER 12, 2024	COMPLIANCE & AUDIT COMMITTEE (10:00-11:30 AM)	FEBRUARY 15, 2024 SEPTEMBER 12, 2024 MAY 16, 2024 NOVEMBER 14, 2024
SPECIAL HHS COMMUNITY TOWN HALL	PLACEHOLDER PLACEHOLDER PLACEHOLDER PLACEHOLDER	QUALITY COMMITTEE (12:00-1:30 PM)	JANUARY 9, 2024 JUNE 11, 2024 FEBRUARY 13, 2024 AUGUST 13, 2024 MARCH 12, 2024 SEPTEMBER 10, 2024 APRIL 9, 2024 OCTOBER 8, 2024 MAY 14, 2024 NOVEMBER 12, 2024	JOINT CONFERENCE COMMITTEE (11:30 AM-12:30 PM)	JANUARY 11, 2024 SEPTEMBER 12, 2024 MARCH 14, 2024 NOVEMBER 14, 2024 MAY 16, 2024
BUDGET WORKSHOP (9:30 AM-11:00 AM)	AUGUST 15, 2024			DEI COMMITTEE (11:30 AM-12:30 PM)	JANUARY 12, 2024 JUNE 14, 2024 FEBRUARY 16, 2024 AUGUST 16, 2024 MARCH 15, 2024 SEPTEMBER 13, 2024 APRIL 12, 2024 OCTOBER 11, 2024 MAY 17, 2024 NOVEMBER 15, 2024

JANUARY							FEBRUARY							MARCH							APRIL							MAY							JUNE						
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28	29	30	31				25	26	27	28	29			24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29
													31																												30

JULY							AUGUST							SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
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28	29	30	31				25	26	27	28	29	30	31	29	30						27	28	29	30	31			24	25	26	27	28	29	30	29	30	31					

HARRIS HEALTH HOLIDAY CLOSURES:	01/01/24 (New Year's Day)	05/27/24 (Memorial Day)	07/04/24 (Independence Day)	11/28/24 (Thanksgiving)	12/25/24 (Christmas)
	01/15/24 (MLK)	06/19/24 (Juneteenth)	09/02/24 (Labor Day)	11/29/24 (Fri. After Thanksgiving)	

BOARD OF TRUSTEES

Budget and Finance Committee



Thursday, November 9, 2023

**Consideration of Acceptance of the Harris Health System Fourth Quarter
Fiscal 2023 Investment Report**

Attached for your review and acceptance is the Fourth Quarter Fiscal Year 2023 Investment Report for the period July to September 2023.

Administration recommends that the Board accept the Fourth Quarter Investment Report for the period ended September 30, 2023.

DocuSigned by:

Victoria Nikitin

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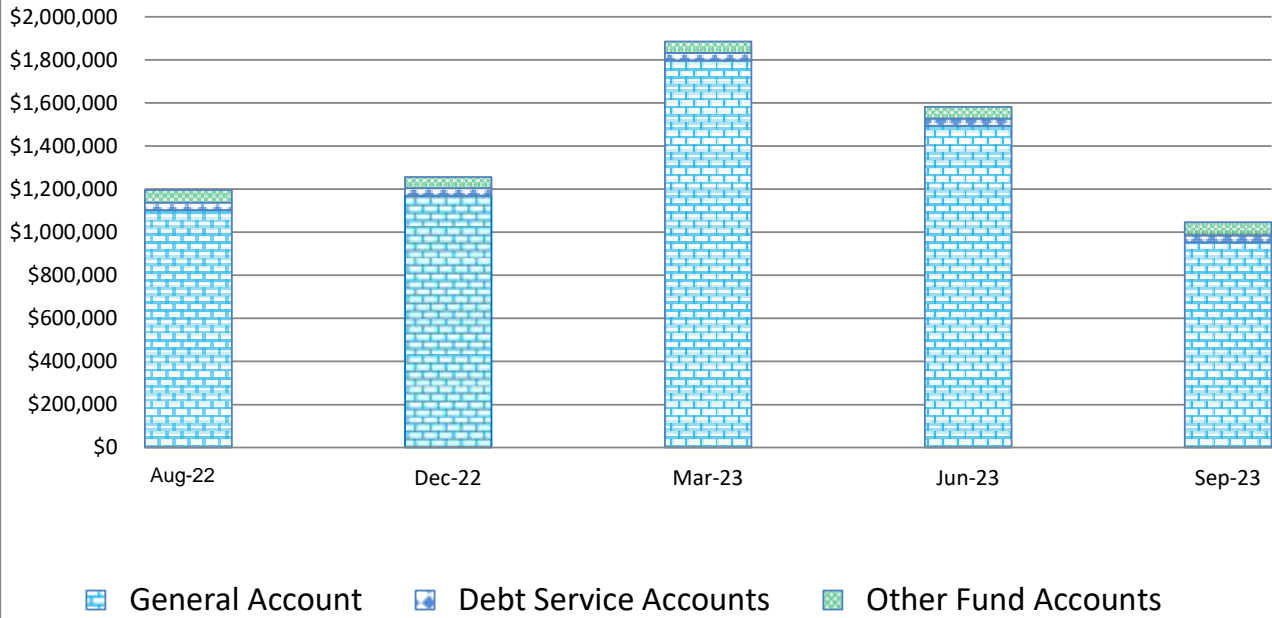
Victoria Nikitin
EVP - CFO

**HARRIS COUNTY HOSPITAL DISTRICT
dba HARRIS HEALTH SYSTEM**

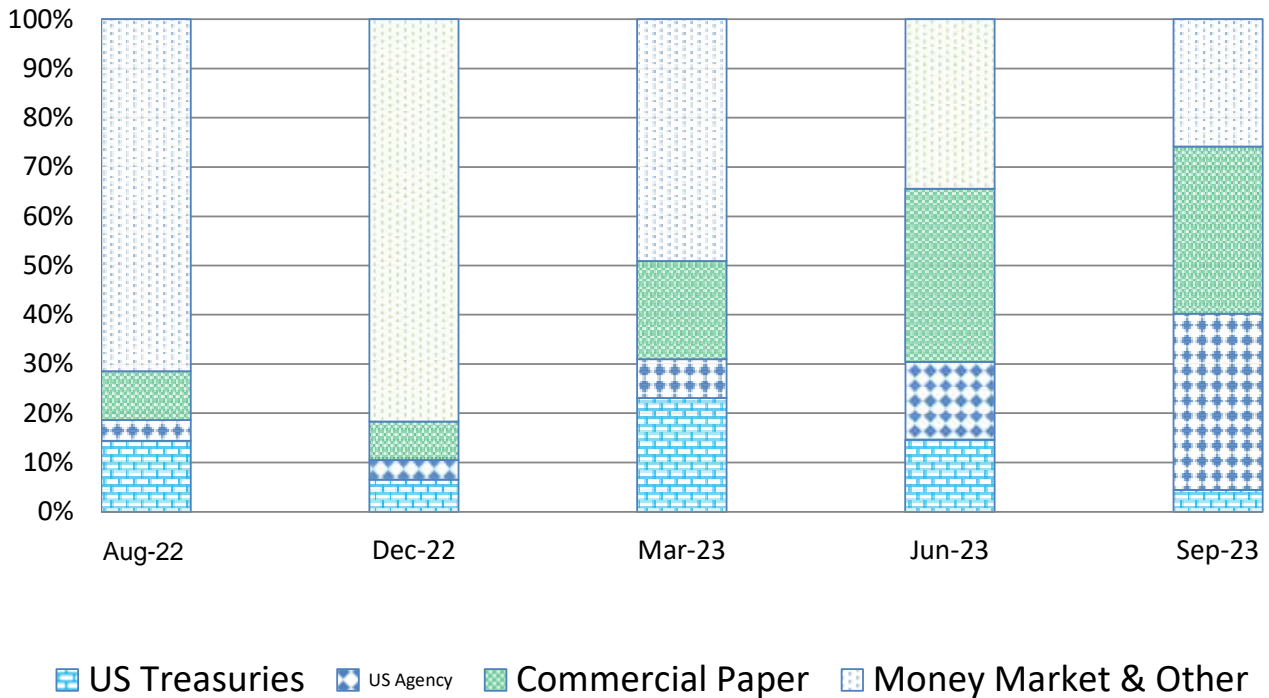
**INVESTMENT REPORT
As of September 30, 2023**

- Executive Summary Charts and Quarterly Trend Schedule for Harris Health System
- Quarter End Investment Report from Harris County Office of Financial Management

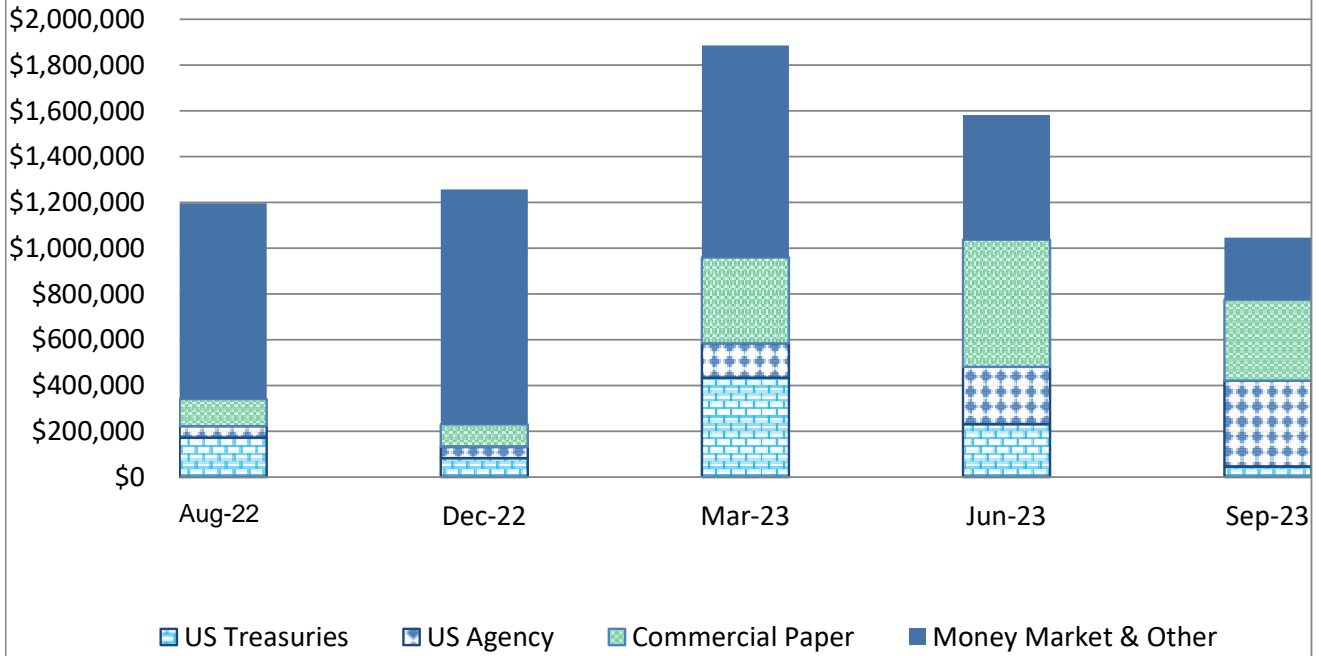
Harris Health - Quarterly Investment Balances (\$'000's)



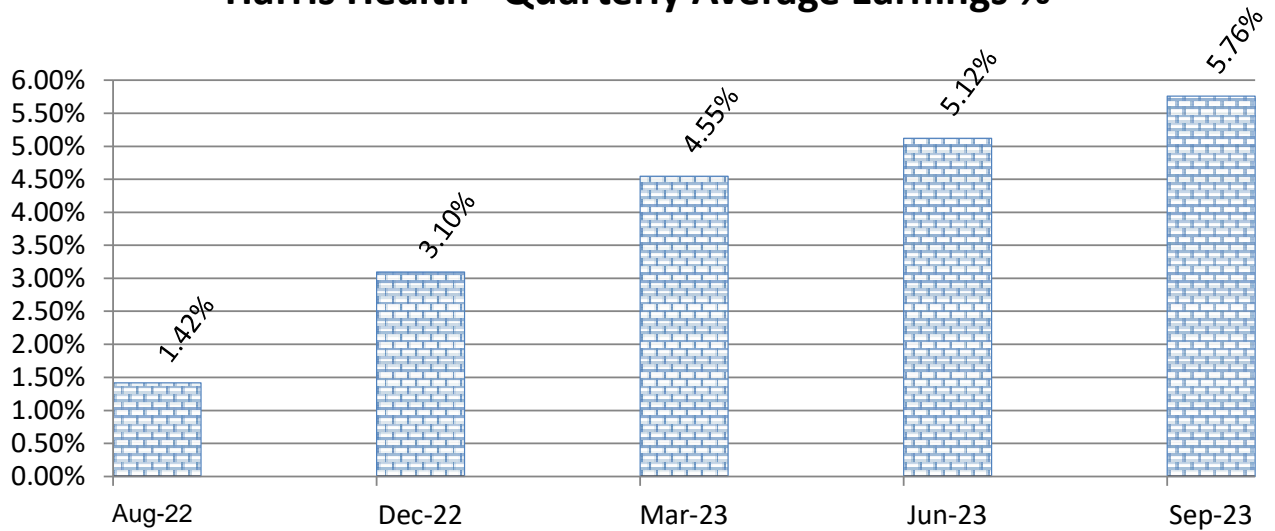
Harris Health - Quarterly Portfolio Composition



Harris Health - Quarterly Earnings (\$000's)



Harris Health - Quarterly Average Earnings %

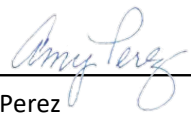


HARRIS HEALTH SYSTEM


QUARTERLY INVESTMENT REPORT FOURTH QUARTER 2022-2023

PREPARED BY:
OFFICE OF MANAGEMENT AND BUDGET
FINANCIAL MANAGEMENT


The report is presented in accordance with the Texas Government Code - Public Funds Investment Act, Section 2256.023. Financial Management certifies that to the best of our knowledge that Harris Health System is in compliance with the provisions of Government Code 2256 and with the stated policies and strategies of Harris Health System.



Amy Perez
Deputy Executive Director, OMB



Diana Elizondo
Investment Manager



Mark LaRue
Financial Analyst

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Section I: Summary of Portfolio Balances & Characteristics

Section II: Total Rate of Return vs. Benchmark

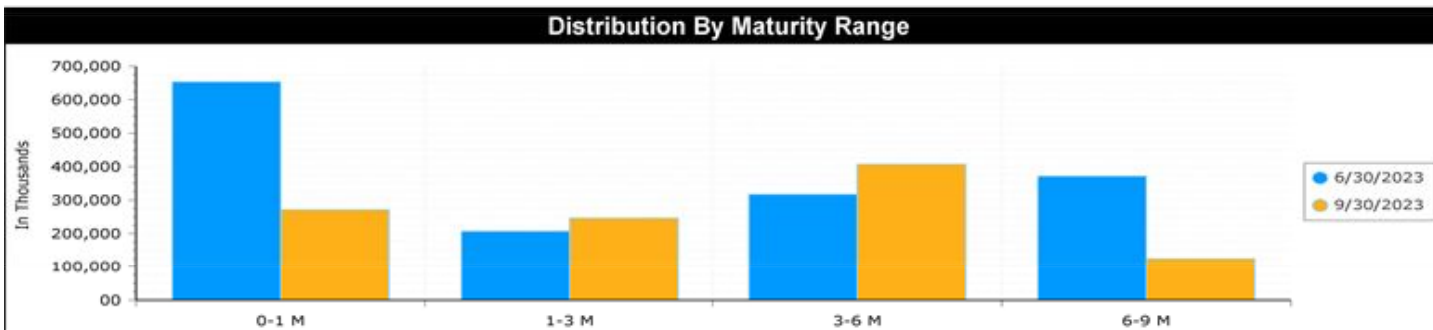
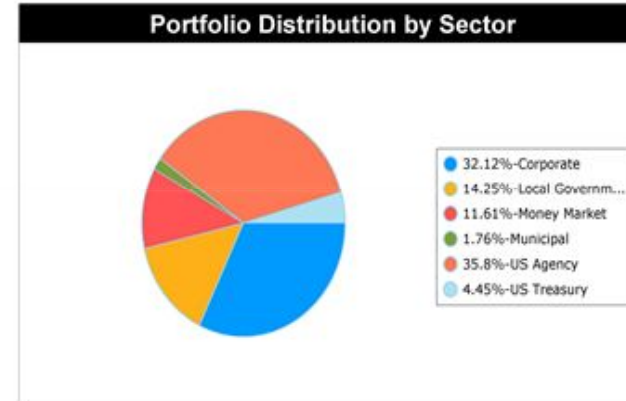
Section III: Current Portfolio Holdings & Quarterly Income

Summary of Portfolio Balances & Characteristics

June 30, 2023 through September 30, 2023

Book & Market Value Comparison							
Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	YTM @ Market	Duration	Days To Maturity
Beginning	1,548,015,022.46	1,548,023,467.02	-8,444.56	5.27	5.27	0.25	87
7/31/2023	1,462,930,700.24	1,463,636,159.45	-705,459.21	5.40	5.52	0.27	93
8/31/2023	1,382,720,500.34	1,383,568,861.31	-848,360.97	5.42	5.53	0.23	80
9/30/2023	1,046,754,178.91	1,047,378,443.86	-624,264.95	5.45	5.58	0.25	86
Average	1,297,468,459.83	1,298,194,488.21	-726,028.38	5.43	5.54	0.25	86

Quarterly Investment Income By Sector		
	Ending BV + Accrued Interest	Investment Income-BV
Certificate of Deposit	\$0.00	\$0.00
Corporate	\$336,434,122.12	\$5,350,433.66
Local Government Investment Pool	\$149,273,713.30	\$3,722,121.56
Money Market	\$121,624,942.39	\$2,693,802.75
Municipal	\$18,841,509.47	\$232,216.18
US Agency	\$380,002,875.01	\$4,980,520.84
US Treasury	\$46,634,293.29	\$2,098,566.97
Total	\$1,052,811,455.58	\$19,077,661.96

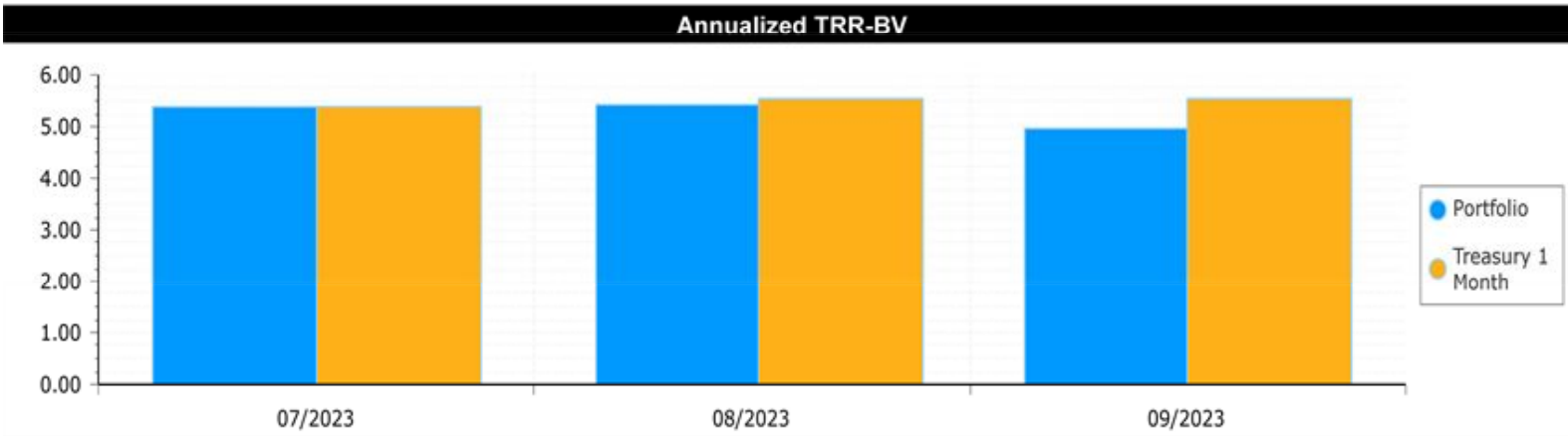


Total Rate of Return vs. Benchmark 1 Month Treasury

June 30, 2023 through September 30, 2023



Month	Beginning BV + Accrued Interest	Interest Earned During Period-BV	Realized Gain/Loss-BV	Investment Income-BV	Average Capital Base-BV	TRR-BV	Annualized TRR-BV	Treasury 1 Month
Beginning	1,694,216,829.45				1,878,131,329.54		4.42	5.20
7/31/2023	1,548,295,505.06	6,790,393.27	0.00	6,790,393.27	1,549,752,251.43	0.44	5.39	5.39
8/31/2023	1,465,615,715.01	6,516,496.25	0.00	6,516,496.25	1,474,222,861.17	0.44	5.44	5.54
9/30/2023	1,421,550,322.99	5,480,259.39	0.00	5,480,259.39	1,351,866,064.21	0.41	4.97	5.53
Total/Average	1,478,487,181.02	18,787,148.91	0.00	18,787,148.91	1,458,613,725.60	1.29	5.27	5.49





Current Portfolio Holdings & Quarterly Earnings

Begin Date: 6/30/2023, End Date: 9/30/2023

Description	CUSIP/Ticker	Credit Rating 1	Credit Rating 2	Ending Face Amount/Shares	Beginning MV	Ending MV	Ending BV	Investment Income- BV	Ending YTM @ Cost	Maturity Date
H9902 Hospital - General Fund										
H9902 Hospital - Unrestricted Donations DDA MM	D1359	None	None	164,198.69	162,832.21	164,198.69	164,198.69	309.30	0.750	N/A
H9902 Hospital - Cadence General Funds DDA MM	D3837	NR	NR	100,441,369.86	199,309,323.59	100,441,369.86	100,441,369.86	1,568,927.96	5.370	N/A
LoneStar I H9902 LGIP	LONESTARH9902	S&P-AAAm	NR	46,725,802.41	128,515,883.25	46,725,802.41	46,725,802.41	1,639,919.15	5.518	N/A
H9902 Hospital - Cadence General Funds MMF MM	M3837	NR	NR	9,128,013.53	0.00	9,128,013.53	9,128,013.53	943,509.70	5.220	N/A
H9902 Hospital - HRA Sweep MMF MM	M3845	NR	NR	549,124.81	622,170.53	549,124.81	549,124.81	7,581.32	5.220	N/A
H9902 Hospital - Cigna Health Benefits MMF MM	M3944	NR	NR	8,351,591.38	11,211,242.61	8,351,591.38	8,351,591.38	122,037.46	5.220	N/A
H9902 Hospital - FSA Plan MMF MM	M3951	NR	NR	1,461,371.57	1,076,755.81	1,461,371.57	1,461,371.57	16,712.16	5.220	N/A
H9902 Hospital - Donations Sweep MM	M5899	None	None	1,306,270.05	512,397.86	1,306,270.05	1,306,270.05	7,007.80	5.220	N/A
TexasCLASS I H9902 LGIP	TXCLASSH9902	S&P-AAAm	NR	40,205,755.07	128,548,409.85	40,205,755.07	40,205,755.07	1,313,969.97	5.536	N/A
BARCLAYS BK US DISC CP 0 7/6/2023	06744GM41	Moody's-Aa1	Moody's-P1	0.00	49,957,750.00	0.00	0.00	40,583.34		7/6/2023
PRICOA DISC CP 0 7/7/2023	74154GU76	S&P-A1+	Moody's-P1	0.00	79,921,280.00	0.00	0.00	74,666.66		7/7/2023
T-Note 0.125 7/31/2023	91282CCN9	S&P-AA+	Moody's-Aaa	0.00	49,807,261.50	0.00	0.00	204,841.91		7/31/2023
T-Note 0.125 7/31/2023	91282CCN9	S&P-AA+	Moody's-Aaa	0.00	49,807,261.50	0.00	0.00	205,959.33		7/31/2023
CREDIT AGRICOLE DISC CP 0 8/7/2023	22533UV75	S&P-A1	Moody's-P1	0.00	94,494,980.00	0.00	0.00	487,350.00		8/7/2023
T-Bill 0.9/7/2023	912796YH6	S&P-AA+	Moody's-Aaa	0.00	11,886,603.72	0.00	0.00	117,320.70		9/7/2023
T-Note 0.25 9/30/2023	91282CDA6	S&P-AA+	Moody's-Aaa	0.00	74,087,922.00	0.00	0.00	974,417.56		9/30/2023
NESTLE FINANCE INTL DISC CP 0 10/31/2023	64106HXX4	S&P-A1+	Moody's-P1	14,300,000.00	14,048,076.90	14,233,247.60	14,235,475.22	191,492.89	5.350	10/31/2023
NEW YORK CITY TRANSITION FNCE REV 5 11/1/2023	64971X4J4	S&P-AAA	Moody's-Aa1	18,460,000.00	18,422,895.40	18,448,554.80	18,459,490.03	232,216.18	5.002	11/1/2023
GLAXOSMITHKLINE DISC CP 0 11/6/2023	37737QY65	S&P-A1	Moody's-P1	23,700,000.00	23,236,119.90	23,565,502.50	23,569,926.50	323,426.00	5.459	11/6/2023
BARCLAYS BK US DISC CP 0 11/7/2023	06744HEV8	S&P-A1+	Moody's-P1	18,500,000.00	18,136,911.78	18,393,866.61	18,393,866.53	256,954.73	5.552	11/7/2023
L'OREAL SA 0 11/20/2023	50213MYL7	S&P-A1+	Moody's-P1	20,000,000.00	19,573,220.00	19,845,780.00	19,850,116.67	270,377.78	5.418	11/20/2023
BARCLAYS BK US DISC CP 0 12/7/2023	06744G6Q0	S&P-A1+	Moody's-P1	73,700,000.00	71,869,292.00	72,925,339.30	72,935,452.48	1,034,387.82	5.642	12/7/2023
LVMH SE 0 12/7/2023	50244MZ70	S&P-A1+	Moody's-P1	30,000,000.00	29,284,920.00	29,692,590.00	29,692,300.00	416,300.00	5.580	12/7/2023
METLIFE FDG DISC CP 0 12/7/2023	59157UZ78	S&P-A1+	Moody's-P1	10,000,000.00	9,754,970.00	9,896,250.00	9,898,755.56	136,977.78	5.506	12/7/2023
T-Bill 0.12/7/2023	912797FT9	S&P-AA+	Moody's-Aaa	14,000,000.00	13,681,976.84	13,863,645.88	13,863,414.44	184,792.22	5.374	12/7/2023
CIBC BK DISC CP 0 12/13/2023	13608BZD9	S&P-A1+	Moody's-P1	25,000,000.00	24,364,575.00	24,722,175.00	24,718,902.78	349,472.22	5.626	12/13/2023
HALKIN FINANCE DISC CP 0 1/4/2024	40588LA41	S&P-A1+	Moody's-P1	25,000,000.00	24,268,875.00	24,629,425.00	24,627,333.33	357,138.89	5.773	1/4/2024
BARCLAYS BK US DISC CP 0 1/5/2024	06744G6R8	S&P-A1+	Moody's-P1	50,000,000.00	48,552,312.50	49,257,007.00	49,257,006.94	704,694.44	5.688	1/5/2024
BARCLAYS BK US DISC CP 0 1/5/2024	06744HDZ0	S&P-A1+	Moody's-P1	50,000,000.00	48,548,375.00	49,254,986.00	49,254,986.11	706,611.11	5.710	1/5/2024
FHLB 5.365 2/12/2024-23	3130AWGG9	S&P-AA+	Moody's-Aaa	150,000,000.00	149,999,034.00	149,791,119.00	150,000,000.00	2,011,875.00	5.365	2/12/2024
FHLB 5.41 3/7/2024-23	3130AWFP0	S&P-AA+	Moody's-Aaa	100,000,000.00	100,062,573.00	99,859,058.00	100,000,000.00	1,352,500.00	5.410	3/7/2024
FHLB 5.35 4/3/2024-23	3130AWFY1	S&P-AA+	Moody's-Aaa	125,000,000.00	0.00	124,795,713.75	125,000,000.00	1,616,145.84	5.350	4/3/2024
Sub Total/Average H9902 Hospital - General Fund				955,993,497.37	1,493,726,201.75	951,507,757.81	952,090,523.96	17,870,477.22	5.459	
H9906 Hospital - SPFC										
H9906 Hospital - SPFC Money Market MM	M3936	NR	NR	53,069.42	52,504.59	53,069.42	53,069.42	684.02	5.220	N/A
TexasCLASS I H9906 LGIP	TXCLASSH9906	S&P-AAAm	NR	922,387.75	909,829.55	922,387.75	922,387.75	12,558.20	5.536	N/A
Sub Total/Average H9906 Hospital - SPFC				975,457.17	962,334.14	975,457.17	975,457.17	13,242.22	5.519	
H9917 Hospital - Ser 2010 DS										
H9917 Hospital - Series 2010 DS Sweep MMF MM	M3993	NR	NR	0.00	260,731.33	0.00	0.00	3,656.79		N/A

Description	CUSIP/Ticker	Credit Rating 1	Credit Rating 2	Ending Face Amount/Shares	Beginning MV	Ending MV	Ending BV	Investment Income- BV	Ending YTM @ Cost	Maturity Date
TexasCLASS I H9917 LGIP	TXCLASSH9917	S&P-AAAm	NR	102,541.87	21,022.13	102,541.87	102,541.87	314.81	5.536	N/A
T-Note 0.875 1/31/2024	91282CDV0	S&P-AA+	Moodys-Aaa	6,400,000.00	6,235,000.00	6,304,750.02	6,312,755.81	79,334.00	5.070	1/31/2024
Sub Total/Average H9917 Hospital - Ser 2010 DS				6,502,541.87	6,516,753.46	6,407,291.89	6,415,297.68	83,305.60	5.077	
H9918 Hospital - Ser 2010 DSR										
H9918 Hospital - Series 2010 DSR Sweep MMF MM	M4017	NR	NR	0.00	281,357.27	0.00	0.00	3,907.67		N/A
TexasCLASS I H9918 LGIP	TXCLASSH9918	S&P-AAAm	NR	214,697.78	23,417.94	214,697.78	214,697.78	381.13	5.536	N/A
T-Note 0.875 1/31/2024	91282CDV0	S&P-AA+	Moodys-Aaa	5,900,000.00	5,747,890.62	5,812,191.42	5,819,571.77	73,136.04	5.070	1/31/2024
Sub Total/Average H9918 Hospital - Ser 2010 DSR				6,114,697.78	6,052,665.83	6,026,889.20	6,034,269.55	77,424.84	5.087	
H9920 Hospital - Rev & Ref Ser 2016 DS										
H9920 Hospital - Series 2016 DS Sweep MMF MM	M4009	NR	NR	0.00	402,004.57	0.00	0.00	5,651.80		N/A
TexasCLASS I H9920 LGIP	TXCLASSH9920	S&P-AAAm	NR	152,004.56	24,525.97	152,004.56	152,004.56	377.00	5.536	N/A
T-Note 0.875 1/31/2024	91282CDV0	S&P-AA+	Moodys-Aaa	10,225,000.00	9,961,386.72	10,072,823.27	10,085,613.78	126,748.47	5.070	1/31/2024
Sub Total/Average H9920 Hospital - Rev & Ref Ser 2016 DS				10,377,004.56	10,387,917.26	10,224,827.83	10,237,618.34	132,777.27	5.077	
H9921 Hospital - Rev & Ref Ser 2016 DSR										
H9921 Hospital - Series 2016 DSR Sweep MMF MM	M4033	NR	NR	0.00	423,141.57	0.00	0.00	5,944.67		N/A
TexasCLASS I H9921 LGIP	TXCLASSH9921	S&P-AAAm	None	161,526.74	0.00	161,526.74	161,526.74	48.98	5.536	N/A
T-Note 0.875 1/31/2024	91282CDV0	S&P-AA+	Moodys-Aaa	10,650,000.00	10,375,429.69	10,491,498.07	10,504,820.22	132,016.74	5.070	1/31/2024
Sub Total/Average H9921 Hospital - Rev & Ref Ser 2016 DSR				10,811,526.74	10,798,571.26	10,653,024.81	10,666,346.96	138,010.39	5.077	
H9924 Hospital - Capital Assets Series 2020										
H9924 Hospital - Capital Assets Ser 2020 Sweep MMF	M6228	NR	NR	169,933.08	167,777.53	169,933.08	169,933.08	2,264.66	5.220	N/A
TexasCLASS I H9924 LGIP	TXCLASSH9924	S&P-AAAm	NR	5,849,150.00	6,243,635.24	5,849,150.00	5,849,150.00	85,742.18	5.536	N/A
Sub Total/Average H9924 Hospital - Capital Assets Series 2020				6,019,083.08	6,411,412.77	6,019,083.08	6,019,083.08	88,006.84	5.527	
H9925 Hospital - Capital Gift Proceeds										
H9925 Hospital - Capital Gift Proceeds Sweep MM	M1367	None	None	0.00	14,994.72	0.00	0.00	5,607.44		N/A
TexasCLASS I H9925 LGIP	TXCLASSH9925	S&P-AAAm	NR	54,939,847.12	46,900,079.08	54,939,847.12	54,939,847.12	668,810.14	5.536	N/A
Sub Total/Average H9925 Hospital - Capital Gift Proceeds				54,939,847.12	46,915,073.80	54,939,847.12	54,939,847.12	674,417.58	5.536	
Total / Average				1,051,733,655.69	1,581,770,930.27	1,046,754,178.91	1,047,378,443.86	19,077,661.96	5.452	

**For investment # 27376, CUSIP 91282CDA6, with a Par of \$75M and a 9/29/23 FMV of \$75,000,000.00 matured as scheduled on Saturday, 9/30/23. Funds were deposited at Cadence Bank on Monday, 10/2/23 due to maturity date falling on a weekend*

BOARD OF TRUSTEES

Budget and Finance Committee

**HARRISHEALTH
SYSTEM**

Thursday, November 9, 2023

**Consideration of Acceptance of the Harris Health System Third
Quarter Calendar Year 2023 Pension Plan Report**

Attached for your review and acceptance is the Third Quarter Calendar Year 2023 Pension Plan Report for the period July through September 2023.

Administration recommends that the Board accept the Third Quarter Pension Plan Report for the period ended September 30, 2023.

DocuSigned by:

Victoria Nikitin

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Victoria Nikitin

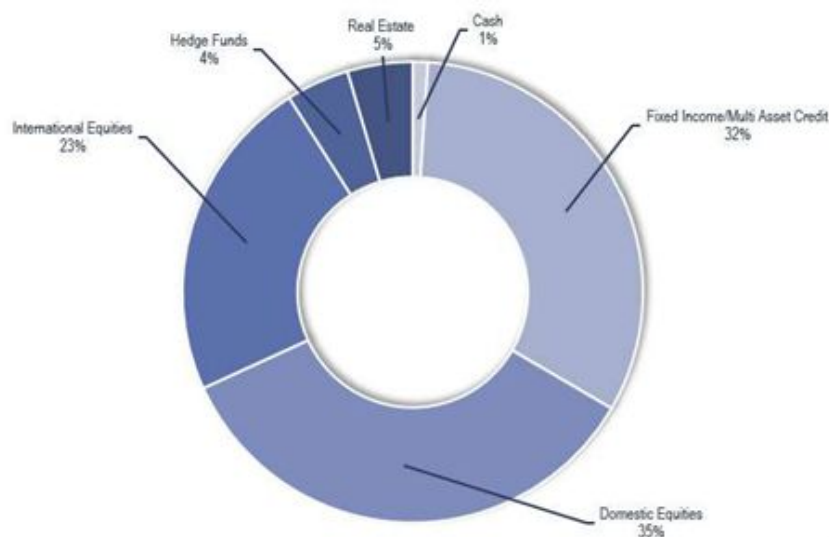
EVP - CFO

Pension Plan Summary

For the Quarter Ended and Year to Date September 30, 2023

	YEAR-TO-DATE	QUARTERLY			YEAR-TO-DATE
	12/31/22	03/31/23	06/30/23	09/30/23	09/30/23
Investment Return	-16.3%	0.2%	8.5%	-3.0%	5.7%
Market Value of Assets (in millions)	\$ 821.2	\$ 821.0	\$ 893.4	\$ 868.7	\$ 868.7
Employer Contributions (in millions)	\$ 60.0	\$ 15.2	\$ 16.2	\$ 18.3	\$ 49.7
Benefit Payments (in millions)	\$ 56.6	\$ 16.2	\$ 16.0	\$ 16.0	\$ 48.2
Funded Ratio	71.6%	71.2%	75.8%	73.2%	71.2%

Current Asset Allocation:



*The Plan was in compliance with target asset allocations per the Board approved Pension Plan Investment Policy.

Market Updates:

The market value of the Plan assets decreased \$24.7 million this quarter and increased \$47.5 million since the beginning of the calendar year. Investment return was -3.0% for the quarter ended September 30, 2023, due to the following market conditions:

- For the third quarter of 2023, global equity markets fell, with developed markets outside of the U.S. generally falling more than domestic stocks. Stylistically both growth and value returns were in negative territory over the quarter.
- U.S. economic growth was relatively healthy and met expectations. Despite a slowdown in consumer spending, strong business investment in inventories and fixed assets and encouraging government spending supported economic growth.
- Inflation generally slowed across major economies, although U.S. inflation rose more than expected as higher price pressure was driven by rising fuel and housing costs.
- Globally, major central banks continued to move forward with tighter monetary policy but at a slower pace. Sovereign bond yields increased amidst expectations of interest rates staying higher for a longer duration. The U.S. Federal Reserve increased its benchmark interest rate by 25bps to a range of 5.25%-5.5% over the quarter, representing the highest level in more than 22 years. U.S. Treasury yields rose across maturities as the yield curve shifted upwards over the quarter. Longer-dated bond yields rose more compared to medium and short-dated yields.
- The one investment category that experienced positive results was commodities, which saw prices rise sharply over the quarter, namely oil and industrial metals.

BOARD OF TRUSTEES

Budget and Finance Committee

HARRISHEALTH
SYSTEM

Thursday, November 9, 2023

Consideration of Acceptance of the Harris Health System September 2023
Quarterly Financial Report Subject to Audit

Attached for your review and consideration is the September 2023 Financial Report for the fourth quarter and year ended September 30, 2023.

Administration recommends that the Board accept the financial report for the period ended September 30, 2023, subject to final audit.

DocuSigned by:

Victoria Nikitin

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Victoria Nikitin
EVP - CFO



Financial Statements

As of the Year Ended September 30, 2023

Subject to Audit



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Financial Highlights Review

As of September 30, 2023

Operating income for the year ended September 30, 2023 was \$382.6 million compared to budgeted income of \$300 thousand.

Total quarterly net revenue for the year ended September 30, 2023 of \$2,662.2 million was \$361.5 million or 15.7% more than budget. Net patient revenue and improved investment returns contributed \$29.9 million and \$71.7 million, respectively, to the favorable variance. The Foundation contribution of \$9.5 million received in January 2023 was released from deferred revenue. Medicaid Supplemental programs income was \$240.0 million more than budget due to much anticipated Uncompensated Care (UC) funding increase. As communicated during the FY 2024 budget presentations, HHSC updated the UC program rules effective FY 2023, adding what they describe as the High Impecunious Charge Hospital (HICH) sub-pool. Eligibility to receive funds from the HICH sub-pool is restricted to rural hospitals, state-owned hospitals, and hospitals that have at least 30% of their charges from serving uninsured persons. Harris Health falls into the last category, and will receive funding from the UC HICH sub-pool. Total UC funding for the System for FY 2023 was \$475.5 million, and is projected at approximately \$470.3 million in FY 2024.

The Hospital Augmented Reimbursement Program (HARP) funding for the second half of FFY 2023 is currently pending with CMS. As of this September 30, 2023, HHSC has an inquiry out to CMS related to allowing an exception for nominal charge hospitals to be paid more than their charges for the HARP program. Harris Health' status of a nominal charge hospital is due to the System's strategy of maintaining patient charges at a level commensurate with costs. The program is estimated to bring \$269 million in Medicaid Supplemental revenue to Harris Health for both FY 2023 and FY 2024 should CMS support the pending technical request from the State. If CMS does not agree, Harris Health would likely have to return approximately \$60 million of the HARP funds already paid in FY 2023.

As of September 30, 2023, total expenses of \$2,279.6 million were \$20.8 million or 0.9% less than budget. Staff costs were \$14.2 million greater than budget due to the actuarially calculated adjustment attributed to an increase in pension expense which impacts both FY 2023 and FY 2024, and increases in health insurance claims, including those for retirees. The costs of physician services were \$19.1 million less than budget offset by increased supply costs of \$13.5 million due to increased volumes. Purchased services decreased \$30.2 million primarily for medical insurance subsidies due to the Marketplace plan pricing effective for calendar year 2023. The change in the Community Health Choice plan pricing, and a corresponding decrease in subsidy, was discussed with the Board of Trustees in November 2022.

Through the year ended September 30, 2023, total patient days and average daily census increased 5.6% compared to budget. Inpatient case mix index, a measure of patient acuity, was 0.7% lower while length of stay was 4.4% higher than budget. Emergency room visits were 1.0% higher than planned for the year. Total clinic visits, including telehealth, were 5.1% higher compared to budget. Births were up 10.7%.

Total cash receipts for the year were \$2,546.9 million. The System has \$1,012.6 million in unrestricted cash, cash equivalents and investments, representing 166.5 days cash on hand. Harris Health System has \$181.5 million in net accounts receivable, representing 87.9 days of outstanding patient accounts receivable at September 30, 2023. The September balance sheet reflects a combined net receivable position of \$554.0 million under the various Medicaid Supplemental programs.

Income Statement

As of the Year Ended September 30, 2023 (In \$ Millions)

	QUARTERLY RESULTS			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	PRIOR YEAR	PERCENT VARIANCE
REVENUE								
Net Patient Revenue	\$ 215.3	\$ 182.0	18.3%	\$ 753.6	\$ 723.7	4.1%	\$ 736.5	2.3%
Medicaid Supplemental Programs	339.2	153.1	121.6%	852.2	612.2	39.2%	764.2	11.5%
Other Operating Revenue	40.3	28.4	42.0%	131.5	113.4	16.0%	79.1	66.2%
Total Operating Revenue	\$ 594.8	\$ 363.4	63.7%	\$ 1,737.4	\$ 1,449.4	19.9%	\$ 1,579.8	10.0%
Net Ad Valorem Taxes	196.5	207.8	-5.4%	822.8	831.1	-1.0%	357.2	130.3%
Net Tobacco Settlement Revenue	-	-	0.0%	15.2	13.3	14.2%	16.7	-9.3%
Capital Gifts & Grants	9.5	-	0.0%	9.5	-	0.0%	45.9	-79.3%
Interest Income & Other	17.8	2.2	691.8%	77.4	7.0	1006.1%	69.2	11.9%
Total Nonoperating Revenue	\$ 223.8	\$ 210.0	6.5%	\$ 924.9	\$ 851.4	8.6%	\$ 489.1	89.1%
Total Net Revenue	\$ 818.6	\$ 573.4	42.7%	\$ 2,662.2	\$ 2,300.8	15.7%	\$ 2,068.9	28.7%
EXPENSE								
Salaries and Wages	\$ 239.4	\$ 240.8	0.6%	\$ 893.7	\$ 918.6	2.7%	\$ 854.3	-4.6%
Employee Benefits	110.5	72.7	-52.0%	330.0	290.8	-13.5%	227.8	-44.9%
Total Labor Cost	\$ 349.9	\$ 313.5	-11.6%	\$ 1,223.6	\$ 1,209.4	-1.2%	\$ 1,082.1	-13.1%
Supply Expenses	78.1	69.6	-12.3%	293.4	279.9	-4.8%	276.1	-6.3%
Physician Services	103.1	107.5	4.1%	421.8	440.9	4.3%	395.2	-6.7%
Purchased Services	67.0	71.9	6.9%	251.3	281.6	10.7%	265.7	5.4%
Depreciation & Interest	26.6	21.4	-24.2%	89.4	88.6	-0.9%	80.2	-11.4%
Total Operating Expense	\$ 624.7	\$ 583.9	-7.0%	\$ 2,279.6	\$ 2,300.4	0.9%	\$ 2,099.3	-8.6%
Operating Income (Loss)	\$ 193.8	\$ (10.4)		\$ 382.6	\$ 0.3		\$ (30.5)	
Total Margin %	23.7%	-1.8%		14.4%	0.0%		-1.5%	

Balance Sheet

HARRISHEALTH
SYSTEM

September 30, 2023 and 2022 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<u>CURRENT ASSETS</u>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,012.6	\$ 822.8
Net Patient Accounts Receivable	181.5	114.9
Net Ad Valorem Taxes, Current Portion	-	-
Other Current Assets	632.2	578.0
Total Current Assets	\$ 1,826.4	\$ 1,515.7
<u>CAPITAL ASSETS</u>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 519.8	\$ 418.8
Construction in Progress	150.6	167.9
Right of Use Assets	42.5	47.9
Total Capital Assets	\$ 712.8	\$ 634.6
<u>ASSETS LIMITED AS TO USE & RESTRICTED ASSETS</u>		
Debt Service & Capital Asset Funds	\$ 40.8	\$ 39.9
LPPF Restricted Cash	31.5	71.0
Capital Gift Proceeds	54.9	45.3
Other - Restricted	1.0	1.1
Total Assets Limited As to Use & Restricted Assets	\$ 128.2	\$ 157.3
Other Assets	27.0	20.6
Deferred Outflows of Resources	237.5	188.5
Total Assets & Deferred Outflows of Resources	\$ 2,931.9	\$ 2,516.7
<u>CURRENT LIABILITIES</u>		
Accounts Payable and Accrued Liabilities	\$ 193.8	\$ 235.5
Employee Compensation & Related Liabilities	142.5	124.4
Estimated Third-Party Payor Settlements	16.9	13.5
Current Portion Long-Term Debt and Capital Leases	20.0	20.7
Total Current Liabilities	\$ 373.2	\$ 394.2
Long-Term Debt	315.7	333.6
Net Pension & Post Employment Benefits Liability	776.4	600.7
Other Long-Term Liabilities	9.9	8.1
Deferred Inflows of Resources	112.6	218.7
Total Liabilities	\$ 1,587.8	\$ 1,555.3
Total Net Assets	\$ 1,344.1	\$ 961.4
Total Liabilities & Net Assets	\$ 2,931.9	\$ 2,516.7

Cash Flow Summary

As of the Year Ended September 30, 2023 (In \$ Millions)

	QUARTERLY RESULTS		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
CASH RECEIPTS				
Collections on Patient Accounts	\$ 188.8	\$ 188.8	\$ 709.4	\$ 713.5
Medicaid Supplemental Programs	(130.6)	(49.0)	729.1	468.4
Net Ad Valorem Taxes	6.0	2.4	826.2	807.5
Tobacco Settlement	-	-	15.2	16.7
Other Revenue	85.6	35.0	267.0	157.2
Total Cash Receipts	\$ 149.8	\$ 177.2	\$ 2,546.9	\$ 2,163.4
CASH DISBURSEMENTS				
Salaries, Wages and Benefits	\$ 326.7	\$ 316.0	\$ 1,303.6	\$ 1,139.6
Supplies	77.8	81.6	307.0	287.1
Physician Services	112.7	122.1	410.2	403.2
Purchased Services	58.5	58.1	238.3	216.9
Capital Expenditures	41.3	26.1	142.4	101.9
Debt and Interest Payments	3.9	5.5	23.7	24.8
Other Uses	2.6	(26.3)	(68.1)	19.7
Total Cash Disbursements	\$ 623.5	\$ 583.1	\$ 2,357.1	\$ 2,193.1
Net Change	\$ (473.7)	\$ (405.8)	\$ 189.8	\$ (29.7)
Unrestricted Cash, Cash Equivalents and Investments - Beginning of year			\$ 822.8	
Net Change			189.8	
Unrestricted Cash, Cash Equivalents and Investments - End of period			\$ 1,012.6	

Performance Ratios

As of the Year Ended September 30, 2023 (In \$ Millions)

	QUARTERLY RESULTS		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<u>OPERATING HEALTH INDICATORS</u>					
Operating Margin %	23.7%	-1.8%	14.4%	0.0%	-1.5%
Run Rate per Day (In\$ Millions)	\$ 6.6	\$ 6.1	\$ 6.0	\$ 6.1	\$ 5.6
Salary, Wages & Benefit per APD	\$ 2,669	\$ 2,391	\$ 2,429	\$ 2,660	\$ 2,400
Supply Cost per APD	\$ 596	\$ 531	\$ 582	\$ 616	\$ 612
Physician Services per APD	\$ 786	\$ 820	\$ 837	\$ 970	\$ 877
Total Expense per APD	\$ 4,765	\$ 4,454	\$ 4,525	\$ 5,060	\$ 4,657
Overtime as a % of Total Salaries	3.1%	1.8%	3.4%	1.9%	3.5%
Contract as a % of Total Salaries	5.4%	7.1%	5.3%	7.3%	8.6%
Full-time Equivalent Employees	10,207	10,111	9,992	10,147	9,541
<u>FINANCIAL HEALTH INDICATORS</u>					
Quick Ratio			4.8		3.8
Unrestricted Cash (In \$ Millions)			\$ 1,012.6	\$ 669.6	\$ 822.8
Days Cash on Hand			166.5	114.2	147.3
Days Revenue in Accounts Receivable			87.9	53.8	56.9
Days in Accounts Payable			52.4		48.1
Capital Expenditures/Depreciation & Amortization			191.4%		148.1%
Average Age of Plant(years)			11.6		11.7

Harris Health System Key Indicators



Statistical Highlights

As of the Year Ended September 30, 2023 (In \$ Millions)

	QUARTERLY RESULTS			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	131,095	116,563	12.5%	504,246	454,638	10.9%	450,785	11.9%
Outpatient % of Adjusted Volume	61.8%	61.2%	0.9%	61.0%	61.6%	-1.0%	62.0%	-1.7%
Primary Care Clinic Visits	134,425	121,227	10.9%	529,096	487,970	8.4%	487,862	8.5%
Specialty Clinic Visits	60,683	60,675	0.0%	244,897	238,065	2.9%	237,296	3.2%
Telehealth Clinic Visits	29,906	33,192	-9.9%	127,125	131,261	-3.2%	160,011	-20.6%
Total Clinic Visits	225,014	215,094	4.6%	901,118	857,296	5.1%	885,169	1.8%
Emergency Room Visits - Outpatient	35,190	33,393	5.4%	133,579	134,316	-0.5%	132,146	1.1%
Emergency Room Visits - Admitted	5,525	4,897	12.8%	21,991	19,678	11.8%	18,420	19.4%
Total Emergency Room Visits	40,715	38,290	6.3%	155,570	153,994	1.0%	150,566	3.3%
Surgery Cases - Outpatient	2,661	2,975	-10.6%	11,059	12,744	-13.2%	10,127	9.2%
Surgery Cases - Inpatient	2,492	2,595	-4.0%	9,645	10,947	-11.9%	9,145	5.5%
Total Surgery Cases	5,153	5,570	-7.5%	20,704	23,691	-12.6%	19,272	7.4%
Total Outpatient Visits	375,168	365,077	2.8%	1,488,884	1,459,547	2.0%	1,525,298	-2.4%
Inpatient Cases (Discharges)	8,037	7,389	8.8%	31,530	29,202	8.0%	28,104	12.2%
Outpatient Observation Cases	2,676	3,369	-20.6%	10,074	14,200	-29.1%	13,364	-24.6%
Total Cases Occupying Patient Beds	10,713	10,758	-0.4%	41,604	43,402	-4.1%	41,468	0.3%
Births	1,493	1,350	10.6%	5,494	4,965	10.7%	5,215	5.3%
Inpatient Days	50,093	45,194	10.8%	196,734	174,565	12.7%	171,119	15.0%
Outpatient Observation Days	9,451	10,274	-8.0%	33,085	43,124	-23.3%	42,725	-22.6%
Total Patient Days	59,544	55,468	7.3%	229,819	217,689	5.6%	213,844	7.5%
Average Daily Census	647.2	602.9	7.3%	629.6	596.4	5.6%	585.9	7.5%
Average Operating Beds	694	681	1.9%	686	681	0.7%	682	0.6%
Bed Occupancy %	93.3%	88.5%	5.3%	91.8%	87.6%	4.8%	85.9%	6.8%
Inpatient Average Length of Stay	6.23	6.12	1.9%	6.24	5.98	4.4%	6.09	2.5%
Inpatient Case Mix Index (CMI)	1.655	1.706	-3.0%	1.694	1.706	-0.7%	1.757	-3.6%
Payor Mix (% of Charges)								
Charity & Self Pay	44.8%	46.2%	-3.0%	44.3%	46.7%	-5.2%	46.4%	-4.6%
Medicaid & Medicaid Managed	21.1%	23.5%	-10.3%	22.7%	22.7%	-0.2%	22.2%	1.9%
Medicare & Medicare Managed	11.0%	11.6%	-5.3%	11.4%	11.0%	3.7%	11.6%	-1.6%
Commercial & Other	23.1%	18.7%	23.6%	21.7%	19.5%	11.2%	19.8%	9.5%
Total Unduplicated Patients - Rolling 12				249,336			247,496	0.7%
Total New Patient - Rolling 12				88,155			83,189	6.0%

Harris Health System

Statistical Highlights

As of the Quarter Ended September 30, 2023

Cases Occupying Beds - Q4

Actual	Budget	Prior Year
10,713	10,758	10,524

Cases Occupying Beds - YTD

Actual	Budget	Prior Year
41,604	43,402	41,468

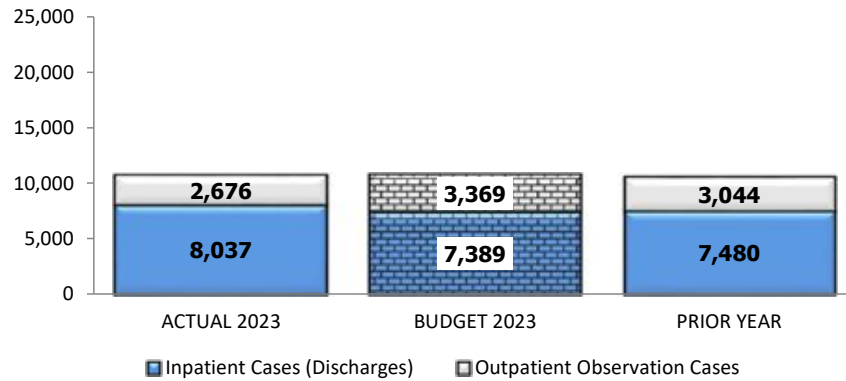
Emergency Visits - Q4

Actual	Budget	Prior Year
40,715	38,290	40,550

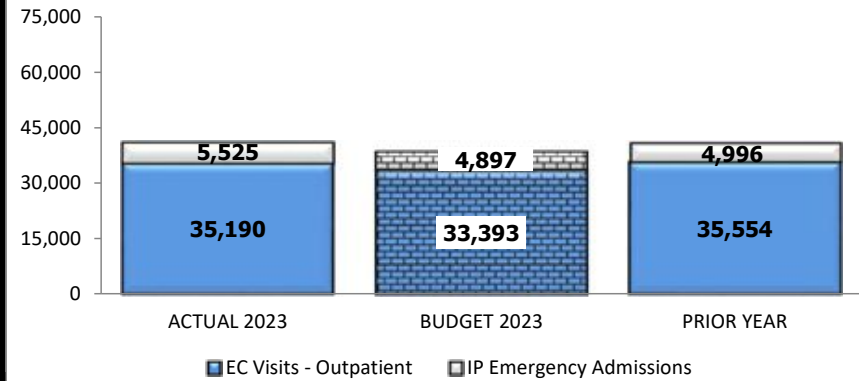
Emergency Visits - YTD

Actual	Budget	Prior Year
155,570	153,994	150,566

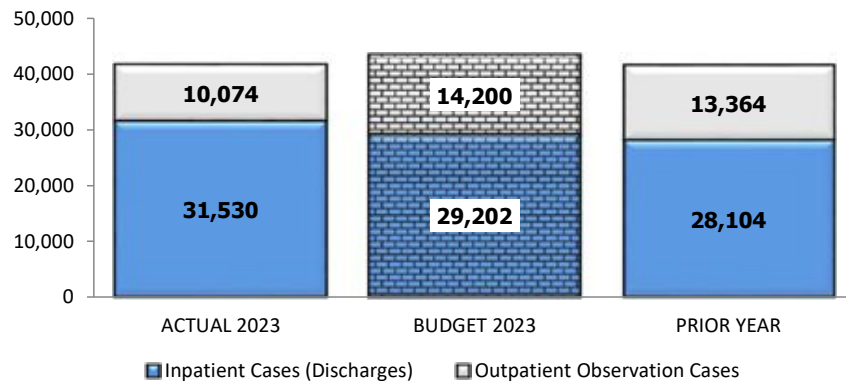
Cases Occupying Beds - Quarter End



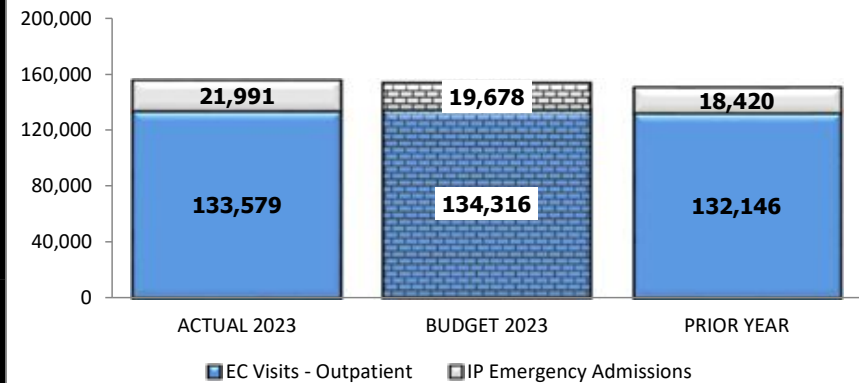
Emergency Visits - Quarter End



Cases Occupying Beds - YTD



Emergency Visits - YTD



Harris Health System

Statistical Highlights

As of the Quarter Ended September 30, 2023

Surgery Cases - Q4

Actual	Budget	Prior Year
5,153	5,570	5,105

Surgery Cases - YTD

Actual	Budget	Prior Year
20,704	23,691	19,272

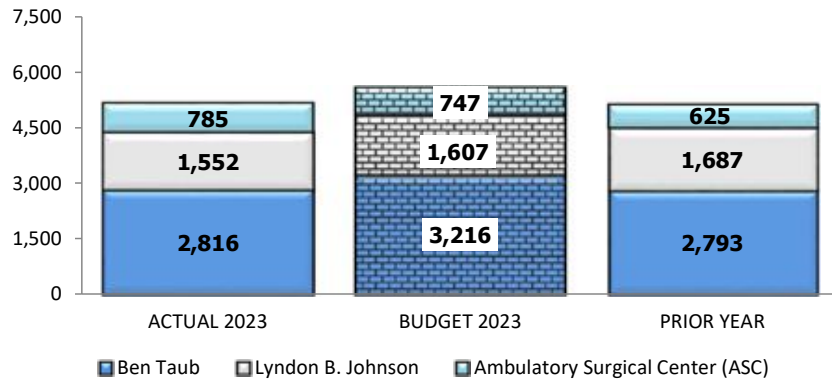
Clinic Visits - Q4

Actual	Budget	Prior Year
225,014	215,094	228,916

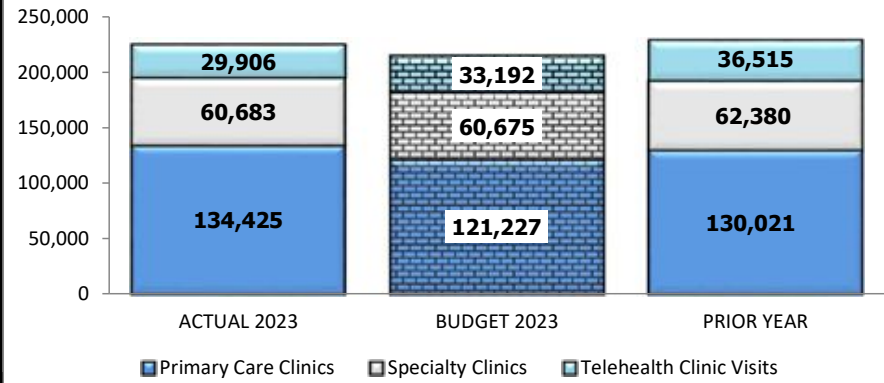
Clinic Visits - YTD

Actual	Budget	Prior Year
901,118	857,296	885,169

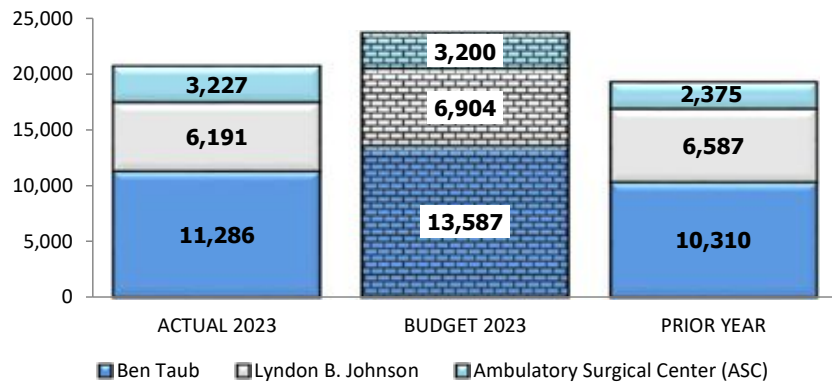
Surgery Cases - Quarter End



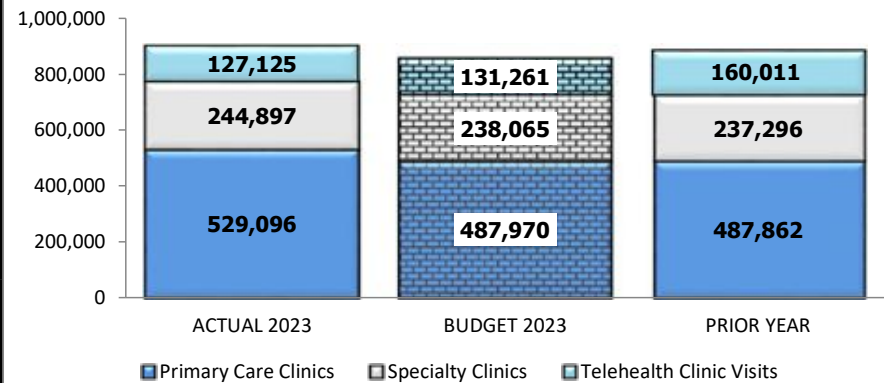
Clinic Visits - Quarter End



Surgery Cases - YTD



Clinic Visits - YTD



Harris Health System

Statistical Highlights

As of the Quarter Ended September 30, 2023

Adjusted Patient Days - Q4

131,095

Adjusted Patient Days - YTD

504,246

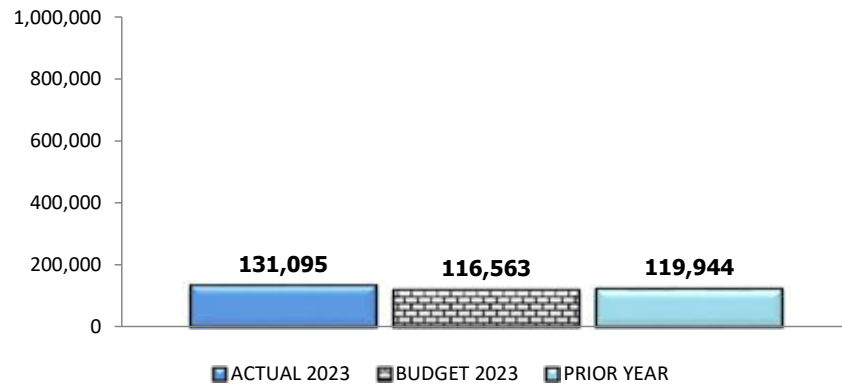
Average Daily Census - Q4

647.2

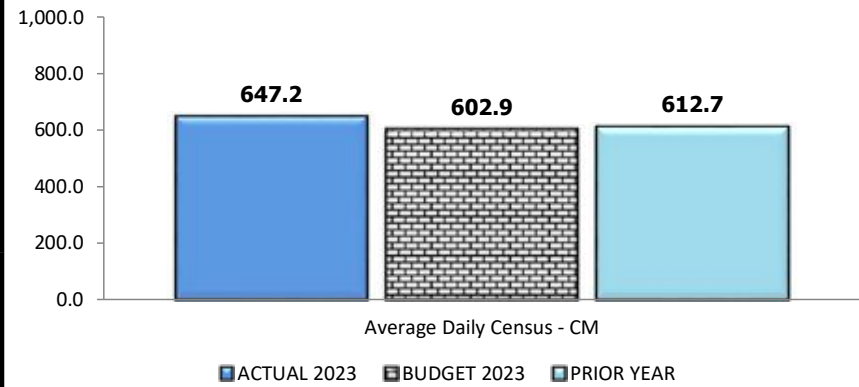
Average Daily Census - YTD

629.6

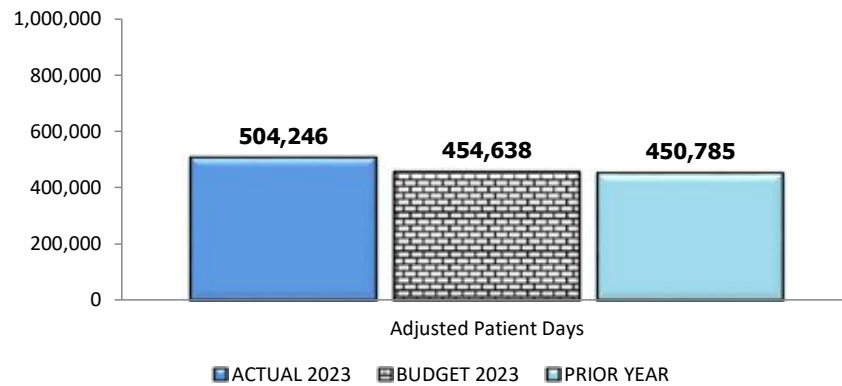
Adjusted Patient Days - Quarter End



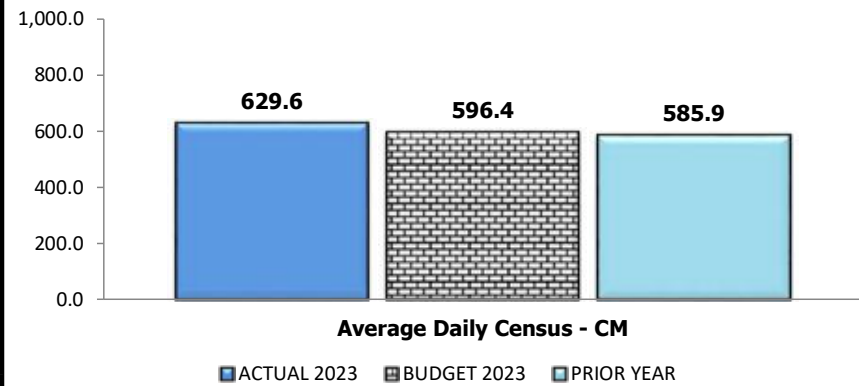
Average Daily Census - Quarter End



Adjusted Patient Days - YTD



Average Daily Census - YTD



Harris Health System

Statistical Highlights

As of the Quarter Ended September 30, 2023

Inpatient ALOS - Q4

6.23

Inpatient ALOS - YTD

6.24

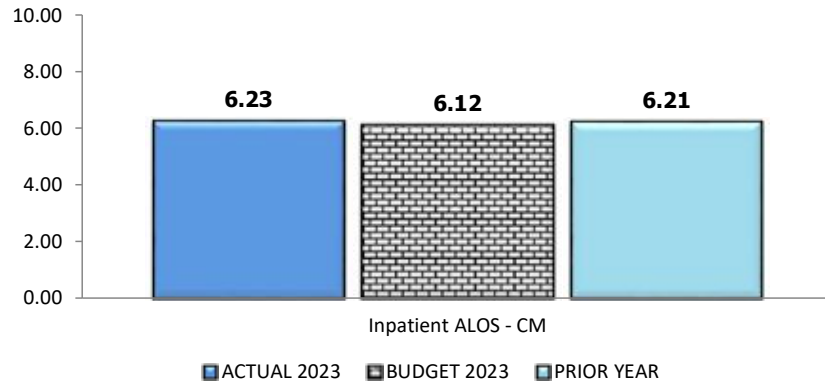
Case Mix Index - Q4

Overall	Excl. Obstetrics
1.655	1.838

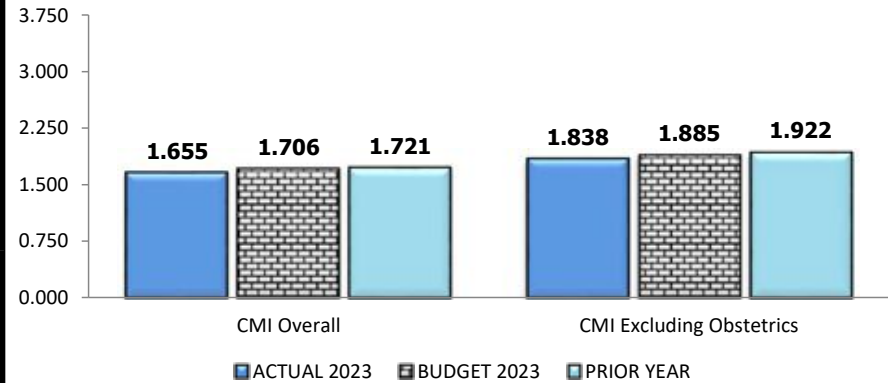
Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.694	1.870

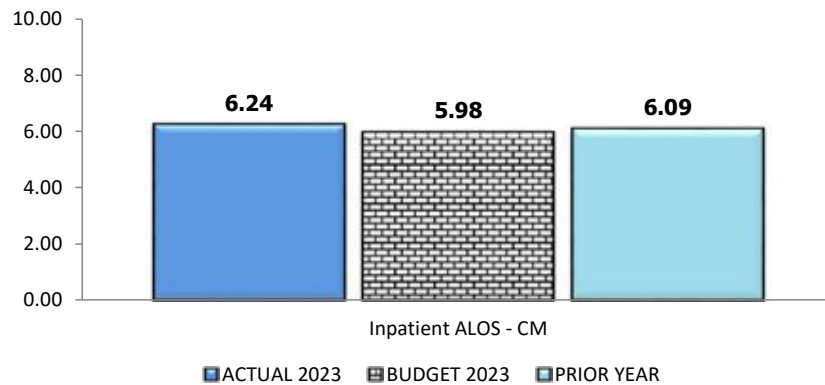
Inpatient ALOS - Quarter End



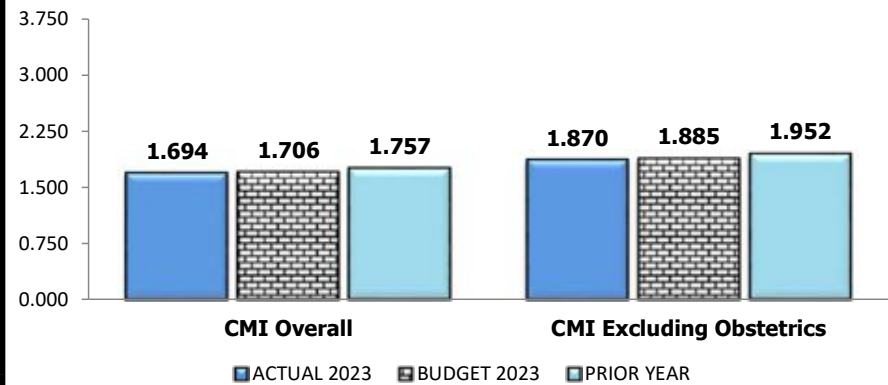
Case Mix Index - Quarter End



Inpatient ALOS - YTD



Case Mix Index - YTD



Harris Health System

Statistical Highlights - Cases Occupying Beds

As of the Quarter Ended September 30, 2023

BT Cases Occupying Beds - Q4

Actual	Budget	Prior Year
6,462	6,375	6,331

BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
24,831	25,509	24,660

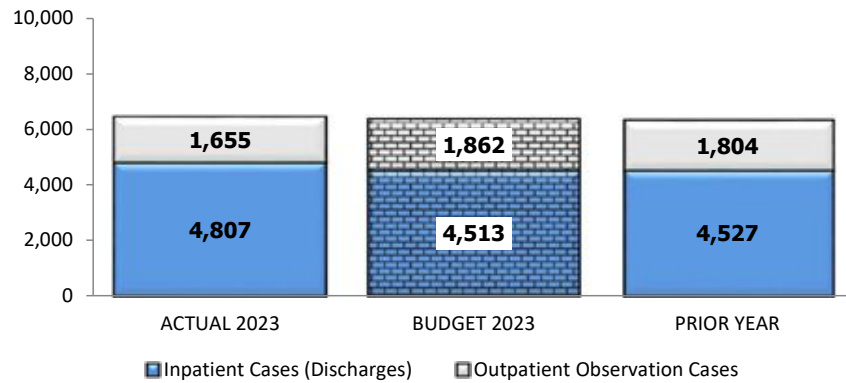
LBJ Cases Occupying Beds - Q4

Actual	Budget	Prior Year
4,251	4,383	4,193

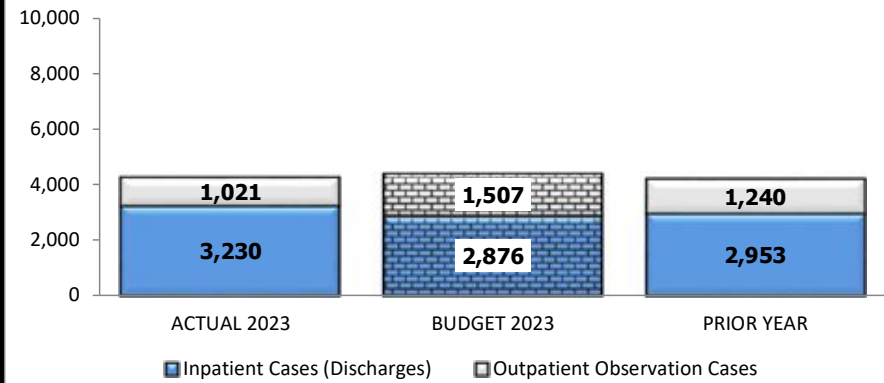
LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
16,773	17,893	16,808

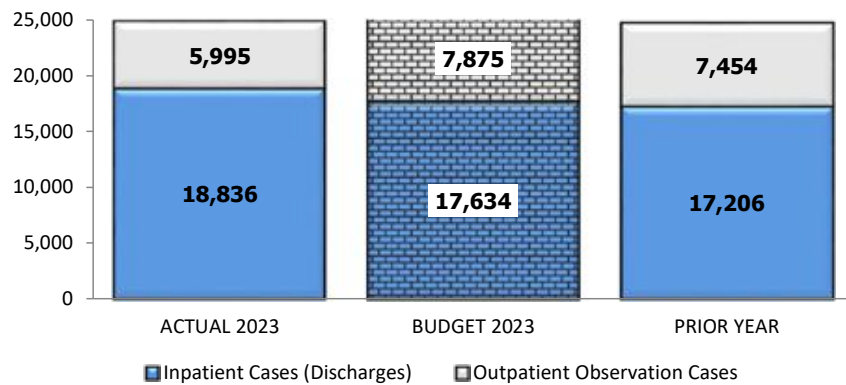
Ben Taub Cases - Quarter End



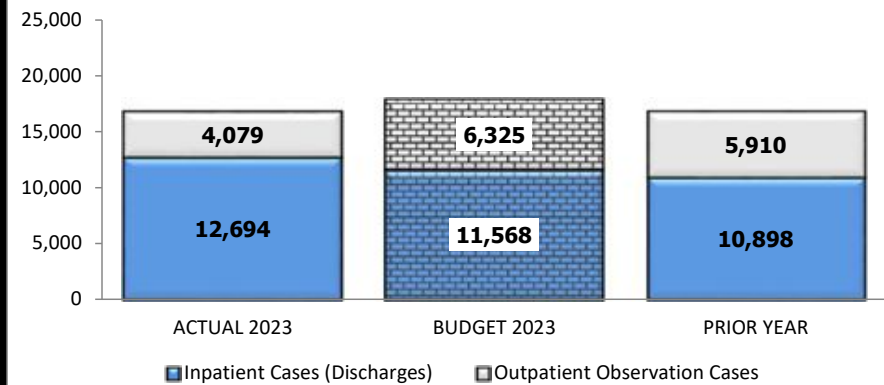
Lyndon B. Johnson Cases - Quarter End



Ben Taub Cases - YTD



Lyndon B. Johnson Cases - YTD



Harris Health System

Statistical Highlights - Surgery Cases

As of the Quarter Ended September 30, 2023

BT Surgery Cases - Q4

Actual	Budget	Prior Year
2,816	3,216	2,793

BT Surgery Cases - YTD

Actual	Budget	Prior Year
11,286	13,587	10,310

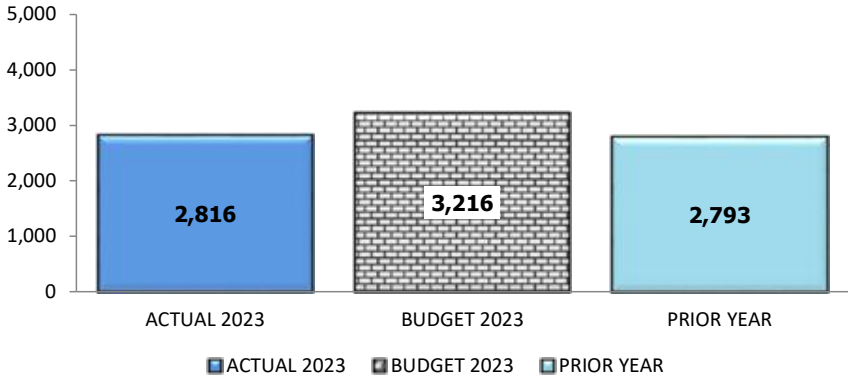
LBJ Surgery Cases - Q4

Actual	Budget	Prior Year
2,337	2,354	2,312

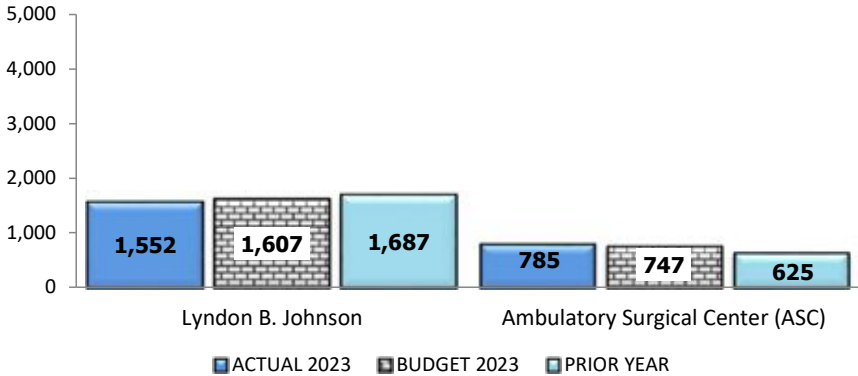
LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
9,418	10,104	8,962

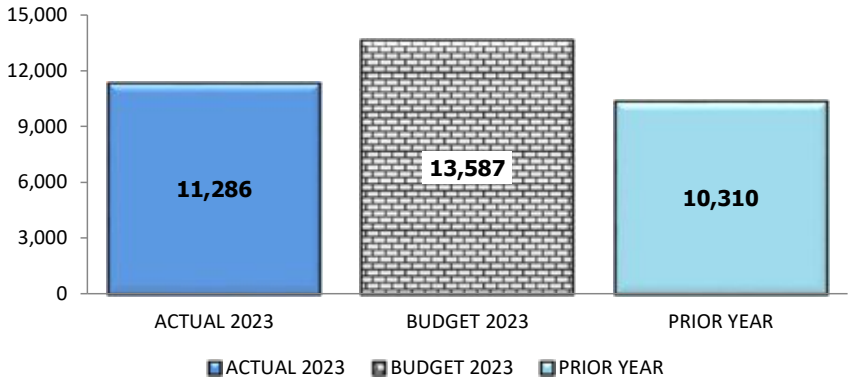
Ben Taub OR Cases - Quarter End



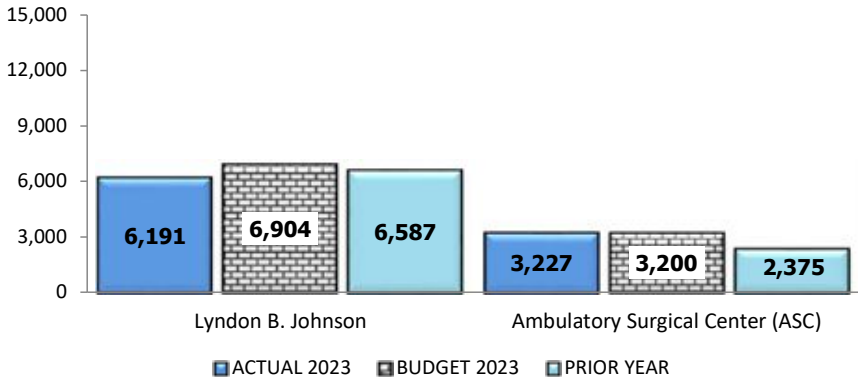
Lyndon B. Johnson OR Cases - Quarter End



Ben Taub OR Cases - YTD



Lyndon B. Johnson OR Cases - YTD



Harris Health System

Statistical Highlights - Emergency Room Visits

As of the Quarter Ended September 30, 2023

BT Emergency Visits - Q4

Actual	Budget	Prior Year
20,640	19,021	19,999

BT Emergency Visits - YTD

Actual	Budget	Prior Year
76,693	75,824	74,525

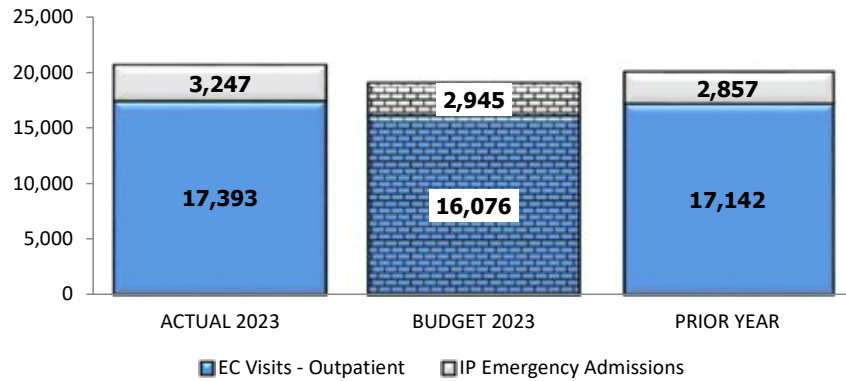
LBJ Emergency Visits - Q4

Actual	Budget	Prior Year
20,075	19,269	20,551

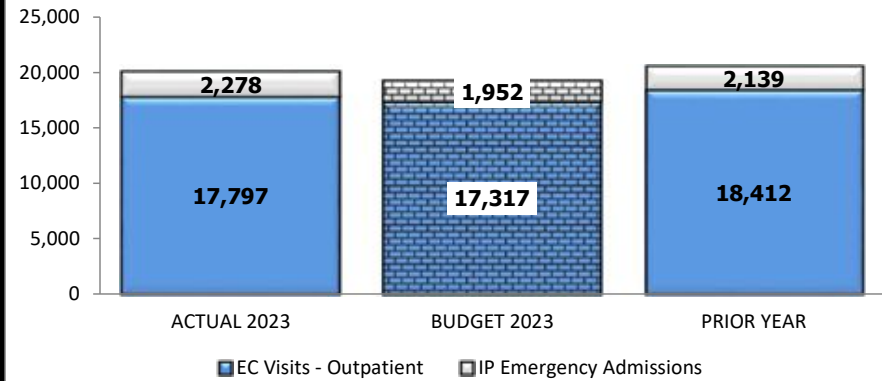
LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
78,877	78,170	76,041

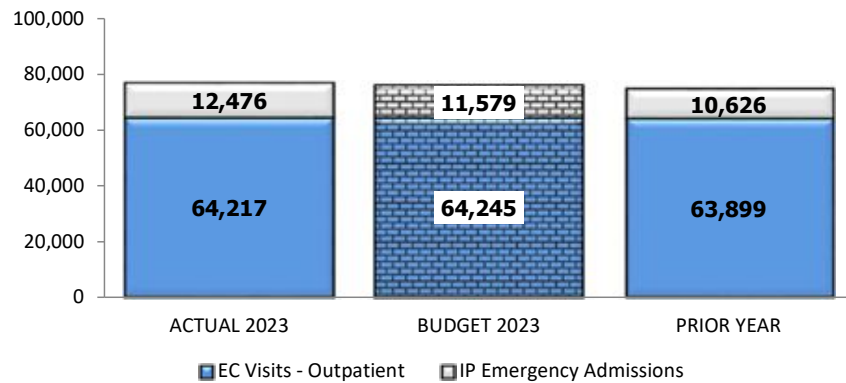
Ben Taub EC Visits - Quarter End



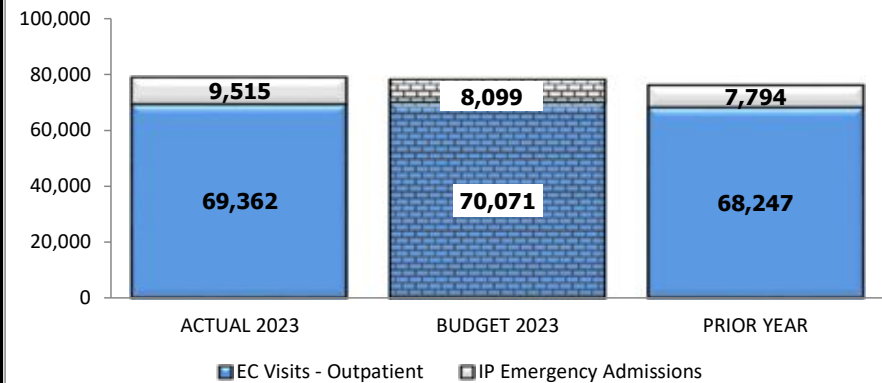
Lyndon B. Johnson EC Visits - Quarter End



Ben Taub EC Visits - YTD



Lyndon B. Johnson EC Visits - YTD



Harris Health System

Statistical Highlights - Births

As of the Quarter Ended September 30, 2023

BT Births - Q4

Actual	Budget	Prior Year
826	740	881

BT Births - YTD

Actual	Budget	Prior Year
3,195	2,832	3,028

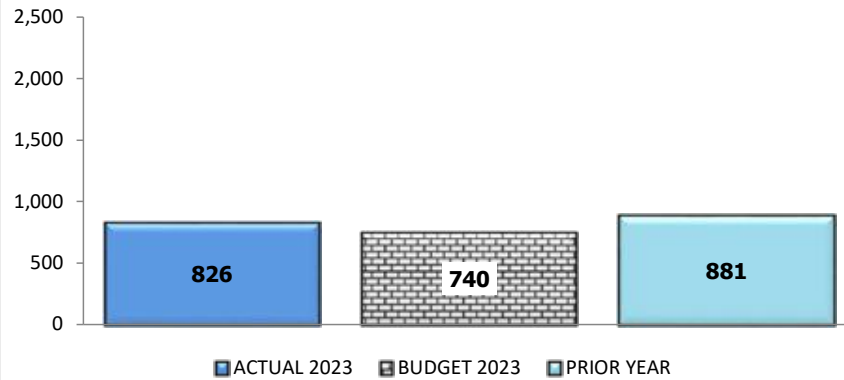
LBJ Births - Q4

Actual	Budget	Prior Year
667	610	586

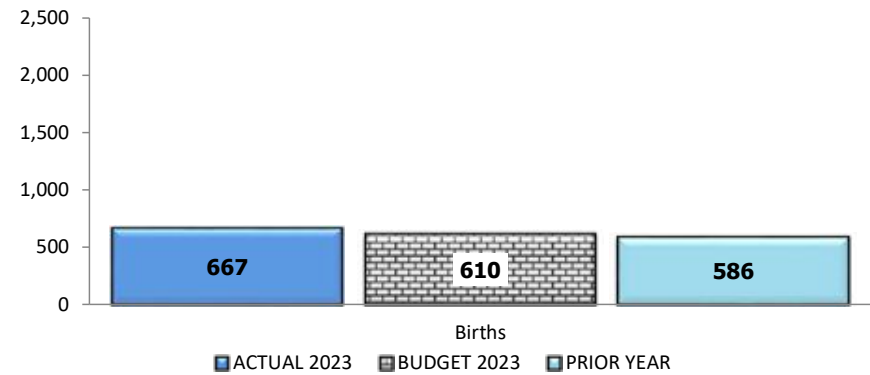
LBJ Births - YTD

Actual	Budget	Prior Year
2,299	2,133	2,187

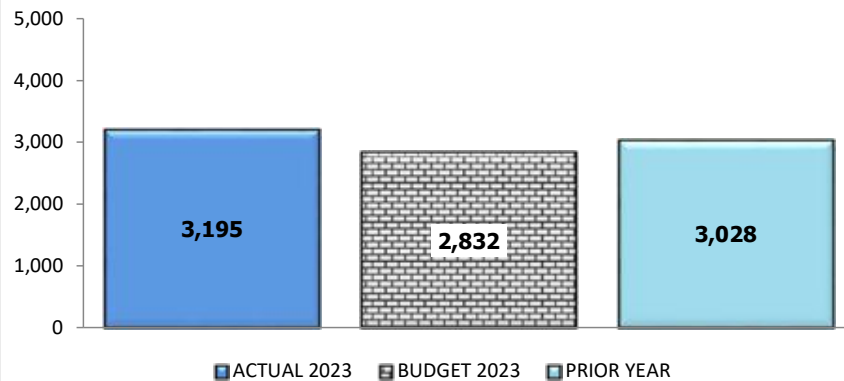
Ben Taub Births - Quarter End



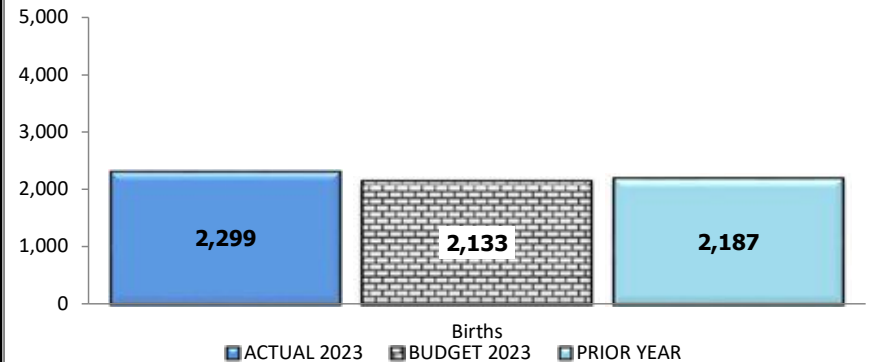
Lyndon B. Johnson Births - Quarter End



Ben Taub Births - YTD



Lyndon B. Johnson Births - YTD



Harris Health System

Statistical Highlights - Adjusted Patient Days

As of the Quarter Ended September 30, 2023

BT Adjusted Patient Days - Q4

64,995

BT Adjusted Patient Days - YTD

249,717

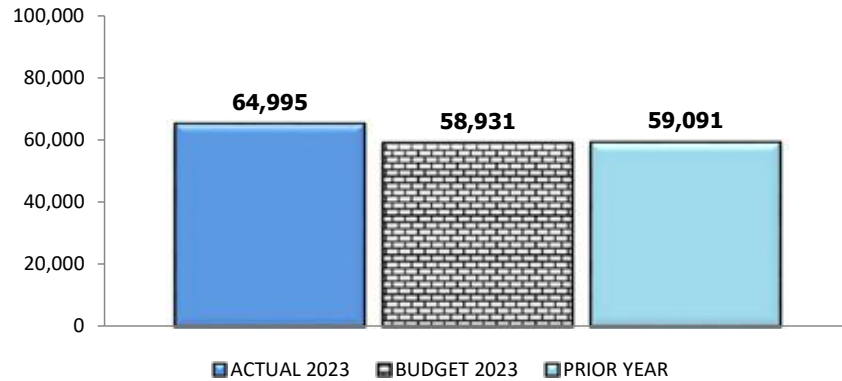
LBJ Adjusted Patient Days - Q4

41,384

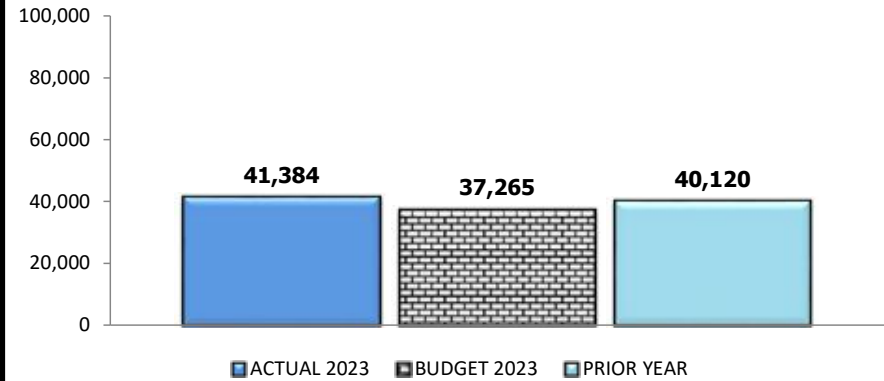
LBJ Adjusted Patient Days - YTD

158,941

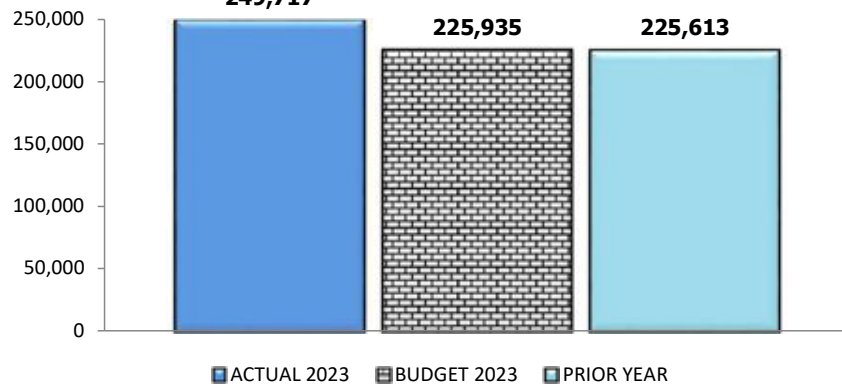
Ben Taub APD - Quarter End



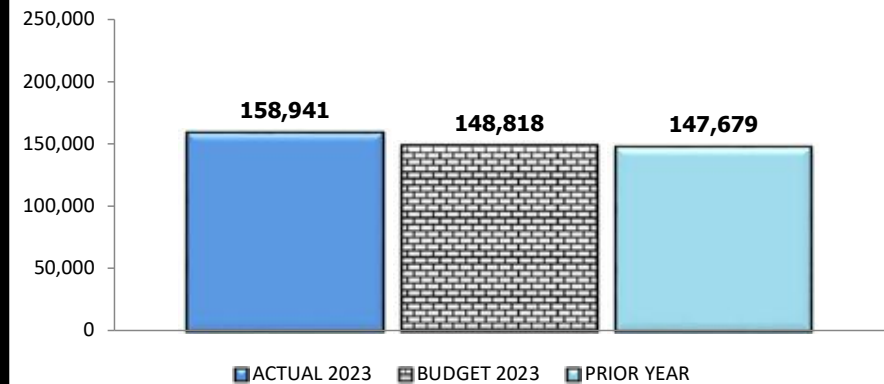
Lyndon B. Johnson APD - Quarter End



Ben Taub APD - YTD



Lyndon B. Johnson APD - YTD

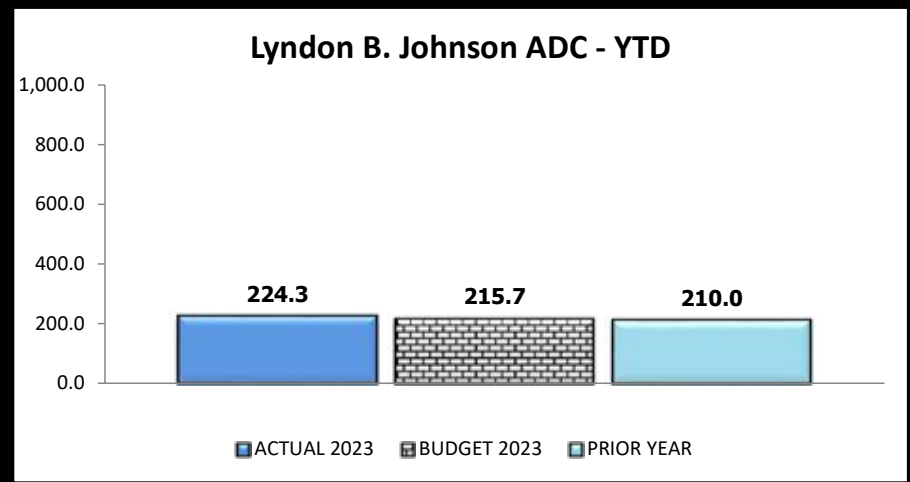
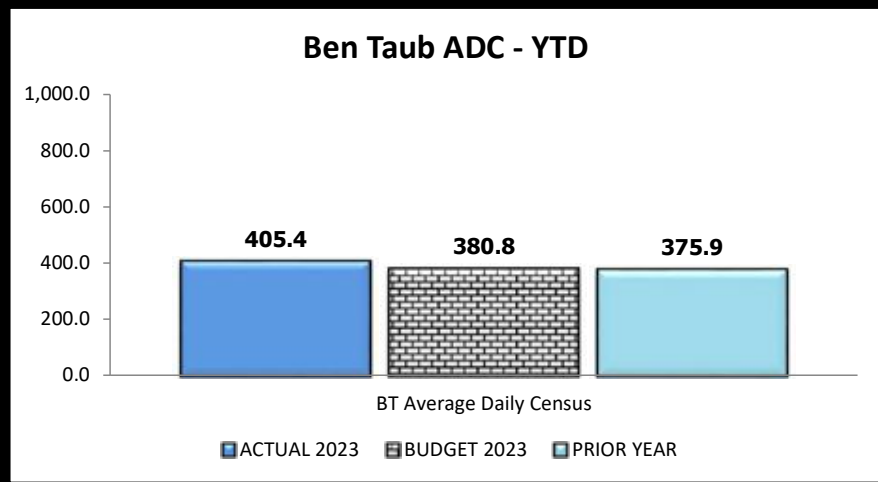
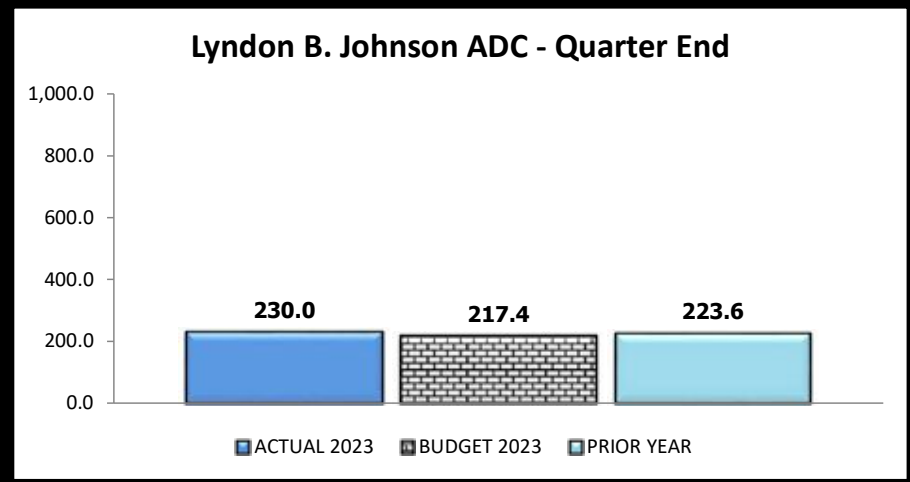
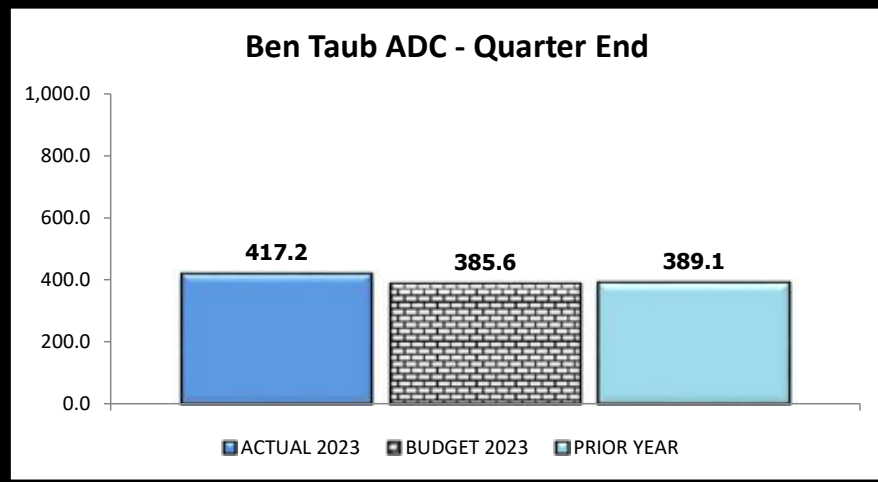


Harris Health System

Statistical Highlights - Average Daily Census (ADC)

As of the Quarter Ended September 30, 2023

<u>BT Average Daily Census - Q4</u>	<u>BT Average Daily Census - YTD</u>	<u>LBJ Average Daily Census - YTD</u>	<u>LBJ Average Daily Census - YTD</u>
417.2	405.4	230.0	224.3



Harris Health System

Statistical Highlights - Inpatient Average Length of Stay (ALOS)

As of the Quarter Ended September 30, 2023

BT Inpatient ALOS - Q4

6.68

BT Inpatient ALOS - YTD

6.74

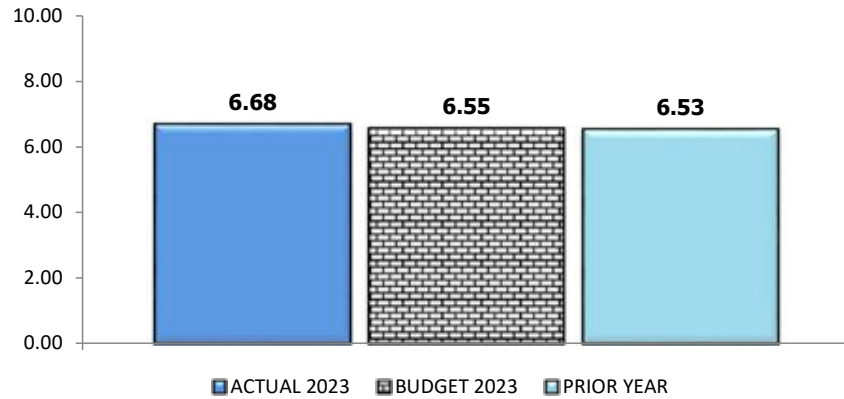
LBJ Inpatient ALOS - Q4

5.57

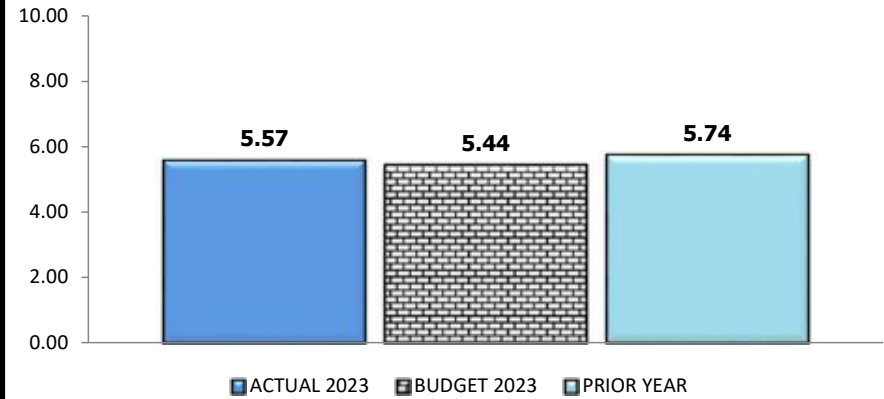
LBJ Inpatient ALOS - YTD

5.50

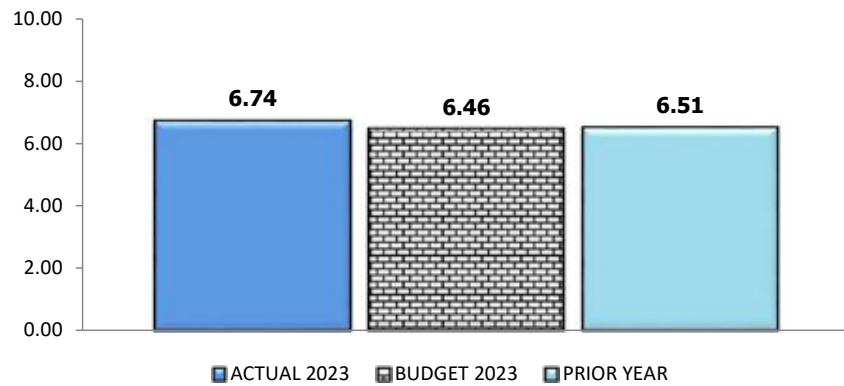
Ben Taub ALOS - Quarter End



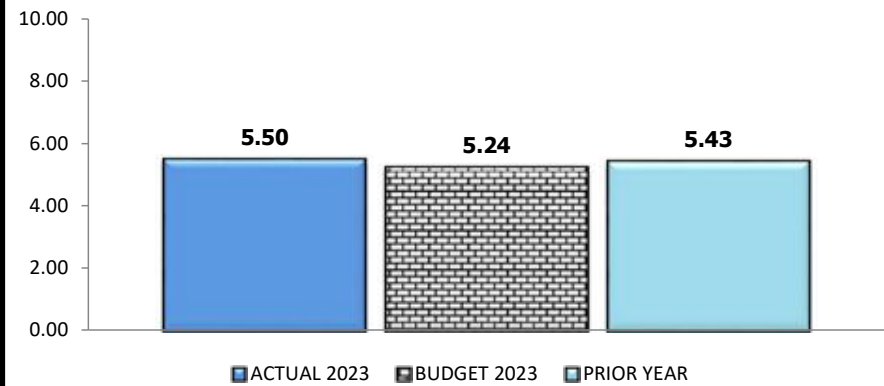
Lyndon B. Johnson ALOS - Quarter End



Ben Taub ALOS - YTD



Lyndon B. Johnson ALOS - YTD



Harris Health System

Statistical Highlights - Case Mix Index (CMI)

As of the Quarter Ended September 30, 2023

BT Case Mix Index (CMI) - Q4

Overall	Excl. Obstetrics
1.761	1.944

BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.807	1.995

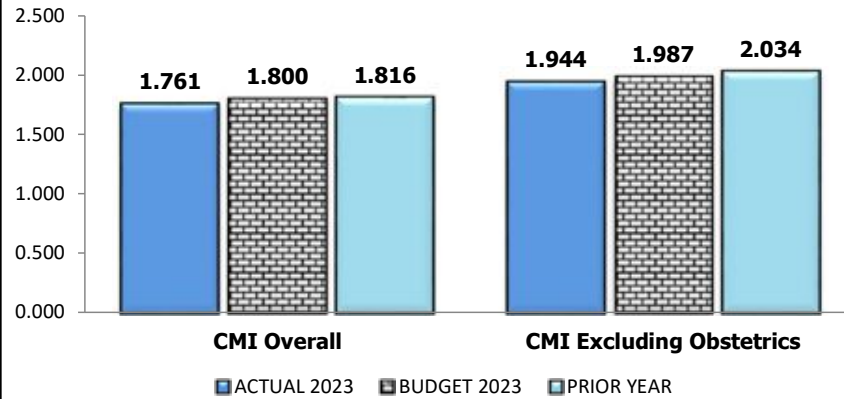
LBJ Case Mix Index (CMI) - Q4

Overall	Excl. Obstetrics
1.498	1.673

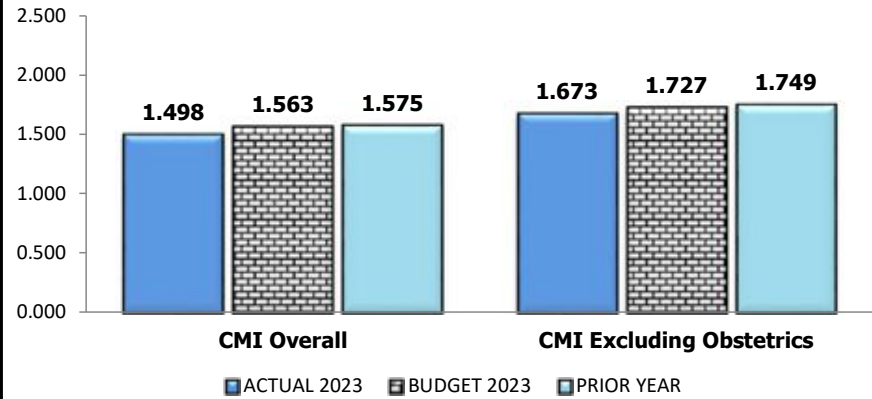
LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.527	1.681

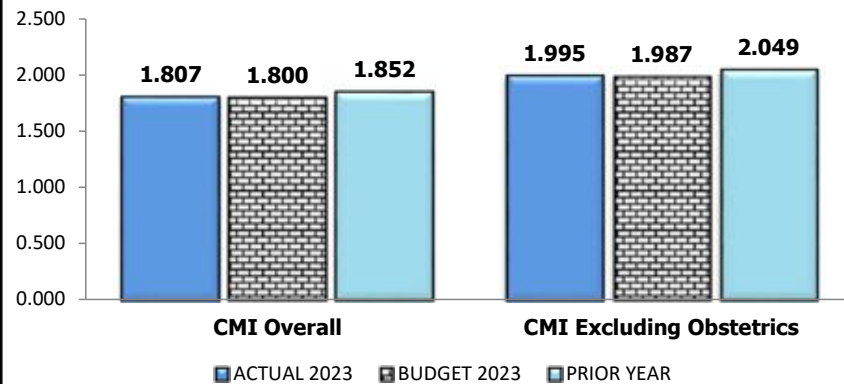
Ben Taub CMI - Quarter End



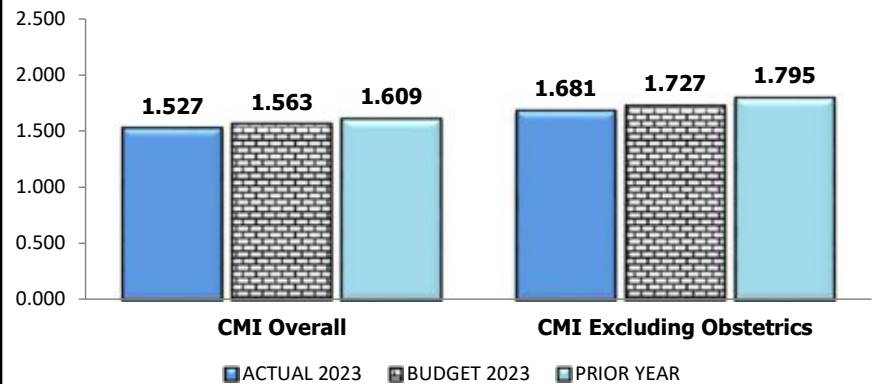
Lyndon B. Johnson CMI - Quarter End



Ben Taub CMI - YTD



Lyndon B. Johnson CMI - YTD



BOARD OF TRUSTEES

Budget and Finance Committee



Thursday, November 9, 2023

Consideration of Approval of Subsidy Payments to Community Health Choice, Inc. for the Health Insurance Marketplace Non-Federal Premium Payments for Eligible Harris Health Patients for Calendar Year 2024

Administration requests that the Board of Trustees authorize Harris Health System to provide, and Community Health Choice, Inc. to accept, the non-federal subsidy payments for those indigent and low-income patients for the insurance coverage term of January 1, 2024 through December 31, 2024. The total premium subsidies shall not exceed \$22,000,000.

Victoria Nikitin

Victoria Nikitin, CPA, MBA
Executive Vice President – Chief Financial Officer

Executive Summary – Marketplace Subsidy Program for Calendar 2024

Harris Health System has worked with Community Health Choice, Inc., since 2017 to assist in the enrollment of eligible Harris Health indigent patients into the appropriate Marketplace plans. The agreement between Harris Health and Community Health Choice for the Marketplace enrollment of Harris Health patients will automatically renew on December 31, 2023, subject to approval of the annual funding of premium subsidies for Calendar Year 2024.

In addition to providing subsidies for eligible indigent patients, Harris Health sponsored an additional subsidy program in 2021 for eligible Harris Health low-income patients (uninsured self-pay) with household incomes between 150% and 200% of the Federal Poverty Level (FPL), and plans to continue that program in 2024.

As of September 30, 2023, Harris Health has 109,109 unique participants in the Financial Assistance Program. Participants must be uninsured residents of Harris County with household income under 150% of the FPL who have applied for the Program, and provided sufficient documentation to support residency and income requirements.

There are 17,049 of those Financial Assistance Program patients also enrolled in a Silver 94 (for eligible applicants under 150% FPL) Marketplace insurance plan sponsored by Community Health Choice. Another 1,781 patients in the 150 – 200% FPL window are enrolled in a Silver 87 plan.

The attached summary report highlights the positive impact of the Marketplace strategy for Harris Health and its Financial Assistance patients. For the last completed year (Calendar 2022) Harris Health subsidized \$24.8 million in individual premiums, while the federal government provided \$164.9 million in APTC (Advance Premium Tax Credit) funding to Community Health Choice for these patients. Harris Health System and the medical school's provider organizations (Baylor College of Medicine and UT Physicians) were collectively reimbursed \$96.8 million for healthcare services provided to this patient population in Harris Health facilities, exceeding the premium subsidies by \$72.0 million.

Sponsored patients also received \$131.0 million in healthcare services from other community providers in Harris County in Calendar 2022. In total, \$227.8 million of healthcare service claims were paid for these subsidized patients, leveraging the Harris Health subsidy of \$24.8 million.

While Calendar 2023 is not yet completed, the annualized results reflect comparable success for the subsidy program. The reduction in subsidies in 2023 from 2022 was primarily the result of the full year's impact of the enhanced APTC that was begun in mid-2021; the increased federal contribution reduced the individual premiums and related Harris Health subsidies. The enhanced APTC has been extended through Calendar 2025, and is designed to cover 100% of the Benchmark plan premium cost for the Silver 94 plan.

The projected Marketplace subsidy cost of \$22.0 million for 2024 is substantially higher than 2023, primarily as a result of Community Health Choice 2024 plan pricing as compared to the price of the Benchmark plan for Harris County. The average price of the Benchmark plan decreased by 3% in 2024, while the average price of the specific Community plan for Harris Health subsidized members increased by 11.3% from 2023 to 2024 (comparable to the 14% increase from 2022 to 2023). In addition, the projected subsidy is estimated for the covered population of over 24,000, returning to the level of calendar 2022.

In summary, the subsidy program sponsored by Harris Health has enhanced reimbursement for services, easily covering the cost of the subsidy payments. Furthermore, the Community Health Choice Marketplace plans offer participating patients access to timely healthcare services anywhere in the contracted provider network for the plans, helping to mitigate the physical capacity limitations of existing Harris Health facilities and services and materially benefiting local healthcare providers.

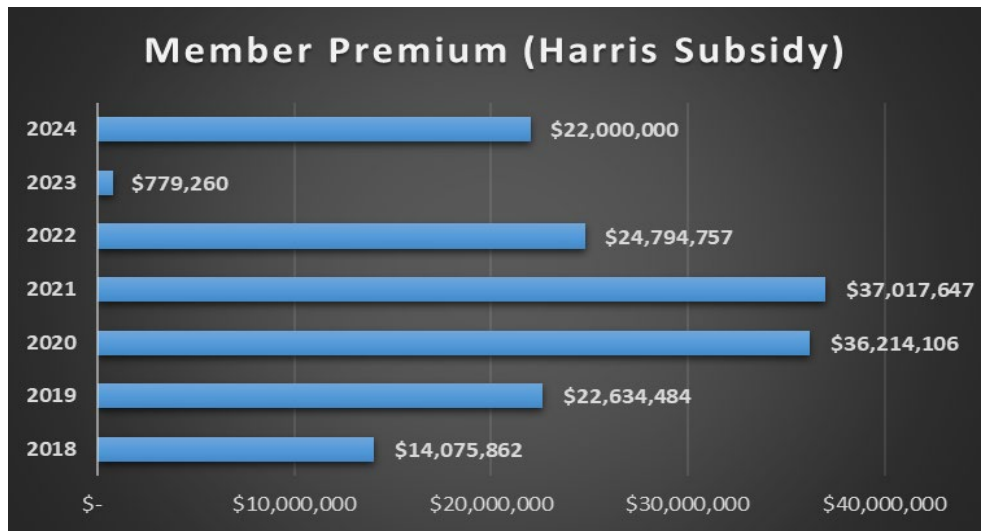
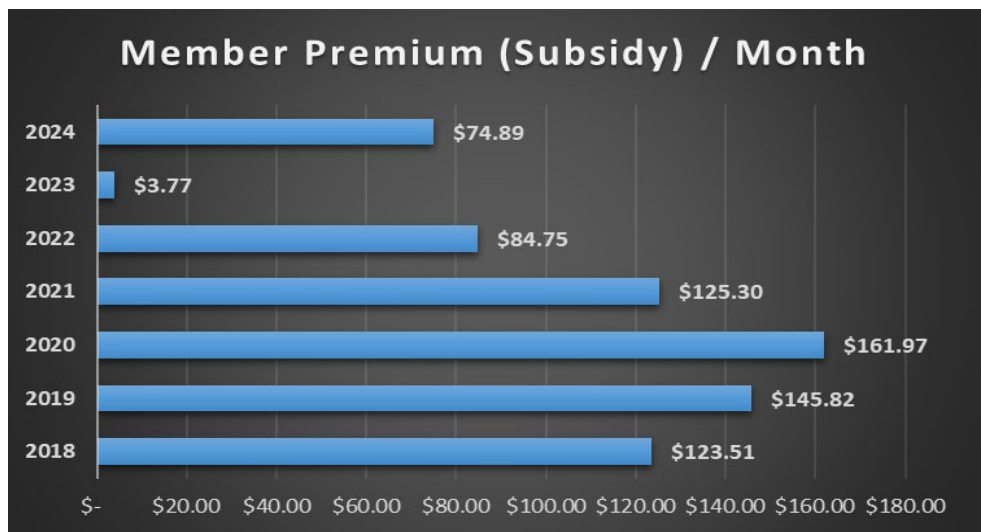
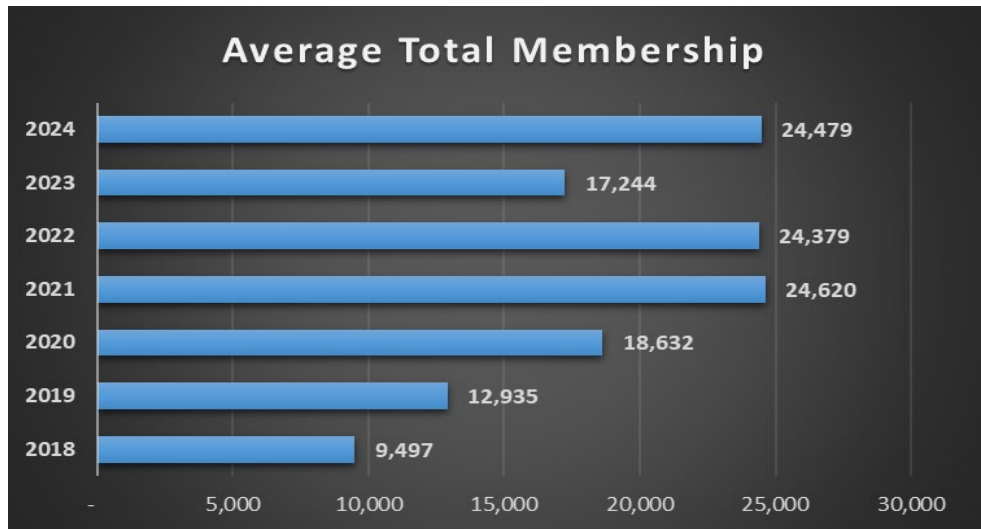
**Harris Health System
Marketplace Subsidy Program
Annual Trends**

	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Annualized (1)	2024 Projected (2)
Average Total Membership	9,497	12,935	18,632	24,620	24,379	17,244	24,479
Average Member Age	53	53	54	52	53	55	55
Member Premium (Harris Subsidy)	\$14,075,862	\$22,634,484	\$36,214,106	\$37,017,647	\$24,794,757	\$779,260	\$22,000,000
Average Monthly Premium:							
Total CHC Premium	\$702.93	\$731.71	\$773.19	\$674.96	\$648.38	\$741.49	\$825.12
Federal APTC	\$579.41	\$585.89	\$611.22	\$549.67	\$563.63	\$737.72	\$750.22
Member Premium (Subsidy) / Month	\$123.51	\$145.82	\$161.97	\$125.30	\$84.75	\$3.77	\$74.89
Benchmark Premium (Average Age)	\$624.41	\$630.89	\$656.22	\$573.08	\$571.63	\$774.00	\$752.51

Note (1) 2023 Annualized numbers are based on year-to-date September membership, premiums and claim reimbursement

Note (2) 2024 Projected numbers are based on current year (2023) active membership as of October 27, 2023 with assumed growth

Harris Health System Marketplace Subsidy Program Annual Trends



Thursday, November 9, 2023

Executive Session

Discussion Regarding the 2024 Operating and Capital Budget for Community Health Choice Texas, Inc. and Community Health Choice, Inc., Pursuant to Tex. Gov't Code Ann. §551.085, Including Consideration of Approval of the 2024 Operating and Capital Budget for Community Health Choice Texas, Inc. and Community Health Choice, Inc. Upon Return to Open Session.



Anna Mateja
CFO, Community Health Choice

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BOARD OF TRUSTEES

Compliance and Audit Committee

Thursday, November 9, 2023
10:00 A.M.

(or immediately following the Budget and Finance Committee)

BOARD ROOM
4800 Fournace Place, Bellaire, Texas 77401

The meeting may be viewed online at: <http://harrishealthtx.swagit.com/live>

Notice: Some Board Members may participate by videoconference.

Mission

Harris Health is a community-focused academic healthcare system dedicated to improving the health of those most in need in Harris County through quality care delivery, coordination of care, and education.

AGENDA

- | | | |
|--|----------------------------|---------------|
| I. Call to Order and Record of Attendance | Ms. Barbie Robinson | 2 min |
| II. Approval of the Minutes of Previous Meeting | | 1 min |
| • Compliance and Audit Committee Meeting – September 14, 2023 | | |
| III. Presentation Regarding the Harris Health System Independent Auditor’s Pre-audit Communication for the Fiscal Year Ended September 30, 2023 – Mr. Chris Clark, Forvis | | 10 min |
| IV. Presentation Regarding the Harris Health System FY2023 Internal Audit Update – Ms. Errika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director | | 10 min |
| V. Consideration of Recommendation of Approval of the Harris Health System FY2024 Internal Audit Charter to the Harris Health System Board of Trustees – Ms. Errika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director | | 5 min |
| VI. Discussion Regarding 2024 Compliance and Audit Committee Meeting Frequency | Ms. Barbie Robinson | 5 min |

VII. Executive Session

Ms. Barbie Robinson 55 min

A. Presentation Regarding the Harris County Auditor’s FY2024 Annual Risk Assessment and Audit Plan Process, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code Ann. §151.002, Tex. Gov’t Code Ann. §418.183 and Tex. Gov’t Code Ann. §551.089, Including Consideration of Recommendation of Approval to the Harris Health System Board of Trustees Upon Return to Open Session – ***Ms. Erika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director***

(20 min)

B. Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Tex. Health & Safety Code Ann. §161.032, and Including Consideration of Recommendation of Approval of the Compliance Program Audit Plan and Internal Quality Audit Plan to the Harris Health System Board of Trustees Upon Return to Open Session – ***Ms.Carolynn Jones***

(25 min)

C. Presentation Regarding Harris County Auditor’s Report on High-priority Management Action Plans (MAPs) Related to the Telemedicine Audit. The Audit and any Related Information is Proprietary, Privileged, Confidential or Otherwise Legally Exempt from Disclosure, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code Ann. §151.002, and Tex. Gov’t Code Ann. §418.183 – ***Ms. Erika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director***

(10 min)

VIII. Reconvene

Ms. Barbie Robinson 1 min

IX. Adjournment

Ms. Barbie Robinson 1 min

HARRIS HEALTH SYSTEM
MINUTES OF THE BOARD OF TRUSTEES
COMPLIANCE & AUDIT COMMITTEE MEETING
Thursday, September 14, 2023
10:00 AM

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
I. Call to Order and Record of Attendance	<p>Ms. Jennifer Tijerina, Presiding Chair, called the meeting to order at 10:01 a.m. It was noted there was a quorum present and the attendance was recorded. Ms. Tijerina stated that only participants scheduled to speak have been provided dial in information for the meeting. All others who wish to view the meeting may access the meeting online through the Harris Health website: http://harrishealthtx.swagit.com/live.</p>	
II. Approval of the Minutes of Previous Meeting – Compliance and Audit Committee Meeting – May 11, 2023		<p>Moved by Ms. Carol Paret, seconded by Ms. Jennifer Tijerina, and unanimously approved the minutes of the May 11, 2023 meeting.</p>
III. Presentation Regarding the Harris Health System Internal Audit Update	<p>Ms. Errika Perkins, Chief Assistant County Auditor, Harris County Auditor’s Office, delivered a presentation regarding the Harris Health System Internal Audit. She presented an overview of completed audits, audits in progress, upcoming audits. She also presented on the importance of knowledge sharing related to Harris Health’s Annual Risk Assessment. Additionally, she emphasized the importance of cybersecurity in healthcare. A copy of the presentation is available in the permanent record.</p>	<p>As Presented.</p>
IV. Executive Session	<p>At 10:11 a.m., Ms. Tijerina stated that the Compliance & Audit Committee would go into Executive Session for Items “A through C” as permitted by law under Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code Ann. §151.002, Tex. Occ. Code Ann. §160.007, Tex. Gov’t Code §418.183 and Tex. Gov’t Code Ann. §551.071.</p>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<p>A. Presentation Regarding Harris County Auditor’s Report on High-priority Management Action Plans (MAPs) Related to the Telemedicine Audit. The Audit and any Related Information is Proprietary, Privileged, Confidential or Otherwise Legally Exempt from Disclosure, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code Ann. §151.002, and Tex. Gov’t Code Ann. §418.183.</p>		<p>No Action Taken.</p>
<p>B. Presentation Regarding Harris County Auditor’s Report on UT Provider Invoicing Audit Performed. The Report and Related Information are Not Subject to Disclosure, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code Ann. §151.002, Tex. Gov’t Code Ann. §418.183, and Tex. Gov’t Code Ann. §551.071</p>		<p>No Action Taken.</p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<p>C. Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Tex. Health & Safety Code Ann. §161.032, and Possible Action Regarding this Matter Upon Return to Open Session</p>		<p>No Action Taken.</p>
<p>V. Reconvene</p>	<p>At 10:58 a.m., Ms. Jennifer Tijerina reconvened the meeting in open session; she noted that a quorum was present and that no action was taken in Executive Session.</p>	
<p>VI. Adjournment</p>	<p>Moved by Ms. Carol Paret, seconded by Ms. Jennifer Tijerina, and unanimously approved to adjourn the meeting. There being no further business, the meeting adjourned at 10:58 a.m.</p>	

I certify that the foregoing are the Minutes of the Meeting of the Compliance and Audit Committee of the Board of Trustees of the Harris Health System held on September 14, 2023.

Respectfully submitted,

Ms. Jennifer Tijerina, Presiding Officer
 in Lieu of Ms. Barbie Robinson, Chair

Recorded by Cherry A. Pierson

Thursday September 14, 2023

Harris Health System Board of Trustees Board Meeting – Compliance and Audit Committee Attendance

Note: For Zoom meeting attendance, if you joined as a group and would like to be counted as present, please submit an email to: BoardofTrustees@harrishealth.org before close of business the day of the meeting.

COMPLIANCE & AUDIT COMMITTEE MEMBERS PRESENT	COMPLIANCE & AUDIT COMMITTEE MEMBERS PRESENT	ADDITIONAL BOARD MEMBERS PRESENT
Ms. Jennifer Tijerina (Presiding Officer)	Ms. Barbie Robinson (<i>Chair</i>)	
Ms. Carol Paret	Dr. Ewan D. Johnson (<i>Ex-Officio</i>)	
HARRIS HEALTH EXECUTIVE LEADERSHIP, STAFF & SPECIAL INVITED GUESTS		
Alison Perez	Jeffrey Vinson	
Amy Smith	Jennifer Zarate	
Anthony Williams	Jerry Summers	
Arlen Alanis	Jessey Thomas	
Carolynn Jones	John Matcek	
Catherine Walther	Kari McMichael	
Cherry Pierson	Louis Smith	
Daniel Smith	Maria Cowles	
Derek Curtis	Matthew Schlueter	
Dr. Glorimar Medina	Michael Hill	
Dr. Jackie Brock	Nicholas J. Bell	
Dr. Jennifer Small	Olga Rodriguez	
Dr. Matasha Russell	Omar Reid	
Dr. Mohammad Zare	Randy Manarang	
Dr. Sandeep Markan	Sam Karim	
Dr. Steven Brass	Sara Thomas (<i>Harris County Attorney's Office</i>)	
Dr. Tien Ko	Sharon Brantley – Smith (<i>Harris County Auditor's Office</i>)	
Ebon Swofford (<i>Harris County Attorney's Office</i>)	Shawn DeCosta	
Elizabeth Winn (<i>Harris County Attorney's Office</i>)	Shelly Stevens	
Errika Perkins (<i>Harris County Auditor's Office</i>)	Tai Nguyen	
Dr. Esmaeil Porsa (<i>Harris Health President & CEO</i>)	Veronica Kasdorf	
Dr. Esperanza “Hope” Galvan	Victoria Nikitin	
Jack Adger (<i>Harris County Purchasing Office</i>)		

BOARD OF TRUSTEES

Compliance and Audit Committee

**HARRISHEALTH
SYSTEM**

Thursday, November 9, 2023

**Presentation Regarding the Harris Health System Independent Auditor's Pre-audit
Communication for the Fiscal Year Ended September 30, 2023**

Victoria Nikitin

Victoria Nikitin, CPA, MBA
Executive Vice President – Chief Financial Officer

FORVIS



Harris Health

November 9, 2023

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office

Attest Services

- Harris Health – Financial statement audit as of September 30, 2023
- Harris Health – Uniform grant compliance audit as of September 30, 2023
- Community Health Choice, Inc. – Statutory audit as of December 31, 2023
- Community Health Choice Texas, Inc. – Statutory audit as of December 31, 2023
- Employee Benefit Plan Audit - 401k Plan – Financial statement audit as of December 31, 2023
- Employee Benefit Plan Audit - Pension Plan – Financial statement audit as of December 31, 2023

FORV/S

Risk Areas & Key Disclosures

Based on the risk assessment process, we have preliminary identified the following:

Patient accounts receivable

Estimate of net realizable value based on collection trends

Third-party payer settlements

Receivables associated with unpaid funding from Medicaid supplemental funding programs, exposure related to potential program overpayments and Medicare cost report settlements

Self-insured risks

Reserves for unpaid claims associated with professional & general liability, workers compensation, employee health and PHP claims

Net pension liability

Liability associated with earned but unpaid pension obligations and related estimates of deferred inflows and outflows

GASB Statement No. 96

Recognition and measurement of subscription-based information technology arrangements

Revenue recognition

Process by which revenue from patient services is recognized

Medicaid supplemental funding

Program descriptions, risks and revenue recognition

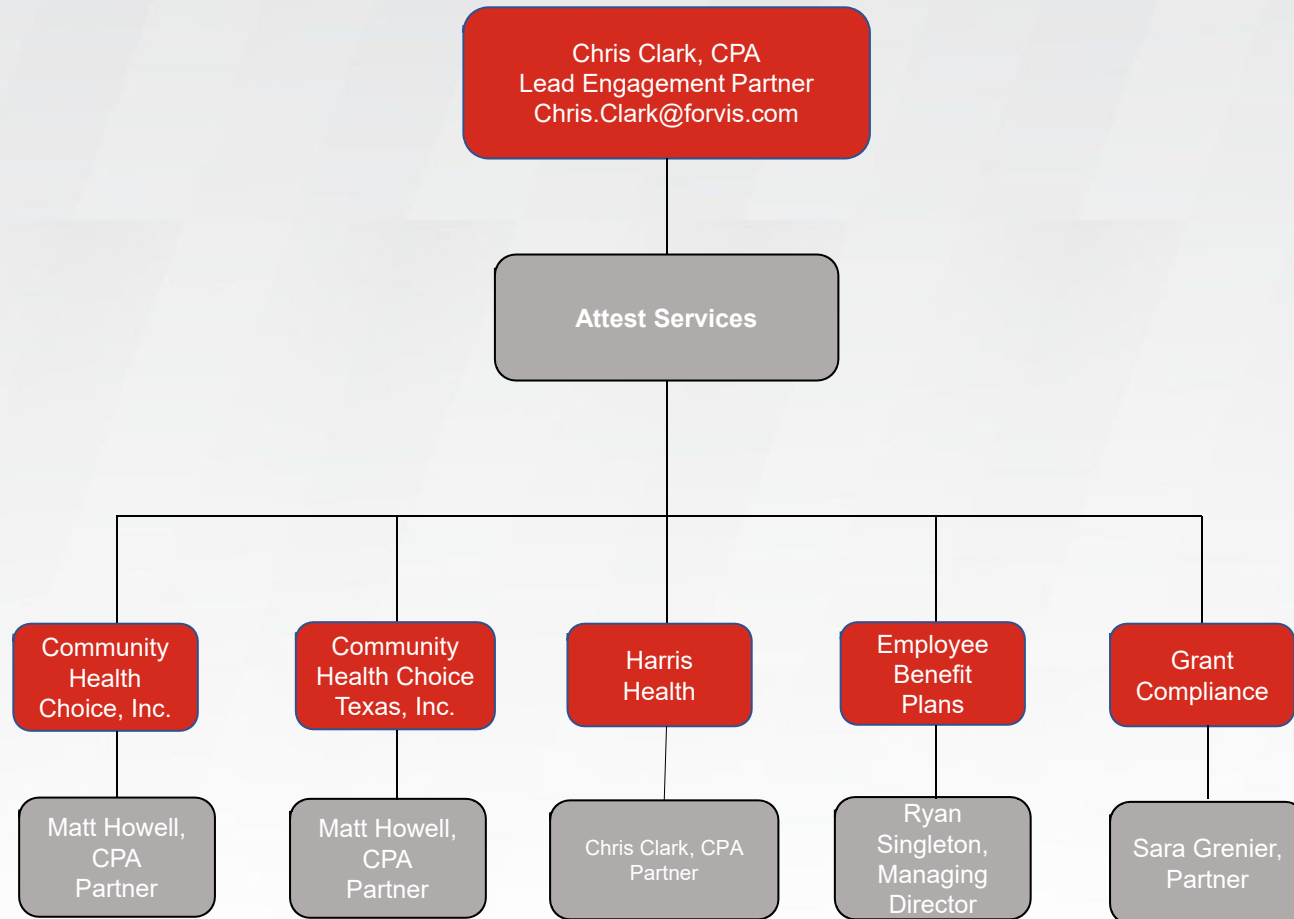
Tax revenue

Source of revenue, portions associated with operations vs debt service and the support provided by tax revenue in relation to total revenue

Pension Plans

Description of employee benefit programs and key assumptions in the measurement of the net pension liability

Engagement Team



FORVIS

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Timeline

Planning
August 2023

- ✓ Develop audit timeline with management team
- ✓ Compile list of needed schedules and provide to the finance team
- ✓ Perform preliminary risk assessment procedures

Risk
Assessment
Aug-Sep
2023

- ✓ Complete review of internal control documentation & test key controls
- ✓ Perform interviews of key personnel
- ✓ Information technology controls review
- ✓ Perform interim procedures on certain financial statement elements

FORV/S

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Testing
Nov-Dec
2023

- ✓ Perform substantive procedures on material financial statement elements and key risk areas
- ✓ Evaluate significant unusual transactions
- ✓ Conclude that all identified risks of material misstatement have been addressed
- ✓ Provide draft deliverables to management for review

Finalize
reviews &
deliver draft
materials
Jan 2024

- ✓ Work with third-parties to obtain final information needed to complete audit testing
- ✓ Draft audit report and related communications
- ✓ Engagement quality review of audit testing and deliverables
- ✓ Review draft deliverables with management

Audit
Committee
Meeting
Feb 2024

- ✓ Present post-audit communication to audit committee
- ✓ Discuss results of audit process and present finished audit report and related communications

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Q&A

FORV/S

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Thank you!

forvis.com

The information set forth in this presentation contains the analysis and conclusions of the author(s) based upon his/her/their research and analysis of industry information and legal authorities. Such analysis and conclusions should not be deemed opinions or conclusions by FORVIS or the author(s) as to any individual situation as situations are fact specific. The reader should perform its own analysis and form its own conclusions regarding any specific situation. Further, the author(s) conclusions may be revised without notice with or without changes in industry information and legal authorities. FORVIS has been registered in the U.S. Patent and Trademark Office, which registration is pending.

FORVIS

Assurance / Tax / Advisory

Thursday, November 9, 2023

Presentation Regarding the Harris Health System FY2023 Internal Audit Update

Harris County Auditor's Office presentation to the Compliance and Audit Committee of the Internal Annual Audit Update.

Errika Perkins

Errika Perkins

Chief Assistant County Auditor, Harris County Auditor's Office



Internal Audit Annual Update

for the period October 1, 2022 - September 30, 2023

November 9, 2023



Our Mission

Provide independent, objective assurance and consulting services, utilizing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Our Goal

Serve as a trusted assurance partner by completing at least 75% of the annual Audit Plan by fiscal year-end and providing deliverables that add value and support Harris Health's achievement of its Strategic Plan.

About Our Team



District Court Judges
of Harris County



Mike Post, Harris
County Auditor



Ex-Officio
CAC
Member



Errika Perkins, Chief
Asst. County Auditor



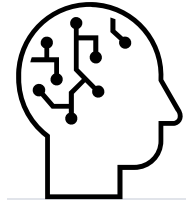
Sharon Brantley-
Smith, HHIA Director



2 Managers, 5
Auditors



Internal Audit Certifications

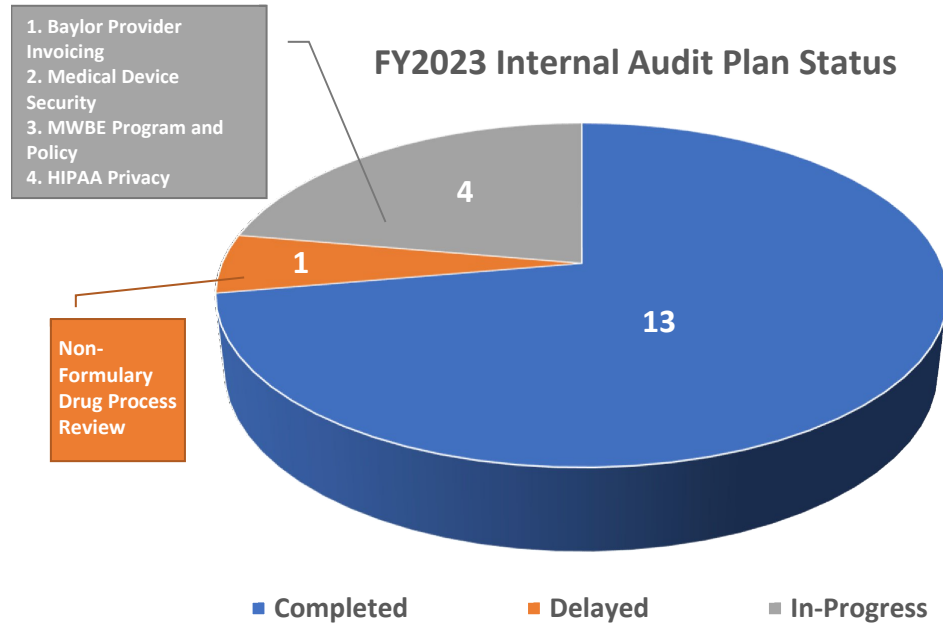


87 Years of
Total
Healthcare
Experience

FY2023 Key Performance Indicators



Client Survey Summary Results (Average Client Response Rate is 29%)	
Harris Health management rated us in the following areas on a 5.0 scale:	
Your overall impression of the auditor that you or your staff communicated with most frequently	4.8
The audit team's ability to conduct their work with a minimal disruption to your staff's operations	4.7
The audit team's understanding of the overall goals and objectives of your department	4.5
The effectiveness and timeliness of the auditor's addressing your areas of concern(s)	4.8
The timeliness of the issuance of the final report	4.8



72% Completion Rate

Audit Update

Recently Completed Audits



Project Name	Audit Objective	Issues Identified	Risk Ranking	Appendix Reference
Follow Up on 2019 Guidehouse Grant Accounting Process Assessment	Verify implementation of key recommendations from the 2019 Guidehouse Grant Accounting Process Assessment.	1. Grant Management is Decentralized	1. High	A
Cybersecurity Training Compliance	Review Harris Health System's compliance with Texas General Government Code 2054.519, State Certified Cybersecurity Training Programs.	None	N/A	B
Physician Preference Cards Consulting Engagement	Facilitate documentation of a plan and timeline for automating physician preference cards in Epic.	1. No Process in Place for Updating GHX Clinical ConneXion	1. Moderate	C
PeopleSoft Change Management Audit	Determine whether controls provide reasonable assurance that changes to existing PeopleSoft infrastructure, data, or software are authorized, documented, tested, approved, and implemented as intended.	1. Risk Classifications Not Assigned for PeopleSoft Changes 2. No Periodic Review of Privileged Access in Phire	1. Moderate 2. Moderate	D

Follow-up on Management Action Plans

At the end of each engagement, Internal Audit requests action plans and definitive implementation dates from management for remediating the risks identified during the audit.

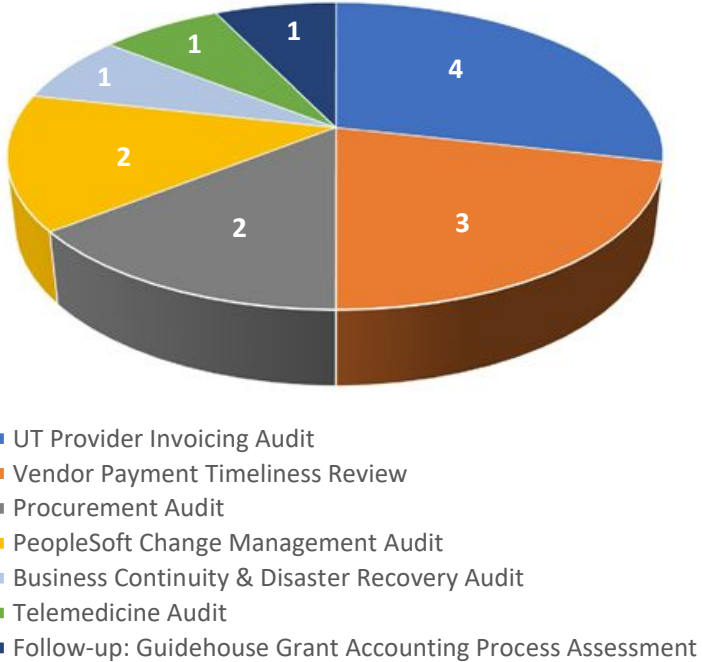
Internal Audit follows up to confirm implementation of the management action plans (MAPs) and provides updates to the Compliance and Audit Committee on any past-due MAPs with a HIGH priority for implementation.

A total of **14 MAPs** are outstanding for seven audits (**Figure 1**). The table below indicates **two past-due**, high-priority MAPs, which will be discussed in Executive Session.

Project Name	Total Outstanding MAPs	High Priority Past Due MAPs
Business Continuity & Disaster Recovery	1	1
Telemedicine Audit	1	1
Total	2	2

Figure 1

Summary of Outstanding MAPs



Annual Risk Assessment

Highlights



87
Leaders

Interviewed or surveyed a total of 87 Harris Health leaders during the period July through September 2023.



57
Total Risks

Identified 57 process risks across the organization, aligned them with enterprise risk domains and Harris Health's strategic pillars, and ranked them according to likelihood of occurring and impact to strategic objectives.



20
Top Risks

Identified risk mitigation plans by assurance provider: management, Internal Audit, or Corporate Compliance projects for FY 2024 to address the top 20 risks identified.



Audit/Compliance Collaboration

Collaborated with Corporate Compliance to ensure adequate coverage of key risks and avoid duplication of effort on our respective audit plans.



Maximize Internal Audit Benefit

During FY 2023, Harris Health spent more than **\$23 million** on **consulting fees**. We learned during risk assessment interviews and internal audits of several external consulting engagements that will identify or mitigate risks throughout the organization.

To facilitate collaboration, transparency, and prevent duplication of effort, Internal Audit and Corporate Compliance are coordinating with the Enterprise Project Management Office to track these external engagements. The **goal** is for Internal Audit or Compliance to be a resource for validating implementation and sustainability of external consulting engagements' recommendations, where appropriate. In addition, since Harris Health budgets more than \$1 million annually for internal audit services, there is an opportunity to utilize our services for certain consulting engagements where we have the applicable skillset.

APPENDIX A

Report – Follow up on Guidehouse Grant Accounting Process Assessment



**HARRISHEALTH
SYSTEM**

**Internal Audit Report- *Follow
Up on 2019 Guidehouse Grant
Accounting Process Assessment***
September 2023

Audit Team: Sharon Brantley Smith; Veronica Kasdorf; Carmen Garcia

Leslie Wilks Garcia, C.P.A., M.Jur.
First Assistant County Auditor

Errika Perkins, CPA, CIA, MBA
Chief Assistant County Auditor
Audit Division



MICHAEL POST, CPA, MBA
HARRIS COUNTY AUDITOR

1001 Preston, Suite 800
Houston, Texas 77002-1817
(832) 927-4600

Fax (713) 755-8932

Help Line (832) 927-4558

September 20, 2023

Dear Victoria Nikitin – *Executive Vice President & Chief Financial Officer*,Carolynn Jones - *Executive Vice President and Chief Compliance & Risk Officer*, Kari McMichael – *Vice President & Controller*, and Kelli Fondren - *Vice President & Chief Development Officer*:

Harris Health System Internal Audit (Internal Audit) has completed a follow-up to the 2019 Guidehouse Grant Accounting Process Assessment. The results of our engagement are included in the attached report.

We appreciate the time and attention provided by your team. Please expect an email request to complete our Post-Engagement Survey. We look forward to your feedback. If you have any questions, please contact Errika Perkins, Chief Assistant County Auditor at 713-274-5673 or me.

Sincerely,

A handwritten signature in blue ink that reads "Michael Post".

Michael Post
County Auditor

Report Copies:
Dr. Esmaeil Porsa
Louis Smith
Maria Cowles
Kathryn Crary
Kenya Green
Sara Thomas



Executive Summary



OBJECTIVE

The objective of the engagement was to verify implementation of key recommendations from the 2019 Guidehouse Grant Accounting Process Assessment.

SCOPE

Validation procedures involved surveys and interviews with a sample of Grant Project Managers, and Grant Accounting personnel with People Soft Grant Module access; interviews with additional parties in Grant Accounting, and Corporate Compliance; and a review of Harris Health's current grant processes and related data for the period January 2021 through June 2023. This engagement did not focus on specific grant compliance.

OVERALL CONCLUSION

Harris Health System (Harris Health) has implemented some of the selected recommendations from the 2019 Guidehouse Grant Accounting Process Assessment. The implemented recommendations relate to:

- Standardized templates for grant reconciliations and other aspects of the grant management process
- Periodic update meetings to communicate key information about significant grants
- Utilizing automated alerts with the Grant Module to notify Grant Project Managers of key financial due dates
- Establishing a mechanism for Grant Project Managers or Grant Accountants to sign-off and upload relevant documents when contract requirements have been met

Recommendations have not been fully implemented related to grant policy development; finalization of a roles and responsibility matrix for grant processes; basic training for grant stakeholders; ensuring access to the Grant Module and awareness of available functionalities; utilization of Grant Module alerts for non-financial due dates; and the inclusion of small grants in the periodic communication process. The absence of a centralized grant management function within Harris Health could be a contributing factor to the opportunities identified. Harris Health leadership should evaluate the cost-benefit of developing a system-level grant management function to ensure accountability and consistency across the organization.

The following table identifies the Guidehouse recommendations selected for validation and the validated recommendation status.

The subsequent pages of this report include an issue regarding the decentralized grant management at Harris Health and background information regarding this engagement. The issue is ranked based on the likelihood and impact of the risk to Harris Health. Internal Audit is working with management to develop an action plan and due date for the issue.



Executive Summary



	Guidehouse Recommendation	Validated Implementation Status
Policies & Procedures	<ul style="list-style-type: none"> Collaborate with stakeholders (i.e. Project Managers, HHS Compliance Office, etc.) to review and update current policies to ensure compliance and develop additional policies where needed. 	Not Implemented
	<ul style="list-style-type: none"> Collaborate with stakeholders to develop and agree on a roles and responsibility matrix and corresponding approval hierarchy to ensure inclusion of all required individuals in grant processes. 	Implemented with Further Action Needed
Training	<ul style="list-style-type: none"> Identify internal and external grant specific training and collaborate with stakeholders to establish the cadence for such training. 	Implemented with Further Action Needed
	<ul style="list-style-type: none"> Continue the practice of knowledge sharing between relevant team members and process owners (including Project Managers, Grant Accountants, etc.). 	Implemented with Further Action Needed
Use of Data	<ul style="list-style-type: none"> Collaborate with stakeholders to ensure current reports provided align with their needs and/or develop additional reports. 	Implemented with Further Action Needed
	<ul style="list-style-type: none"> Develop a standardized Grant Reconciliation template through collaboration with stakeholders (i.e. Project Managers and Controller). 	Implemented
	<ul style="list-style-type: none"> Assess other processes where use of a standardized template for internal use would increase efficiency (i.e. Research and Application, Progress Reports, Financial Reports). 	Implemented



Executive Summary



	Guidehouse Recommendation	Validated Implementation Status
Leveraging Existing Technology	<ul style="list-style-type: none"> Collaborate with IT to extend PeopleSoft Grant Module access to stakeholders (i.e. Project Managers). 	Implemented with Further Action Needed
	<ul style="list-style-type: none"> Establish a consistent practice of utilizing PeopleSoft notifications for key dates/deadlines through ensuring inclusion of this information within the grant profile 	Implemented with Further Action Needed
	<ul style="list-style-type: none"> Collaborate with the IT department to set up alerts within PeopleSoft for grants approaching their budgets (total project budget or budget line-item) 	Implemented
	<ul style="list-style-type: none"> Collaborate with stakeholders and IT to assess the ability for Project Managers or Grant Accountants to sign-off and upload relevant documents when contract requirements have been met. 	Implemented
Communication	<ul style="list-style-type: none"> Collaborate with internal stakeholders (i.e. upper management, Pavilion Leadership, Project Managers, etc.) to develop and agree on a communication plan for grant updates, notification of issues, and decision making in a timely and consistent manner. 	Implemented with Further Action Needed
	<ul style="list-style-type: none"> Implement an in-person monthly meeting with the Grant Accounting Department and Project Managers to discuss grant budget issues. 	Implemented with Further Action Needed



Issue & Management's Action Plan

HARRISHEALTH
SYSTEM





1. Grant Management is Decentralized [HIGH]



What is the Issue: Harris Health does not have a centralized grant management function. Grant Accounting oversees financial aspects of grant management, while programmatic oversight is decentralized within operational departments. Additionally, the Development Office and Corporate Compliance are responsible for identifying grant program opportunities, assisting with grant proposals, and assisting in grant regulatory audits. Moreover, Corporate Compliance assists with identifying timelines for grant reporting to state, federal, and local entities. There is minimal monitoring for grants that are deemed financially immaterial to the organization.

Why it Happened: On average, total grant funds represent 1.3% of total revenue for Harris Health. Based on the overall financial significance of grants at Harris Health, management decided that a limited focus on large grants and delegation of certain responsibilities to operational departments was sufficient.

Why it Matters: Enhancing the grant management through a centralized oversight function could be beneficial as Harris Health continues to seek grants to fund strategic initiatives. A centralized function could provide the infrastructure for efficiently and effectively managing grants and would demonstrate Harris Health's commitment to consistency and compliance for all grants. In the absence of a centralized function, it is difficult to identify accountability and responsibility for certain processes, and there could be an increased risk of noncompliance and loss of grant funding. Internal Audit's confirmed the following:

- There is no system-level policy to provide basic process guidance to all grant stakeholders. Instead, there are grant-specific policies for key grants or departments.
- Fifty percent of grant stakeholders surveyed indicated a need for basic grant management training in one or more of the following areas: generating PeopleSoft Grant Module reports and knowing what reporting access they are assigned in the module; overall grant processes, including but not limited to application, acceptance, set up, management, reporting, and renewal; and grant management roles and responsibilities.
- Some Grant Project Managers were not aware of the Grant Module and did not have access.
- Some Grant Project Managers use their own internal documents or the grantors' external portals to track non-financial reporting deadlines, without the benefit of automated monitoring alerts within the Grant Module.
- Grant Accounting has established monthly meetings with Grant Project Managers to discuss budgets, staffing, reporting deadlines, and other decision-making factors for the large grant clusters. The Development Office, Corporate Compliance, and Patient Financial Services are invited to the meetings. The meetings do not occur for the smaller grants at Harris Health.

What is Expected: According to the Government Finance Officers Association, government entities should establish a central grants management function.

What Action(s) are Suggested: Grant Accounting, Corporate Compliance, and the Development Office should initiate dialog with Harris Health leadership to evaluate the cost-benefit of establishing a centralized grant management function. If a centralized function is developed, then a general grant management policy, basic grant management training, and enhanced monitoring and communication tools should be developed and implemented in accordance with the Guidehouse recommendations. Consideration should be given to establishing a periodic communication process for grants outside of the large grant clusters.

If leadership decides not to establish a centralized function, then Grant Accounting, Corporate Compliance, and the Development Office should collaborate to develop and implement reasonable processes to address the Guidehouse recommendations that have not been fully implemented. Justification should be given for any Guidehouse recommendations that management decides not to implement.



1. Management's Action Plan



Responsible Parties:

- **Grant Accounting** - Victoria Nikitin, Executive Vice President-Chief Financial Officer; Kari McMichael, Vice President-Controller; Kenya Green, Grant Accounting Director
- **Corporate Compliance** - Carolynn Jones, Executive Vice President-Chief Compliance & Risk Officer; Vivian Ho-Nguyen, Administrative Director-Accreditation & Regulatory Affairs
- **Development Office** - Kelli Fondren, Vice President-Chief Development Officer; Kathryn Crary, Grants and Resource Development Director

A Grants Committee will be formed as an initial step toward establishing a centralized grant management function and addressing the observations noted during the Guidehouse assessment and Internal Audit follow-up. The Committee will identify an executive sponsor and will consist of subject matter experts from Grant Accounting, the Development Office, Corporate Compliance, and grant program managers in Harris Health's operational units. The Committee will collaborate on developing roles, responsibilities, and objectives for the centralized grant management function. The Committee will provide an update to Internal Audit in March 2024.

Due Date: March 1, 2024

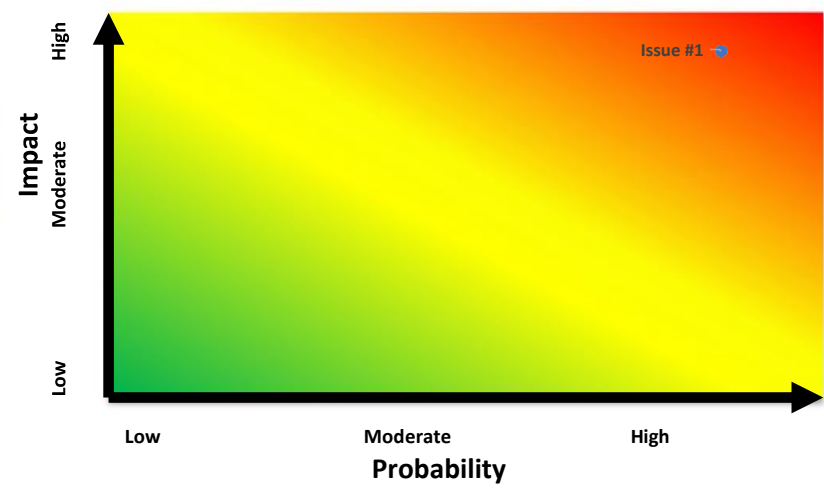


Issue Ranking



Internal Audit ranks audit issues as High, Moderate, or Low based on the *impact* and *probability* to related business process risks. The assessment is based on auditor judgment and consideration of the controls and/or control gaps identified. Impact represents the auditor's perceived effect of the risk on the achievement of the business function's goals, strategies, reputation, and/or finances. Probability relates to the perceived likelihood that the risk will occur.

Follow Up: 2019 Guidehouse Grant Accounting Process Assessment



#1-Grant Management Is
Decentralized



Background



In 2019, Harris Health paid Guidehouse nearly \$1.7 million for disaster management services after Hurricane Harvey and an assessment of multiple financial accounting areas, including Grant Accounting. The Grant Accounting assessment resulted in 19 recommendations in the following areas:

- Communication
- Policies and Procedures
- Use of Data
- Technology Leverage & Assessment
- Training

Guidehouse suggested the involvement of multiple parties in implementing the recommendations, including: Grant Accounting, the Development Office, Corporate Compliance, the Information Technology department, and Grant Project Managers within Harris Health's operating units.

According to the last audited financial statements as of February 2022, there were 32 state and federal awards totaling \$24.7 million. This excludes \$160.6 million in one-time COVID CARES grants that were received in 2022.

Type of Award	Amount of Awards	Grant Revenue
State	12	\$ 3,088,316
Federal	20	\$ 21,616,094
Total	32	\$ 24,704,410



Accountability

HARRISHEALTH SYSTEM

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards). The Standards require that we comply with the Code of Ethics and obtain reasonable assurance that significant risks to the activity are minimized to an acceptable level.

The work performed required our staff to exercise professional judgment. As the engagement's scope did not include a detailed examination of all transactions, there is a risk that fraud, errors, or omissions were not detected during this engagement. Management is responsible for ensuring sufficient internal controls are in place to minimize the risk of significant fraud, errors, or omissions.

APPENDIX B

Report – Cybersecurity Training Compliance Assessment



**HARRISHEALTH
SYSTEM**

**Internal Audit Report –
*Cybersecurity Training
Compliance Assessment*
September 2023**

Audit Team: Arlen Alanis; Vince Varkey

Leslie Wilks Garcia, MJur, CPA, CFE
First Assistant County Auditor

Errika Perkins, CPA, CIA, CFE
Chief Assistant County Auditor
Audit Division



MICHAEL POST, CPA, CIA
HARRIS COUNTY AUDITOR

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September 22, 2023

Dear Jeffrey Vinson – *Senior Vice President, Chief Cyber & Information Security Officer:*

Harris Health System Internal Audit (Internal Audit) has completed the Cybersecurity Training Compliance Assessment for 2023. The results of our audit are included in the attached report.

We appreciate the time and attention provided by your team. Please expect an email request to complete our Post-Engagement Survey. We look forward to your feedback. If you have any questions, please contact Errika Perkins, Chief Assistant County Auditor at 713-274-5673 or me.

Sincerely,

A handwritten signature in blue ink that reads "Michael Post".

Michael Post
County Auditor

Report Copies: Dr. Esmail Porsa, Louis Smith,Carolynn Jones, Omar Reid, Victoria Nikitin, Ron Fuschillo, Anna Vaughn, Gary Marsh, and Sara Thomas



Executive Summary



OVERALL CONCLUSION

Harris Health System Internal Audit completed the Cybersecurity Training Compliance Assessment for the reporting year 2023. The objective of the engagement was to review Harris Health System's (Harris Health) compliance with Texas General Government Code 2054.519, State Certified Cybersecurity Training Programs. The specific requirements are as follows:

- Annually, local government employees who have access to a local government computer system and use a computer to perform at least 25% of their required duties must complete a certified cybersecurity training program.
- The local government must verify and report on compliance of the program.

No reportable issues were noted during the assessment and the following was confirmed:

- Harris Health's Information Security (IS) department has developed a comprehensive cybersecurity training program that was certified by the Texas Department of Information Resources and is required for all active employees.
- Harris Health certified to the Texas Department of Information Resources by August 31, 2023 that 9,851 (96%) of 10,253 employees had completed the training. Internal Audit independently validated this compliance rate.
- As a result of IS's continued monitoring and follow up, an additional 173 employees had completed the training as of September 18, 2023 for a 98.62% completion rate.



HARRISHEALTH SYSTEM

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards). The Standards require that we comply with the Code of Ethics and obtain reasonable assurance that significant risks to the activity are minimized to an acceptable level.

The work performed required our staff to exercise professional judgment. As the engagement's scope did not include a detailed examination of all transactions, there is a risk that fraud, errors, or omissions were not detected during this engagement. Management is responsible for ensuring sufficient internal controls are in place to minimize the risk of significant fraud, errors, or omissions.

APPENDIX C

Report – Physician Preference Cards Consulting Engagement



HARRISHEALTH SYSTEM

Internal Audit Report - *Physician Preference Cards Consulting Engagement* October 2023

Audit Team: Arlen Alanis; Jayell Scott
Strategic Plan Pillar: One Harris Health

Leslie Wilks Garcia, M.Jur., CPA, CFE
First Assistant County Auditor
Accounting Division

Errika Perkins, CPA, CIA, CFE
Chief Assistant County Auditor
Audit Division



MICHAEL POST, CPA, CIA
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MEMORANDUM

To: Dr. Jennifer Small, Executive Vice President, ACS
Matthew Reeder, Administrator, ACS
Dr. Glorimar Medina-Rivera, Executive Vice President, Ben Taub
Antoinette Cotton, Chief Nursing Officer, Ben Taub
Jamie Hons, Vice President of Operations, Ben Taub
Lisa Devane, Administrative Director of Nursing, Ben Taub

From: Mike Post, Harris County Auditor *MP*
Errika Perkins, Chief Assistant County Auditor- Audit Division *EP*

CC: Dr. Esmail Porsa
Louis Smith
Dr. Jacqueline Brock
Carolynn Jones
Daniel Alanis
Pedro Saldana
David Carangie
Jake Goldstein

Patricia Darnauer, Executive Vice President, LBJ
Dr. Derek Curtis, Chief Nursing Officer, LBJ
Aown Syed, Vice President of Operations, LBJ
Renee McElligott, Administrative Director of Nursing Perioperative Services, LBJ
Sam Karim – Vice President, Enterprise System Projects & Strategy

Eric Barnhouse
Douglas Creamer
Benjamin Etuk
Jacob Titus
Nakiea Williams
Justin Cox
Charyl Bell-Gordon
L. Sara Thomas

RE: Physician Preference Cards Consulting Engagement

Date: October 9, 2023



Executive Summary



OVERALL CONCLUSION

Harris Health System Internal Audit conducted a consulting engagement to understand the current state of physician preference cards at Lyndon B. Johnson Hospital (LBJ), Ben Taub Hospital (Ben Taub), and the Ambulatory Surgery Center (ASC) and assist management with documenting a plan and timeline for automating the preference cards in Epic.

The pavilions have been using manual pick sheets stored on shared network drives to record physicians' preferred tools, instruments, and supplies for medical procedures. Interviews with a sample of physicians revealed that their verbal requests to update pick sheets were not consistently followed. Moreover, Internal Audit's assessment identified outdated pick sheets, instances where supplies listed on the pick sheets were not found in Epic, and discrepancies in supply terminology between the pick sheets and Epic. Once the manual pick sheets are built out as *preference cards* in Epic, they will be centrally located along with all other patient care records and can be monitored for completeness and accuracy through a Preference Card Maintenance Dashboard. Additionally, there will be built-in access controls and permissions to prevent unauthorized modifications.

In June 2023, Ben Taub provided Internal Audit with their timeline for building preference cards in Epic. As of August 2023, Ben Taub had built preference cards for the top 10 procedures within each clinical service line. The Epic Preference Card Implementation Plan included in this report was a collaborative effort among the pavilions and Internal Audit to guide Ben Taub, LBJ, and ASC in completing their preference card automation process.

ISSUE

A process is not in place to ensure that the listing of available medical supplies in Epic, including tools, equipment, and standardized sterile instruments, is complete and accurate to fulfill the physician's preferences. A process should be developed, accountability and responsibility for the process should be assigned, and the process should be consistent at all pavilions.

Details of the issue and the Epic Preference Card Implementation Plan are presented on the subsequent pages of this report.



Issue & Management Action Plan

HARRISHEALTH SYSTEM





No Process in Place for Updating GHX Clinical ConneXion [MODERATE]



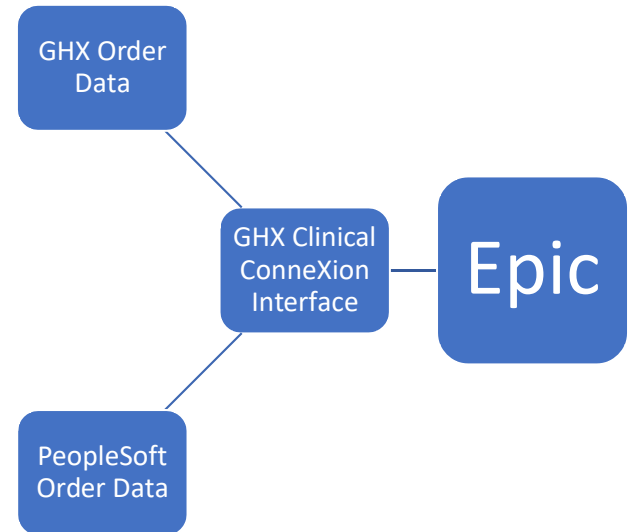
What is the Issue: Harris Health System uses GHX and PeopleSoft to order clinical supplies. Order data interfaces to Epic via GHX Clinical ConneXion. Preference cards are built from available Epic supply data. Some supplies, such as new items for substitutions and items purchased through blanket purchase orders, are not processed through GHX. As a result, these supplies are not populated in Epic without a level of intervention based on current processes. In addition, tracing of a sample of medical supplies from pick sheets to Epic revealed that some supplies were not listed in Epic's inventory or had a status of inactive, which means the supplies are not available for selection, are no longer used, or have not been updated via the GHX interface.

Why it Happened: Internal Audit's review identified there is a lack of governance and a system-level process to identify supply discrepancies, execute a digital preference card process in Epic, and define preference card build expectations. Although resources were utilized in 2021 to develop a GHX to Epic workflow to update supply order information (See *GHX to Epic Life Supply Interface Workflow* in the **Appendix**), the process is not operational.

Why it Matters: If the inventory record in GHX Clinical ConneXion is not continually maintained, it will not be complete and accurate and preference cards in Epic will not reflect a complete list of available supplies. This will also affect the ability to adequately plan for supply orders or track supply costs. Accurate preference cards provide a basis for knowing the availability, volume purchasing opportunities, and surgical case cost. Without continuity in maintaining preference cards, it may not be possible to obtain valid 'cost per' metrics and linking costs with clinical outcomes.

What is Expected: A system-level approach is needed to provide guidance on the addition, deletion, and overall maintenance of clinical supplies and the corresponding preference cards. The approach should include a multi-disciplinary team from supply chain, clinical departments, and Epic Optime IT to monitor supplies and preference cards in the respective systems for completeness and accuracy. Automation should be adopted where feasible, and the team should monitor the process for effectiveness and efficiency.

What Action(s) are Suggested: A cross-functional task force should be developed with pavilion clinical leaders, Supply Chain Management, Epic Optime IT, and Health Informatics & Data Science to execute the digital preference card Implementation Plan presented on the subsequent pages of this report. The remaining Periop IS members should be a resource to provide supplemental information to the task force. The task force should define accountability and expectations of preference card changes and maintenance. This could include determining whether the existing GHX to Epic Life Supply Interface Workflow meets the current needs. The accountability, expectations, and general preference card processes should be documented and communicated to all responsible parties as part of the Implementation Plan.





Management's Action Plan



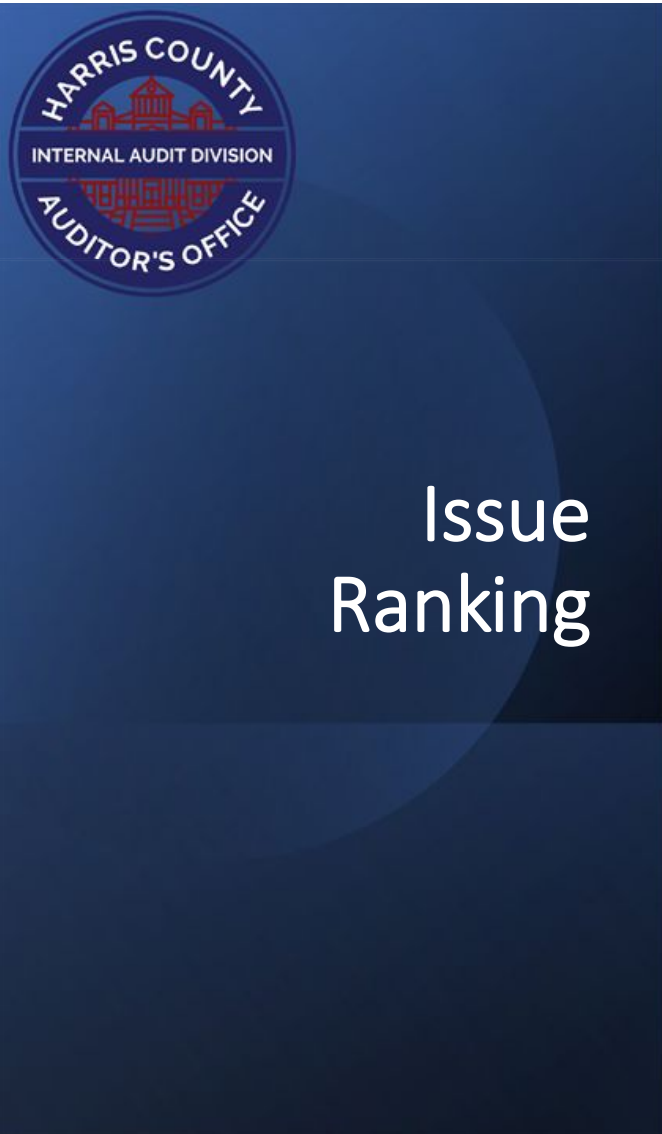
Responsible Parties:

Eric Barnhouse – Vice President & Chief Nursing Informatics Officer
Sam Karim – Vice President, Enterprise System Projects & Strategy
Matthew Reeder - Administrator, ASC
Charyl Bell-Gordon - Administrative Director, Clinical Operations, LBJ
Douglas Creamer - Administrative Director, Supply Chain Management
Lisa Devane - Administrative Director of Nursing, Ben Taub
Jake Goldstein - Administrative Director ACS Ancillary Services
Renee McElligott - Administrative Director of Nursing Perioperative Services, LBJ
Pedro Saldana - Administrative Director, Clinical Operations, Ben Taub
David Carangie - Director Supply Chain Management
Justin Cox, Director - HIS Clinical (Epic Optime IT)
Nakiea Williams - Director Supply Chain Management
Akansha Saraogi - Business Operations Manager
Maria Lara - Financial Analyst II

A cross-functional task force of pavilion clinical leaders, Supply Chain Management, Epic Optime IT, and Health Informatics & Data Science will be formed to execute the Epic Preference Cards Implementation Plan presented on the subsequent pages of this report. The remaining Periop IS members will be a resource to provide supplemental information to the task force. The task force will define accountability and expectations of preference card changes and maintenance, and create timelines for carrying out the implementation plan. This will involve determining whether the existing GHX to Epic Life Supply Interface Workflow meets the current needs and exploring opportunities for automation to streamline data synchronization between GHX, PeopleSoft, and Epic. The accountability, expectations, and general preference card processes will be documented and communicated to all responsible parties as part of the Implementation Plan.

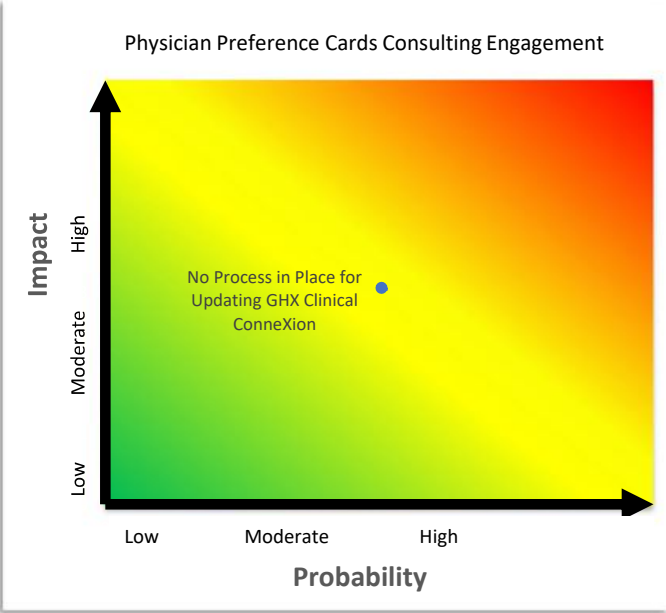
The Enterprise Project Management Office (EPMO) will coordinate with the task force members to provide oversight and project management expertise in executing this action plan.

Due Date: *Completion date to be determined by the EPMO and task force.*



HARRISHEALTH SYSTEM

Internal Audit ranks audit issues as High, Moderate, or Low based on the *impact* and *probability* to related business process risks. The assessment is based on auditor judgment and consideration of the controls and/or control gaps identified. Impact represents the auditor's perceived effect of the risk on the achievement of the business function's goals, strategies, reputation, and/or finances. Probability relates to the perceived likelihood that the risk will occur.



#1 – No Process in Place for Updating GHX Clinical ConneXion



Epic Preference Cards Implementation Plan

**HARRISHEALTH
SYSTEM**

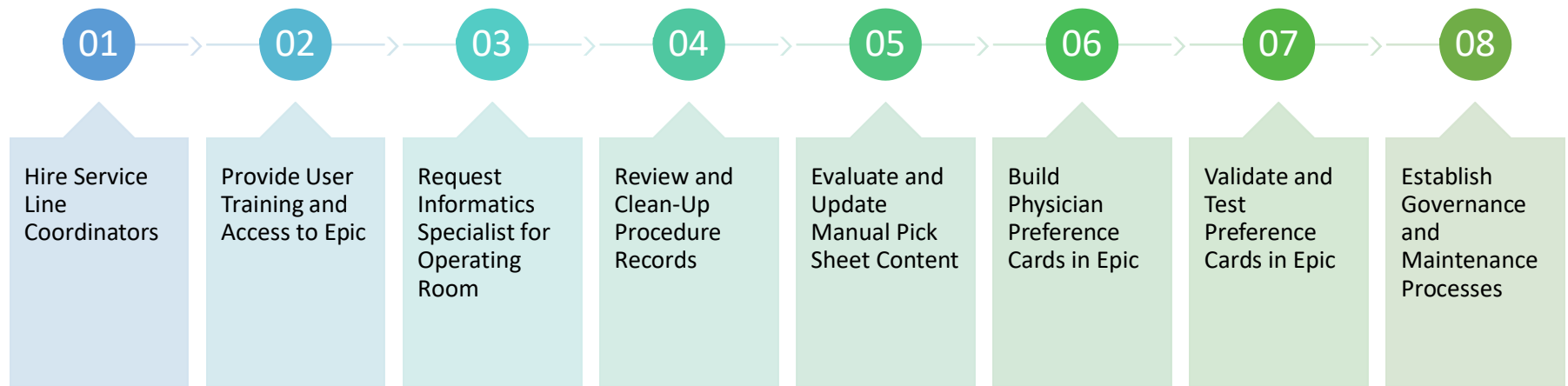




Implementation Plan Overview



The efficient and effective utilization of preference cards in Epic relies on seamless collaboration among the service line coordinators at the pavilions, Epic Optime IT, and Health Informatics & Data Science. This partnership is crucial for tasks ranging from configuring preference cards to optimizing workflows, providing technical assistance, and facilitating training. The active engagement of Supply Chain Management is crucial for streamlined coordination of the supply orders. Outlined below are the essential steps that must be undertaken to ensure the optimal functionality of Preference Cards within the Epic system. Internal Audit sought buy-in from the pavilions, Epic Optime IT, and Health Informatics & Data Science to compile the Implementation Plan presented below and the subsequent pages.





Implementation Plan Details



Hire Service Line Coordinators

Completion Timeline: 1 year

- LBJ: Hire four (4) service line coordinators.

User Training and Access

Completion Timeline: 1 year

- Epic Optime IT will acquire training and educate on procedure records and preference card functionality, including searching for cards, understanding information presented, and how to deactivate cards.
- LBJ, ASC, and Ben Taub select clinical staff to train.
- Training will be recorded for future reference and Quick Reference Guides will be generated.
- Train management to leverage the tools and features within the Epic system to manage preference cards effectively (i.e. dashboard and reports). Reference "Preference Card Maintenance Strategy Handbook".
- Provide preference card access in Epic based on established protocols.

Request Informatics Specialist(s) for Operating Room

Completion Timeline: 1 year

- Health Informatics & Data Science department will request an informatics specialist from Labor Management Oversight Committee (LMOC) with operating room knowledge to work with clinical teams. The informatics specialist can be the liaison between clinical staff and Epic support teams to assist with educational support on preference cards. The specialist can assist with integrating preference cards with other systems, providing technical support to resolve system-related issues (break-fix vs enhancements), and validations related to supply chain and billing (i.e., charge codes).



Implementation Plan Details (Continued)



Clean-Up Base Procedures in Epic

Anticipated Timeline: 6 months

Base procedure records in Epic are designed to guide healthcare professions through specific medical procedures. LBJ, ASC, and Ben Taub Service Line Coordinators should:

- Review each base procedure record to determine if it is still relevant and accurate. Consider changes in clinical guidelines, protocols including 'Time Outs', or institutional practices since the last review.
- Ensure that the steps outlined in the cards align with the actual process followed by healthcare providers.
- Identify and eliminate any duplicate or redundant procedure cards.
- Refer to the "Preference Card Maintenance Strategy Handbook" for assistance in identifying unused base procedure cards within the Preference Card Maintenance dashboard.

Evaluate Pick Sheet Content

Completion Timeline: 6 months

- LBJ, ASC, and Ben Taub Service Line Coordinators should review content of manual pick sheets. (Ben Taub began this step in June 2023 and was still in progress as of August 2023.)
- Identify missing, incomplete, or outdated information and update accordingly.

Build Preference Cards in Epic

Completion Timeline: 6 months

- LBJ, ASC, and Ben Taub Service Line Coordinators should build preference cards in Epic based on pick sheets and review for accuracy and completeness. (Ben Taub began this step in June 2023 and was still in progress as of August 2023.)
- Align terminology, formatting, and naming conventions to create a uniform structure and enhance usability.
- Collaborate with the departmental staff, Supply Chain Management, Sterile Processing, and BioMed to report unavailable or inactive supplies, equipment, tools and sterile instrument sets in Epic to ensure that preference cards reflect the most up-to-date and available inventory items. This involves updating product names, reference numbers, and other relevant details. **See Issue:** *No Process In Place for Updating GHX Clinical ConneXion or updating the GHX data and other procedural necessities in the EPIC PeriOp Preference Cards.*



Implementation Plan Details (Continued)



Validate and Test Preference Cards in Epic

Completion Timeline: 6 months

- LBJ, ASC, and Ben Taub Service Line Coordinators should ensure preference cards function in Epic as expected.
- Report adjustments or updates for workflows to Epic Optime IT based on validation and testing.

Establish Governance and Maintenance Processes

Completion Timeline: 6 months

- LBJ, ASC, and Ben Taub management should develop governance processes and protocols to ensure ongoing maintenance and updates of preference cards within Epic.
- Define roles and responsibilities to manage cards and use the Preference Card Maintenance Dashboard in Epic to keep cards up-to-date.
- Set up a regular schedule for reviewing and updating procedure cards and preference cards in Epic.
- Develop a procedure for keeping all resources required: supplies, equipment and instruments current, addressing inactive and unauthorized items, one-time supplies, and items not retrievable in Epic.



Accountability

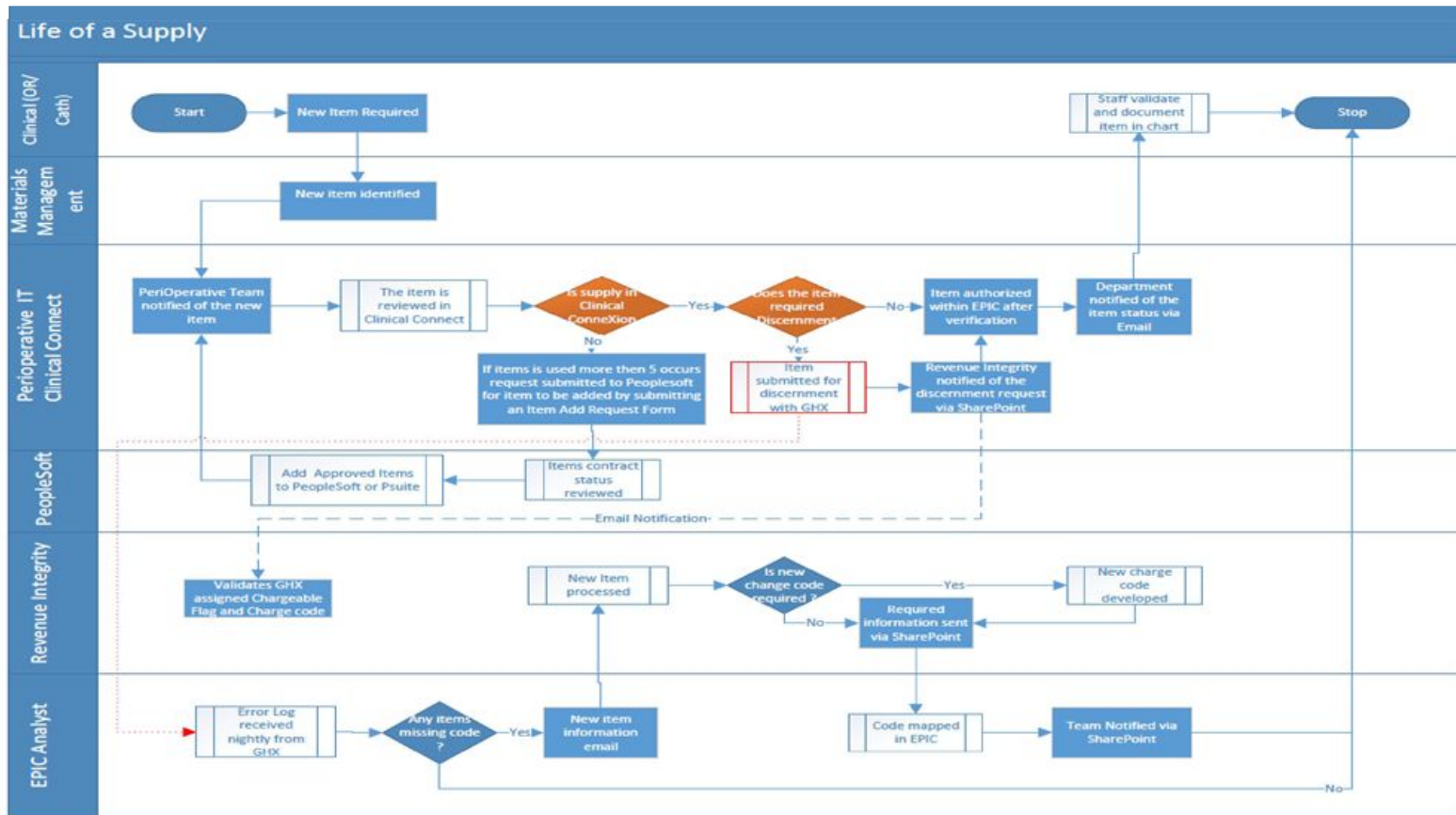
HARRISHEALTH SYSTEM

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Appendix – Epic Optime IT's GHX to Epic Workflow of Clinical Supplies



APPENDIX D

Report – PeopleSoft Change Management Audit



**HARRISHEALTH
SYSTEM**

**Internal Audit Report -
*PeopleSoft Change
Management*
October 2023**

Audit Team: Arlen Alanis, Vince Varkey

Leslie Wilks Garcia, M.Jur, CPA, CFE
First Assistant County Auditor

Errika Perkins, CPA, CIA, CFE
Chief Assistant County Auditor
Audit Division



MICHAEL POST, CPA, CIA
HARRIS COUNTY AUDITOR

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Houston, Texas 77002-1817
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Help Line (832) 927-4558

October 19, 2023

Dear Ronald Fuschillo – *Senior Vice President, Chief Information Officer:*

Harris Health System Internal Audit has completed a PeopleSoft Change Management Audit. The results of the audit are included in the attached report.

We appreciate the time and attention provided by your team. Please expect an email request to complete our Post-Engagement Survey. We look forward to your feedback. If you have any questions, please contact Errika Perkins, Chief Assistant County Auditor at 713-930-7876 or Sharon Brantley-Smith, Director at 832-679-6004.

Sincerely,

A handwritten signature in blue ink that reads "Michael Post".

Michael Post
County Auditor

Report Copies: Dr. Esmaeil Porsa, Louis Smith,Carolynn Jones, Victoria Nikitin, Sara Thomas, Raj Nair, Kathy Karmazin-Calin, Sharath Chandra Kammari, Anna Vaughn, Amber Wingo



Executive Summary



OVERALL CONCLUSION

PeopleSoft change management controls are operating effectively. System changes are tested, are approved by appropriate Information Technology (IT) department personnel, the Change Advisory Board, and business owners, and are validated in production. In addition, change management policies are well-defined and updated regularly.

There is an opportunity to bolster the IT department's existing risk management strategy by implementing risk classifications to prioritize change requests in Cherwell Service Management (Cherwell). In addition, user access management processes can be enhanced by ensuring privileged access in the Phire change management application is periodically reviewed, as required by Harris Health System's (Harris Health) Information Access Management Policy.

Audit issues, management's action plans to address the issues, and background information regarding this audit are discussed in more detail on the following pages. Each audit issue is ranked based on the likelihood and impact of the risk to Harris Health.



Audit Objective and Scope



OBJECTIVE

The audit objective was to determine whether controls provide reasonable assurance that changes to existing PeopleSoft infrastructure, data, or software are authorized, documented, tested, approved, and implemented as intended.

SCOPE

The audit covered changes to PeopleSoft during the period, August 2022 through June 2023. Procedures involved evaluating the design and effectiveness of controls supporting the following business objectives:

- 1) Protect information assets and establish processes to ensure implementation of only authorized changes and minimize unintended IT service disruptions.
- 2) Standardize IT change management methods and controls.
- 3) Enable effective and efficient delivery of changes to meet the needs of Harris Health's customers and IT department.



Issues & Management Action Plans

HARRISHEALTH
SYSTEM





1. Risk Classifications Not Assigned for PeopleSoft Changes [MODERATE]



What is the Issue: PeopleSoft change requests in Cherwell are not assigned a risk classification. While the option exists to classify a change as low, medium, or high risk in Cherwell, it is not utilized consistently.

Why it Happened: Internal policy does not require that risk classifications be assigned in Cherwell. IT department management has recognized the need to implement risk classifications and indicated it is part of the long-term IT roadmap.

Why it Matters: Risk classifications for change requests indicate the level of risk associated with the changes so appropriate resources can be allocated to risk mitigation. They also help to prioritize the changes and facilitate decisions on whether to approve, modify, or reject the proposed changes.

What is Expected: The National Institute of Standards and Technology recommends system changes be assigned a risk to evidence that a risk assessment occurred and that threats, vulnerabilities, likelihood and impact to organizational operations and assets were considered. Risk classifications help prioritize the changes that need to be made based on the level of risk they pose.

What Action(s) are Suggested: Management should develop and implement a process for evaluating change requests and assigning and updating risk classifications in Cherwell. The risk assessment criteria approach should be documented, and responsible staff should be trained on the process.



1. Management's Action Plan



Responsible Parties:

Raj Nair – Vice President, Enterprise Services
Amber Wingo - Administrative Director, Revenue Cycle Systems
Anna Vaughn – Director, IT Process Improvement

The IT department will:

- Modify the Risk Level dropdown in Cherwell for a change request and require it to be a mandatory field.
- Update IT-P0005.1 - Change Management Procedure with verbiage defining the criteria to assess and assign risk classifications to system changes, including a clear description of the rationale behind each classification (low, medium, or high).
- Review and validate the risk classifications as part of the scheduled policy review of IT-P0005.1 so they remain accurate and up to date.
- Update the monthly Change Management training to reflect that the Risk Level is a required field for change requests.

Due Date: December 31, 2023



2. No Periodic Review of Privileged Access in Phire [MODERATE]



What is the Issue: Privileged access in the Phire change management application is not periodically reviewed.

Why it Happened: Management had not previously considered the need for a Phire access review because Phire is mostly used in a test environment. Management has since recognized the importance of the access review because certain Phire users have the ability to develop changes in the test environment that will eventually be migrated to PeopleSoft.

Why it Matters: There is an increased risk that unauthorized individuals could have privileged access in Phire and the ability to inappropriately modify configurations, access sensitive data, and execute critical functions.

What is Expected: Per Harris Health's Information Access Management Policy, information owners will review the access of workforce members on an annual basis to ensure access is appropriate.

What Action(s) are Suggested: Management should establish a periodic review of Phire access to ensure the access is appropriate and limited to authorized users. Evidence of the review should be maintained.



2. Management's Action Plan



Responsible Parties:

Raj Nair – Vice President, Enterprise Services

Sharath Kammari – Director, ERP Technical Services

Management will perform an annual review of all privileged access in Phire, ensure all access is commensurate with job role, all users are active, and no segregation of duties conflicts exist. Management will perform a sign-off of the review and perform the review annually.

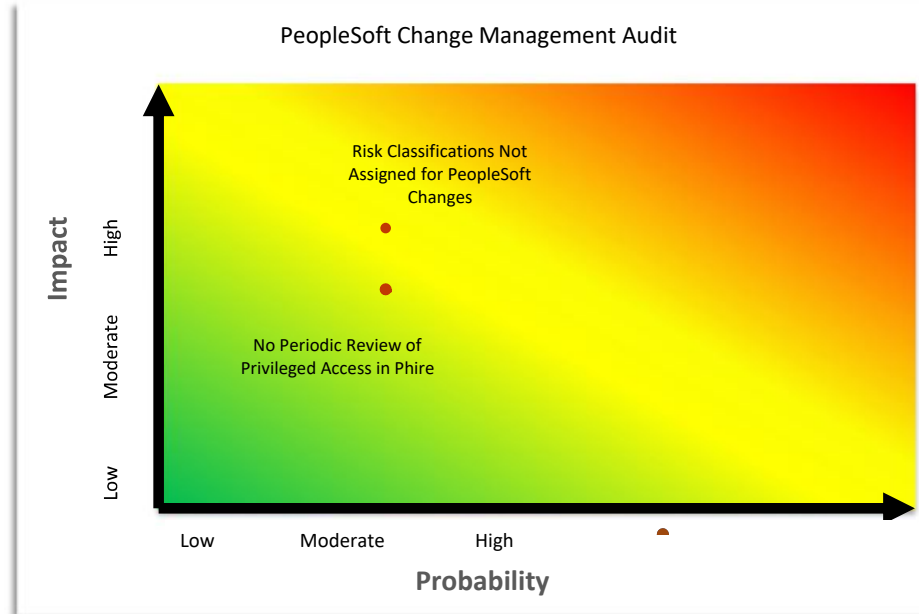
Due Date: December 31, 2023



Issue Ranking

HARRISHEALTH SYSTEM

Internal Audit ranks audit issues as High, Moderate, or Low based on the *impact* and *probability* to related business process risks. The assessment is based on auditor judgment and consideration of the controls and/or control gaps identified. Impact represents the auditor's perceived effect of the risk on the achievement of the business function's goals, strategies, reputation, and/or finances. Probability relates to the perceived likelihood that the risk will occur.





HARRISHEALTH SYSTEM

The mission of Harris Health's IT department is to provide, support, and maintain technology solutions that facilitate business and clinical processes consistent with the organizational needs, priorities and resources. As part of this mission, IT supports PeopleSoft, helps manage business operations, including Human Resource Management, Financial Management, Supply Chain Management, and Customer Relationship Management.

The IT department uses Phire to manage changes to PeopleSoft. Approved Phire changes are tracked in Cherwell, which is a ticketing system for incidents and change requests related to PeopleSoft and other applications.



Accountability

HARRISHEALTH SYSTEM

We conducted our audit in accordance with the International Standards for the Professional Practice of Internal Auditing (Standards). The Standards require that we comply with the Code of Ethics and obtain reasonable assurance that significant risks to the activity are minimized to an acceptable level.

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Thank You



Errika Perkins, MBA, CPA, CIA, CFE
Chief Assistant County Auditor, Audit Division
Errika.Perkins@harrishealth.org
Cell: 713-930-7876

Sharon Brantley Smith, MBA, CIA, CFE, CISA
Audit Director, Audit Division
Sharon.BrantleySmith@harrishealth.org
Cell: 832-679-6004

The logo consists of the words "HARRIS", "HEALTH", and "SYSTEM" stacked vertically in a bold, sans-serif font. "HARRIS" and "HEALTH" are in a teal color, while "SYSTEM" is in dark blue. The entire logo is enclosed in a thin white rectangular border.

**HARRIS
HEALTH
SYSTEM**

Thursday, November 9, 2023

Consideration of Approval of the Harris Health System FY2024 Internal Audit Charter

Per the Harris Health System Board of Trustees Compliance and Audit Committee Charter, the Board is required to annually review and recommend approval of the Internal Audit Activity Charter. The red-lined charter is included on the subsequent pages for review and approval.

Errika Perkins

Errika Perkins
Chief Assistant County Auditor, Harris County Auditor's Office

1200 - HARRIS HEALTH SYSTEM AUDIT CHARTER

INTRODUCTION

An interlocal agreement between Harris County and Harris Health System dedicates a portion of the Harris County Auditor's Office - Internal Audit Division to Harris Health. While serving in this capacity as Harris Health Internal Auditors, the Chief Assistant County Auditor reports to the Harris Health Board of Trustees' Compliance and Audit Committee (CAC). As a result, a separate audit charter has been created.

1200.01 PURPOSE

The purpose of Harris Health Internal Audit (HHIA) is to provide independent, objective assurance and consulting services designed to add value and improve Harris Health System's operations.

The mission of HHIA is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. HHIA helps Harris Health accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve effectiveness of governance, risk management, and control processes.

1200.02 STANDARDS FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING

Harris County Auditor's Office Internal Audit Division (Internal Audit Division) is governed by adherence to the mandatory elements of The Institute of Internal Auditor's (IIA) Professional Practices Framework (IPPF), including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing (Standards), and the Definition of Internal Auditing. HHIA will also consider the IPPF's recommended and supplemental guidance for insight on how to execute compliance efficiently and effectively with the mandatory elements of the IPPF. The Chief Assistant County Auditor of the Internal Audit Division, as appointed by the Harris County Auditor, is the Chief Audit Executive for Harris Health. The Chief Audit Executive will report periodically to the County Auditor, Harris Health senior management, and the CAC regarding HHIA's conformance to the IPPF's IIA's Code of Ethics and the IPPF Standards.

1200.03 AUTHORITY

The Chief Audit Executive will report functionally to the CAC and administratively to the County Auditor. To establish, maintain, and assure that Harris Health's Internal Audit has sufficient authority to fulfill its duties, the Board will:

- Approve the internal audit department's charter.
- Approve the risk-based internal audit plan.
- Approve the internal audit department's budget and resource plan.
- Receive communications from the Chief Audit Executive on the internal audit department's performance relative to its plan and other matters.
- Make appropriate inquiries to determine whether there are inappropriate scope or resource limitations.

The Chief Audit Executive will have unrestricted access to communicate and interact directly with the CAC, including private meetings without management present as allowed by statute.

The Board authorizes HHIA to:

- Have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain assistance from the necessary personnel of Harris Health, as well as other specialized services from within or outside Harris Health, to complete the engagement.

1200.04 INDEPENDENCE AND OBJECTIVITY

The Chief Audit Executive will ensure that HHIA remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If the Chief Audit Executive determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous two years
- Performing any operational duties for Harris Health or its affiliates
- Initiating or approving transactions external to the internal audit department
- Directing the activities of any Harris Health employee not employed by the internal audit department, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors

Where the Chief Audit Executive has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

HHIA will:

- Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- Make balanced assessments of all available and relevant facts and circumstances.

- Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

The Chief Audit Executive will confirm to the CAC, at least annually, the organizational independence of HHIA.

1200.05 SCOPE OF INTERNAL AUDIT ACTIVITIES

The scope of internal audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the CAC, management, and outside parties on the adequacy and effectiveness of governance, risk management, and control processes for Harris Health. Internal audit assessments include evaluating whether:

- Risks relating to the achievement of Harris Health’s ~~financial~~ strategic objectives-plan are appropriately identified and managed
- The actions of Harris Health’s officers, directors, employees, and contractors comply with Harris Health’s policies, procedures, and applicable laws, regulations, and governance standards
- The results of operations or programs are consistent with established goals and objectives
- Operations or programs are being carried out effectively and efficiently
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact Harris Health
- Information and the means used to identify, measure, analyze, classify, and report such information are reliable and have integrity
- Resources and assets are acquired economically, used efficiently, and protected adequately

Deleted to remove redundancy with sect. 1200.06

~~The Chief Audit Executive will report periodically to senior management and the CAC regarding:~~

- ~~• The internal audit department’s purpose, authority, and responsibility~~
- ~~• The internal audit department’s plan and performance relative to its plan~~
- ~~• The internal audit department’s conformance with The IIA’s Code of Ethics and Standards, and action plans to address any significant conformance issues~~
- ~~• Significant risk exposures and control issues, including fraud risks, governance issues, and other matters requiring the attention of, or requested by, the County Auditor, and/or the Board~~
- ~~• Results of audit engagements or other activities~~
- ~~• Resource requirements~~
- ~~• Any response to risk by management that may be unacceptable to Harris Health~~

The Chief Audit Executive also coordinates activities, where possible, and considers relying upon the work of other internal and external assurance and consulting service providers as needed. The internal audit department may perform advisory and related client service activities, the nature and scope of which will be agreed with the client, provided the internal audit department does not assume management responsibility.

Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during engagements. These opportunities will be communicated to the appropriate level of management.

1200.06 RESPONSIBILITY

The Chief Audit Executive has the responsibility to:

- Submit, at least annually, to the County Auditor and the CAC a risk-based internal audit plan for review and approval.
- Communicate to the County Auditor and the CAC the impact of resource limitations on the internal audit plan.
- Review and adjust the internal audit plan, as necessary, in response to changes in Harris Health's statutory requirements, risks, operations, programs, systems, and controls.
- Communicate to the County Auditor, senior management, and the CAC any significant interim changes to the internal audit plan.
- Ensure each engagement of the internal audit plan is executed, including the establishment of objectives and scope, the assignment of appropriate and adequately supervised resources, the documentation of work programs and testing results, and the communication of engagement results with applicable conclusions and recommendations to appropriate parties.
- Follow up on engagement findings and corrective actions, and report periodically to senior management and the Board any corrective actions not effectively implemented.
- Ensure the principles of integrity, objectivity, confidentiality, and competency are applied and upheld.
- Ensure the internal audit department collectively possesses or obtains the knowledge, skills, and other competencies needed to meet the requirements of the internal audit charter.
- Ensure trends and emerging issues that could impact Harris Health are considered and communicated to senior management, and the CAC, as appropriate.
- Ensure emerging trends and successful practices in internal auditing are considered.
- Establish and ensure adherence to policies and procedures designed to guide the internal audit department.
- Ensure adherence to Harris Health's relevant policies and procedures unless such policies and procedures conflict with the internal audit charter. Any such conflicts will be resolved or otherwise communicated to the County Auditor, senior management, and the Board.
- Ensure the internal audit department's conformance with the Standards, with the following qualifications:
 - If the internal audit department is prohibited by law or regulation from conformance with certain parts of the Standards, the Chief Audit Executive will ensure appropriate disclosures and will ensure conformance with all other parts of the Standards.

1200.07 QUALITY ASSURANCE AND IMPROVEMENT PROGRAM

HHIA will maintain a quality assurance and improvement program that covers all aspects of the internal audit department. The program will include an evaluation of the internal audit department's conformance with the Standards and an evaluation of whether internal auditors apply The IIA's Code of Ethics. The program will also assess the efficiency and effectiveness of the internal audit department and identify opportunities for improvement.

The Chief Audit Executive will communicate to the County Auditor, senior management and the CAC on the internal audit department's quality assurance and improvement program, including results of external assessments conducted at least once every five years by a qualified, independent assessor or assessment team from outside Harris Health.

Thursday, November 9, 2023

Discussion Regarding 2024 Compliance and Audit Committee Meeting Frequency

2024 Board & Board Committee Calendar

BOARD (9:00 AM-1:00 PM)	JANUARY 25, 2024 JULY 25, 2024 FEBRUARY 29, 2024 AUGUST 29, 2024 MARCH 28, 2024 SEPTEMBER 26, 2024 APRIL 25, 2024 OCTOBER 24, 2024 MAY 30, 2024 DECEMBER 12, 2024 JUNE 27, 2024	ASC AT LBJ GOVERNING BODY (9:00-10:30 AM)	FEBRUARY 22, 2024 AUGUST 22, 2024 MAY 23, 2024 NOVEMBER 21, 2024	BUDGET & FINANCE COMMITTEE (9:00-10:00 AM)	FEBRUARY 15, 2024 AUGUST 15, 2024 (9:00-9:30) MAY 16, 2024 NOVEMBER 14, 2024
SPECIAL CALL BOARD	NOVEMBER 14, 2024 (HRSA)	GOVERNANCE COMMITTEE (11:00 AM-12:00 PM)	JANUARY 9, 2024 JUNE 11, 2024 FEBRUARY 13, 2024 AUGUST 13, 2024 MARCH 12, 2024 SEPTEMBER 10, 2024 APRIL 9, 2024 OCTOBER 8, 2024 MAY 14, 2024 NOVEMBER 12, 2024	COMPLIANCE & AUDIT COMMITTEE (10:00-11:30 AM)	FEBRUARY 15, 2024 SEPTEMBER 12, 2024 MAY 16, 2024 NOVEMBER 14, 2024
SPECIAL HHS COMMUNITY TOWN HALL	PLACEHOLDER PLACEHOLDER PLACEHOLDER PLACEHOLDER	QUALITY COMMITTEE (12:00-1:30 PM)	JANUARY 9, 2024 JUNE 11, 2024 FEBRUARY 13, 2024 AUGUST 13, 2024 MARCH 12, 2024 SEPTEMBER 10, 2024 APRIL 9, 2024 OCTOBER 8, 2024 MAY 14, 2024 NOVEMBER 12, 2024	JOINT CONFERENCE COMMITTEE (11:30 AM-12:30 PM)	JANUARY 11, 2024 SEPTEMBER 12, 2024 MARCH 14, 2024 NOVEMBER 14, 2024 MAY 16, 2024
BUDGET WORKSHOP (9:30 AM-11:00 AM)	AUGUST 15, 2024			DEI COMMITTEE (11:30 AM-12:30 PM)	JANUARY 12, 2024 JUNE 14, 2024 FEBRUARY 16, 2024 AUGUST 16, 2024 MARCH 15, 2024 SEPTEMBER 13, 2024 APRIL 12, 2024 OCTOBER 11, 2024 MAY 17, 2024 NOVEMBER 15, 2024

JANUARY							FEBRUARY							MARCH							APRIL							MAY							JUNE						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
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													31																												30

JULY							AUGUST							SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER							
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
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28	29	30	31				25	26	27	28	29	30	31	29	30						27	28	29	30	31			24	25	26	27	28	29	30	29	30	31					

HARRIS HEALTH HOLIDAY CLOSURES:	01/01/24 (New Year's Day)	05/27/24 (Memorial Day)	07/04/24 (Independence Day)	11/28/24 (Thanksgiving)	12/25/24 (Christmas)
	01/15/24 (MLK)	06/19/24 (Juneteenth)	09/02/24 (Labor Day)	11/29/24 (Fri. After Thanksgiving)	

Thursday, November 9, 2023

Executive Session

Presentation Regarding the Harris County Auditor's FY2024 Annual Risk Assessment and Audit Plan Process, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code Ann. §151.002, Tex. Gov't Code Ann. §418.183 and Tex. Gov't Code Ann. §551.089, Including Consideration of Approval of the Harris County Auditor's FY2024 Annual Risk Assessment and Audit Plan Process Upon Return to Open Session.

Errika Perkins

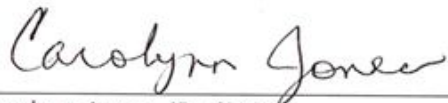
Errika Perkins
Chief Assistant County Auditor, Harris County Auditor's Office

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Thursday, November 9, 2023

Executive Session

Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Tex. Health & Safety Code Ann. §161.032, and Possible Action Regarding this Matter Upon Return to Open Session.



Carolynn Jones, JD, CHC
EVP, Chief Compliance & Risk Officer

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Thursday, November 9, 2023

Executive Session

Presentation Regarding Harris County Auditor's Report on High-priority Management Action Plans (MAPs) Related to the Telemedicine Audit. The Audit and any Related Information is Proprietary, Privileged, Confidential or Otherwise Legally Exempt from Disclosure, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code Ann. §151.002, and Tex. Gov't Code Ann. §418.183.

Errika Perkins

Errika Perkins

Chief Assistant County Auditor, Harris County Auditor's Office

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BOARD OF TRUSTEES

Joint Conference Committee

Thursday, November 9, 2023

11:30 A.M.

(or immediately following the Compliance and Audit Committee)

The meeting will be conducted via Zoom and may be viewed online at:

<http://harrishealthtx.swagit.com/live>.

Mission

Harris Health is a community-focused academic healthcare system dedicated to improving the health of those most in need in Harris County through quality care delivery, coordination of care, and education.

AGENDA

I. Call to Order and Record of Attendance	Dr. Andrea Caracostis	2 min
II. Approval of the Minutes of Previous Meeting	Dr. Andrea Caracostis	2 min
• Joint Conference Committee Meeting – May 11, 2023		
III. Physician Leadership Reports	Dr. Andrea Caracostis	20 min
A. Medical Executive Board (MEB) Chair/Co-Chair	Dr. Martha Mims and Dr. Kunal Sharma	<i>(5 min)</i>
B. Chiefs of Staff		
• Ben Taub Hospital	Dr. Sandeep Markan	<i>(5 min)</i>
• LBJ Hospital	Dr. Tien Ko	<i>(5 min)</i>
C. Vice Chiefs of Staff	Dr. Fareed Kahn and Dr. Mohammad Zare	<i>(5 min)</i>
• Ambulatory Care Services (ACS)		
IV. New Items for Discussion	Dr. Andrea Caracostis	10 min
A. Discussion Regarding Capacity Management at Acute Pavilions	Dr. Martha Mims and Mr. Louis Smith	
V. Governance: Medical Staff Bylaws, Rules and Regulations	Dr. Andrea Caracostis	10 min
A. Consideration of Recommendation of Approval of Revisions to the Harris Health System Medical Staff Bylaws	Dr. Martha Mims	

VI. Future Agenda Topics	Dr. Andrea Caracostis	15 min
A. Open Discussion Regarding Agenda Items and 2024 Joint Conference Committee Meeting Frequency	Dr. Andrea Caracostis	<i>(5 min)</i>
B. Discussion Regarding Harris Health Core Value Award	Dr. Steven Brass	<i>(10 min)</i>
VII. Adjournment	Dr. Andrea Caracostis	1 min

HARRIS HEALTH SYSTEM
MINUTES OF THE BOARD OF TRUSTEES
JOINT CONFERENCE COMMITTEE MEETING
May 11, 2023
11:30 AM

AGENDA ITEM		DISCUSSION	ACTION/RECOMMENDATIONS
I.	Call to Order and Record of Attendance	Dr. Arthur Bracey, Presiding Chair, called the meeting to order at 11:47 a.m. It was noted that a quorum was present and the attendance was recorded. Dr. Bracey announced that only participants scheduled to speak have been provided dial in information for the meeting. All others who wish to view the meeting may access the meeting online through the Harris Health website: http://harrishealthtx.swagit.com/live . Dr. Bracey stated that the purpose of the Committee is to serve as the venue for continuing discussion regarding the relationship between Harris Health and the Medical Staff, to discuss Medical Staff engagement and make recommendations to the Board, as appropriate, and to review and make recommendations to the Board regarding changes to the Medical Staff Bylaws and Rules and Regulations.	
II.	Approval of the Minutes of Previous Meeting Joint Conference Committee Meeting – March 9, 2023		Moved by Dr. Tien Ko, seconded by Dr. Kunal Sharma, and unanimously approved the minutes of the March 9, 2023 meeting.
III.	Physician Leadership Reports		
	A. Medical Executive Board Chair/Co-Chair	Dr. Martha Mims, Chair, Medical Executive Board, delivered an update from the previous Medical Executive Board (MEB) meetings. She touched on discussion related to revisions to the medical staff policies and procedures, physician engagement survey, addressing post COVID-19 challenges, and cybersecurity concerns. Dr. Mims invited everyone to attend Harris Health/Baylor College of Medicine Research Day held on Tuesday, May 30, 2023 at Ben Taub Hospital. The event will highlight research on disparities, quality, clinical research and population health. Dr. Kunal Sharma, Vice Chair, Medical Executive Board, provided an update on medical staff progress related to compliance requirements such as mandatory education.	As Presented.

AGENDA ITEM		DISCUSSION	ACTION/RECOMMENDATIONS
	B. Chief of Staffs	Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson (LBJ) Hospital, presented LBJ’s Chief of Staff report. He shared that there is great collaboration and synergy between Harris Health administration and the medical staff. He reported that Administration showed its appreciation by celebrating National Doctor’s Day on March 30, 2023, National Hospital Week during May 7 – 13, 2023, and Nurses Week from May 6 – 12, 2023. Dr. Ko also reminded everyone of the physician leadership development institute program will begin soon. Dr. Matasha Russell, Chief Medical Officer, Ambulatory Care Services, provided further insight regarding the leadership program. Dr. Sandeep Markan, Chief of Staff, Ben Taub (BT) Hospital, echoed Dr. Ko’s sentiments on promoting great collaboration and synergy. He acknowledged the Board regarding their vote of support regarding the proposed LBJ expansion project. Dr. Markan recognized BT’s Level 1 Trauma center, related to its cardiovascular and research programs, maternal health care, and improvements with quality and safety outcomes. Additionally, Dr. Markan addressed challenges related to capacity and time management for our clinicians.	As Presented.
	C. Ambulatory Care Service Assistant Chiefs of Staff	Dr. Mohammad Zare, Assistant Chief of Staff, Ambulatory Care Services (ACS), touched upon ongoing initiatives at ACS facilities related to its provider vacancy rates, increased physician encounter visits, and collaboration with its clinical pharmacist. Dr. Markan provided an update on behalf of Dr. Fareed Khan, Assistant Chief of Staff, Ambulatory Care Services. Dr. Markan recognized Dr. Jennifer Small, Executive Vice President, Ambulatory Care Services, and the ACS staff for their commitment to the team. He touched upon priority focus areas that include patient experience as well as patient safety and quality of care.	As Presented.
IV.	Items for Discussion		
	A. Review and Discussion Regarding Medical Staff Engagement Survey Results	Dr. Steven Brass, Executive Vice President & Chief Medical Executive, presented the Medical Staff Engagement Survey. He stated that the survey was administered from November 3 – December 5, 2022, and received a response rate of 36.8%. He shared that the NRC Health physician engagement survey response rate benchmark is 43.4%. Dr. Brass presented statistical data centered on patient – centered care experience loyalty measures, and workplace experience loyalty measures.	As Presented.

AGENDA ITEM		DISCUSSION	ACTION/RECOMMENDATIONS
		Additionally, Dr. Brass shared the key drivers for 2022 related to the overall rating as a place for care and overall rating as a place to practice. Dr. Brass presented ongoing initiatives and action plans which have been implemented as a result of the physician engagement survey. Extensive Committee discussion ensued. A copy of the presentation is available in the permanent record.	
V.	Governance: Medical Staff Bylaws, Rules and Regulations		
	A. No Items for Discussion		
VI.	Future Agenda Topics: September 2023		
	A. Physician Staffing Levels and Priorities for Harris Health Services	Mr. Louis Smith, Senior Executive Vice President & Chief Operating Officer, shared that Administration is working on refining the process for planning a meeting and determining agenda topics prior to a planned meeting.	As Presented.
VII.	Adjournment	Moved by Dr. Kunal Sharma, seconded by Dr. Tien Ko, and unanimously approved to adjourn the meeting. There being no further business, the meeting adjourned at 12:48 p.m.	

I certify that the foregoing are the Minutes of the Meeting of the Joint Conference Committee of the Board of Trustees of the Harris Health System held on May 11, 2023.

Respectfully submitted,

Arthur W. Bracey, M.D., Presiding Chair
 On behalf of Andrea Caracostis, M.D., Chair, Joint Conference Committee

Recorded by Cherry A. Pierson, MBA

Thursday, May 11, 2023

Harris Health System Board of Trustees Board Meeting – Joint Conference Committee Attendance

Note: For Zoom meeting attendance, if you joined as a group and would like to be counted as present, please submit an email to:

BoardofTrustees@harrishealth.org before close of business the day of the meeting.

MEMBERS PRESENT	MEMBERS ABSENT	OTHER BOARD MEMBERS PRESENT
Dr. Arthur W. Bracey (Ex-Officio)	Dr. Andrea Caracostis, Chair	Ms. Barbie Robinson
Dr. Esmaeil Porsa, President & Chief Executive Officer	Ms. Alicia Reyes, Board of Trustees	Mr. Lawrence Finder
Dr. Kunal Sharma, Vice Chair, Medical Executive Board	Dr. Fareed Khan, Assistant Chief of Staff (BCM)	
Dr. Martha Mims, Chair, Medical Executive Board		
Dr. Matasha Russell, Chief Medical Officer, Ambulatory Care Services		
Dr. Mohammad Zare, Assistant Chief of Staff (ACS)		
Dr. Sandeep Markan, Chief of Staff, Ben Taub Hospital		
Dr. Steven Brass, Executive Vice President & Chief Medical Executive		
Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson Hospital		
EXECUTIVE LEADERSHIP		
Mr. Anthony Williams, Vice President, Compliance Officer		
Ms.Carolynn Jones, Executive Vice President & Chief Compliance and Risk Officer		
Dr. Jackie Brock, Executive Vice President & Chief Nursing Executive		
Dr. Jennifer Small, Executive Vice President, Ambulatory Care Services		
Mr. Jeffrey Vinson, Senior Vice President, Chief Cybersecurity & Information Security Officer		
Ms. Jessey Thomas, Senior Vice President, Medical Affairs		
Ms. Kari McMichael, Vice President, Controller		
Mr. Louis Smith, Senior Executive Vice President & Chief Operating Officer		
Ms. Olga Llamas Rodriguez, Vice President, Community Engagement & Corporate Communications		
Ms. Sara Thomas, Vice President Legal Affairs/Managing Attorney, Harris County Attorney’s Office		
ADDITIONAL GUESTS PRESENT		
Cherry Pierson	John Matcek	
Daniel Smith	Nicholas Bell	
Derek Curtis	Randy Manarang	
Jennifer Zarate	Shawn DeCosta	
Jerry Summers		

BOARD OF TRUSTEES
Joint Conference Committee



Thursday, November 9, 2023

**Consideration of Recommendation of Approval of Revisions to the
Harris Health System Medical Staff Bylaws**

The Harris Health System Medical Executive Board and Medical Staff have approved the attached revisions to the Medical Staff Bylaws.

The Harris Health System Medical Executive Board (MEB) and Dr. Martha Mims, MEB Board Chair, requests the approval of the Board of Trustees.

Jessey Thomas

Jessey Thomas, MBA, MSN, RN, CSMP
Senior Vice President, Medical Affairs

Summary of Revisions to Medical Staff Bylaws

- **Article III, Section 2 – Medical Staff Membership, Qualifications for Membership (Page 1-3)**
 - Removed reference to Texas Controlled Substances Registration as this no longer exists;
 - Added a requirement for all medical staff members to have completed an approved accredited residency program or be board certified in the specialty they are requesting privileges for;
 - Added language to describe the process for individuals to request a waiver of one or more qualifications for membership if he/she is “unusually qualified”, as defined in this section.

- **Article VI, Section 4a – Reappointment Process (Page 4)**
 - Reappointment cycle extended from two (2) years to three (3) years

- **Article VII, Sections 6-8 – Temporary Privileges (Page 5-6)**
 - Language was revised to further clarify temporary privilege process and requirements

- **Article VIII, Section 1 – Corrective Action - Procedure (Page 7-8)**
 - Language was added to reflect new state law requirement that any final adverse action that impacts the clinical privileges of a physician for more than fourteen (14) days must be reported to the Texas Medical Board.

- **Article VIII, Section 4 – Administrative Suspension (Page 9-10)**
 - Language added to clarify instances that qualify as an administrative suspension, including the addition of an administrative suspension for failure to complete annual mandatory education.

ARTICLE I — NAME

The name of this organization shall be the Medical Staff of Harris County Hospital District d/b/a Harris Health System (Harris Health), Houston, Texas.

ARTICLE II — PURPOSES

The purposes of this organization are:

1. To provide an organizational structure through which the Medical Staff may fulfill its responsibilities and govern the professional activities of members and other individuals holding Clinical Privileges, and to provide mechanisms for accountability of the Medical Staff to the Governing Body of Harris Health;
2. To ensure that all patients admitted to or treated in any of the facilities, departments, or services of Harris Health shall receive the best possible care, in accordance with resources available;
3. To ensure a high level of professional performance of all Medical Staff members authorized to practice in Harris Health through appropriate delineation of the Clinical Privileges that each Medical Staff member may exercise (see Article VII) and through an ongoing review and evaluation of each Medical Staff member's performance;
4. To provide an appropriate educational setting for Medical Staff members that will maintain medical and scientific standards that will lead to continuous advancement in professional knowledge and skill;
5. To initiate and maintain rules and regulations for self-governance of the Medical Staff;
6. To provide a means for communication and conflict resolution regarding issues that are of concern to the Medical Staff and Harris Health.

ARTICLE III — MEDICAL STAFF MEMBERSHIP

Section 1. Nature of Medical Staff Membership

Membership on the Medical Staff of Harris Health is a privilege which shall be extended, without discrimination as to race, sex, religion, disability, national origin, or age only to professionally competent individuals who continuously meet the qualifications, standards and requirements set forth in these Bylaws, and does not in any way imply or preclude employment status by Harris Health.

Section 2. Qualifications for Membership

- a. Only individuals who have no health problems that could affect his or her ability to perform the privileges requested and can document their background, experience, training and demonstrated competence, their adherence to the ethics of their profession, their good reputation, and their ability to work with others so as to assure the Medical Staff and Governing Body that patients treated by them will be given a high quality of medical care, shall be qualified for membership on the Medical Staff.
- b. Only individuals who have current licenses and certificates shall be qualified for membership on the Medical Staff. Initial applications for Medical Staff membership submitted on or after May 28, 2015 must have unrestricted licenses and certificates, with no past adverse licensure actions(s) (e.g. probation, suspension, revocation). Past adverse licensure action(s) do not include action(s)

taken for administrative reasons, such as failure to timely pay licensure fees. Required licenses and certificates include:

- State of Texas license to practice medicine, osteopathy, podiatry, or dentistry;
- United States ~~and Texas~~ Controlled Substances Registration Certificates (DEA/~~DPS~~), with exceptions approved by the Credentials Committee;
- National Provider Identifier (NPI); and
- Professional liability insurance covering the exercise of all requested privileges, except for Physicians employed by Harris Health, whose liability is governed by the Texas Tort Claims Act.

c. The Practitioner must have no record of denial, revocation, relinquishment or termination of appointment or Clinical Privileges at any other healthcare facility for reasons related to professional competence or conduct. This qualification applies to initial applications for Medical Staff membership submitted on or after May 28, 2015.

~~e.d.~~ Successful completion of a residency training program or are board certified in the specialty to which the Practitioner is applying. The residency training program must be recognized by the Accreditation Council for Graduate Medical Education, the American Osteopathic Association, appropriately accredited podiatry or dental program, or such other programs as the Credentials Committee, Medical Executive Board, and Governing Body may recognize. The board certification must be recognized by that American Board of Medical Specialties, the Bureau of Osteopathic Specialists, the American Board of Oral & Maxillofacial Surgery, the American Board of Podiatric Surgery, the Royal College of Physicians and Surgeons of Canada, the College of Family Physicians of Canada, or such other board as the Credentials Committee, Medical Executive Board, and Governing Body may recognize. Dentists with only a D.D.S. degree are exempt from this requirement.

It is anticipated that recognition of alternative training and/or board certification programs will be rare and requires approval by the Credentials Committee, Medical Executive Board, and the Governing Body.

~~e. d.~~ No Practitioner shall be entitled to membership on the Medical Staff or to the exercise of particular Clinical Privileges in Harris Health merely by virtue of the fact that he or she is duly licensed to practice medicine, osteopathy, podiatry, or dentistry in this State or in any other state, or that he or she is a member of any professional organization, or that he or she had in the past, or presently has, such privileges at another hospital.

f. Acceptance of membership on the Medical Staff shall constitute the staff member's agreement that he or she will strictly abide with all provisions of these Medical Staff Bylaws.

g. The Practitioner will remain in Good Standing so long as he or she is a member of the Medical Staff.

h. The Practitioner is required to be eligible to participate in federal and/or State healthcare programs. The Practitioner may not currently be an Ineligible Person and shall not become an Ineligible Person during any term of membership. Initial applications for Medical Staff membership submitted on or after May 28, 2015 must also have no record of conviction of Medicare, Medicaid or insurance fraud and abuse. (1) A Practitioner is required to disclose immediately any debarment, exclusion, or other event that makes the person an Ineligible

Person. (2) An Ineligible Person is immediately disqualified for membership to the Medical Staff or the granting of Clinical Privileges or practice prerogatives.

- i. A Practitioner who does not meet one or more of the qualifications for membership described above may request special consideration by the Credentials Committee, Medical Executive Board, and Governing Body to waive one or more of the qualifications for membership if the Practitioner is determined to be unusually qualified as set forth in this subsection. ~~The Credentials Committee determination not to waive one or more of the qualifications for membership is not a denial of the Practitioner's application for Medical Staff membership, is not reportable to the National Practitioner Databank, and does not entitle the Applicant to the fair hearing rights as described in Article IX of these Bylaws.~~

In order to be deemed "unusually qualified," Practitioners applying under this exception must (i) receive written recommendations by the applicable Chief of Service and Chief of Staff, (ii) document sufficient post-training experience in the applicant's primary field at the time of application, and (iii) be a recognized leader or innovator in his or her field, as evidenced by documented research, publications, and/or unique procedural ability not otherwise available or for which there is an unexpected and non-preventable shortage on the current Medical Staff. It is anticipated that approvals of applications under this exception will be rare and are subject to approval by the Credentials Committee, Medical Executive Board, and the Governing Body.

At the application for reappointment, the practitioner granted privileges under this section must submit a progress report. The Practitioner's progress report shall be confirmed by the Chief of Service and Chief of Staff, demonstrating the exception continues to be warranted by the ongoing exercise of the privileges for which the exception was granted.

A determination not to waive one or more of the qualifications for membership is not a denial of the Practitioner's application for Medical Staff membership, is not reportable to the National Practitioner Databank, and does not entitle the Applicant to the fair hearing rights as described in Article IX of these Bylaws.

Section 3. Qualified Medical Personnel

a. Nature of QMP Designation:

Designation as a QMP is a privilege that shall be extended, without discrimination as to race, sex, religion, disability, national origin, or age only to professionally competent individuals who continuously meet the qualifications, standards and requirements set forth in these Bylaws. Only individuals designated as a "QMP," appropriately privileged and credentialed as a QMP, and who acts within the scope of his or her licensure in compliance with Texas law, may perform a MSE and provide stabilizing treatment in the event of an emergency in a Harris Health's dedicated emergency department.

ARTICLE VI – PROCEDURE FOR APPOINTMENT AND REAPPOINTMENT

Section 4. Reappointment Process

- a. It is the responsibility of Active, Affiliate, Consulting Staff members and Advanced Practice Professionals to request reappointment to the Medical Staff in accordance with the “Reappointment and Renewal of Clinical Privileges Procedure” in the Credentialing Procedures Manual. Reappointment to the Medical Staff shall be based on the applicant's maintaining qualifications for Medical Staff membership, as described in Section 2 of this Article, current competence, and consideration of the results of quality assessment activities as determined by Chief of Service. Failure to submit a completed reappointment application form with required supporting documentation no less than sixty (60) days prior to the expiration of the Practitioner or APP's then current appointment shall constitute a resignation from the Medical Staff and all privileges will terminate upon expiration of said appointment. Such termination shall not give rise to the right to a hearing pursuant to Article IX of these Bylaws.

Reappointment shall occur every ~~two (2)~~ three (3) years. Medical Staff Services will transmit the necessary reapplication materials to the Practitioner or APP not less than 120 days prior to the expiration date of their then current appointment.

All claims, lawsuits, settlements, or judgments against the applicant in a professional liability action, either final or pending, since the last appointment or reappointment must be reported.

- b. Each recommendation concerning the reappointment of a staff member and the Clinical Privileges to be granted upon reappointment shall take into consideration the following characteristics:
- performance data, as described in Section 5 below;
 - professional competence and clinical judgment in the treatment of patients;
 - ethics and conduct;
 - relations with other Medical Staff members;
 - general attitude toward patients, Harris Health, and the public;
 - documented physical and mental health status;
 - evidence of continuing medical education that is related, at least in part, to the Practitioner or APP's Clinical Privileges, and is satisfactory to the appropriate Chief of Service or Chief of Staff;
 - previously successful or currently pending challenges to any licensure or registration (state or district, Drug Enforcement Administration);
 - voluntary or involuntary relinquishment of such licensure or registration;
 - voluntary or involuntary termination of Medical Staff membership; and
 - voluntary or involuntary decrease of privileges at any other hospital.
- c. Thereafter, the procedure provided in Sections 2 and 3 of this Article relating to recommendations on applications for initial appointment shall be followed.
- d. Members of the Medical Staff shall maintain current licensure and certifications, as described in Article VI, Section 2 of these Bylaws. Members of the Medical Staff must notify Harris Health whenever their license to practice in any jurisdiction has been voluntarily/involuntarily

ARTICLE VII — CLINICAL PRIVILEGES

Section 6. Temporary Privileges

There are only two circumstances in which temporary privileges may be granted. Each circumstance has different criteria for granting privileges. In order to grant temporary privileges, electronic votes or other documentation must be obtained by Medical Staff Services from the applicable approving parties. In addition, any temporary privileges granted must be reported at the next Credentials Committee, Medical Executive Board, and Governing Body meeting.

The acceptable circumstances for granting temporary privileges are described below for a) new applicants and b) important patient care need:

- a. **New Applicants:** Following receipt of a Clean Application from a new applicant, the Chief Executive Officer or designee may, upon the basis of information then available, which may reasonably be relied upon as to the competence and ethical standing of the applicant, and with the recommendation of the appropriate Chief of Service and Chief of Staff or their designees, grant temporary Clinical Privileges to the applicant; but in exercising such privileges, the applicant shall act under the supervision of the Chief of Service to which he or she is assigned. Temporary privileges of the applicant shall persist until the next meeting of the Governing Body (not to exceed 120 days) and shall cease at the time of official action upon his or her application for Medical Staff membership.

Note: New Applicants include individuals applying for clinical privileges for the first time, an individual currently holding clinical privileges who is requesting one or more additional privileges, and an individual who is in the reappointment process and is requesting one or more additional privileges.

- b. **Important Patient Care Need:** The Chief Executive Officer or designee shall also have the authority to grant temporary Clinical Privileges to a Practitioner or an APP upon documentation of an ~~urgent~~ important patient care need and with the recommendation of the appropriate Chief of Service and Chief of Staff or their designees. In this case, Medical Staff Services shall verify the Practitioner or APP's education, licensure, current competence, two (2) peer references (including current competence), NPDB, and OIG Exclusion Lists. When temporary privileges are granted, on this case-by-case basis, to fulfill an ~~emergent~~ important patient care need, which mandates an immediate authorization to practice for a limited period of time, those privileges are granted only until the important patient care need is resolved, but not to exceed 120 days.

In the event that there is a need to address an immediate life-threatening patient care situation and there is not time for Medical Staff Services to verify all of the elements listed above, the Chief Executive Officer or designee, with the recommendation of the appropriate Chief of Service and Chief of Staff or their designees, shall have the authority to authorize the Practitioner or APP to immediately practice based on information known at the time. If such authorization occurs, Medical Staff Services shall verify all of the elements listed above as quickly as reasonably possible thereafter and shall immediately inform the Chief Executive Officer or designee of any concerns identified. The onus lies on the Practitioner or APP to provide all required documents to the Medical Staff Office in a timely manner.

Examples of Important Patient Need may include, but are not limited to:

- The care a particular patient requires specialized skills that no currently privileged Practitioner or APP is approved to perform;
- The patient care volume exceeds the level that can be handled by currently privileged Practitioners of APPs and additional Practitioners or APPs are needed to appropriately address the patient volume; and
- A currently privileged Practitioner or APP who has an unexpected absence from the medical staff and another Practitioner or APP is needed to cover the associated patients during the absence.

Note: Important Patient Care Need does not apply to situations when currently privileged Practitioners or APPs are not available due to pre-planned attendance at conferences or like events.

- c. Termination. Temporary Clinical Privileges may be terminated by the Chief Executive Officer or designee, following consultation with the appropriate Chief of Service and Chief of Staff or their designees.
- d. Neither termination of temporary Clinical Privileges nor failure to grant them shall constitute a Final Hearing Review Action and neither is an Adverse Recommendation or Action.

Section 7. Emergency Clinical Privileges

In the case of an emergency, any current Medical Staff member, to the degree permitted by his or her license and regardless of service or staff status, shall be permitted and assisted to do everything possible to save the life of a patient using the appropriate resources of Harris Health, including the calling for any consultation necessary or desirable. When an emergency situation no longer exists, the Medical Staff member must request the privileges necessary to continue to treat the patient. In the event such privileges are denied or the Medical Staff member does not desire privileges, the patient shall be assigned to an appropriate member of the Medical Staff. For the purpose of this section, an “emergency” is defined as a condition in which a patient is in immediate danger of serious permanent harm or loss of life, and any delay in administering treatment could add to that danger.

Section 8. Disaster Privileges

Practitioners or APPs who are not members of Harris Health Medical Staff and who do not possess Clinical Privileges may be needed to work at any Harris Health Facility during an “emergency disaster,” whether it is local, state, or national.

Disaster privileges may be granted when Harris Health Emergency Management Plan has been activated and Harris Health is unable to handle the immediate patient needs. The CEO or Chairperson of the Medical Executive Board or their designee(s) may grant disaster privileges.

Before being granted disaster privileges, Volunteer Licensed Independent Practitioners (VLIPs) and Volunteer Allied Health Professionals (VAHPs) must at a minimum present a valid government-issued photo identification issued by a state or federal agency (e.g., driver’s license or passport) and at least one of the following:

- a. A current hospital picture identification card that clearly identifies the professional designation;
- b. A current license to practice and/or primary source verification of license;
- c. Identification indicating that the individual is a member of a Disaster Medical Assistance Team (DMAT), or Medical Reserve Corp (MRC), Emergency System Advance Registration

ARTICLE VIII - CORRECTIVE ACTION

Section 1. Procedure

- a. Whenever the activities, professional conduct or health status of any Medical Staff member are considered to be lower than the standards or aims of the Medical Staff or to be disruptive to the operations of Harris Health, corrective action against such Medical Staff member may be requested by any officer of the Medical Staff, by the Chief Executive Officer, or by the Governing Body. All such requests shall be in writing, shall be made to the Medical Executive Board, and shall be supported by reference to the specific activities or conduct, which constitute the grounds for the request. If the request for corrective action is instituted by other than the Chief of Service to which the member is appointed, a copy of such request shall be sent to the chief(s) of the respective service(s) on which the Medical Staff member holds appointments. The Chief of the Service or designee to which the member is appointed must meet with the member to discuss the issues that are the basis for the request either prior to submission or no later than 72 hours after receipt of a copy of the request. In the event that the member who is the subject of the request for corrective action is the Chief of Service, the Chief of Staff or designee must conduct the meeting. If the Chief of Service or Chief of Staff is unwilling to conduct such meeting, it shall be conducted by the Chief Executive Officer. The party conducting the meeting shall send a letter to the staff member immediately following the meeting confirming that the meeting was held and the matters discussed. The letter must be sent to the staff member via Special Notice procedures with a copy to Medical Staff Services.
- b. Whenever the corrective action could be a reduction or suspension of Clinical Privileges, the Chairperson of the Medical Executive Board shall immediately appoint an ad hoc committee to investigate the matter.
- c. Within thirty (30) days after the ad hoc committee's receipt of the request for corrective action, it shall make a report of its investigation to the Medical Executive Board. If in the reasonable view of the Medical Executive Board more than thirty (30) days is needed to complete the investigation, the Medical Executive Board shall grant an extension to the ad hoc committee. Prior to the making of a report, the Medical Staff member against whom corrective action has been requested shall have an opportunity for an interview with the ad hoc investigating committee. At such interview, the Medical Staff member shall be informed that the meeting shall not constitute a hearing, shall be preliminary in nature, and none of the procedural rules provided in these Bylaws with respect to hearing shall apply thereto. A record of such interview shall be made by the ad hoc committee and included with its report to the Chairperson of the Medical Executive Board.
- d. Within thirty (30) days following the receipt of the report of the ad hoc investigating committee, the Medical Executive Board shall take action upon the request. If the corrective action could involve a reduction or suspension of Clinical Privileges, or a suspension or expulsion from the Medical Staff, the affected Medical Staff member shall be permitted to make an appearance before the Medical Executive Board prior to its taking action on such request, and none of the procedural rules provided in these bylaws with respect to hearings shall apply thereto. A record of such appearance shall be made by the Medical Executive Board.
- e. The Medical Executive Board shall take such action as deemed justified as a result of these investigations.

- f. Any recommendations by the Medical Executive Board to the Governing Body for reduction or revocation of Clinical Privileges, or expulsion from the Medical Staff shall entitle the affected Medical Staff member to the procedural rights provided in Article IX.
- g. Any final adverse action taken after the procedural rights provided in Article IX have been exhausted (1) that adversely affects the Clinical Privileges of a Physician for a period longer than 14 days must be reported in writing to the Texas Medical Board; and (2) that adversely affects the Clinical Privileges of a Practitioner for a period lasting longer than 30 days must be reported to the National Practitioner Data Bank.
- gh. All decisions resulting from investigations of a Medical Staff member in a medical administrative position shall be reviewed by the Governing Body following the process as outlined in Article IX.
- hi. When the Medical Executive Board or Governing Body has reason to question the physical and/or mental status of a Medical Staff member, the latter shall be required to submit an evaluation of their physical and/or mental health status by a physician or physicians acceptable to the Medical Executive Board and the affected physician as a prerequisite to further consideration of: (1) their application for appointment or reappointment, (2) their exercise of previously granted privileges, or (3) their maintenance of a Medical Staff appointment.

Section 2. Summary Suspension

Whenever there is a reasonable belief that a Member's conduct or condition requires that immediate action be taken to protect life or to reduce the likelihood of injury or damage to the health or safety of patients, Harris Health workforce, or others, summary action must be taken as to all or any portion of the Member's Clinical Privileges, and such action shall become effective immediately upon imposition.

The Chairperson of the Medical Executive Board, the Medical Executive Board itself, the Chief of Staff, the chief of the Medical Staff member's clinical service, the Chief Executive Officer, or the Governing Body shall have the authority, whenever action must be taken immediately in the best interest of patient care in Harris Health, to suspend summarily all or any portion of the Clinical Privileges of a Medical Staff member, and such summary suspension shall become effective immediately upon imposition.

The Medical Staff member must be immediately notified by Special Notice from the Chief Executive Officer. A suspended member's patients in a Harris Health Facility must be assigned to another member by the applicable Service or Division Chief, or his designee, considering the wishes of the patient, where feasible, in choosing a substitute Practitioner.

As soon as possible, but within ten (10) working days after a summary suspension is imposed, the Medical Executive Board shall convene to review and consider the action taken. In its sole discretion, the Medical Executive Board may provide the member the opportunity to meet with the Medical Executive Board, which may recommend modification, continuation or termination of the terms of the suspension. A Medical Executive Board recommendation to continue the extension or to take any other adverse action as defined in Article IX, Section 1.a entitles the Medical Staff member, upon timely and proper request, to the procedural rights contained in Article IX.

Section 3. Automatic Suspension

Occurrence of any of the following shall result in an automatic suspension as detailed. An automatic suspension is not considered a final action or an adverse recommendation or action but may be considered in any investigation or proceeding pursuant to Article IX of these Bylaws.

- (1) Suspension, limitation or placement of a condition on a member's professional

license by the state licensing board shall result in automatic suspension of the member's privileges until the Credentials Committee can assess whether the suspension, limitation, or condition will be adopted by the medical staff. As soon as possible, but no later than the tenth (10th) working day after the automatic suspension, the Credentials Committee shall convene to review and consider appropriate action.

- (2) Indictment of a member for a felony or indictment of any other criminal charges involving substance abuse, minors, assault, battery, fraud, dishonesty, moral turpitude, or the delivery of health care services shall result in automatic suspension of the member's privileges. As soon as possible, but no later than the tenth (10th) working day after the automatic suspension, the Credentials Committee shall convene to review and consider appropriate action.
- (3) Failure of the member to maintain current required licensure and certifications, as described in Article III, Section 2, shall result in automatic suspension of the member's privileges for up to thirty (30) days. The member's privileges will be reinstated once Medical Staff Services has confirmed that the issue has been resolved to the satisfaction of the Chair of the Credentials Committee, or designee. The Chair shall make a report of all such actions at the next regularly scheduled meeting of the Credentials Committee and the Credentials Committee shall ratify or modify the actions as appropriate. Failure to satisfy this requirement in thirty (30) days will result in a voluntary resignation of the member's privileges and require the submission of an initial credentialing application, which will be processed without preference. In certain circumstances, the Chair of the Medical Executive Board, or designee, based on a recommendation from the Credentials Committee, may approve an exception to this requirement.

~~(4) A member's delinquency in completion of medical records, as outlined in the Medical Staff Rules & Regulations, shall result in automatic suspension of the member's privileges and medical staff membership until Medical Staff Services has confirmed that the issue has been resolved to the satisfaction of the Chair of the Credentials Committee, or designee. The Chair shall make a report of all such resolutions at the next regularly scheduled meeting of the Credentials Committee and the Credentials Committee shall ratify or modify the resolution as appropriate.~~

Section 4. Administrative Suspension

Occurrence of any of the following shall result in an administrative suspension as detailed below. An administrative suspension is not considered a final action or an adverse recommendation or action and therefore, is not reportable or required to be disclosed in subsequent credentialing applications, but an administrative suspension may be considered in any investigation or proceeding pursuant to Article IX of these Bylaws. Failure to satisfy requirements listed below in thirty (30) days after the administrative suspension will result in a voluntary resignation of the member's privileges and require the submission of an initial credentialing application, which will be processed without preference. In certain circumstances, the Chair of the Medical Executive Board, or designee, based on a recommendation from the Credentials Committee, may approve an exception to this requirement.

1) A member's delinquency in completion of medical records, as outlined in the Medical Staff Rules & Regulations, shall result in ~~automatic~~ administrative suspension of the member's privileges and medical staff membership until Medical Staff Services has confirmed that the issue has been resolved to the satisfaction of the Chair of the Credentials Committee, or designee. The Chair shall make a report of all such resolutions at the next regularly scheduled meeting of the Credentials Committee and the Credentials Committee shall ratify or modify the resolution as appropriate.

1)2) A member's failure to complete mandatory education, as outlined in Harris Health Policy 7.41, Medical Staff, Trainee, and Student Orientation and Annual Education, shall result in administrative suspension of the member's privileges and medical staff membership for up to thirty (30) days. The member's privileges will be reinstated once Medical Staff Services has confirmed that the issue has been resolved to the satisfaction of the Chair of the Credentials Committee, or designee. The Chair shall make a report of all such actions at the next regularly scheduled meeting of the Credentials Committee and the Credentials Committee shall ratify or modify the actions as appropriate.

Section 45. Automatic Termination

Occurrence of any of the following shall result in an automatic termination as detailed. An Automatic termination is not considered an adverse recommendation or action but may be considered in any investigation or proceeding pursuant to Article IX of these Bylaws.

- (1) Revocation of a physician's professional license by the Texas Medical Board shall cause all the member's Clinical Privileges and the medical staff membership to automatically terminate.
- (2) Conviction of or a guilty or nolo contendere plea to (including deferred adjudication) for a felony or conviction of or a guilty or nolo contendere plea to any other criminal charges involving substance abuse, minors, assault, battery, fraud, dishonesty, moral turpitude, or the delivery of health care services by a member shall result in automatic termination of the member's privileges and medical staff membership.
- (3) A member's privileges and staff membership shall automatically terminate if the member becomes an Ineligible Person as that term is defined in these Bylaws.
- (4) Loss of employment with Baylor College of Medicine, the University of Texas Health Science Center at Houston, Harris Health, or another entity contracted to provide clinical care at Harris Health shall result in automatic termination of the Practitioner or APP's privileges and staff membership. However, if the loss of employment is related to the member's professional competence or conduct, such action is considered an adverse action under Article IX, Section 1.
- (5) The privileges and medical staff membership of a member who is suspended four times in a twelve (12) month period for delinquency in completion of medical

BOARD OF TRUSTEES

Joint Conference Committee

HARRISHEALTH
SYSTEM

Thursday, November 9, 2023

Open Discussion Regarding Agenda Items and 2024 Joint Conference
Committee Meeting Frequency

2024 Board & Board Committee Calendar

BOARD (9:00 AM-1:00 PM)	JANUARY 25, 2024 JULY 25, 2024 FEBRUARY 29, 2024 AUGUST 29, 2024 MARCH 28, 2024 SEPTEMBER 26, 2024 APRIL 25, 2024 OCTOBER 24, 2024 MAY 30, 2024 DECEMBER 12, 2024 JUNE 27, 2024	ASC AT LBJ GOVERNING BODY (9:00-10:30 AM)	FEBRUARY 22, 2024 AUGUST 22, 2024 MAY 23, 2024 NOVEMBER 21, 2024	BUDGET & FINANCE COMMITTEE (9:00-10:00 AM)	FEBRUARY 15, 2024 AUGUST 15, 2024 (9:00-9:30) MAY 16, 2024 NOVEMBER 14, 2024
SPECIAL CALL BOARD	NOVEMBER 14, 2024 (HRSA)	GOVERNANCE COMMITTEE (11:00 AM-12:00 PM)	JANUARY 9, 2024 JUNE 11, 2024 FEBRUARY 13, 2024 AUGUST 13, 2024 MARCH 12, 2024 SEPTEMBER 10, 2024 APRIL 9, 2024 OCTOBER 8, 2024 MAY 14, 2024 NOVEMBER 12, 2024	COMPLIANCE & AUDIT COMMITTEE (10:00-11:30 AM)	FEBRUARY 15, 2024 SEPTEMBER 12, 2024 MAY 16, 2024 NOVEMBER 14, 2024
SPECIAL HHS COMMUNITY TOWN HALL	PLACEHOLDER PLACEHOLDER PLACEHOLDER PLACEHOLDER	QUALITY COMMITTEE (12:00-1:30 PM)	JANUARY 9, 2024 JUNE 11, 2024 FEBRUARY 13, 2024 AUGUST 13, 2024 MARCH 12, 2024 SEPTEMBER 10, 2024 APRIL 9, 2024 OCTOBER 8, 2024 MAY 14, 2024 NOVEMBER 12, 2024	JOINT CONFERENCE COMMITTEE (11:30 AM-12:30 PM)	JANUARY 11, 2024 SEPTEMBER 12, 2024 MARCH 14, 2024 NOVEMBER 14, 2024 MAY 16, 2024
BUDGET WORKSHOP (9:30 AM-11:00 AM)	AUGUST 15, 2024			DEI COMMITTEE (11:30 AM-12:30 PM)	JANUARY 12, 2024 JUNE 14, 2024 FEBRUARY 16, 2024 AUGUST 16, 2024 MARCH 15, 2024 SEPTEMBER 13, 2024 APRIL 12, 2024 OCTOBER 11, 2024 MAY 17, 2024 NOVEMBER 15, 2024

JANUARY							FEBRUARY							MARCH							APRIL							MAY							JUNE						
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HARRIS HEALTH HOLIDAY CLOSURES:	01/01/24 (New Year's Day)	05/27/24 (Memorial Day)	07/04/24 (Independence Day)	11/28/24 (Thanksgiving)	12/25/24 (Christmas)
	01/15/24 (MLK)	06/19/24 (Juneteenth)	09/02/24 (Labor Day)	11/29/24 (Fri. After Thanksgiving)	