

**BOARD OF TRUSTEES**  
**Joint Conference Committee**

8:00 A.M.  
Thursday, May 12, 2022

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**

<b>I. Call to Order and Record of Attendance</b>	<b>Ms. Elena Marks</b>	<b>2 min</b>
<ul style="list-style-type: none"> <li>• Dr. Mohammad Zare with The University of Texas Health Science Center at Houston has been named Interim Assistant Chief of Staff for Ambulatory Care Services</li> </ul>		
<b>II. Approval of the Minutes of Previous Meeting</b>	<b>Ms. Elena Marks</b>	<b>1 min</b>
<ul style="list-style-type: none"> <li>• Joint Conference Committee Meeting – March 10, 2022</li> </ul>		
<b>III. Medical Staff Engagement</b>	<b>Dr. Steven Brass</b>	<b>20 min</b>
<p><b>A. Strengthening Medical Staff Involvement: Operations and Service Lines</b></p> <p>1. Medical Staff Engagement Survey: Feedback Session</p>		
<b>IV. Governance and Culture</b>	<b>Mr. Louis Smith</b>	<b>1 min</b>
<p><b>A. No Update Item Listed</b></p>		
<b>V. Items Requiring Periodic Updates/Discussion</b>	<b>Mr. Louis Smith</b>	<b>15 min</b>
<p><b>A. Discussion Regarding Harris Health’s Operations Executive Board</b></p>		
<b>VI. Special Items</b>	<b>Mr. Louis Smith</b>	<b>20 min</b>
<p><b>A. Discussion Regarding Harris Health’s Care Management Redesign – <i>Dr. Amy Smith and Dr. Ann Barnes</i></b></p>		
<b>VII. Adjournment</b>	<b>Ms. Elena Marks</b>	<b>1 min</b>

**HARRIS HEALTH SYSTEM**  
**MINUTES OF THE BOARD OF TRUSTEES**  
**JOINT CONFERENCE COMMITTEE MEETING**  
**Thursday, March 10, 2022**  
**8:00 AM**

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<b>I. Call to Order and Record of Attendance</b>	Ms. Elena Marks, Chair, called the meeting to order at 8:00 a.m. It was noted that a quorum was present and the attendance was recorded. Ms. Marks 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: <a href="http://harrishealthtx.swagit.com/live">http://harrishealthtx.swagit.com/live</a> .	
<b>II. Approval of the Minutes of Previous Meeting</b> Joint Conference Committee Meeting – January 13, 2021		<b>Moved by Dr. Arthur Bracey, seconded by Ms. Alicia Reyes, and unanimously approved the minutes of the January 13, 2021 Committee meeting.</b>
<b>III. Physician Engagement</b>		
<b>A. New Member Introductions</b>	Dr. Matasha Russell, Chief Medical Officer, Ambulatory Care Services, shared that the Assistant Chiefs of Staff were unable to join to due scheduling conflicts.	<b>As reported.</b>
<b>B. Strengthening Physician Involvement: Operations and Service Lines</b>	Dr. Steven Brass, Executive Vice President & Chief Medical Executive, led discussion regarding the Harris Health System (HHS) 2021 Physician Engagement survey results. He presented the physician engagement results and noted that he has begun a listening tour to hear from physicians about how to improve survey scores. Dr. Brass reported that the response	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>rate for the 2021 survey was greater than the previous survey at 39.1%, but remained under the national average of 44%. He reviewed data on Workplace Experience Loyalty measures and Patient Centered Care Loyalty measures. He presented major concerns observed in the survey such as Epic limitations and booking more follow-up appointments. He also reported on the feedback received from LBJ Hospital physicians during a session in which they aired concerns and provided feedback. Dr. Brass plans to hold similar sessions with physicians at Ben Taub Hospital (BT) and Ambulatory Care Services (ACS). In collaboration with key stakeholders, administration intends to develop action plans based on what is discussed during the sessions. A copy of the presentation is available in the permanent record.</p> <p>Dr. Esmaeil Porsa, President &amp; Chief Executive Officer, and other committee members acknowledged Dr. Brass and leaderships' efforts in touring various pavilions to gain insight on physician perspective. Multiple members spoke on the positive cultural shifts observed under Harris Health's new leadership. Dr. Martha Mims, Vice Chair, Medical Executive Board, commented that it was refreshing to have Dr. Brass listen to the physicians' concerns, and to hear that most concerns were surrounding the effectiveness of patient care. Dr. Matasha Russell shared that previous HHS Chief Medical Officers did not visit pavilions the way Dr. Brass has done, and applauded him on his commitment to the medical staff. She also noted that despite clinicians' concern about Epic upgrades, HHS has little control over them. However, ACS has started working with the HHS Informatics Team to assist clinicians with navigating Epic upgrades. Dr. Foringer, Chair, Medical Executive Board, echoed</p>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>the commendations of Dr. Brass’ hard work, and stated that the HHS administrative leadership team has been the most engaged they have ever been with medical staff. Dr. Sandeep Markan, Chief of Staff, Ben Taub Hospital, also praised Dr. Brass’ engagement with the medical staff, and noted that his efforts are much appreciated during an unprecedented time of fatigue and exhaustion amongst clinicians due to the COVID-19 response. He noted a cultural shift cultivated by administrative leadership that has allowed physicians to comfortably voice their concerns without fear of retribution. Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson Hospital, stated that despite survey results, he knows that many physicians love working at HHS because of the mission, people, and patient population. He shared that there is hope to improve the survey outcomes due to the continuous work and commitment of the current HHS administration. Dr. Jennifer Small, Interim Executive Vice President, Ambulatory Care Services, shared that she was pleased to hear the positive comments from the physician leaders on the committee, and noted that the HHS Strategic Plan addresses many of the issues noted in the survey. Physician leaders agreed that the major concerns need to be addressed, but sensed that the organization is moving the needle in the right direction.</p>	
<p>i. Update Regarding GI Service Line Around Colonoscopies</p>	<p>Mr. Louis Smith, Senior Executive Vice President &amp; Chief Operating Officer, led discussion on the organization’s work on colonoscopies and outstanding patients that are both referred into and needing to have the procedure. The work has focused on what initiates the initial order, screening within HHS, and determining patient needs and HHS’ capacity to meet their needs. He also noted that HHS continues to work on making</p>	<p><b>As reported.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>sure that information on patients utilizing outsourced services is integrated back into the organization. Mr. Smith reported that the number of outstanding colonoscopy orders in December 2021 was around 8,400, and was reduced to 4,300 by the end of February 2022. He acknowledged Mr. Ken Costigan, Vice President, Transformation &amp; Operational Excellence, for his work with the GI service line and identifying process improvement opportunities. Mr. Smith reported that he anticipated the number of outstanding colonoscopy orders to meet expectations within the calendar year.</p> <p>Discussion ensued regarding the possibility of treating all colonoscopy patients within HHS in the future and how to identify unmet needs within this patient population.</p>	
<b>IV. Governance and Culture</b>		
<p>A. Goal Alignment Between Harris Health, Baylor College of Medicine and The University of Texas Health Science Center at Houston McGovern Medical School</p>	<p>Mr. Louis Smith led discussion regarding goal alignment between Harris Health, Baylor College of Medicine and The University of Texas Health Science Center at Houston McGovern Medical School. He highlighted a mechanism in the agreements with the medical schools noting goals to be established each contract year. When HHS began working on organizational goals last summer, administration saw an opportunity to align organization goals with goals identified in the medical school agreements. The current agreement goals are in four categories, including patient safety, patient experience, cost management, and service line performance. Dr. Markanshared that Baylor and HHS hold Joint Operating Council meetings that have provided a forum for stakeholders</p>	<p><b>As reported.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	in both schools to share perspectives on pertinent issues.	
<b>V. Items Requiring Periodic Updates/Discussion</b>		
<p>A. Discussion Regarding Harris Health Correctional Health</p>	<p>Mr. Michael Hill, Executive Vice President, Chief Strategy &amp; Integration Officer, led discussion regarding Harris Health Correctional Health and the transition that began March 1<sup>st</sup>. He reported that 350 full time employees (FTEs) from the Harris County Jail and dozens of University of Houston providers were transitioned into HHS without interruption of services. He stated that both the Sheriff’s Office and HHS leadership are currently meeting to outline priorities for the stub year. Mr. Hill noted that there are currently over 9,000 detainees in the jail and there are plans to continue to recruit FTEs to support correctional health services. Dr. Egin, Chief Medical Officer, Harris Health Correctional Health, reported on activities involving the credentialing process and ensuring the quality dashboard is running smoothly.</p> <p>Discussion ensued regarding establishing linkages between correctional health services and ACS.</p>	<p><b>As reported.</b></p>
<b>VI. Special Items</b>		
<p>A. Discussion Regarding Harris Health Care Management Redesign</p>	<p>Ms. Amy Smith, Senior Vice President, Transitions &amp; Post-Acute Care, led discussion regarding Harris Health Care Management Redesign. She presented the Care Management team’s org chart and current Care Management initiatives. She noted some gaps within ambulatory care and especially in specialty areas. Care Management is in the process of identifying needs and resource limitations addressed the</p>	<p><b>Ms. Elena Marks recommended that this agenda item should be on the next meeting’s agenda due to time constraints. She also requested to include Dr. Ann Barnes in that upcoming discussion.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>observed gaps. .</p> <p>Dr. Foringer commended Ms. Smith’s work in this area and stated that he looked forward to seeing the outcomes of the Care Management redesign. A copy of the presentation is available in the permanent record.</p>	
<p><b>VII. Adjournment</b></p>	<p>Moved by Dr. Arthur Bracey, seconded by Ms. Alicia Reyes, and unanimously approved to adjourn the meeting. There being no further business, the meeting adjourned at 9:00 a.m.</p>	

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 March 10, 2022.

Respectfully submitted,

Ms. Elena Marks, Chair

Recorded by Yasmin Othman

**Thursday, March 10, 2022**

**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](mailto:BoardofTrustees@harrishealth.org) before close of business the day of the meeting.

<b>MEMBERS PRESENT</b>	<b>MEMBERS ABSENT</b>
Ms. Elena Marks, Chair	Dr. Alexander Laceras, Assistant Chief of Staff (UT)
Ms. Alicia Reyes	Dr. Fareed Khan, Assistant Chief of Staff (BCM)
Dr. Arthur Bracey (Ex-Officio)	
Dr. Esmaeil Porsa, President & Chief Executive Officer	
Dr. John Foringer, Chair, Medical Executive Board	
Mr. Louis Smith, Senior Executive Vice President & Chief Operating Officer (Executive Sponsor)	
Dr. Martha Mims, Vice Chair, Medical Executive Board	
Dr. Matasha Russell, Chief Medical Officer, Ambulatory Care Services	
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	

<b>EXECUTIVE LEADERSHIP</b>
Ms. Amy Smith, Senior Vice President, Transitions & Post-Acute Care
Dr. Ann Barnes, Executive Vice President & Chief Medical Executive
Ms.Carolynn Jones, Executive Vice President & Chief Compliance and Risk Officer
Dr. Glorimar Medina-Rivera, Executive Vice President, Ben Taub Hospital
Dr. Hemant Roy, Vice Chair, Harris Health System & Ben Taub Hospital
Dr. Jackie Brock, Executive Vice President & Chief Nursing Executive
Dr. Jason Chung, Associate Chief Medical Officer & Senior Vice President, Medical Affairs and Utilization
Dr. Jennifer Small, Interim Executive Vice President, Ambulatory Care Services
Mr. Ken Costigan, Vice President, Transformation & Operational Excellence
Ms. Maria Cowles, Senior Vice President, Chief of Staff
Mr. Michael Hill, Executive Vice President, Chief Strategy & Integration Officer

Dr. Michael Nnadi, Senior Vice President, Chief Pharmacy Officer
Dr. Otis Ekins, Chief Medical Officer, Harris Health Correctional Health
Ms. Patricia Darnauer, Executive Vice President, Lyndon B. Johnson Hospital
Ms. Sara Thomas, Vice President Legal Affairs/Managing Attorney, Harris County Attorney's Office
Dr. Yashwant Chathampally, Associate Chief Medical Officer & Senior Vice President, Quality and Patient Safety

<b>OTHERS PRESENT</b>	
Antoinette Cotton	Nicholas Bell
Cherry Pierson	Paul Lopez
Daniel Smith	Randy Manarang
Derek Curtis	Tai Nguyen
Ebon Swofford	Xylia Rosenzweig
Elizabeth Winn	Yasmin Othman
Jennifer Zarate	
Jerry Summers	
Matthew Reeder	
Matthew Schlueter	

Thursday, May 12, 2022

Medical Staff Engagement

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III.A. Strengthening Medical Staff Involvement: Operations and Service Lines

1. Medical Staff Engagement Survey: Feedback Session

Thursday, May 12, 2022

Governance and Culture

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IV.A. No Update Item Listed

Thursday, May 12, 2022

Items Requiring Periodic Updates/Discussion

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V.A. Discussion Regarding Harris Health's Operations Executive Board

Thursday, May 12, 2022

Special Items

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VI.A. Discussion Regarding Harris Health's Care Management Redesign

**BOARD OF TRUSTEES**

**Budget and Finance Committee**

Thursday, May 12, 2022  
9:00 A.M.

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**

<b>I. Call to Order and Record of Attendance</b>	<b>Mr. Lawrence Finder</b>	<b>2 min</b>
<b>II. Approval of the Minutes of Previous Meeting</b>	<b>Mr. Lawrence Finder</b>	<b>1 min</b>
• Budget and Finance Committee Meeting – February 10, 2022		
<b>III. Financial Matters</b>	<b>Mr. Lawrence Finder</b>	<b>35 min</b>
<b>A.</b> Discussion Regarding the Harris Health System February 2022 Quarterly Financial Report Subject to Audit (Previously Approved by the Board of Trustees, March 24, 2022) – <b>Ms. Victoria Nikitin</b>		<i>(10 min)</i>
<b>B.</b> Consideration of Acceptance of the Harris Health System Fourth Quarter Fiscal 2022 Investment Report – <b>Ms. Victoria Nikitin</b>		<i>(5 min)</i>
<b>C.</b> Consideration of Acceptance of the Harris County Hospital District First Quarter 2022 Pension Plan Report – <b>Ms. Victoria Nikitin</b>		<i>(10 min)</i>
<b>D.</b> Consideration of Approval for Additional Funding of \$21,000,000 for the Harris County Hospital District Pension Plan for Calendar Year 2022 – <b>Ms. Victoria Nikitin</b>		<i>(10 min)</i>
<b>IV. Executive Session</b>	<b>Mr. Lawrence Finder</b>	<b>20 min</b>
<b>A.</b> Discussion Regarding Financial Planning Information for Community Health Choice, Inc. and Community Health Choice, Texas, Pursuant to Tex. Gov’t Code Ann. §551.085 and Tex. Gov’t Code Ann. §551.071 – <b>Ms. Victoria Nikitin and Ms. Lisa Wright, Community Health Choice</b>		
<b>V. Reconvene</b>	<b>Mr. Lawrence Finder</b>	<b>1 min</b>
<b>VI. Adjournment</b>	<b>Mr. Lawrence Finder</b>	<b>1 min</b>

**HARRIS HEALTH SYSTEM**  
**MINUTES OF THE BOARD OF TRUSTEES**  
**BUDGET & FINANCE COMMITTEE MEETING**  
**Thursday, February 10, 2022**  
**9:30 AM**

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<b>I. Call to Order and Record of Attendance</b>	Dr. Arthur Bracey, Presiding Chair, called the meeting to order at 9:38 a.m. It was noted there was a quorum present and the attendance was recorded. Dr. Arthur Bracey announced 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: <a href="http://harrishealthtx.swagit.com/live">http://harrishealthtx.swagit.com/live</a> .	
<b>II. Approval of the Minutes of Previous Meeting</b> Budget and Finance Committee Meeting – November 11, 2021		<b>Moved by Ms. Alicia Reyes, seconded by Professor Marcia Johnson, and unanimously approved the minutes of the November 11, 2021 committee meeting.</b>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<b>III. Board Education</b>		
<p>A. Presentation of Medicaid and Medicare Supplemental Programs</p>	<p>Ms. Victoria Nikitin, Senior Vice President, Finance, presented on the Medicaid and Medicare Supplemental Payment Programs. She stated that the funding received from the Medicaid and Medicare Supplemental Payment Programs comprises over one-third of Harris Health’s budget. She provided a review of several Texas Medicaid programs. Ms. Nikitin mentioned that Base Medicaid covers up to 50% of cost of providing services, and Medicaid supplemental programs are designed to fill the gap between base reimbursement and the cost of care for Medicaid and uninsured patients. She reported that Texas paid \$9B in supplemental payments to hospitals last year, and \$2.6B to Harris County providers alone. Harris Health participated in seven (7) Medicaid Supplemental programs in FFY/SFY 2021, including:</p> <ul style="list-style-type: none"> <li>• Medicaid Disproportionate Share (DSH)</li> <li>• Uncompensated Care (UC)</li> <li>• Delivery System Reform Incentive Payment (DSRIP) program</li> <li>• Uniform Hospital Rate Increase Program (UHRIP)</li> <li>• Network Access Improvement Program (NAIP)</li> <li>• Public Hospital Graduate Medical Education (GME) Program</li> <li>• Quality Incentive Payment Program (QIPP) for nursing facilities</li> </ul> <p>Ms. Nikitin reviewed each supplemental program, beginning with DSH which is the most well-known program. In late December 2020, Congress passed the Consolidated Appropriations Act 2021. The Act eliminated reductions in Medicaid DSH in FFY 2021 and delayed the remaining four years of cuts until FFY 2024. If not repealed, the available future distributions to Harris Health could drop up to 20% in FFY 2024 and beyond. However, such reductions have been continually postponed by Congress before. She stated that at this time, Harris Health’s Medicaid DSH revenue reflects a stable trend until FFY 2024.</p>	<p><b>As reported.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>Ms. Nikitin provided an overview on the Texas Medicaid 1115 Waiver, and explained that it consists of two programs. The first program is an uncompensated care (UC) pool to help offset the costs of uncompensated care, limited by each provider’s actual uncompensated care costs reported in the annual UC Tool. The second is a DSRIP pool to incentivize providers to transform their service delivery practices to improve quality, health status, patient experience, coordination, and cost-effectiveness. Ms. Nikitin briefly discussed UHRIP, NAIP, and GME programs noting that they contribute significantly less than other programs but should not be discounted. She mentioned that Hospital Augmented Reimbursement Program (HARP) is a new statewide supplemental program providing Medicaid payments to hospitals for inpatient and outpatient services that serve Texas Medicaid fee-for-service (FFS) patients. If The Centers for Medicare &amp; Medicaid Services (CMS) approves for the program to be implemented outside of the 1115 waiver, the program will bring over \$100M in additional net revenue to Harris Health.</p> <p>Ms. Nikitin concluded with an overview of the Medicare DSH Affordable Care Act add-on. She explained that Medicare DSH dollars are an add-on to the Medicare inpatient claim reimbursement. In FFY2018, Medicare updated its methodology to allocate three-fourth of the federal pool based on uncompensated care reported on Schedule S-10 of the Cost Report. Medicare managed care plans are contractually obligated to reimburse Harris Health at the same rates. That has translated to over \$100M in annual reimbursement. However, those contracts are subject to termination or renegotiation by the managed care companies. A copy of the presentation is available in the public record.</p>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<b>IV. Building and Properties</b>		
<p>A. Presentation of Harris Health System Capital Program Overview</p>	<p>Mr. David Attard, Senior Vice President, Facilities, Construction and Systems Engineering, presented on the Harris Health System Capital Overview. He reviewed the FY19-FY22 distribution by capital category, and noted that FY22 saw increased funding that allowed the System to apply much of that additional funding towards specific projects. Capital categories included facilities, medical equipment, IT, and other projects. In FY22, \$77.66M was allocated for major facility enhancement initiatives such as the Quentin Mease Renovation, the Casa de Amigos expansion, and the LBJ Hospital Staff Parking Garage. Most infrastructure and new construction costs were associated with strategic initiatives, but significant costs were also allocated toward regulatory projects. Mr. Attard noted that funds for medical equipment increased for regulatory, life-safety/organic growth, and non-support/high risk/IT tech refresh purposes. He mentioned that forecasting for emergency equipment required for the COVID-19 response was challenging due to the nature of the pandemic. Mr. Attard stated that IT projects slated for FY21 had to be deferred because of the realignment of dollars into some of Harris Health’s major capital projects for build out, and as a result slid into a higher category of refresh for FY22.</p> <p>Mr. Attard commented on Harris Health’s efforts to improve diversity and inclusion toward a more diverse supply chain and assured the Committee that he and his team are committed to working with qualified firms that have been historically disadvantaged from participation.</p> <p>Professor Marcia Johnson thanked Mr. Attard for his efforts. Dr. Bracey and Mr. Attard discussed the budget allocation process and tracking items that are not chosen for funding. A copy of the presentation is available in the permanent record.</p>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<b>V. Financial Matters</b>		
<p>A. Consideration of Approval to Appoint Mr. Mark Smith, Human Resources, as a Committee Member to the Harris County Hospital District 401K and 457(b) Administrative Committee and the Pension and Disability Administrative Committee, Effective as of February 1, 2022</p>	<p>Mr. Michael Norby, Executive Vice President, Chief Financial Officer, reported that Mr. Mark Smith would be replacing one of the HR representative who left the organization but served on both the Harris County Hospital District 401K and 457(b) Administrative Committee and the Pension and Disability Administrative Committee.</p>	<p><b>Moved by Mr. Lawrence Finder, seconded by Professor Marcia Johnson, and unanimously accepted that the committee recommends that the Board approve item V.A.</b></p>
<p>B. Consideration of Acceptance of the Harris Health System Third Quarter Fiscal 2022 Investment Report</p>	<p>Ms. Victoria Nikitin led discussion regarding the Harris Health System Third Quarter Fiscal 2022 Investment Report. She noted that the report is a quarterly report provided by Harris County who manages Harris Health’s investments. She explained that investments are very conservative, in line with Harris Health’s public investment policy. She highlighted that there is not a separate reserve or savings account that is being invested, but instead invested funds are part of the System’s working capital and what is used to support operations. Ms. Nikitin stated that it is customary to invest the funds that may not be momentarily needed or available to fund operations, and then to recirculate those funds as needs arise. She reported that as of November 2021, Harris Health had over \$800M as part of the working capital and investment being circulated. A copy of the</p>	<p><b>Moved by Mr. Lawrence Finder, seconded by Professor Marcia Johnson, and unanimously accepted that the committee recommends that the Board approve item V.B.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	report is available in the permanent record.	
<p>C. Consideration of Acceptance of the Harris Health System Fourth Quarter Calendar Year 2021 Pension Plan Report</p>	<p>Ms. Victoria Nikitin led discussion regarding the Harris Health System Fourth Quarter Calendar Year 2021 Pension Plan Report. She stated that the pension plan strategy is different from the investment strategy and not subject to the public investment policy. She reported that the pension plan’s portfolio has seen a favorable return on its investment in the amount of \$19M in CY21 and recorded and investment return of 9.7%. Ms. Nikitin shared that the System is on track to fully fund the pension plan with a funded ratio of just over 90%. A copy of the report is available in the permanent record.</p>	<p><b>Moved by Mr. Lawrence Finder, seconded by Professor Marcia Johnson, and unanimously accepted that the committee recommends that the Board approve item V.C.</b></p>
<p>D. Consideration of Acceptance of the Harris Health System November 2021 Quarterly Financial Report Subject to Audit</p>	<p>Ms. Victoria Nikitin, led discussion regarding the Harris Health System November 2021 Quarterly Financial Report Subject to Audit. She noted that changes have occurred since the time of this report in November. She reported that in November the organization was on track to restore inpatient and outpatient volume losses that occurred during the first pandemic year. There were some additional challenges in that lengths of stay were more extended than usual. The system received Health Resources and Services Administration (HRSA) relief fund revenues to compensate for reimbursed COVID patients, and \$16M in COVID cares funding was recorded from early pandemic funding. In the month of November, the System recorded its first loss due to expenses for the labor pool, benefits, supplies and services. Ms. Nikitin highlighted that Harris Health has had to cope with labor market conditions in the Texas Medical Center and on a national scale, as well as accumulating inflationary pressures. She noted that the fiscal year currently remains strong despite some fluctuations. The surge of COVID patients received in December and January is not qualifying for HRSA funding as before due to patients presenting with COVID as a secondary diagnosis. Therefore, that HRSA funding will continue to go down in the future. A copy of the report is</p>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	available in the permanent record.	
<b>VI. Executive Session</b>		
A. Consultation with Attorney Regarding Board Approval Process for Naming Opportunities, Pursuant to Tex. Gov't Code Ann. §551.071		<b>PULLED</b>
<b>VII. Adjournment</b>	Moved by Mr. Lawrence Finder, seconded by Professor Marcia Johnson, and unanimously approved to adjourn the meeting.  There being no further business, the meeting adjourned at 10:41 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 February 10, 2022.

Respectfully submitted,

Arthur Bracey, MD, Presiding Chair

Recorded by Yasmin Othman

**Thursday, February 10, 2022**

**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](mailto:BoardofTrustees@harrishealth.org) before close of business the day of the meeting.

<b>BUDGET &amp; FINANCE BOARD MEMBERS PRESENT</b>	<b>BUDGET &amp; FINANCE BOARD MEMBERS ABSENT</b>	<b>OTHER BOARD MEMBERS PRESENT</b>
Ms. Alicia Reyes	Dr. Ewan Johnson	
Dr. Arthur Bracey (Ex-Officio)	Ms. Lawrence Finder	
Ms. Marcia Johnson		

<b>EXECUTIVE LEADERSHIP</b>
Dr. Ann Barnes, Executive Vice President & Chief Medical Executive
Ms.Carolynn Jones, Executive Vice President & Chief Compliance and Risk Officer
Dr. Esmail Porsa, President & Chief Executive Officer
Dr. Glorimar Medina-Rivera, Executive Vice President, Ben Taub Hospital
Mr. Jack Adger, Assistant Purchasing Agent, Harris County Purchasing Office
Dr. Jackie Brock, Executive Vice President & Chief Nursing Executive
Dr. Jennifer Small, Interim Executive Vice President, Ambulatory Care Services
Mr. Louis Smith, Senior Executive Vice President & Chief Operating Officer
Ms. Maria Cowles, Senior Vice President, Chief of Staff
Mr. Michael Hill, Executive Vice President, Chief Strategy & Integration Officer
Mr. Michael Norby, Executive Vice President & Chief Financial Officer
Ms. Olga Rodriguez, Vice President, Community Engagement & Corporate Communications
Mr. Omar Reid, Senior Vice President, Human Resources
Dr. Sandeep Markan, Chief of Staff, Ben Taub Hospital
Ms. Sara Thomas, Vice President Legal Affairs/Managing Attorney, Harris County Attorney’s Office
Dr. Steven Brass, Executive Vice President & Chief Medical Executive
Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson Hospital
Ms. Victoria Nikitin, Senior Vice President, Finance

<b>OTHERS PRESENT</b>	
Aown Syed	Jennifer Zarate
Cherry Pierson	Jerald Summers
Daniel Smith	Paul Lopez
David Attard	Randy Manarang
Jennifer Zarate	Tai Nguyen
Jerald Summers	Vivian Ho-Nguyen
Matthew Schlueter	Xylia Rosenzweig
Nicholas Bell	Yasmin Othman

Thursday, May 12, 2022

**Discussion Regarding the Harris Health System February 2022 Quarterly  
Financial Report Subject to Audit (Previously Approved by the Board of  
Trustees, March 24, 2022)**

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Attached for your review and consideration is the February 2022 Financial Report for the quarter and twelve months fiscal year-to-date ended February 28, 2022.

Administration recommends that the Board accept the financial report for the period ended February 28, 2022, subject to final audit.



# Financial Statements

As of the Year Ended February, 2022



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# Financial Highlights Review

As of February 28, 2022

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Operating Income for the quarter ended February 28, 2022 was \$104.5 million compared to budgeted income of \$3.2 million.

Overall quarterly net revenue of \$613.5 million was \$152.7 million or 33.2% greater than budget. Net patient revenue, including HRSA Relief Fund revenue, contributed \$43.4 million to the positive variance. The final submission for the Provider Relief Fund was completed and resulted in \$18.0 million in additional COVID CARES Act income recognized. The Foundation contributed \$45.9 million in capital grants and gifts. Ad valorem taxes contributed \$27.5 million to the positive variance, of which \$8.2 million was received on property tax year 2020. Income from Medicaid Supplemental programs was \$10.9 million higher than expected due to the additional revenues from the projected final distribution of the Uncompensated Care program for federal fiscal year 2021.

Total quarterly operating expenses of \$509.0 million were \$51.4 million or 11.2% greater than budget. Staff costs were \$30.1 million over budget as a result of market salary increases and bonuses for personnel, continued premium labor utilization, and increases in health insurance claims. Medical supplies and pharmaceuticals increased \$10.8 million over budget as a result of the continued pandemic supply management and price increases.

Total patient days and average daily census decreased slightly the fourth quarter of FY 2022, with a 2.2% variance to budget. However, inpatient case mix index, a measure of patient acuity, was 6.6% higher for the quarter and 3.5% higher for the year. Emergency room visits in the fourth quarter stabilized at a lower level and were 3.8% lower than budget for the year. Total clinic visits including telehealth were 22.2% lower than budget and births were down 7.0% for the quarter. Adjusted patient days, a measure of overall patient volume, was 9.8% lower than anticipated for the year but posted an 18.5% recovery compared to the same period for prior year.

Total cash receipts for the quarter were \$917.8 million. The System has \$1,232.9 million in unrestricted cash, cash equivalents and investments, representing 226.4 days cash on hand. Harris Health System has \$115.1 million in net accounts receivable, representing 51.9 days of outstanding patient accounts receivable at February 28, 2022. The February balance sheet reflects a combined net receivable position of \$243.9 million under the various Medicaid Supplemental programs.

The quarterly expenses incurred by Harris Health for Foundation personnel and other costs were \$150,000.

# Income Statement



As of the Year Ended February 28, 2022 (In \$ Millions)

	QUARTERLY RESULTS			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	CURRENT YEAR	CURRENT BUDGET	PERCENT VARIANCE	PRIOR YEAR	PERCENT VARIANCE
<b>REVENUE</b>								
Net Patient Revenue	\$ 189.3	\$ 145.9	29.8%	\$ 809.6	\$ 584.1	38.6%	\$ 695.2	16.4%
Medicaid Supplemental Programs	118.4	107.5	10.2%	561.1	459.2	22.2%	563.9	-0.5%
Other Operating Revenue	13.4	8.8	52.6%	42.6	36.0	18.2%	34.2	24.5%
<b>Total Operating Revenue</b>	<b>\$ 321.1</b>	<b>\$ 262.2</b>	<b>22.5%</b>	<b>\$ 1,413.2</b>	<b>\$ 1,079.3</b>	<b>30.9%</b>	<b>\$ 1,293.3</b>	<b>9.3%</b>
Net Ad Valorem Taxes	224.0	196.5	14.0%	814.8	786.0	3.7%	780.7	4.4%
Net Tobacco Settlement Revenue	-	-	-	13.3	12.9	2.9%	12.9	2.7%
Capital Gifts & Grants	45.9	-	-	45.9	-	-	-	-
Interest Income & Other	22.5	2.1	983.8%	40.7	8.1	404.3%	28.1	45.0%
<b>Total Nonoperating Revenue</b>	<b>\$ 292.4</b>	<b>\$ 198.6</b>	<b>47.2%</b>	<b>\$ 914.7</b>	<b>\$ 807.0</b>	<b>13.4%</b>	<b>\$ 821.7</b>	<b>11.3%</b>
<b>Total Net Revenue</b>	<b>\$ 613.5</b>	<b>\$ 460.8</b>	<b>33.2%</b>	<b>\$ 2,328.0</b>	<b>\$ 1,886.3</b>	<b>23.4%</b>	<b>\$ 2,115.0</b>	<b>10.1%</b>
<b>EXPENSE</b>								
Salaries and Wages	\$ 202.4	\$ 170.7	-18.6%	\$ 792.7	\$ 685.4	-15.6%	\$ 655.3	-21.0%
Employee Benefits	57.2	58.8	2.6%	259.4	236.2	-9.8%	239.0	-8.5%
<b>Total Labor Cost</b>	<b>\$ 259.6</b>	<b>\$ 229.5</b>	<b>-13.1%</b>	<b>\$ 1,052.1</b>	<b>\$ 921.6</b>	<b>-14.2%</b>	<b>\$ 894.3</b>	<b>-17.6%</b>
Supply Expenses	69.2	58.4	-18.5%	271.5	235.8	-15.1%	233.0	-16.5%
Physician Services	94.1	88.5	-6.4%	370.1	353.9	-4.6%	341.2	-8.5%
Purchased Services	67.4	62.6	-7.6%	280.6	263.5	-6.5%	252.6	-11.1%
Depreciation & Interest	18.6	18.6	-0.1%	71.9	73.7	2.5%	70.7	-1.7%
<b>Total Operating Expense</b>	<b>\$ 509.0</b>	<b>\$ 457.6</b>	<b>-11.2%</b>	<b>\$ 2,046.2</b>	<b>\$ 1,848.6</b>	<b>-10.7%</b>	<b>\$ 1,791.8</b>	<b>-14.2%</b>
<b>Operating Income (Loss)</b>	<b>\$ 104.5</b>	<b>\$ 3.2</b>		<b>\$ 281.8</b>	<b>\$ 37.7</b>		<b>\$ 323.2</b>	
<b>Total Margin %</b>	<b>17.0%</b>	<b>0.7%</b>		<b>12.1%</b>	<b>2.0%</b>		<b>15.3%</b>	

# Balance Sheet

**HARRISHEALTH**  
SYSTEM

February 28, 2022 and 2021 (In \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<b><u>CURRENT ASSETS</u></b>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,232.9	\$ 1,090.6
Net Patient Accounts Receivable	115.1	114.3
Net Ad Valorem Taxes, Current Portion	24.8	33.4
Other Current Assets	335.5	282.5
<b>Total Current Assets</b>	<b>\$ 1,708.4</b>	<b>\$ 1,520.9</b>
<b><u>CAPITAL ASSETS</u></b>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 437.9	\$ 447.5
Construction in Progress	122.4	79.0
<b>Total Capital Assets</b>	<b>\$ 560.3</b>	<b>\$ 526.5</b>
<b><u>ASSETS LIMITED AS TO USE &amp; RESTRICTED ASSETS</u></b>		
Debt Service & Capital Asset Funds	\$ 46.0	\$ 53.2
LPPF Restricted Cash	6.1	54.3
Capital Gift Proceeds	45.0	-
Other - Restricted	1.1	0.9
<b>Total Assets Limited As to Use &amp; Restricted Assets</b>	<b>\$ 98.2</b>	<b>\$ 108.4</b>
Other Assets	24.2	31.0
Deferred Outflows of Resources	152.7	179.3
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<b>\$ 2,543.7</b>	<b>\$ 2,366.0</b>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts Payable and Accrued Liabilities	\$ 163.2	\$ 232.3
Employee Compensation & Related Liabilities	124.9	118.6
Estimated Third-Party Payor Settlements	13.6	8.6
Current Portion Long-Term Debt and Capital Leases	12.9	12.0
<b>Total Current Liabilities</b>	<b>\$ 314.5</b>	<b>\$ 371.4</b>
Long-Term Debt	295.1	308.3
Net Pension & Post Employment Benefits Liability	600.7	734.3
Other Long-Term Liabilities	18.2	24.7
Deferred Inflows of Resources	218.7	112.4
<b>Total Liabilities</b>	<b>\$ 1,447.2</b>	<b>\$ 1,551.2</b>
<b>Total Net Assets</b>	<b>\$ 1,096.5</b>	<b>\$ 814.8</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 2,543.7</b>	<b>\$ 2,366.0</b>

# Cash Flow Summary

As of the Year Ended February 28, 2022 (In \$ Millions)

	QUARTERLY RESULTS		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
<b>CASH RECEIPTS</b>				
Collections on Patient Accounts	\$ 168.4	\$ 154.2	\$ 774.0	\$ 634.8
Medicaid Supplemental Programs	(90.4)	(1.3)	489.7	391.7
Net Ad Valorem Taxes	772.0	757.5	829.8	784.6
Tobacco Settlement	-	-	13.3	12.9
Other Revenue	67.8	46.6	87.0	155.9
<b>Total Cash Receipts</b>	<b>\$ 917.8</b>	<b>\$ 957.0</b>	<b>\$ 2,193.8</b>	<b>\$ 1,979.9</b>
<b>CASH DISBURSEMENTS</b>				
Salaries, Wages and Benefits	\$ 229.6	\$ 243.0	\$ 944.5	\$ 950.9
Supplies	72.1	67.2	280.8	250.2
Physician Services	93.5	84.7	372.4	334.8
Purchased Services	51.4	56.4	212.9	212.3
Capital Expenditures	20.1	20.3	83.6	89.4
Debt and Interest Payments	17.6	16.9	24.7	24.5
Other Uses	32.3	3.9	132.4	(67.1)
<b>Total Cash Disbursements</b>	<b>\$ 516.7</b>	<b>\$ 492.3</b>	<b>\$ 2,051.4</b>	<b>\$ 1,794.9</b>
<b>Net Change</b>	<b>\$ 401.1</b>	<b>\$ 464.7</b>	<b>\$ 142.3</b>	<b>\$ 185.0</b>

Unrestricted Cash, Cash Equivalents and Investments - February 28, 2021

\$ 1,090.6

Net Change

142.3

**Unrestricted Cash, Cash Equivalents and Investments - As of the Year Ended February 28, 2022**

**\$ 1,232.9**

# Performance Ratios

As of the Year Ended February 28, 2022

	QUARTERLY RESULTS		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<b><u>OPERATING HEALTH INDICATORS</u></b>					
Operating Margin %	17.0%	0.7%	12.1%	2.0%	15.3%
Run Rate per Day (In \$ Millions)	\$ 5.5	\$ 4.9	\$ 5.4	\$ 4.9	\$ 4.7
Salary, Wages & Benefit per APD	\$ 2,463	\$ 1,919	\$ 2,368	\$ 1,870	\$ 2,386
Supply Cost per APD	\$ 657	\$ 488	\$ 611	\$ 479	\$ 622
Physician Services Cost per APD	\$ 893	\$ 740	\$ 833	\$ 718	\$ 910
<b>Total Expense per APD</b>	<b>\$ 4,830</b>	<b>\$ 3,826</b>	<b>\$ 4,605</b>	<b>\$ 3,751</b>	<b>\$ 4,780</b>
Overtime as a % of Total Salaries	3.2%	2.6%	3.4%	2.6%	3.0%
Contract as a % of Total Salaries	8.3%	0.4%	5.4%	0.4%	1.7%
Full-time Equivalent Employees	9,232	9,205	9,169	9,171	8,726
<b><u>FINANCIAL HEALTH INDICATORS</u></b>					
Quick Ratio			5.3		4.0
Unrestricted Cash (In \$ Millions)			\$ 1,232.9	\$ 1,000.3	\$ 1,090.6
Days Cash on Hand			226.4	204.5	229.5
Days Revenue in Accounts Receivable			51.9	65.4	60.0
Days in Accounts Payable			46.9		46.2
Capital Expenditures/Depreciation & Amortization			136.7%		149.6%
Average Age of Plant (years)			13.0		12.4

# Harris Health System Key Indicators



# Statistical Highlights

As of the Year Ended February 28, 2022

	QUARTERLY RESULTS			YEAR-TO-DATE				
	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	105,384	119,595	-11.9%	444,347	492,822	-9.8%	374,819	18.5%
Outpatient % of Adjusted Volume	61.0%	64.4%	-5.2%	62.3%	64.6%	-3.5%	60.6%	2.8%
Primary Care Clinic Visits	109,264	138,814	-21.3%	431,813	574,482	-24.8%	221,612	94.9%
Specialty Clinic Visits	54,055	61,140	-11.6%	228,773	252,220	-9.3%	155,617	47.0%
Telehealth Clinic Visits	42,855	65,207	-34.3%	236,968	270,164	-12.3%	412,999	-42.6%
<b>Total Clinic Visits</b>	<b>206,174</b>	<b>265,161</b>	<b>-22.2%</b>	<b>897,554</b>	<b>1,096,866</b>	<b>-18.2%</b>	<b>790,228</b>	<b>13.6%</b>
Emergency Room Visits - Outpatient	31,565	33,843	-6.7%	129,406	134,380	-3.7%	115,671	11.9%
Emergency Room Visits - Admitted	4,319	4,816	-10.3%	18,090	18,922	-4.4%	16,843	7.4%
<b>Total Emergency Room Visits</b>	<b>35,884</b>	<b>38,659</b>	<b>-7.2%</b>	<b>147,496</b>	<b>153,302</b>	<b>-3.8%</b>	<b>132,514</b>	<b>11.3%</b>
Surgery Cases - Outpatient	2,170	3,526	-38.5%	9,312	14,364	-35.2%	8,062	15.5%
Surgery Cases - Inpatient	2,180	2,612	-16.5%	8,895	10,769	-17.4%	7,682	15.8%
<b>Total Surgery Cases</b>	<b>4,350</b>	<b>6,138</b>	<b>-29.1%</b>	<b>18,207</b>	<b>25,133</b>	<b>-27.6%</b>	<b>15,744</b>	<b>15.6%</b>
<b>Total Outpatient Visits</b>	<b>361,595</b>	<b>419,739</b>	<b>-13.9%</b>	<b>1,662,493</b>	<b>1,733,005</b>	<b>-4.1%</b>	<b>1,403,264</b>	<b>18.5%</b>
Inpatient Cases (Discharges)	6,422	7,487	-14.2%	26,919	30,794	-12.6%	24,626	9.3%
Outpatient Observation Cases	3,302	4,057	-18.6%	13,643	15,127	-9.8%	11,855	15.1%
<b>Total Cases Occupying Patient Beds</b>	<b>9,724</b>	<b>11,544</b>	<b>-15.8%</b>	<b>40,562</b>	<b>45,921</b>	<b>-11.7%</b>	<b>36,481</b>	<b>11.2%</b>
Births	1,236	1,329	-7.0%	4,839	5,428	-10.9%	4,217	14.7%
Inpatient Days	41,057	42,565	-3.5%	167,345	174,582	-4.1%	147,521	13.4%
Outpatient Observation Days	10,874	10,523	3.3%	41,781	38,123	9.6%	32,165	29.9%
<b>Total Patient Days</b>	<b>51,931</b>	<b>53,088</b>	<b>-2.2%</b>	<b>209,126</b>	<b>212,705</b>	<b>-1.7%</b>	<b>179,686</b>	<b>16.4%</b>
Average Daily Census	577.0	589.9	-2.2%	572.9	582.8	-1.7%	492.3	16.4%
Average Operating Beds	689	618	11.5%	670	618	8.4%	654	2.4%
Bed Occupancy %	83.7%	95.4%	-12.3%	85.5%	94.3%	-9.3%	75.3%	13.6%
Inpatient Average Length of Stay	6.4	5.7	12.5%	6.2	5.7	9.7%	6.0	3.8%
Inpatient Case Mix Index (CMI)	1.853	1.738	6.6%	1.799	1.738	3.5%	1.738	3.5%
<b>Payor Mix (% of Charges)</b>								
Charity & Self Pay	47.0%	51.2%	-8.3%	47.3%	51.2%	-7.5%	51.2%	-7.5%
Medicaid & Medicaid Managed	22.3%	22.7%	-1.9%	20.9%	22.7%	-7.8%	22.3%	-5.9%
Medicare & Medicare Managed	12.0%	11.8%	2.0%	12.4%	11.8%	4.7%	11.9%	3.7%
Commercial & Other	18.7%	14.3%	30.8%	19.4%	14.3%	35.5%	14.7%	32.2%
<b>Total Unduplicated Patients - Rolling 12</b>				<b>261,901</b>			<b>234,784</b>	<b>11.5%</b>
<b>Total New Patient - Rolling 12</b>				<b>84,086</b>			<b>64,938</b>	<b>29.5%</b>

**Note:** Prior year Clinic Visits have been restated; E&M & Telehealth Visits were aligned with Clinic and Ancillary Visits as appropriate. This shift represents a decrease of ~ 7% to Total Clinic Visits but no change to Total Outpatient Visits reported in FY21.

# Harris Health System

## Statistical Highlights

As of the Year Ended February 28, 2022

### Cases Occupying Beds - Q4

Actual	Budget	Prior Year
9,724	11,544	9,062

### Cases Occupying Beds - YTD

Actual	Budget	Prior Year
40,562	45,921	36,481

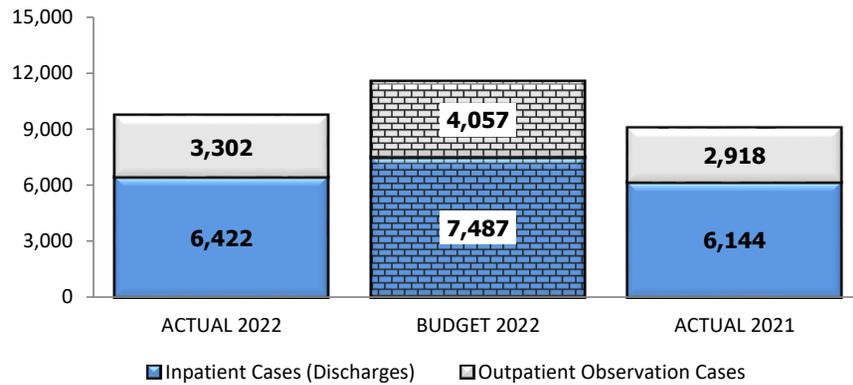
### Emergency Visits - Q4

Actual	Budget	Prior Year
35,884	38,659	33,225

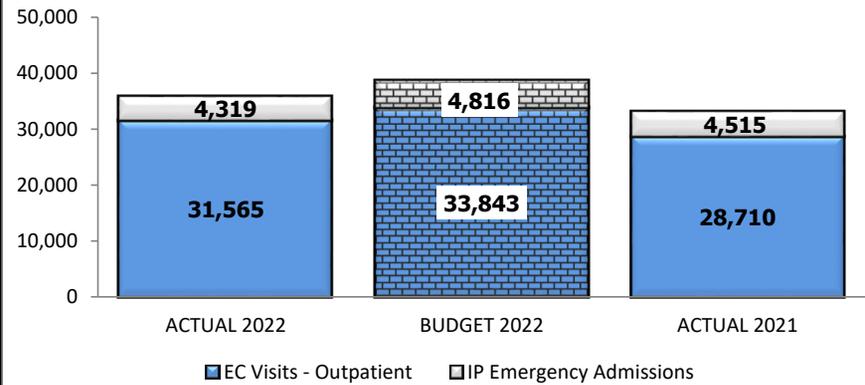
### Emergency Visits - YTD

Actual	Budget	Prior Year
147,496	153,302	132,514

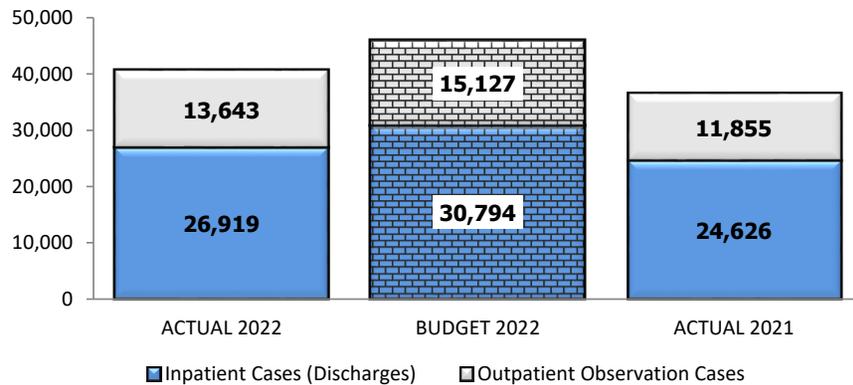
### Cases Occupying Beds - Quarter End



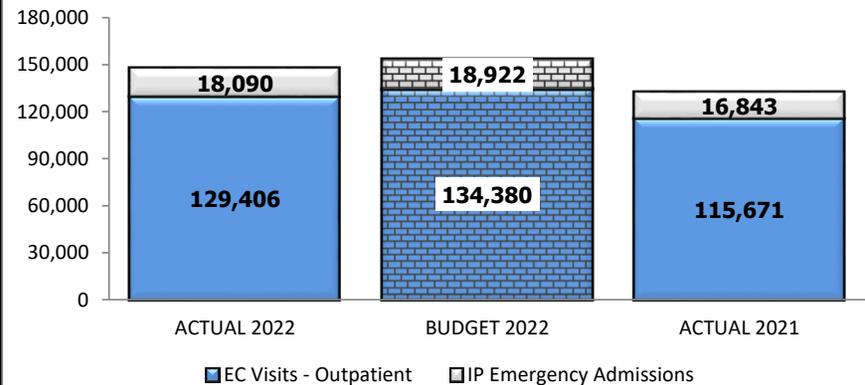
### Emergency Visits - Quarter End



### Cases Occupying Beds - YTD



### Emergency Visits - YTD



# Harris Health System

## Statistical Highlights

As of the Year Ended February 28, 2022

### Surgery Cases - Q4

Actual	Budget	Prior Year
4,350	6,138	3,470

### Surgery Cases - YTD

Actual	Budget	Prior Year
18,207	25,133	15,744

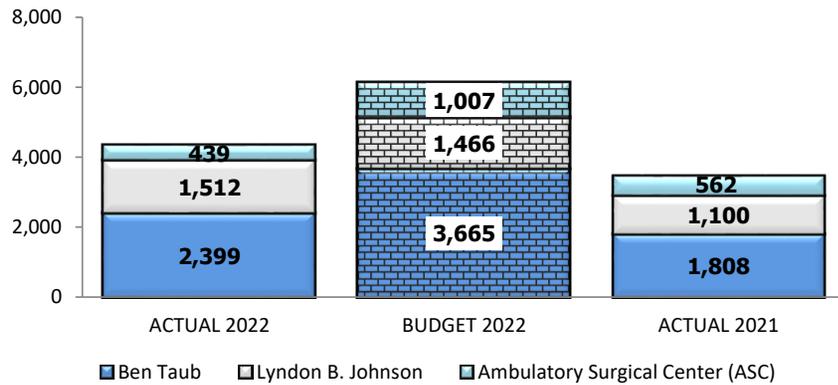
### Clinic Visits - Q4

Actual	Budget	Prior Year
206,174	265,161	187,827

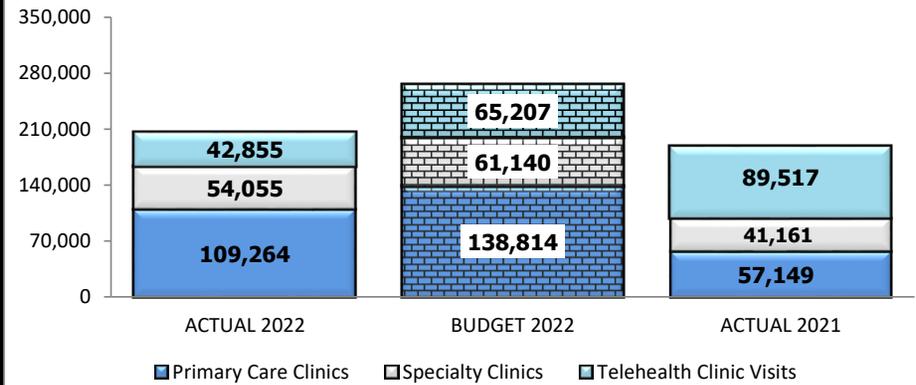
### Clinic Visits - YTD

Actual	Budget	Prior Year
897,554	1,096,866	790,237

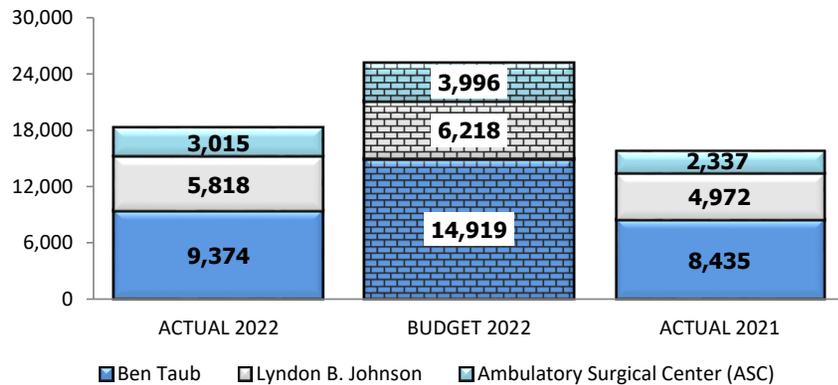
### Surgery Cases - Quarter End



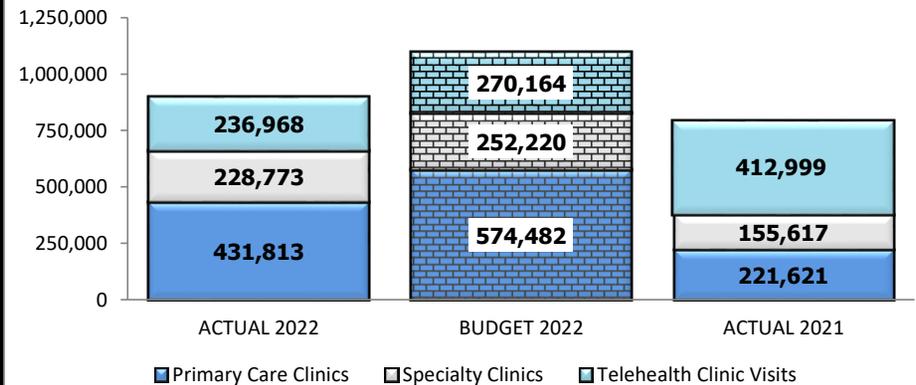
### Clinic Visits - Quarter End



### Surgery Cases - YTD



### Clinic Visits - YTD



# Harris Health System

## Statistical Highlights

As of the Year Ended February 28, 2022

### Adjusted Patient Days - Q4

105,384

### Adjusted Patient Days - YTD

444,884

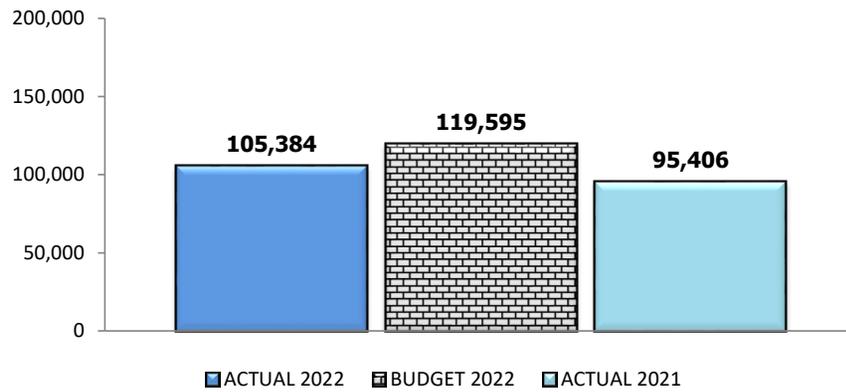
### Average Daily Census - Q4

577.0

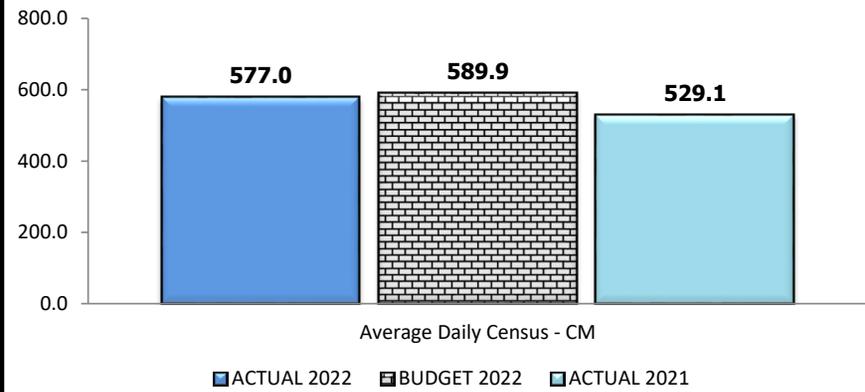
### Average Daily Census - YTD

572.9

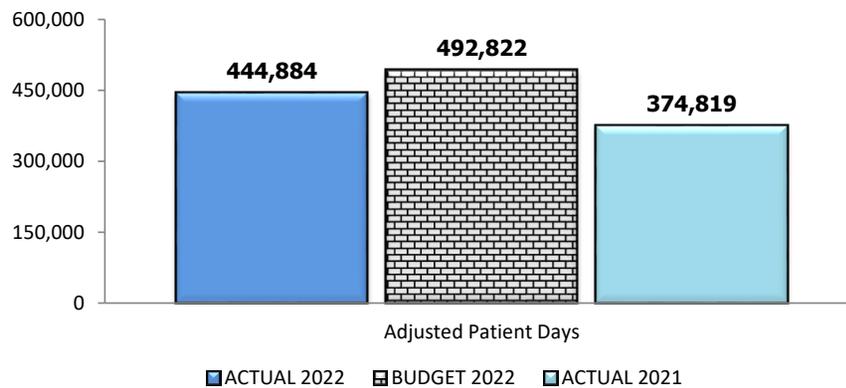
### Adjusted Patient Days - Quarter End



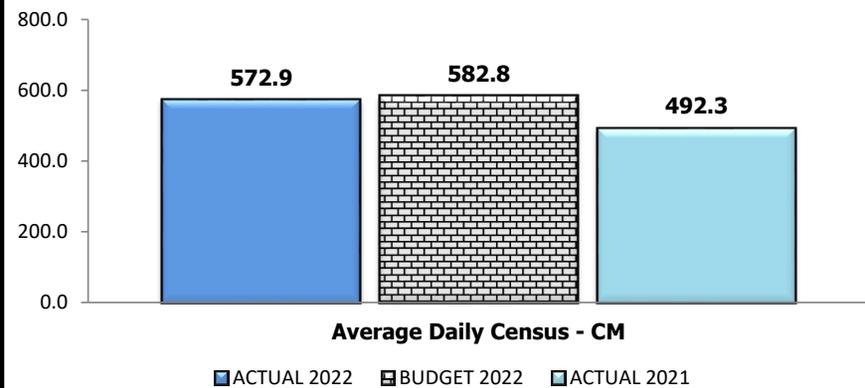
### Average Daily Census - Quarter End



### Adjusted Patient Days - YTD



### Average Daily Census - YTD



# Harris Health System

## Statistical Highlights

As of the Year Ended February 28, 2022

### Inpatient ALOS - Q4

6.39

### Inpatient ALOS - YTD

6.22

### Case Mix Index - Q4

Overall

Excl. Obstetrics

1.853

2.070

### Case Mix Index (CMI) - YTD

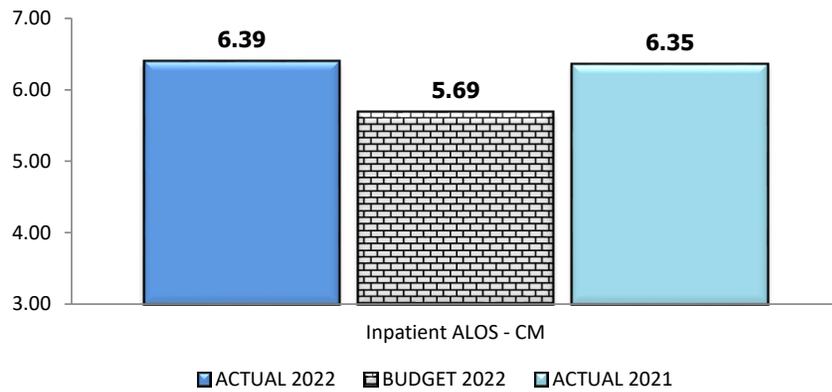
Overall

Excl. Obstetrics

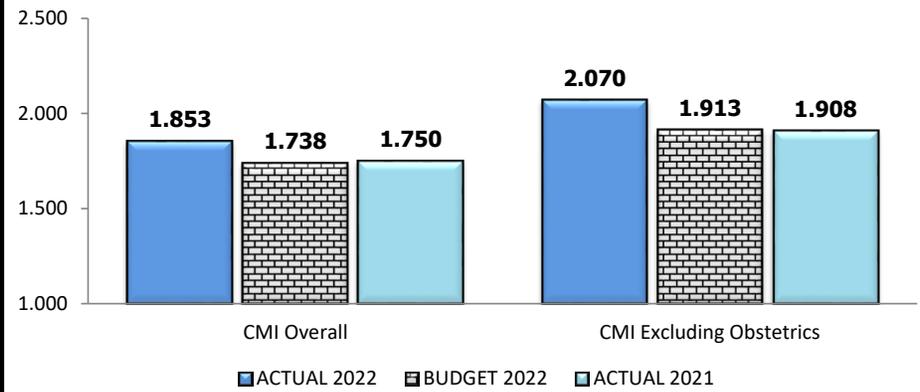
1.799

1.996

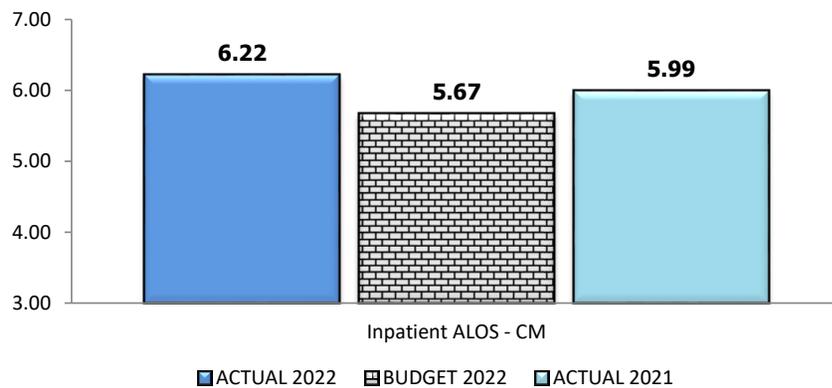
### Inpatient ALOS - Quarter End



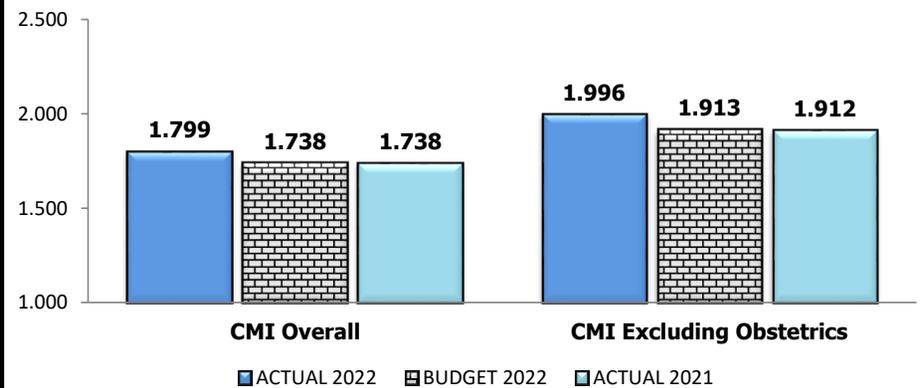
### Case Mix Index - Quarter End



### Inpatient ALOS - YTD



### Case Mix Index - YTD



# Harris Health System

## Statistical Highlights - Cases Occupying Beds

As of the Year Ended February 28, 2022

### BT Cases Occupying Beds - Q4

Actual	Budget	Prior Year
5,729	8,059	5,673

### BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
24,572	31,499	23,009

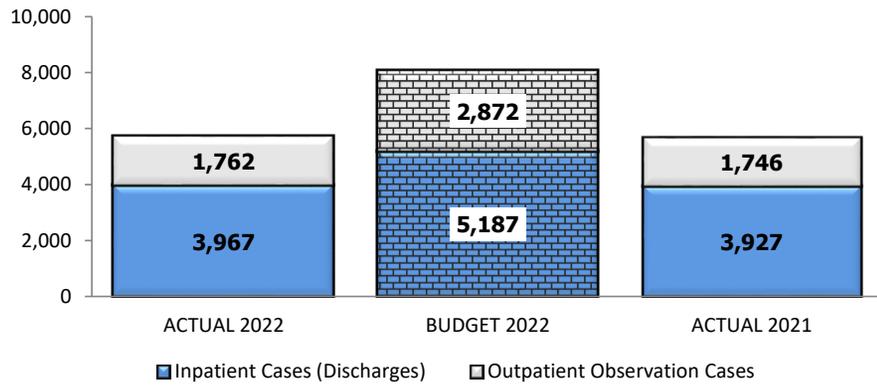
### LBJ Cases Occupying Beds - Q4

Actual	Budget	Prior Year
3,995	3,485	3,389

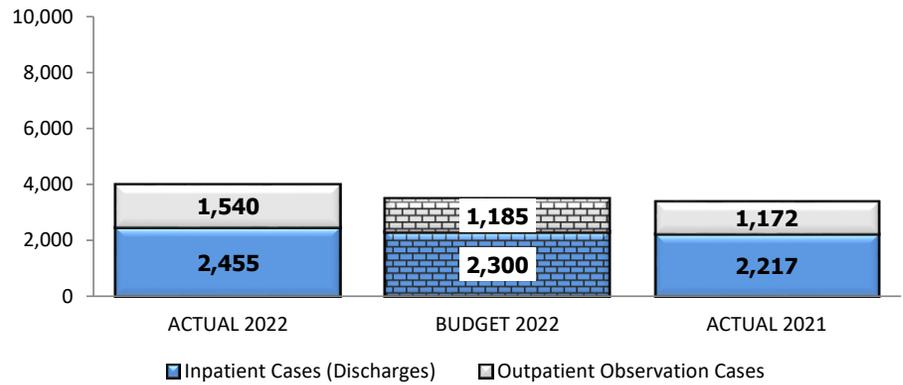
### LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
15,990	14,422	13,472

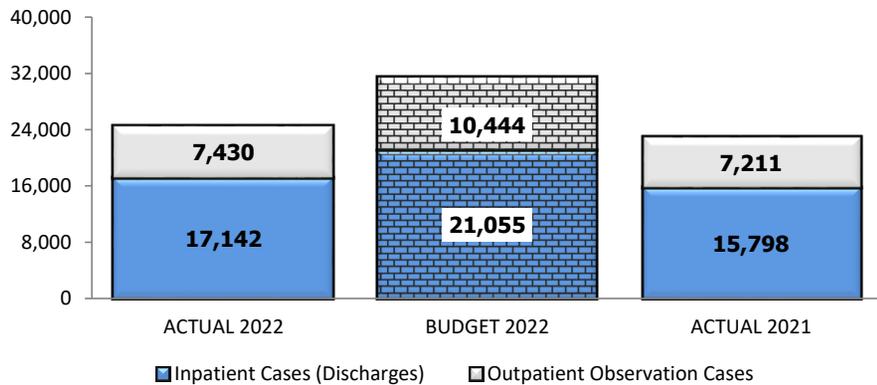
#### Ben Taub Cases - Quarter End



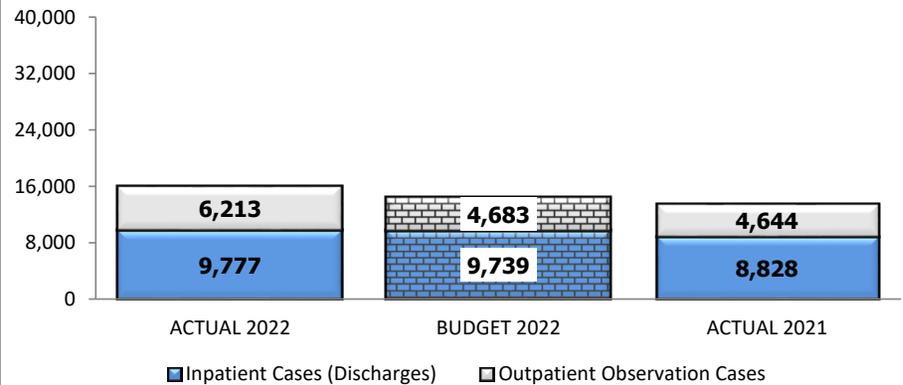
#### Lyndon B. Johnson Cases - Quarter End



#### Ben Taub Cases - YTD



#### Lyndon B. Johnson Cases - YTD



# Harris Health System

## Statistical Highlights - Surgery Cases

As of the Year Ended February 28, 2022

**BT Surgery Cases - Q4**

Actual	Budget	Prior Year
2,399	3,665	1,808

**BT Surgery Cases - YTD**

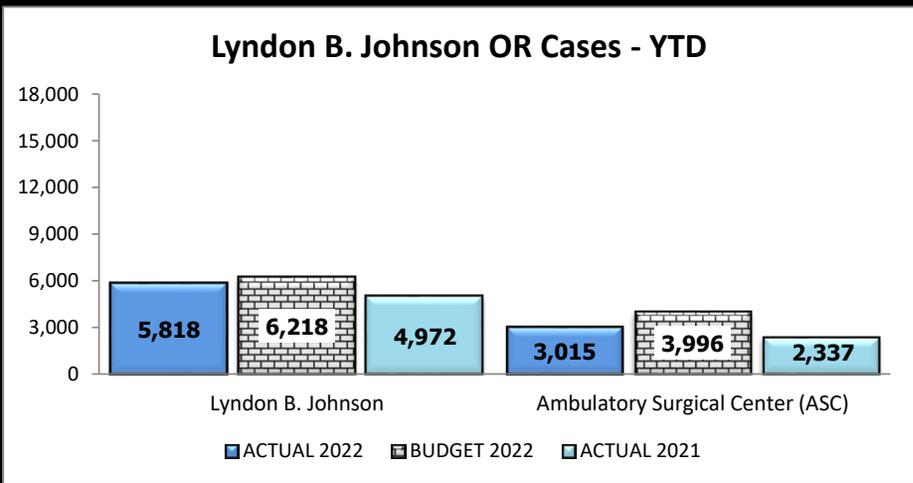
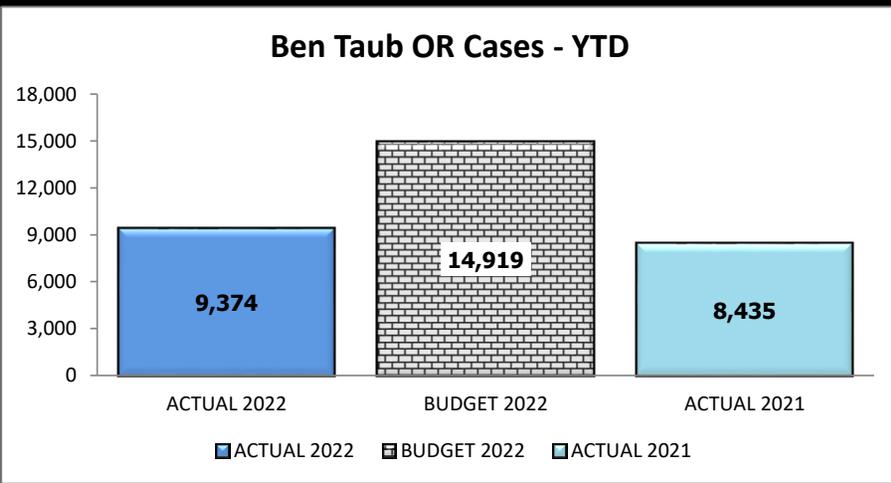
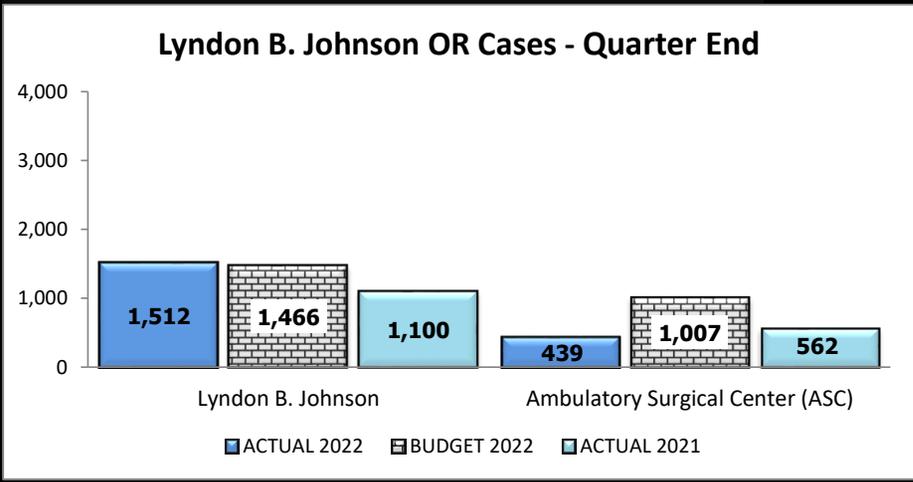
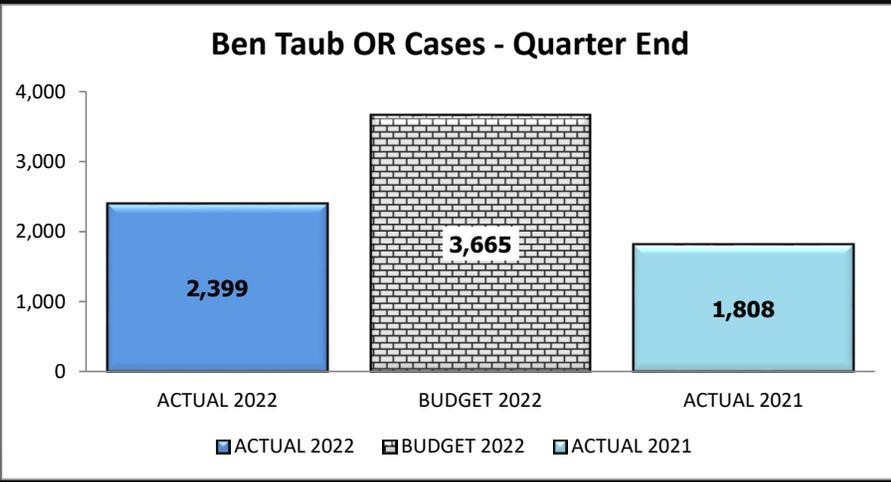
Actual	Budget	Prior Year
9,374	14,919	8,435

**LBJ Surgery Cases - Q4**

Actual	Budget	Prior Year
1,951	2,473	1,662

**LBJ Surgery Cases - YTD**

Actual	Budget	Prior Year
8,833	10,214	7,309



# Harris Health System

## Statistical Highlights - Emergency Room Visits

As of the Year Ended February 28, 2022

### BT Emergency Visits - Q4

Actual	Budget	Prior Year
18,245	18,841	16,378

### BT Emergency Visits - YTD

Actual	Budget	Prior Year
73,686	74,447	65,830

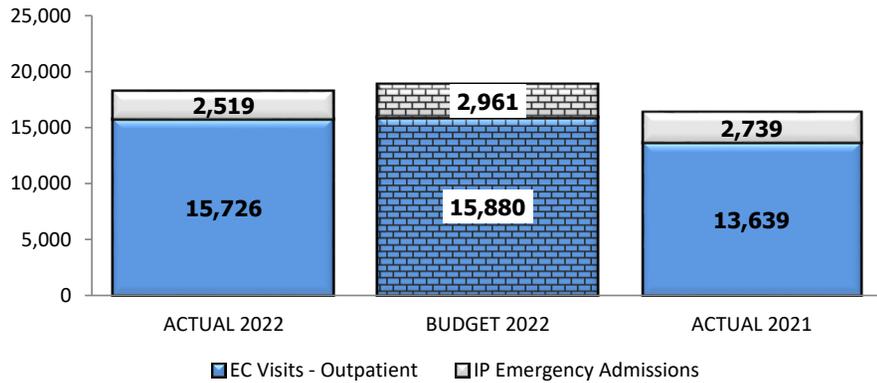
### LBJ Emergency Visits - Q4

Actual	Budget	Prior Year
17,639	19,818	16,847

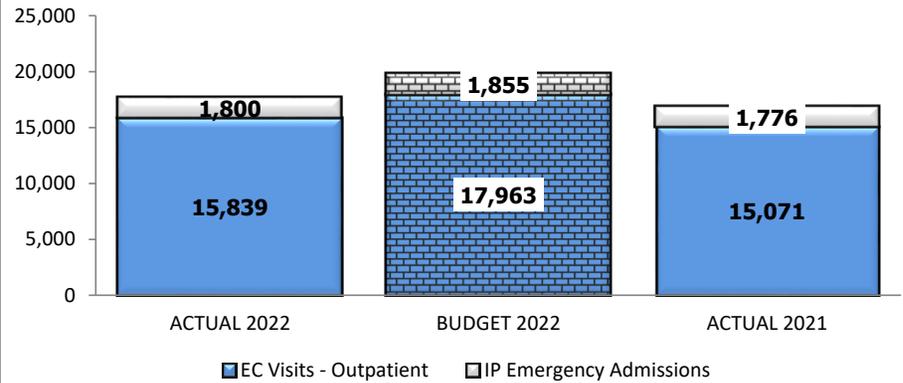
### LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
73,810	78,855	66,684

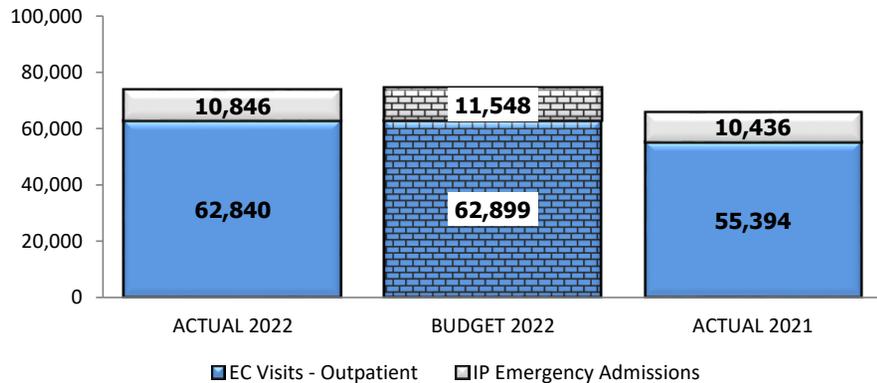
### Ben Taub EC Visits - Quarter End



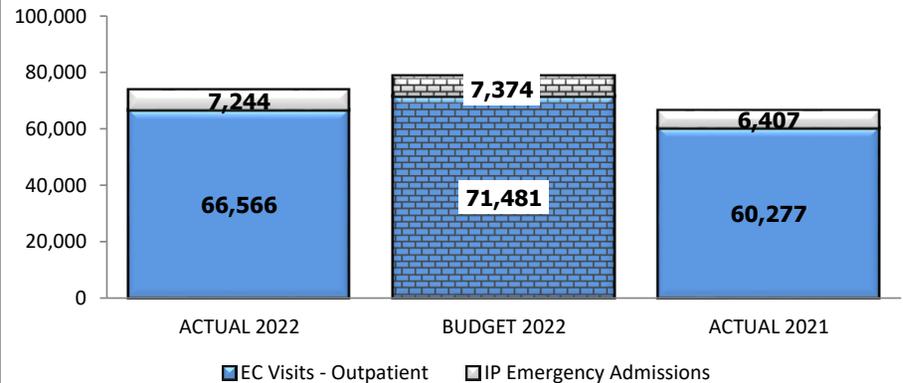
### Lyndon B. Johnson EC Visits - Quarter End



### Ben Taub EC Visits - YTD



### Lyndon B. Johnson EC Visits - YTD



# Harris Health System

## Statistical Highlights - Births

As of the Year Ended February 28, 2022

### BT Births - Q4

Actual	Budget	Prior Year
712	936	547

### BT Births - YTD

Actual	Budget	Prior Year
2,843	3,800	2,443

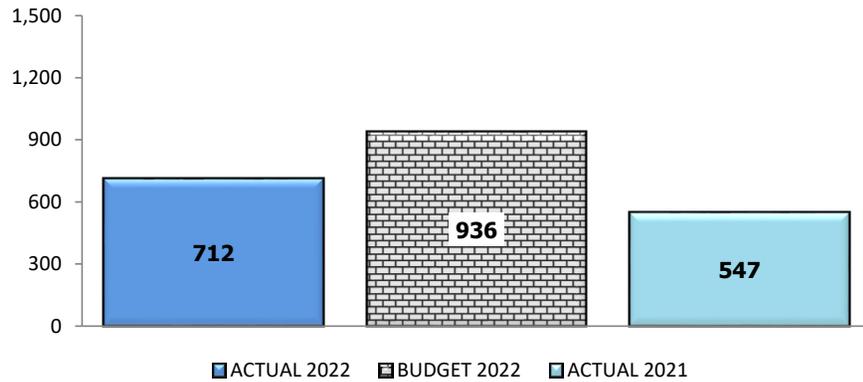
### LBJ Births - Q4

Actual	Budget	Prior Year
524	393	400

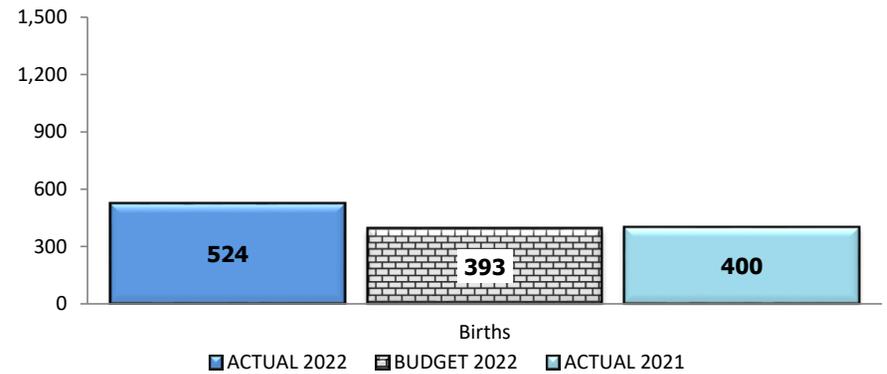
### LBJ Births - YTD

Actual	Budget	Prior Year
1,996	1,628	1,774

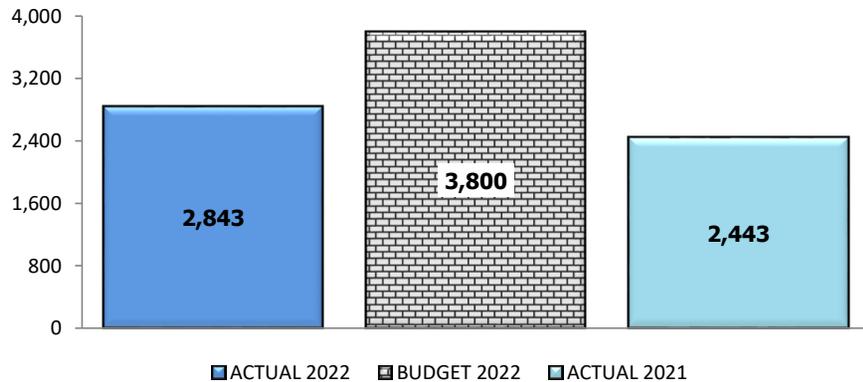
### Ben Taub Births - Quarter End



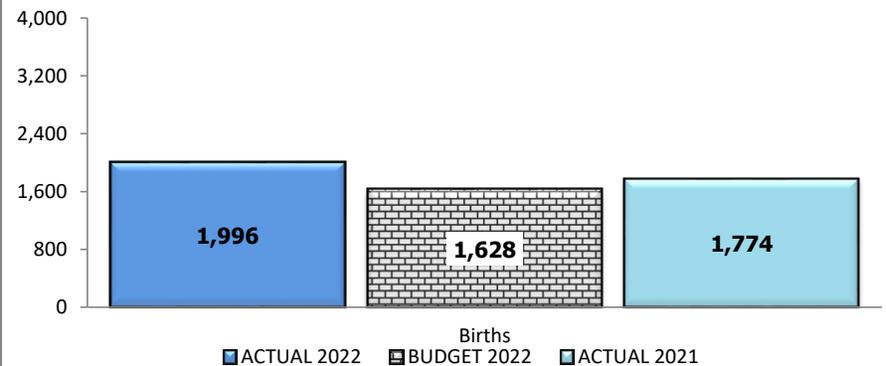
### Lyndon B. Johnson Births - Quarter End



### Ben Taub Births - YTD



### Lyndon B. Johnson Births - YTD



# Harris Health System

## Statistical Highlights - Adjusted Patient Days

As of the Year Ended February 28, 2022

**BT Adjusted Patient Days - Q4**

53,194

**BT Adjusted Patient Days - YTD**

226,466

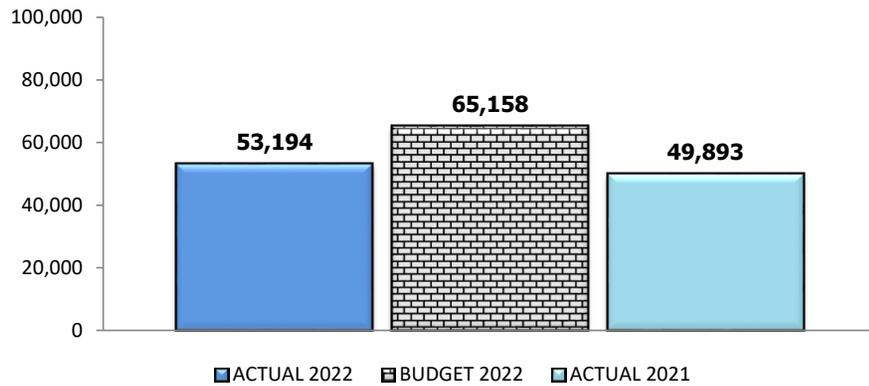
**LBJ Adjusted Patient Days - Q4**

34,712

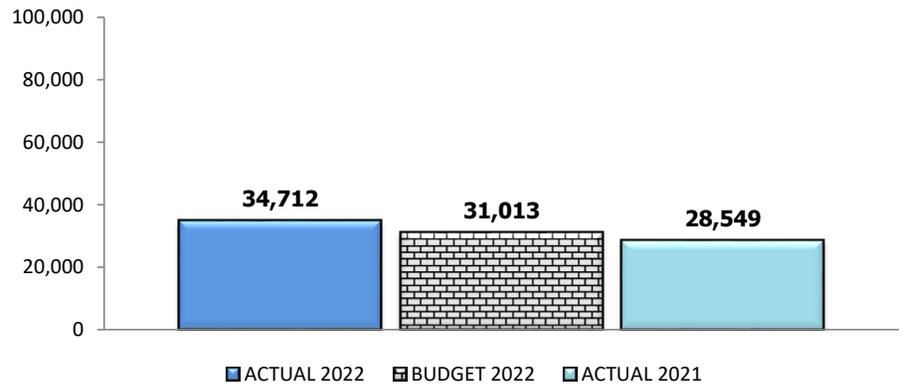
**LBJ Adjusted Patient Days - YTD**

138,002

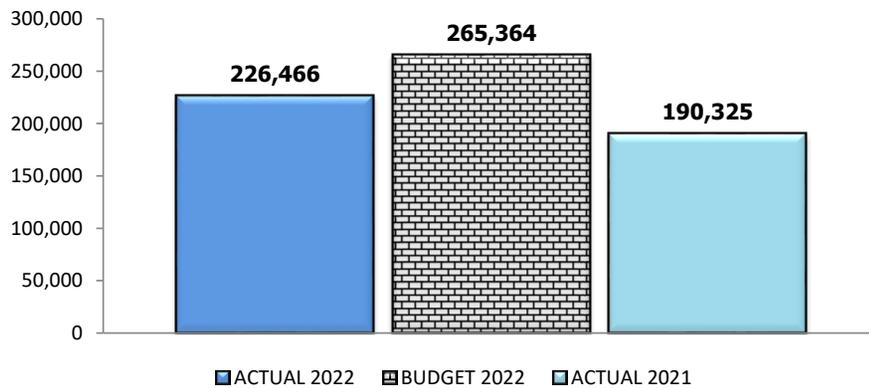
**Ben Taub APD - Quarter End**



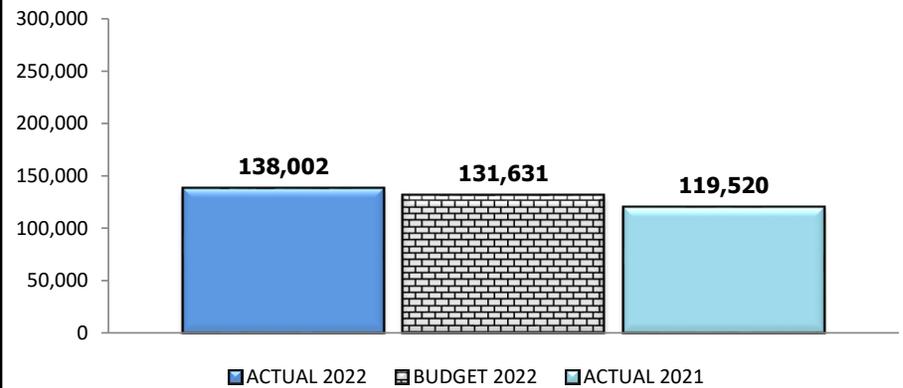
**Lyndon B. Johnson APD - Quarter End**



**Ben Taub APD - YTD**



**Lyndon B. Johnson APD - YTD**

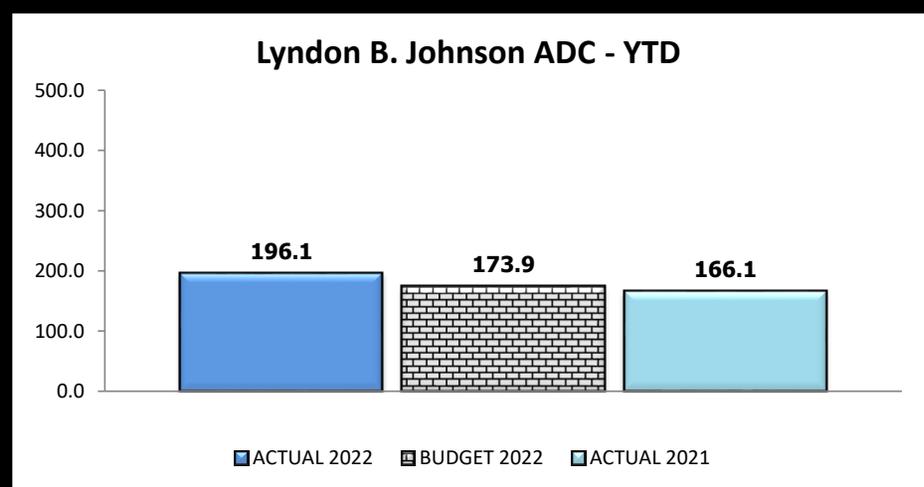
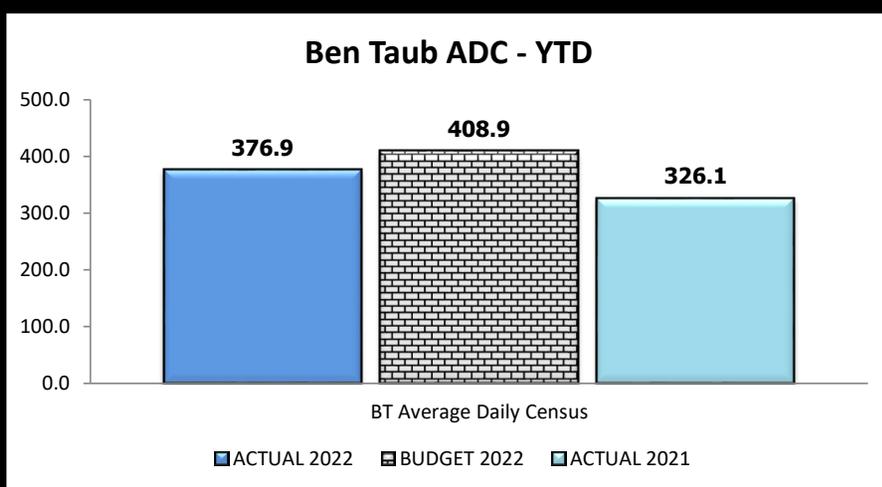
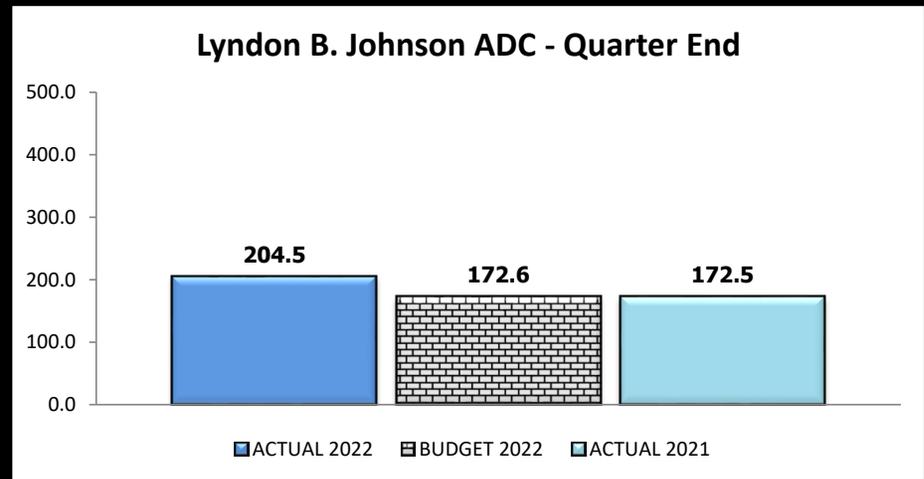
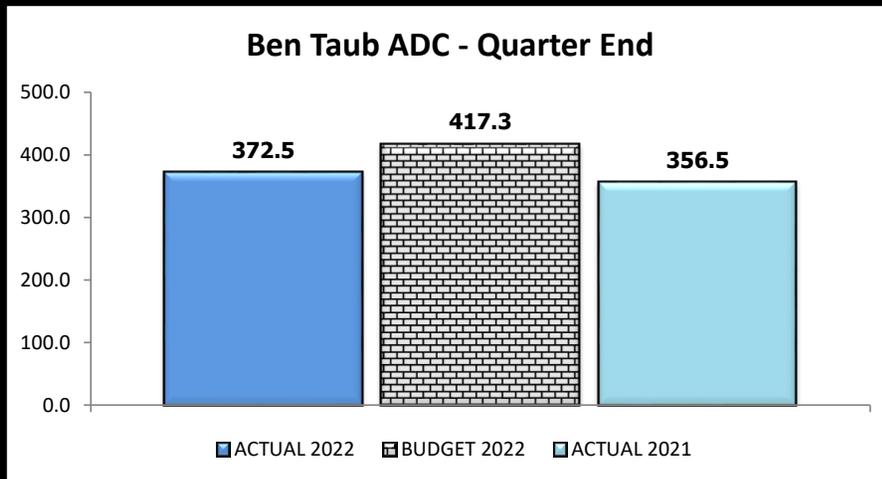


# Harris Health System

## Statistical Highlights - Average Daily Census (ADC)

As of the Year Ended February 28, 2022

<b><u>BT Average Daily Census - Q4</u></b>	<b><u>BT Average Daily Census - YTD</u></b>	<b><u>LBJ Average Daily Census - YTD</u></b>	<b><u>LBJ Average Daily Census - YTD</u></b>
372.5	376.9	204.5	196.1



# Harris Health System

## Statistical Highlights - Inpatient Average Length of Stay (ALOS)

As of the Year Ended February 28, 2022

### BT Inpatient ALOS - Q4

6.90

### BT Inpatient ALOS - YTD

6.65

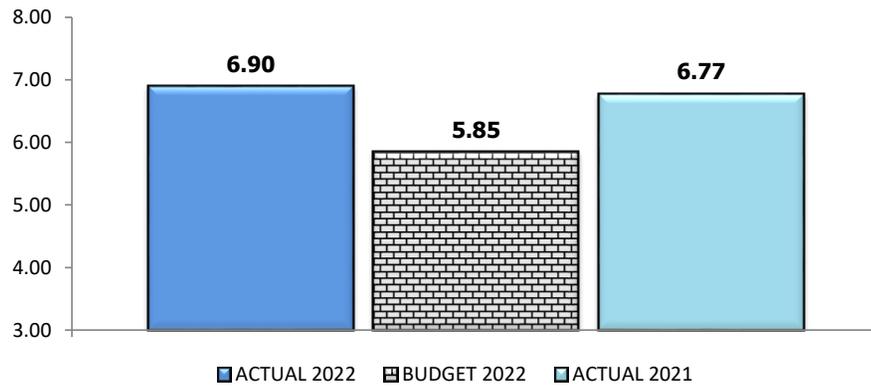
### LBJ Inpatient ALOS - Q4

5.57

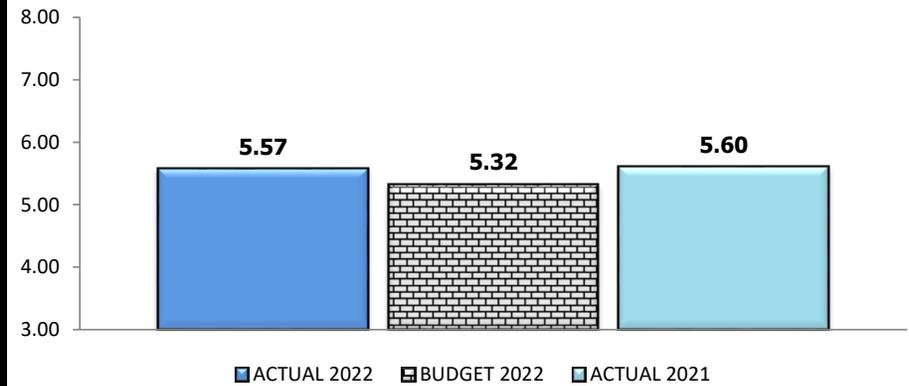
### LBJ Inpatient ALOS - YTD

5.46

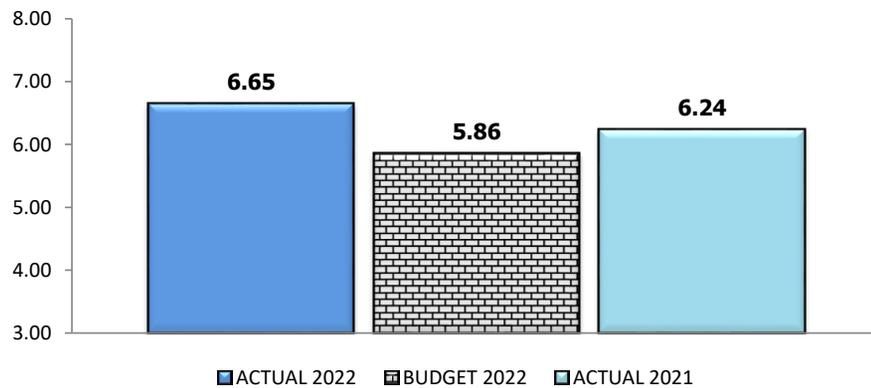
### Ben Taub ALOS - Quarter End



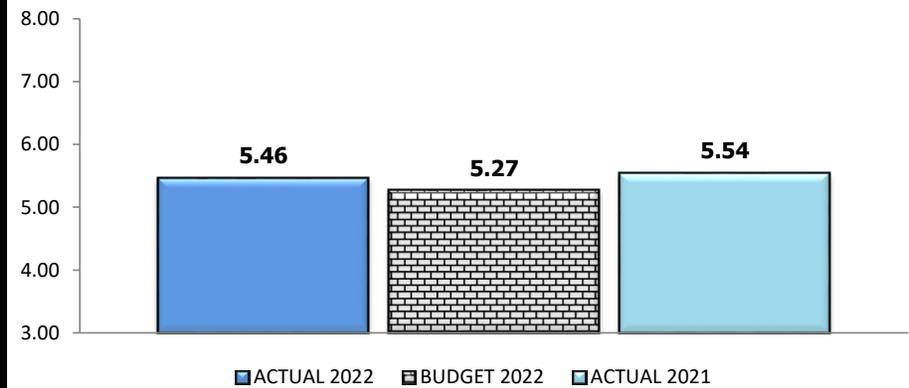
### Lyndon B. Johnson ALOS - Quarter End



### Ben Taub ALOS - YTD



### Lyndon B. Johnson ALOS - YTD



# Harris Health System

## Statistical Highlights - Case Mix Index (CMI)

As of the Year Ended February 28, 2022

### BT Case Mix Index (CMI) - Q4

Overall	Excl. Obstetrics
1.937	2.151

### BT Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.857	2.042

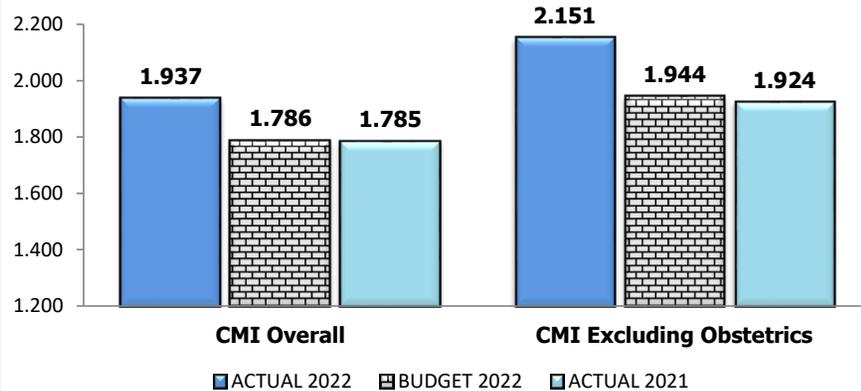
### LBJ Case Mix Index (CMI) - Q4

Overall	Excl. Obstetrics
1.717	1.934

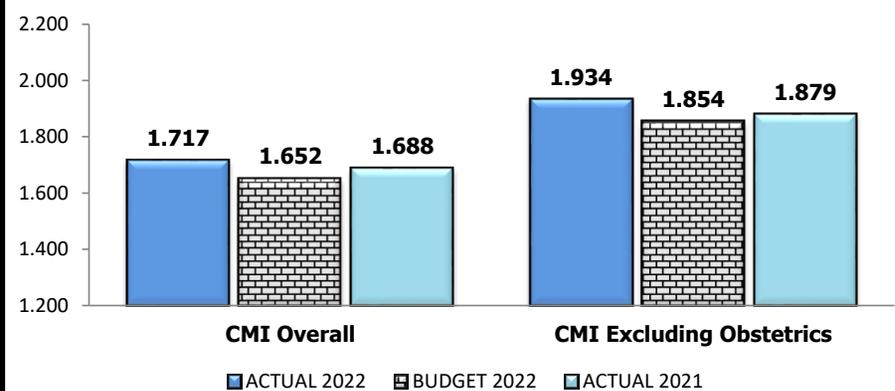
### LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.697	1.911

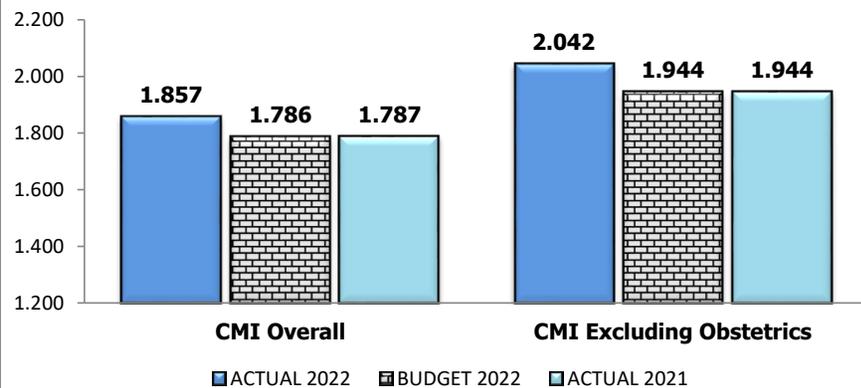
#### Ben Taub CMI - Quarter End



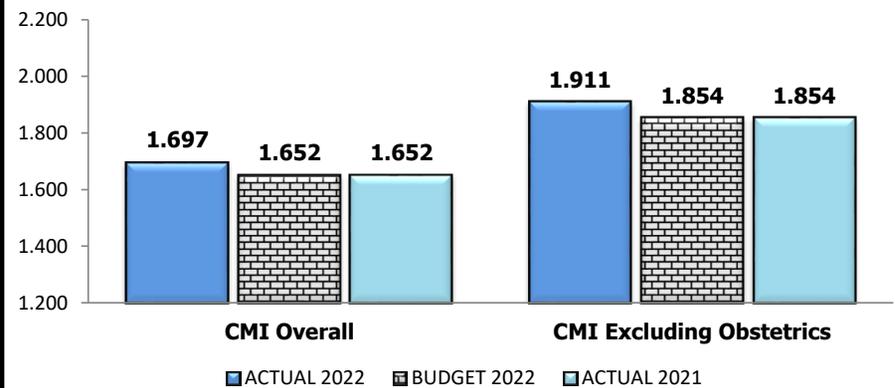
#### Lyndon B. Johnson CMI - Quarter End



#### Ben Taub CMI - YTD



#### Lyndon B. Johnson CMI - YTD



Thursday, May 12, 2022

**Consideration of Acceptance of the Harris Health System  
Fourth Quarter Fiscal 2022 Investment Report**

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Attached for your review and acceptance is the Fourth Quarter Fiscal Year 2022 Investment Report for the period December 2021– February 2022.

Administration recommends that the Board accept the Fourth Quarter Investment Report for the period ended February 28, 2022.



# HARRIS COUNTY

## BUDGET MANAGEMENT DEPARTMENT

(713) 274-1100  
1001 Preston St. #500 Houston TX 77002  
<http://budget.harriscountytx.gov/>

To: Harris Health System

Date: March 18, 2022

Attached is the quarterly Investment Report for the Fourth Quarter of Fiscal Year 2021-22 (December through February). Please address any questions to Diana Elizondo at 713-274-1156.

The report is presented in accordance with the Texas Government Code Title 10 Section 2256.023. Financial Management certifies that to the best of our knowledge Harris Health System is in compliance with the provisions of Government Code 2256 and with the stated policies and strategies of Harris Health System.

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Amy Perez  
Director, Financial Management

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Diana Elizondo  
Investment Manager, Office of Financial Management



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Mark LaRue  
Financial Analyst

Distribution:  
Michael Norby, Hospital District  
Lori Dochoda, Hospital District  
Victoria Nikitin, Hospital District  
Kari McMichael, Hospital District

# **HARRISHEALTH SYSTEM**

## **QUARTERLY INVESTMENT REPORT FOURTH QUARTER 2021-22**

### **Contents**

- Section 1: Portfolio Composition**
- Section 2: Book & Market Value Summary**
- Section 3: Portfolio Holdings & Earnings**
- Section 4: Transactions**

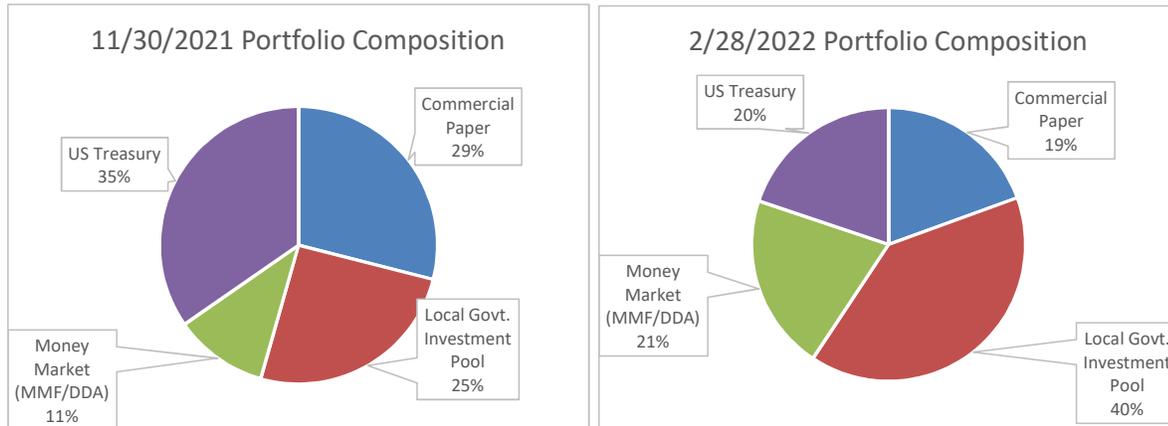
**PREPARED BY:  
OFFICE OF MANAGEMENT AND BUDGET  
FINANCIAL MANAGEMENT**

**SECTION 1**  
**PORTFOLIO COMPOSITION**

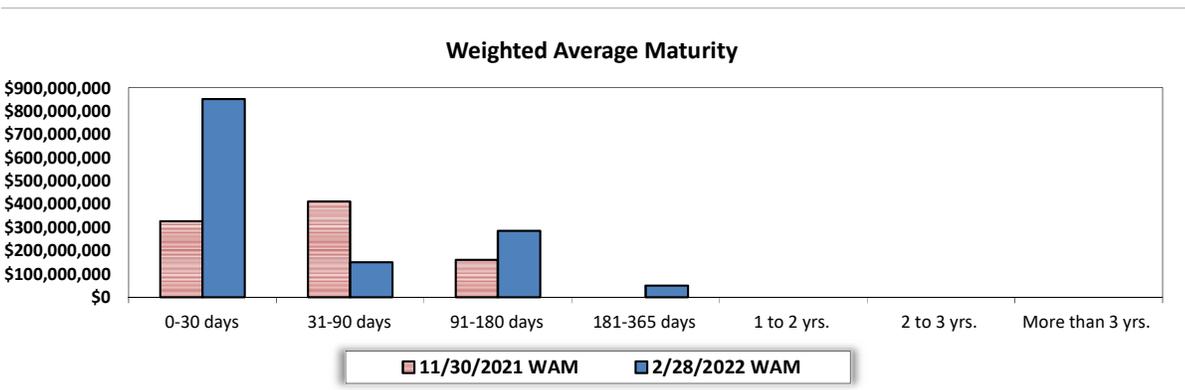
# HARRIS HEALTH SYSTEM INVESTMENT REPORT

**FOURTH QUARTER  
DECEMBER THROUGH FEBRUARY  
FISCAL YEAR 2021-22**

Portfolio interest earned and/or accrued for this quarter, including MMF/DDA interest: \$137,494.73



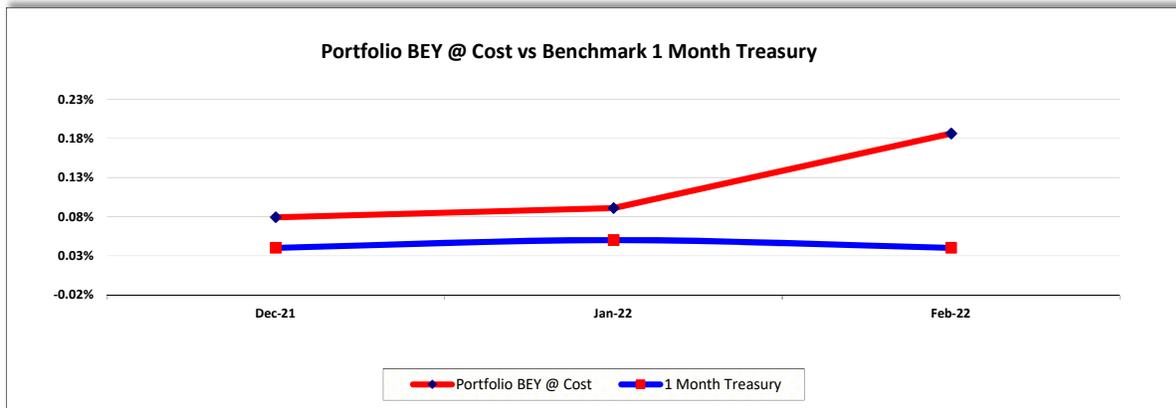
Total Par Value of Portfolio: \$ 897,385,542.35 Total Par Value of Portfolio: \$ 1,335,580,556.84



Portfolio's effective weighted average maturity for this quarter (in days): 27

**SECTION 2**  
**BOOK & MARKET VALUE SUMMARY**

**HARRIS HEALTH SYSTEM  
INVESTMENT REPORT  
FOURTH QUARTER  
DECEMBER THROUGH FEBRUARY  
FISCAL YEAR 2021-22**



The book value of the portfolio as of November 30, 2021 was \$897,269,547 and the book value as of February 28, 2022 was \$1,334,857,758.

The market value of the portfolio as of November 30, 2021 was \$897,287,271 and the market value as of February 28, 2022 was \$1,334,653,107.

The weighted average bond equivalent yield at cost for this quarter was 0.12% while the quarterly average for the benchmark 1 month constant maturity Treasury was 0.04%. This resulted in the portfolio exceeding the benchmark by 8 basis points.

**SECTION 3**  
**PORTFOLIO HOLDINGS & EARNINGS**

Harris County  
Date To Date  
ML - PFIA Compliant Portfolio Holdings  
Report Format: By Transaction  
Group By: Portfolio Name  
Portfolio / Report Group: Harris Health System  
Begin Date: 11/30/2021, End Date: 2/28/2022

Description	CUSIP/Ticker	Ending Face Amount/Shares	Beginning MV	Ending MV	Ending BV	Investment Income-BV	Ending YTM @ Cost	Maturity Date
<b>H9902 Hospital - General Fund</b>								
H9902 Hospital - Cadence General Funds DDA MM	D3837	50,535,197.19	50,001,636.34	50,535,197.19	50,535,197.19	4,828.74	0.040	N/A
H9902 Hospital - Donations MM	D5899	0.00	0.01	0.00	0.00	0.25		N/A
LoneStar Gov   H9902 LGIP	LONESTARGH9902	125,002,320.01	0.00	125,002,320.01	125,002,320.01	2,320.01	0.030	N/A
LoneStar   H9902 LGIP	LONESTARH9902	127,562,827.97	110,009,135.10	127,562,827.97	127,562,827.97	40,422.35	0.131	N/A
H9902 Hospital - Capital Gift Proceeds Sweep MM	M1367	45,000,000.00	0.00	45,000,000.00	45,000,000.00	0.00	0.030	N/A
H9902 Hospital - Cadence General Funds MMF MM	M3837	165,127,444.14	35,224,699.50	165,127,444.14	165,127,444.14	6,124.91	0.030	N/A
H9902 Hospital - HRA Sweep MMF MM	M3845	291,818.34	346,368.90	291,818.34	291,818.34	22.20	0.030	N/A
H9902 Hospital - Cigna Health Benefits MMF MM	M3944	1,825,656.56	9,443,681.88	1,825,656.56	1,825,656.56	439.85	0.030	N/A
H9902 Hospital - FSA Plan MMF MM	M3951	768,827.34	1,011,973.23	768,827.34	768,827.34	63.74	0.030	N/A
H9902 Hospital - Donations Sweep MM	M5899	6,265.87	0.00	6,265.87	6,265.87	0.00	0.030	N/A
TexasCLASS G   H9902 LGIP	TXCLASSGOVH9902	136,266,225.85	0.00	136,266,225.85	136,266,225.85	3,861.85	0.043	N/A
TexasCLASS   H9902 LGIP	TXCLASSH9902	111,280,190.21	80,005,732.96	111,280,190.21	111,280,190.21	36,821.25	0.142	N/A
TMCC DISC CP 0 1/3/2022	89233HA38	0.00	99,993,100.00	0.00	0.00	17,000.00		1/3/2022
T-Bill 0 1/20/2022	912796K81	0.00	99,993,400.00	0.00	0.00	6,375.00		1/20/2022
T-Bill 0 1/20/2022	912796K81	0.00	99,993,400.00	0.00	0.00	6,375.00		1/20/2022
T-Bill 0 1/20/2022	912796K81	0.00	99,993,400.00	0.00	0.00	6,375.00		1/20/2022
TMCC DISC CP 0 3/10/2022	89233HCA0	40,000,000.00	39,988,520.00	39,999,080.00	39,998,666.67	12,000.01	0.120	3/10/2022
NATX DISC CP 0 4/1/2022	63873KD12	30,000,000.00	29,981,490.00	29,991,960.00	29,996,000.00	11,250.00	0.150	4/1/2022
TMCC DISC CP 0 4/1/2022	89233HD19	30,000,000.00	29,988,690.00	29,992,860.00	29,996,000.00	11,250.00	0.150	4/1/2022
TMCC DISC CP 0 4/8/2022	89233HD84	30,000,000.00	29,987,850.00	29,990,550.00	29,995,450.00	10,500.00	0.140	4/8/2022
TMCC DISC CP 0 5/9/2022	89233HE91	30,000,000.00	29,982,660.00	29,973,750.00	29,991,250.00	11,250.00	0.150	5/9/2022
NATX DISC CP 0 5/27/2022	63873KET0	30,000,000.00	0.00	29,961,420.00	29,975,066.67	6,800.00	0.340	5/27/2022
T-Bill 0 6/7/2022	912796V89	50,000,000.00	0.00	49,947,050.00	49,948,437.50	9,895.83	0.381	6/7/2022
NATX DISC CP 0 6/24/2022	63873KFQ5	30,000,000.00	0.00	29,939,370.00	29,959,400.00	8,400.00	0.421	6/24/2022
T-Bill 0 7/7/2022	912796R68	45,000,000.00	0.00	44,918,370.00	44,928,243.75	10,568.75	0.452	7/7/2022
T-Bill 0 7/21/2022	912796S42	50,000,000.00	0.00	49,893,850.00	49,931,727.43	15,277.78	0.349	7/21/2022
T-Bill 0 7/28/2022	912796S59	40,000,000.00	0.00	39,905,480.00	39,915,333.33	10,160.00	0.516	7/28/2022
T-Bill 0 8/11/2022	912796L64	30,000,000.00	0.00	29,914,740.00	29,921,416.67	8,625.00	0.585	8/11/2022
NATX DISC CP 0 8/26/2022	63873KHS9	40,000,000.00	0.00	39,833,720.00	39,882,655.55	15,733.33	0.592	8/26/2022
T-Bill 0 9/8/2022	912796M71	30,000,000.00	0.00	29,895,510.00	29,911,040.00	8,340.00	0.566	9/8/2022
T-Bill 0 10/6/2022	912796M89	20,000,000.00	0.00	19,914,840.00	19,926,513.89	6,012.50	0.612	10/6/2022
<b>Sub Total/Average H9902 Hospital - General Fund</b>		<b>1,288,666,773.48</b>	<b>845,945,737.92</b>	<b>1,287,739,323.48</b>	<b>1,287,943,974.94</b>	<b>287,093.35</b>	<b>0.189</b>	
<b>H9906 Hospital - SPFC</b>								
H9906 Hospital - SPFC Money Market MM	M3936	50,793.86	49,502.92	50,793.86	50,793.86	3.30	0.030	N/A
TexasCLASS   H9906 LGIP	TXCLASSH9906	872,468.43	872,263.42	872,468.43	872,468.43	205.01	0.142	N/A
<b>Sub Total/Average H9906 Hospital - SPFC</b>		<b>923,262.29</b>	<b>921,766.34</b>	<b>923,262.29</b>	<b>923,262.29</b>	<b>208.31</b>	<b>0.135</b>	
<b>H9917 Hospital - Debt Service 2010</b>								
H9917 Hospital - Series 2010 DS Sweep MMF MM	M3993	393,179.62	829,692.17	393,179.62	393,179.62	54.46	0.030	N/A
TexasCLASS   H9917 LGIP	TXCLASSH9917	6,017,839.35	6,016,425.11	6,017,839.35	6,017,839.35	1,414.24	0.142	N/A

Description	CUSIP/Ticker	Ending Face Amount/Shares	Beginning MV	Ending MV	Ending BV	Investment Income-BV	Ending YTM @ Cost	Maturity Date
<b>Sub Total/Average H9917 Hospital - Debt Service 2010</b>		<b>6,411,018.97</b>	<b>6,846,117.28</b>	<b>6,411,018.97</b>	<b>6,411,018.97</b>	<b>1,468.70</b>	<b>0.135</b>	
<b>H9918 Hospital - Debt Service Reserve 2010</b>								
H9918 Hospital - Series 2010 DSR Sweep MMF MM	M4017	209,657.99	274,124.06	209,657.99	209,657.99	17.99	0.030	N/A
TexasCLASS   H9918 LGIP	TXCLASSH9918	5,820,214.08	6,818,615.13	5,820,214.08	5,820,214.08	1,598.95	0.142	N/A
<b>Sub Total/Average H9918 Hospital - Debt Service Reserve 2010</b>		<b>6,029,872.07</b>	<b>7,092,739.19</b>	<b>6,029,872.07</b>	<b>6,029,872.07</b>	<b>1,616.94</b>	<b>0.138</b>	
<b>H9920 Hospital - Debt Service 2016 Rev &amp; Ref</b>								
H9920 Hospital - Series 2016 DS Sweep MMF MM	M4009	3,209,555.36	280,361.70	3,209,555.36	3,209,555.36	18.40	0.030	N/A
TexasCLASS   H9920 LGIP	TXCLASSH9920	7,020,812.63	7,019,162.68	7,020,812.63	7,020,812.63	1,649.95	0.142	N/A
<b>Sub Total/Average H9920 Hospital - Debt Service 2016 Rev &amp; Ref</b>		<b>10,230,367.99</b>	<b>7,299,524.38</b>	<b>10,230,367.99</b>	<b>10,230,367.99</b>	<b>1,668.35</b>	<b>0.107</b>	
<b>H9921 Hospital - Debt Service Reserve 2016 Rev &amp; am</b>								
H9921 Hospital - Series 2016 DSR Sweep MMF MM	M4033	10,657,596.23	432,208.39	10,657,596.23	10,657,596.23	59.70	0.030	N/A
T-Bill 0 1/27/2022	912796C31	0.00	10,999,219.00	0.00	0.00	986.84		1/27/2022
<b>Sub Total/Average H9921 Hospital - Debt Service Reserve 2016 Rev &amp; am</b>		<b>10,657,596.23</b>	<b>11,431,427.39</b>	<b>10,657,596.23</b>	<b>10,657,596.23</b>	<b>1,046.54</b>	<b>0.030</b>	
<b>H9924 Hospital - Capital Assets Series 2020</b>								
H9924 Hospital - Capital Assets Ser 2020 Sweep MMF	M6228	160,780.06	253,166.62	160,780.06	160,780.06	16.62	0.030	N/A
TexasCLASS   H9924 LGIP	TXCLASSH9924	12,500,885.75	17,496,792.23	12,500,885.75	12,500,885.75	4,093.52	0.142	N/A
<b>Sub Total/Average H9924 Hospital - Capital Assets Series 2020</b>		<b>12,661,665.81</b>	<b>17,749,958.85</b>	<b>12,661,665.81</b>	<b>12,661,665.81</b>	<b>4,110.14</b>	<b>0.140</b>	
<b>Total / Average</b>		<b>1,335,580,556.84</b>	<b>897,287,271.35</b>	<b>1,334,653,106.84</b>	<b>1,334,857,758.30</b>	<b>297,212.33</b>	<b>0.186</b>	

**SECTION 4**  
**TRANSACTIONS**

Harris County  
 Transactions Summary  
 ML - Transaction Report By Action  
 Group By: Action  
 Portfolio / Report Group: Harris Health System  
 Begin Date: 11/30/2021, End Date: 02/28/2022

Description	CUSIP/Ticker	Portfolio Name	Coupon Rate	YTM @ Cost	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Price	Interest/Dividends	Total	Broker/Dealer
Buy													
NATX DISC CP 0 5/27/2022	63873KET0	H9902 Hospital - General Fund	0.000	0.340	2/3/2022	2/4/2022	5/27/2022	30,000,000.00	29,968,266.67	99.894222	0.00	29,968,266.67	Natixis New York 067
NATX DISC CP 0 6/24/2022	63873KFQ5	H9902 Hospital - General Fund	0.000	0.421	2/3/2022	2/4/2022	6/24/2022	30,000,000.00	29,951,000.00	99.836667	0.00	29,951,000.00	Natixis New York 067
NATX DISC CP 0 8/26/2022	63873KH59	H9902 Hospital - General Fund	0.000	0.592	2/3/2022	2/4/2022	8/26/2022	40,000,000.00	39,866,922.22	99.667306	0.00	39,866,922.22	Natixis New York 067
T-Bill 0 10/6/2022	912796M89	H9902 Hospital - General Fund	0.000	0.612	2/9/2022	2/10/2022	10/6/2022	20,000,000.00	19,920,501.39	99.602507	0.00	19,920,501.39	Loop Capital Markets 045
T-Bill 0 7/21/2022	912796S42	H9902 Hospital - General Fund	0.000	0.391	2/9/2022	2/9/2022	6/7/2022	50,000,000.00	49,938,541.67	99.877083	0.00	49,938,541.67	Oppenheimer & Co 046
T-Bill 0 7/28/2022	912796S59	H9902 Hospital - General Fund	0.000	0.349	1/28/2022	1/27/2022	7/21/2022	50,000,000.00	49,816,449.65	99.832999	0.00	49,816,449.65	Loop Capital Markets 045
T-Bill 0 7/28/2022	912796R68	H9902 Hospital - General Fund	0.000	0.516	2/9/2022	2/10/2022	7/28/2022	40,000,000.00	39,905,173.33	99.762933	0.00	39,905,173.33	Hilltop Securities 059
T-Bill 0 7/7/2022	912796R68	H9902 Hospital - General Fund	0.000	0.452	2/9/2022	2/9/2022	7/7/2022	45,000,000.00	44,917,675.00	99.817056	0.00	44,917,675.00	BNY Capital Markets Inc.
T-Bill 0 8/11/2022	912796L64	H9902 Hospital - General Fund	0.000	0.585	2/9/2022	2/10/2022	8/11/2022	30,000,000.00	29,912,791.67	99.709306	0.00	29,912,791.67	Oppenheimer & Co 046
T-Bill 0 9/8/2022	912796M71	H9902 Hospital - General Fund	0.000	0.566	2/9/2022	2/10/2022	9/8/2022	30,000,000.00	29,902,700.00	99.675667	0.00	29,902,700.00	Cabrera Capital Markets 069
Sub Total / Average Buy								365,000,000.00	364,200,021.60		0.00	364,200,021.60	
Deposit													
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	12,538.15	12,538.15	100	0.00	12,538.15	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	42,500,000.00	42,500,000.00	100	0.00	42,500,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	19,472.16	19,472.16	100	0.00	19,472.16	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	1/14/2022	1/14/2022	N/A	40,000,000.00	40,000,000.00	100	0.00	40,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	1/5/2022	1/5/2022	N/A	40,000,000.00	40,000,000.00	100	0.00	40,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	8,412.04	8,412.04	100	0.00	8,412.04	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	12/30/2021	12/30/2021	N/A	13,270.52	13,270.52	100	0.00	13,270.52	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	12/28/2021	12/28/2021	N/A	50,000,000.00	50,000,000.00	100	0.00	50,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	12/17/2021	12/17/2021	N/A	35,000,000.00	35,000,000.00	100	0.00	35,000,000.00	None
LoneStar Gov   H9902 LGIP	LONESTARGH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	2,320.01	2,320.01	100	0.00	2,320.01	None
LoneStar Gov   H9902 LGIP	LONESTARGH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	26,000,000.00	26,000,000.00	100	0.00	26,000,000.00	None
LoneStar Gov   H9902 LGIP	LONESTARGH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	99,000,000.00	99,000,000.00	100	0.00	99,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	12,189.85	12,189.85	100	0.00	12,189.85	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	42,500,000.00	42,500,000.00	100	0.00	42,500,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	18,554.43	18,554.43	100	0.00	18,554.43	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	1/14/2022	1/14/2022	N/A	40,000,000.00	40,000,000.00	100	0.00	40,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	1/5/2022	1/5/2022	N/A	40,000,000.00	40,000,000.00	100	0.00	40,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	6,076.97	6,076.97	100	0.00	6,076.97	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	12/28/2021	12/28/2021	N/A	50,000,000.00	50,000,000.00	100	0.00	50,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	12/17/2021	12/17/2021	N/A	35,000,000.00	35,000,000.00	100	0.00	35,000,000.00	None
TexasCLASS   H9906 LGIP	TXCLASSH9906	H9906 Hospital - SPFC	N/A	0.000	2/28/2022	2/28/2022	N/A	82.22	82.22	100	0.00	82.22	None
TexasCLASS   H9906 LGIP	TXCLASSH9906	H9906 Hospital - SPFC	N/A	0.000	1/31/2022	1/31/2022	N/A	71.50	71.50	100	0.00	71.50	None
TexasCLASS   H9906 LGIP	TXCLASSH9906	H9906 Hospital - SPFC	N/A	0.000	12/31/2021	12/31/2021	N/A	51.29	51.29	100	0.00	51.29	None
TexasCLASS   H9917 LGIP	TXCLASSH9917	H9917 Hospital - Debt Service 2010	N/A	0.000	2/28/2022	2/28/2022	N/A	567.28	567.28	100	0.00	567.28	None
TexasCLASS   H9917 LGIP	TXCLASSH9917	H9917 Hospital - Debt Service 2010	N/A	0.000	1/31/2022	1/31/2022	N/A	493.17	493.17	100	0.00	493.17	None
TexasCLASS   H9917 LGIP	TXCLASSH9917	H9917 Hospital - Debt Service 2010	N/A	0.000	12/31/2021	12/31/2021	N/A	353.79	353.79	100	0.00	353.79	None
TexasCLASS   H9918 LGIP	TXCLASSH9918	H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	2/28/2022	2/28/2022	N/A	639.02	639.02	100	0.00	639.02	None
TexasCLASS   H9918 LGIP	TXCLASSH9918	H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	1/31/2022	1/31/2022	N/A	558.94	558.94	100	0.00	558.94	None
TexasCLASS   H9918 LGIP	TXCLASSH9918	H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	12/31/2021	12/31/2021	N/A	400.99	400.99	100	0.00	400.99	None
TexasCLASS   H9920 LGIP	TXCLASSH9920	H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	2/28/2022	2/28/2022	N/A	661.80	661.80	100	0.00	661.80	None
TexasCLASS   H9920 LGIP	TXCLASSH9920	H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	1/31/2022	1/31/2022	N/A	575.38	575.38	100	0.00	575.38	None
TexasCLASS   H9920 LGIP	TXCLASSH9920	H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	12/31/2021	12/31/2021	N/A	412.77	412.77	100	0.00	412.77	None
TexasCLASS   H9924 LGIP	TXCLASSH9924	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	2/28/2022	2/28/2022	N/A	1,630.30	1,630.30	100	0.00	1,630.30	None
TexasCLASS   H9924 LGIP	TXCLASSH9924	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	1/31/2022	1/31/2022	N/A	1,434.29	1,434.29	100	0.00	1,434.29	None
TexasCLASS   H9924 LGIP	TXCLASSH9924	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	12/31/2021	12/31/2021	N/A	1,028.93	1,028.93	100	0.00	1,028.93	None
TexasCLASS G   H9902 LGIP	TXCLASSGOVH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	3,861.85	3,861.85	100	0.00	3,861.85	None
TexasCLASS G   H9902 LGIP	TXCLASSGOVH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	136,262,364.00	136,262,364.00	100	0.00	136,262,364.00	None
Sub Total / Average Deposit								1,095,862,371.23	1,095,862,371.23		0.00	1,095,862,371.23	
Interest													
H9902 Hospital - Cadence General Funds DDA MM	D3837	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		1,443.53	1,443.53	None
H9902 Hospital - Cadence General Funds DDA MM	D3837	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		1,691.40	1,691.40	None
H9902 Hospital - Cadence General Funds DDA MM	D3837	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		1,693.81	1,693.81	None
H9902 Hospital - Cadence General Funds MMF MM	M3837	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		4,328.03	4,328.03	None
H9902 Hospital - Cadence General Funds MMF MM	M3837	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		905.70	905.70	None
H9902 Hospital - Cadence General Funds MMF MM	M3837	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		891.16	891.16	None
H9902 Hospital - Cigna Health Benefits MMF MM	M3944	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		155.31	155.31	None
H9902 Hospital - Cigna Health Benefits MMF MM	M3944	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		193.73	193.73	None
H9902 Hospital - Cigna Health Benefits MMF MM	M3944	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		90.81	90.81	None
H9902 Hospital - Donations MM	D5899	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		0.01	0.01	None
H9902 Hospital - Donations MM	D5899	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		0.21	0.21	None
H9902 Hospital - Donations MM	D5899	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		0.03	0.03	None
H9902 Hospital - FSA Plan MMF MM	M3951	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		22.83	22.83	None
H9902 Hospital - FSA Plan MMF MM	M3951	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		23.61	23.61	None
H9902 Hospital - FSA Plan MMF MM	M3951	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		17.30	17.30	None
H9902 Hospital - HRA Sweep MMF MM	M3845	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		7.21	7.21	None
H9902 Hospital - HRA Sweep MMF MM	M3845	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		7.54	7.54	None
H9902 Hospital - HRA Sweep MMF MM	M3845	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		7.45	7.45	None
H9906 Hospital - SPFC Money Market MM	M3936	H9906 Hospital - SPFC	N/A	0.000	2/28/2022	2/							

Description	CUSIP/Ticker	Portfolio Name	Coupon Rate	YTM @ Cost	Trade Date	Settlement Date	Maturity Date	Face Amount/Shares	Principal	Price	Interest/Dividends	Total	Broker/Dealer
Interest													
H9918 Hospital - Series 2010 DSR Sweep MMF M40017		H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		5.86	5.86	None
H9920 Hospital - Series 2016 DS Sweep MMF MN M4009		H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		6.19	6.19	None
H9920 Hospital - Series 2016 DS Sweep MMF MN M4009		H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		6.22	6.22	None
H9920 Hospital - Series 2016 DS Sweep MMF MN M4009		H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		5.99	5.99	None
H9921 Hospital - Series 2016 DSR Sweep MMF M40033		H9921 Hospital - Debt Service Reserve 2016 Rev	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		40.88	40.88	None
H9921 Hospital - Series 2016 DSR Sweep MMF M40033		H9921 Hospital - Debt Service Reserve 2016 Rev	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		9.59	9.59	None
H9921 Hospital - Series 2016 DSR Sweep MMF M40033		H9921 Hospital - Debt Service Reserve 2016 Rev	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		9.23	9.23	None
H9924 Hospital - Capital Assets Ser 2020 Sweep	M6228	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		5.59	5.59	None
H9924 Hospital - Capital Assets Ser 2020 Sweep	M6228	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		5.62	5.62	None
H9924 Hospital - Capital Assets Ser 2020 Sweep	M6228	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		5.41	5.41	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		12,538.15	12,538.15	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		19,472.16	19,472.16	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		8,412.04	8,412.04	None
LoneStar Gov   H9902 LGIP	LONESTARGH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		2,320.01	2,320.01	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		12,189.85	12,189.85	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		18,554.43	18,554.43	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		6,076.97	6,076.97	None
TexasCLASS   H9906 LGIP	TXCLASSH9906	H9906 Hospital - SPFC	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		82.22	82.22	None
TexasCLASS   H9906 LGIP	TXCLASSH9906	H9906 Hospital - SPFC	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		71.50	71.50	None
TexasCLASS   H9906 LGIP	TXCLASSH9906	H9906 Hospital - SPFC	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		51.29	51.29	None
TexasCLASS   H9917 LGIP	TXCLASSH9917	H9917 Hospital - Debt Service 2010	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		567.28	567.28	None
TexasCLASS   H9917 LGIP	TXCLASSH9917	H9917 Hospital - Debt Service 2010	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		493.17	493.17	None
TexasCLASS   H9917 LGIP	TXCLASSH9917	H9917 Hospital - Debt Service 2010	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		353.79	353.79	None
TexasCLASS   H9918 LGIP	TXCLASSH9918	H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		639.02	639.02	None
TexasCLASS   H9918 LGIP	TXCLASSH9918	H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		558.94	558.94	None
TexasCLASS   H9918 LGIP	TXCLASSH9918	H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		400.99	400.99	None
TexasCLASS   H9920 LGIP	TXCLASSH9920	H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		661.80	661.80	None
TexasCLASS   H9920 LGIP	TXCLASSH9920	H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		575.38	575.38	None
TexasCLASS   H9920 LGIP	TXCLASSH9920	H9920 Hospital - Debt Service 2016 Rev & Ref	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		412.77	412.77	None
TexasCLASS   H9924 LGIP	TXCLASSH9924	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		1,630.30	1,630.30	None
TexasCLASS   H9924 LGIP	TXCLASSH9924	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	1/31/2022	1/31/2022	N/A	0.00	0.00		1,434.29	1,434.29	None
TexasCLASS   H9924 LGIP	TXCLASSH9924	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	12/31/2021	12/31/2021	N/A	0.00	0.00		1,028.93	1,028.93	None
TexasCLASS G   H9902 LGIP	TXCLASSGOVH9902	H9902 Hospital - General Fund	N/A	0.000	2/28/2022	2/28/2022	N/A	0.00	0.00		3,861.85	3,861.85	None
Sub Total / Average Interest								0.00	0.00		104,037.29	104,037.29	
Matured													
T-Bill 0 1/20/2022	912796K81	H9902 Hospital - General Fund	0.000	0.000	1/20/2022	1/20/2022	1/20/2022	100,000,000.00	100,000,000.00	0	0.00	100,000,000.00	FHN Financial Capital Markets 040
T-Bill 0 1/20/2022	912796K81	H9902 Hospital - General Fund	0.000	0.000	1/20/2022	1/20/2022	1/20/2022	100,000,000.00	100,000,000.00	0	0.00	100,000,000.00	Oppenheimer & Co 046
T-Bill 0 1/20/2022	912796K81	H9902 Hospital - General Fund	0.000	0.000	1/20/2022	1/20/2022	1/20/2022	100,000,000.00	100,000,000.00	0	0.00	100,000,000.00	Jefferies Inc. 0071
T-Bill 0 1/27/2022	912796C31	H9921 Hospital - Debt Service Reserve 2016 Rev	0.000	0.000	1/27/2022	1/27/2022	1/27/2022	11,000,000.00	11,000,000.00	0	0.00	11,000,000.00	FHN Financial Capital Markets 040
TMCC DISC CP 0 1/3/2022	89233HA38	H9902 Hospital - General Fund	0.000	0.000	1/3/2022	1/3/2022	1/3/2022	100,000,000.00	100,000,000.00	0	0.00	100,000,000.00	Toyota Motor Credit Corp [D] 022
Sub Total / Average Matured								411,000,000.00	411,000,000.00	0	0.00	411,000,000.00	
Withdraw													
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/14/2022	2/14/2022	N/A	20,000,000.00	20,000,000.00	0	0.00	20,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/11/2022	2/11/2022	N/A	10,000,000.00	10,000,000.00	0	0.00	10,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/10/2022	2/10/2022	N/A	10,000,000.00	10,000,000.00	0	0.00	10,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	26,000,000.00	26,000,000.00	0	0.00	26,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	99,000,000.00	99,000,000.00	0	0.00	99,000,000.00	None
LoneStar   H9902 LGIP	LONESTARH9902	H9902 Hospital - General Fund	N/A	0.000	1/25/2022	1/25/2022	N/A	25,000,000.00	25,000,000.00	0	0.00	25,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	2/14/2022	2/14/2022	N/A	20,000,000.00	20,000,000.00	0	0.00	20,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	2/11/2022	2/11/2022	N/A	10,000,000.00	10,000,000.00	0	0.00	10,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	2/10/2022	2/10/2022	N/A	10,000,000.00	10,000,000.00	0	0.00	10,000,000.00	None
TexasCLASS   H9902 LGIP	TXCLASSH9902	H9902 Hospital - General Fund	N/A	0.000	2/2/2022	2/2/2022	N/A	136,262,364.00	136,262,364.00	0	0.00	136,262,364.00	None
TexasCLASS   H9918 LGIP	TXCLASSH9918	H9918 Hospital - Debt Service Reserve 2010	N/A	0.000	2/28/2022	2/28/2022	N/A	1,000,000.00	1,000,000.00	0	0.00	1,000,000.00	None
TexasCLASS   H9924 LGIP	TXCLASSH9924	H9924 Hospital - Capital Assets Series 2020	N/A	0.000	2/28/2022	2/28/2022	N/A	5,000,000.00	5,000,000.00	0	0.00	5,000,000.00	None
Sub Total / Average Withdraw								611,667,356.74	611,667,356.74	0	0.00	611,667,356.74	

Thursday, May 12, 2022

Consideration of Acceptance of the Harris County Hospital District First Quarter  
2022 Pension Plan Report

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It is the policy of Harris Health System to fully fund the Annual Required Contribution for each plan year, based on the actuarial methods and assumptions defined in the annual Actuarial Valuation Funding Report for the Pension Plan. The required contribution includes the normal cost for new benefits being earned during the year, plus an amortization to cover any unfunded accrued liability over a period of 20 years or less. The targeted funded ratio of the Pension Plan is one hundred percent (100%) by the end of the amortization period. In order to accelerate the full funding of the Pension Plan, the Board of Trustees may authorize additional funding in excess of the Annual Required Contribution from current funds for any plan year. (Policy 6.28 Retirement Plans for Eligible Employees)

The Annual Required Contribution to the Pension Plan for Calendar Year 2022 is estimated to be \$39 million utilizing data from Actuarial Valuation Funding Reports. The final funding report for the current year is expected by the end of April. Total Plan benefits for Calendar Year 2022 are estimated to be \$60 million.

In accordance with the policy provision allowing additional funding, Management recommends that Harris Health system increase the Pension Plan funding for Calendar Year 2022 from the estimated Annual Required Contribution of \$39 million to the projected total benefit amount of \$60 million. The purpose of the increased funding is to continue to move the funded percentage closer to the one hundred percent fully funded target. The ratio of the Market Value of Plan Assets to the Actuarial Liability at January 1, 2022 was 86.2%. The requested increase in the funding level will increase the funding level by approximately 2% above what the Annual Required Contribution would achieve.

Management recommends that the Board of Trustees approve additional funding of \$21 million for the Harris County Hospital District Pension Plan for Calendar Year 2022.

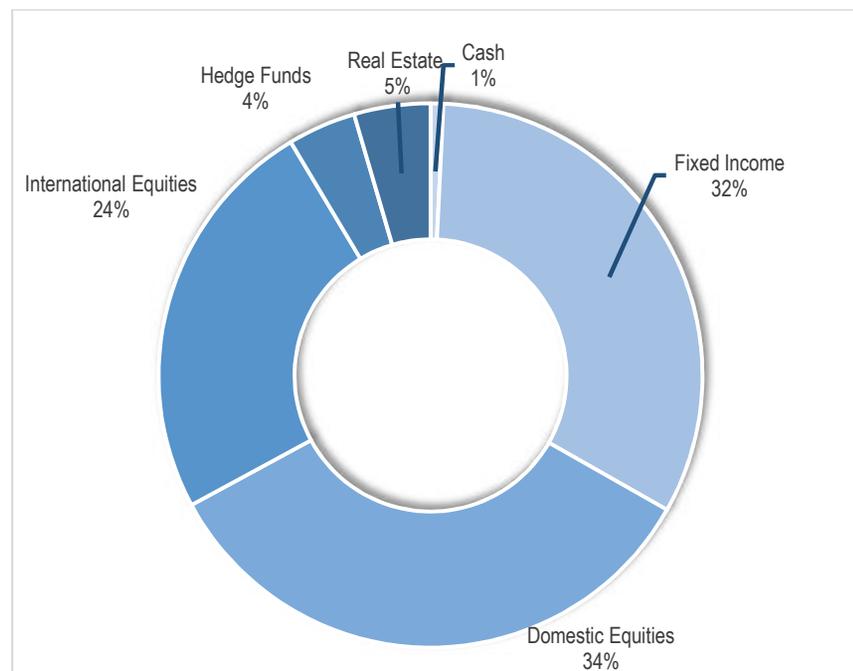
Thank you.

# Pension Plan Summary

For the Quarter Ended and Year to Date March 31, 2022

	YEAR-TO-DATE 12/31/21	QUARTERLY 03/31/22	YEAR-TO-DATE 03/31/22
Investment Return	9.7%	-5.9%	-5.9%
Market Value of Assets (in millions)	\$ 966.4	\$ 911.6	\$ 911.6
Employer Contributions (in millions)	\$ 57.0	\$ 14.7	\$ 14.7
Benefit Payments (in millions)	\$ 53.3	\$ 13.8	\$ 13.8
Funded Ratio	86.2%	80.8%	80.8%

## 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 by \$54.7 million since the beginning of the calendar year. Investment return was -5.9% for the quarter ended March 31, 2022, due to the following market conditions:

- Markets were challenged during the first quarter of the year and volatility remained elevated. Global stocks and bonds declined during an unstable quarter marked by Russia's invasion of Ukraine, mounting inflation, tightening monetary policy, and a resurgence of COVID-19 infections in Europe and Asia. Commodity prices moved sharply higher, contributing to worldwide inflationary pressures.
- U.S. equities saw a substantial correction in January, but were fairly resilient thereafter considering volatility associated with heightened geopolitical risk, impacts of higher inflation, and rising interest rates. The S&P 500 Index finished the quarter off with an increase of 4.6%.
- Despite uncertainty, bond yields moved significantly higher over the quarter resulting in a sizable decline of bond prices, as markets continued to price in the upcoming Fed hiking cycle and grapple with changing inflation dynamics.
- The total Pension Plan return for the first quarter of 2022 was -5.9% compared to the Policy Index return of -4.6%. The Plan's diversified structure was not immune to widespread market losses, with only the Alternatives segment of the portfolio posting positive absolute returns. The Plan's weak relative performance against the Policy Index during the quarter was broadly attributable to its equity strategies, which struggled to keep pace with their respective market indexes. When looking at returns for the trailing 12-month period, the Plan's return falls behind that of the Policy Index, returning 1.2% vs. 3.3%.

Thursday, May 12, 2022

**Consideration of Approval for Additional Funding of \$21,000,000 for the Harris County Hospital District Pension Plan for Calendar Year 2022**

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It is the policy of Harris Health System to fully fund the Annual Required Contribution for each plan year, based on the actuarial methods and assumptions defined in the annual Actuarial Valuation Funding Report for the Pension Plan. The required contribution includes the normal cost for new benefits being earned during the year, plus an amortization to cover any unfunded accrued liability over a period of 20 years or less. The targeted funded ratio of the Pension Plan is one hundred percent (100%) by the end of the amortization period. In order to accelerate the full funding of the Pension Plan, the Board of Trustees may authorize additional funding in excess of the Annual Required Contribution from current funds for any plan year. (Policy 6.28 Retirement Plans for Eligible Employees)

The Annual Required Contribution to the Pension Plan for Calendar Year 2022 is estimated to be \$39 million utilizing data from Actuarial Valuation Funding Reports. The final funding report for the current year is expected by the end of April. Total Plan benefits for Calendar Year 2022 are estimated to be \$60 million.

In accordance with the policy provision allowing additional funding, Management recommends that Harris Health system increase the Pension Plan funding for Calendar Year 2022 from the estimated Annual Required Contribution of \$39 million to the projected total benefit amount of \$60 million. The purpose of the increased funding is to continue to move the funded percentage closer to the one hundred percent fully funded target. The ratio of the Market Value of Plan Assets to the Actuarial Liability at January 1, 2022 was 86.2%. The requested increase in the funding level will increase the funding level by approximately 2% above what the Annual Required Contribution would achieve.

Management recommends that the Board of Trustees approve additional funding of \$21 million for the Harris County Hospital District Pension Plan for Calendar Year 2022.

Thank you.

Thursday, May 12, 2022

Executive Session

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Discussion Regarding Financial Planning Information for Community Health Choice, Inc. and Community Health Choice, Texas, Pursuant to Tex. Gov't Code Ann. §551.085 and Tex. Gov't Code Ann. §551.071

# BOARD OF TRUSTEES

## Compliance and Audit Committee

Thursday, May 12, 2022  
10:00 A.M.

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

- |  |                           |                 |
|--|---------------------------|-----------------|
| <b>I. Call to Order and Record of Attendance</b>   | <b>Ms. Marcia Johnson</b> | <b>1 min</b>    |
| <b>II. Approval of the Minutes of Previous Meeting</b>   | <b>Ms. Marcia Johnson</b> | <b>2 min</b>    |
| • Compliance and Audit Committee Meeting – February 10, 2022   |                           |                 |
| <b>III. Presentation of Harris Health System Internal Audit Annual Status Update</b>   |                           | <b>10 min</b>   |
| – <i>Ms. Errika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director</i>  |                           |                 |
| <b>IV. Discussion Regarding a Change in Accounting Practice for the Fiscal Year Ended September 30, 2023 – Mr. Chris Clark, BKD</b>  |                           | <b>10 min</b>   |
| <b>V. Discussion Regarding Future Compliance Committee Agenda Items – Board of Trustees</b>  |                           | <b>10 min</b>   |
| <b>VI. Executive Session</b>   | <b>Ms. Marcia Johnson</b> | <b>55 min</b>   |
| <b>A. Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA, Other Federal and State Healthcare Program Requirements, and an Update on the Status of Fraud and Abuse Investigations, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032, and Possible Action Regarding This Matter Upon Return to Open Session – Ms.Carolynn Jones</b> |                           | <i>(35 min)</i> |
| <b>B. Discussion Regarding Harris County Internal Audit Report on Harris Health System Outstanding Management Action Plans, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032 – Ms. Errika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director</b>   |                           | <i>(5 min)</i>  |

- C. Discussion Regarding Harris County Internal Audit Report on the Harris Health System Correctional Health Pharmacy, Nursing and Infection Prevention Assessment, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Gov't Code Ann. §551.071, Tex. Occ. Code Ann. §160.007, and Tex. Occ. Code Ann. §151.002 – **Ms. Errika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director** (10 min)
  
- D. Discussion Regarding Harris County Auditor's Status Update on Harris Health's Implementation of Recommendations from Alvarez and Marsal's Gap Assessment, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Gov't Code Ann. §551.071, Tex. Occ. Code Ann. §160.007, and Tex. Occ. Code Ann. §151.002 – **Ms. Errika Perkins, Chief Assistant County Auditor and Ms. Sharon Brantley Smith, Audit Director** (5 min)

- VII. Reconvene Ms. Marcia Johnson 1 min
  
- VIII. Adjournment Ms. Marcia Johnson 1 min



**HARRIS HEALTH SYSTEM  
MINUTES OF THE BOARD OF TRUSTEES  
COMPLIANCE & AUDIT COMMITTEE MEETING**

**Thursday, February 10, 2022**

**8:00 AM**

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<b>I. Call to Order and Record of Attendance</b>	Dr. Arthur Bracey, Presiding Chair, called the meeting to order at 8:00 a.m. It was noted there was a quorum present and the attendance was recorded. Dr. Bracey announced 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: <a href="http://harrishealthtx.swagit.com/live">http://harrishealthtx.swagit.com/live</a> .	
<b>II. Approval of the Minutes of Previous Meeting</b> Compliance Committee Meeting – October 14, 2021		<b>Moved by Mr. Lawrence Finder, seconded by Dr. Arthur Bracey, and unanimously approved the minutes of the October 14, 2021 committee meeting.</b>
<b>III. Compliance and Audit Committee Deliverable for Calendar Year 2022</b>	Ms.Carolynn Jones, Executive Vice President, Chief Compliance Officer, led discussion regarding Compliance and Audit Committee deliverables for Calendar Year 2022. She noted that there was a request for the committee to consider meeting quarterly rather than the current bimonthly schedule. She also noted that the calendar presented reflects the quarterly schedule and the Committee would meet on the same days as the Budget & Finance Committee. Ms. Jones reviewed the proposed calendar and deliverables.	<b>As reported.</b>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>Discussion ensued regarding the reporting process on urgent compliance-related matters, which would be presented at Board meetings rather than awaiting the next Compliance &amp; Audit Committee meeting. A copy of the material is available in the permanent record.</p>	
<p><b>IV. Presentation of Harris Health System Independent Financial Auditor’s Pre-audit Communication for the Fiscal Year Ended February 28, 2022</b></p>	<p>Mr. Chris Clark, Partner, BKD CPAs &amp; Advisors (BKD), presented the Harris Health System Independent Financial Auditor’s Pre-audit Communication for the Fiscal Year Ended February 28, 2022. Mr. Clark stated that two audits will be performed in 2022, the first for FY22 and another for the stub year ending September 30, 2022. BKD will audit Harris Health System (HHS), which incorporates the System, Community Health Choice, Inc., Community Health Choice Texas, Inc., the 401k Plan, the Pension Plan, and an audit of compliance with federal and state reward programs. A compliance audit is required if the organization receives than \$750,000 of federal or state awards.</p> <p>Mr. Clark discussed the audit scope, including significant risk areas, and timing. He noted that the significant risk areas are as follows:</p> <ul style="list-style-type: none"> <li>• Regulatory environment</li> <li>• Revenue recognition</li> <li>• Management estimates</li> <li>• Information Technology</li> <li>• Provider Relief Funds</li> </ul> <p>Mr. Clark stated that findings of the first audit would be presented to the Board in June 2022. He confirmed that BKD is independent to Harris Health and that there are no impediments to their ability to conduct the 2022 financial statement audit. The Committee discussed how much overlap occurs between internal audit and financial statement audits.</p>	<p><b>As reported.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>Mr. Clark explained that the scope of internal audit is more broad and evolves from year to year. Participants also discussed advisement on whether the System has adequate resources to fortify necessary controls. A copy of the presentation is available in the permanent record.</p>	
<p><b>V. Presentation of Harris Health System Internal Audit Annual Status Update</b></p>	<p>Ms. Errika Perkins, Chief Assistant County Auditor, Harris County Auditor’s Office, presented the Harris Health System Internal Audit Annual Status Update. She shared that the purpose of the annual update is to provide more information regarding the overall structure and the services that we deliver to HHS. She reviewed the composition of her team, including their duties, credentials, and years of experience in healthcare. Ms. Perkins reminded the Committee that Harris County and HHS audit teams recently completed their peer review and received the highest rating possible.</p> <p>Ms. Perkins provided updates on the audit results including the Alvarez &amp; Marsal (A&amp;M) Recommendation follow-up project. She highlighted that all of leadership's corrective action plans for all 272 A&amp;M recommendations have been collected. The next project that was completed is the cash management project, which focused on processes in certain areas such as food and nutrition services, patient access management, and pharmacy. Ms. Perkins also reported on the Patient Safety Incident Reporting, which focuses on controls for managing reported patient safety incidents and ensuring that the related requirements for those incidents are met. Other engagements are in progress but they make up less than half of the projects within the plan. She also reported that there are thirty-three (33) outstanding management action plans.</p>	<p><b>As reported.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
	<p>Discussion ensued regarding the history of HHS’ relationship with the Harris County Auditor’s Office. Ms. Sara Thomas, Vice President, Legal Affairs/Managing Attorney, explained that there is a Commissioners Court order stating that Harris County Purchasing shall provide purchasing services the Harris County Hospital District, and that the Harris County Auditor shall provide the internal control internal audit function for the hospital district. A copy of the presentation is available in the permanent record.</p>	
<p><b>VI. Consideration of Approval of the Internal Audit Charter</b></p>	<p>Ms. Errika Perkins presented the Internal Audit Charter. She stated that the Charter captures her team’s work requirements, duties, and obligations to the HHS Board, and requires the Board’s approval. She highlighted two (2) significant revisions that were made to the charter. The first captures the interlocal agreement that was executed during the fiscal year, and the second revision was recommended by the peer reviewer to make clear that the internal audit team is following the Internal Auditor’s Professional Practices Framework (IPPF). The second revision states that the internal audit team reviews the IPPF’s supplemental guidance, which helps to ensure the consistency and the quality of work papers. Ms. Perkins added that the Charter requires her to report if she ever has an independence or objectivity issue to the Board, and she confirmed that has none. A copy of the charter is available in the permanent record.</p>	<p><b>Moved by Mr. Lawrence Finder, seconded by Dr. Arthur Bracey, and unanimously accepted that the committee recommends that the Board approve item VI.</b></p>
<p><b>VII. Executive Session</b></p>	<p>At 8:30 a.m., Dr. Arthur Bracey stated that the Compliance &amp; Audit Committee would enter Executive Session as permitted by law.</p>	
<p><b>VIII. Reconvene</b></p>	<p>At 9:30 a.m., Dr. Arthur Bracey reconvened the meeting and stated that no action was taken in Executive Session.</p>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<p>A. Report by the Senior Vice President, Chief Cyber &amp; Information Security Officer, Regarding Harris Health System’s Cybersecurity Year End Review, Pursuant to Tex. Gov’t Code §418.183, Tex. Gov’t Code §551.089, and Tex. Health &amp; Safety Code §161.032, and Possible Action Upon Return to Open Session</p>		<p><b>No action taken.</b></p>
<p>B. Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA, Other Federal and State Healthcare Program Requirements, and an Update on the Status of Fraud and Abuse Investigations, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032, and Possible Action Regarding This Matter Upon Return to Open Session</p>		<p><b>No action taken.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
<p>C. Discussion Regarding Internal Audit Plan, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032, and Possible Action Upon Return to Open Session</p>	<p><i>Harris Health, by and through the Board of Trustees, approves the internal audit plan discussed in Executive Session.</i></p>	<p><b>Moved by Mr. Lawrence Finder, seconded by Dr. Arthur Bracey, and unanimously accepted that the committee recommends that the Board approve item VII.C.</b></p>
<p>D. Discussion Regarding Harris County Internal Audit Report on Harris Health System Patient Safety Incident Review and Audit, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032, Tex. Occ. Code Ann. §160.007, and Tex. Occ. Code Ann. §151.002, and Tex. Gov't Code Ann. §551.071</p>		<p><b>No action taken.</b></p>
<p>E. Discussion Regarding Harris County Internal Audit Report on Harris Health System Cash Management Review and Audit, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032</p>		<p><b>No action taken.</b></p>
<p>F. Discussion Regarding Harris County Auditor's Report on Harris Health System Outstanding Management Action Plans, Pursuant to Tex. Health &amp; Safety Code Ann. §161.032, Tex. Occ.</p>		<p><b>No action taken.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATIONS
Code Ann. §160.007, and Tex. Occ. Code Ann. §151.002		
G. Discussion Regarding Harris County Auditor’s Status Update on Harris Health’s Implementation of Recommendations from Alvarez and Marsal’s Gap Assessment, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Gov’t Code Ann. §551.071, Tex. Occ. Code Ann. §160.007, and Tex. Occ. Code Ann. §151.002		<b>No action taken.</b>
<b>IX. Adjournment</b>	Moved by Mr. Lawrence Finder, seconded by Dr. Arthur Bracey, and unanimously approved to adjourn the meeting. There being no further business, the meeting adjourned at 9:30 a.m.	

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 February 10, 2022.

Respectfully submitted,

Arthur Bracey, MD, Presiding Chair

Recorded by Yasmin Othman

**Thursday, February 10, 2022**

**Harris Health System Board of Trustees Board Meeting – Compliance & 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](mailto:BoardofTrustees@harrishealth.org) before close of business the day of the meeting.

COMPLIANCE & AUDIT COMMITTEE BOARD MEMBERS PRESENT	COMPLIANCE & AUDIT COMMITTEE BOARD MEMBERS ABSENT	OTHER BOARD MEMBERS PRESENT
Dr. Arthur Bracey (Ex-Officio)	Dr. Andrea Caracostis (Chair)	
Mr. Lawrence Finder		
<b>EXECUTIVE LEADERSHIP</b>		
Dr. Ann Barnes, Executive Vice President & Chief Medical Executive		
Ms.Carolynn Jones, Executive Vice President & Chief Compliance and Risk Officer		
Mr. David Chou, Senior Vice President & Chief Information Officer		
Ms. Errika Perkins, Chief Assistant County Auditor, Harris County Auditor’s Office		
Dr. Esmail Porsa, President & Chief Executive Officer		
Dr. Glorimar Medina-Rivera, Executive Vice President, Ben Taub Hospital		
Dr. Jackie Brock, Executive Vice President & Chief Nursing Executive		
Mr. Jeffrey Vinson, Senior Vice President, Chief Information Security Officer		
Dr. Jennifer Small, Interim Executive Vice President, Ambulatory Care Services		
Mr. Louis Smith, Senior Executive Vice President & Chief Operating Officer		
Ms. Maria Cowles, Senior Vice President, Chief of Staff		
Dr. Matasha Russell, Chief Medical Officer, Ambulatory Care Services		
Mr. Michael Hill, Executive Vice President, Chief Strategy & Integration Officer		
Mr. Michael Norby, Executive Vice President & Chief Financial Officer		
Mr. Omar Reid, Senior Vice President, Human Resources		
Dr. Sandeep Markan, Chief of Staff, Ben Taub Hospital		
Ms. Sara Thomas, Vice President Legal Affairs/Managing Attorney, Harris County Attorney’s Office		
Ms. Sharon Brantley Smith, Assistant County Auditor, Harris County Auditor’s Office		
Dr. Steven Brass, Executive Vice President & Chief Medical Executive		
Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson Hospital		
Ms. Victoria Nikitin, Senior Vice President, Finance		
<b>OTHERS PRESENT</b>		

Aown Syed	Matthew Schlueter
Anthony Williams	Nicholas Bell
Antoinette Cotton	Paul Lopez
Cherry Pierson	Randy Manarang
Chris Clark (BKD)	Rika Waldrop
Daniel Smith	Tai Nguyen
David Attard	Vivian Ho-Nguyen
Ebon Swofford	Xylia Rosenzweig
Jennifer Zarate	Yasmin Othman
Jerald Summers	

Thursday, May 12, 2022

**Presentation of Internal Audit Annual Status Update**

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



# HARRIS HEALTH SYSTEM

## Internal Audit Status Update

May 12, 2022

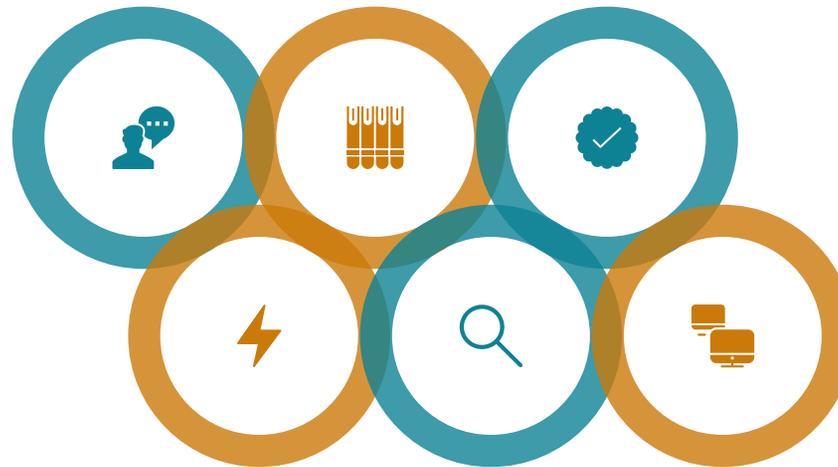
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## Our Mission

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### Mission

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



### 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.



# Audit Results & Audit Plan Status

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## Audit Results

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**Project Name:**  
Jail Pharmacy,  
Nursing, and  
Infection  
Prevention  
Assessment

**Project Objective:** Internal Audit, in conjunction with the Corporate Compliance Office, Nursing, and Infection Prevention, conducted agreed-upon procedures to assess the Harris County Sherriff's Office's (HCSO) nursing and pharmacy correctional health processes prior to Harris Health System's assumption of responsibilities.

**Scope:** On-site walk-throughs, interviews, and documentation reviews of HCSO's nursing, pharmacy, and infection prevention processes during October – November 2021.

**Overall Conclusion:** There are significant opportunities to improve certain correctional health operations to enhance the quality of patient care and ensure compliance with regulatory guidelines. The areas of improvement include, but are not limited to:

- Controlled substances handling
- Records and inventory management
- Medication transaction accountability
- Space utilization
- Certain nursing guidelines, practices, and education
- Compliance with infection prevention standards

*The full audit report will be presented in Executive Session.*

## Audit Results



**Project Objective:** This is a continuous monitoring engagement to facilitate the development of corrective action plans (CAPs) and timelines to address A&M's recommendations; track action plan status; and determine whether there is sufficient evidence of the completed actions.

Summary Status:

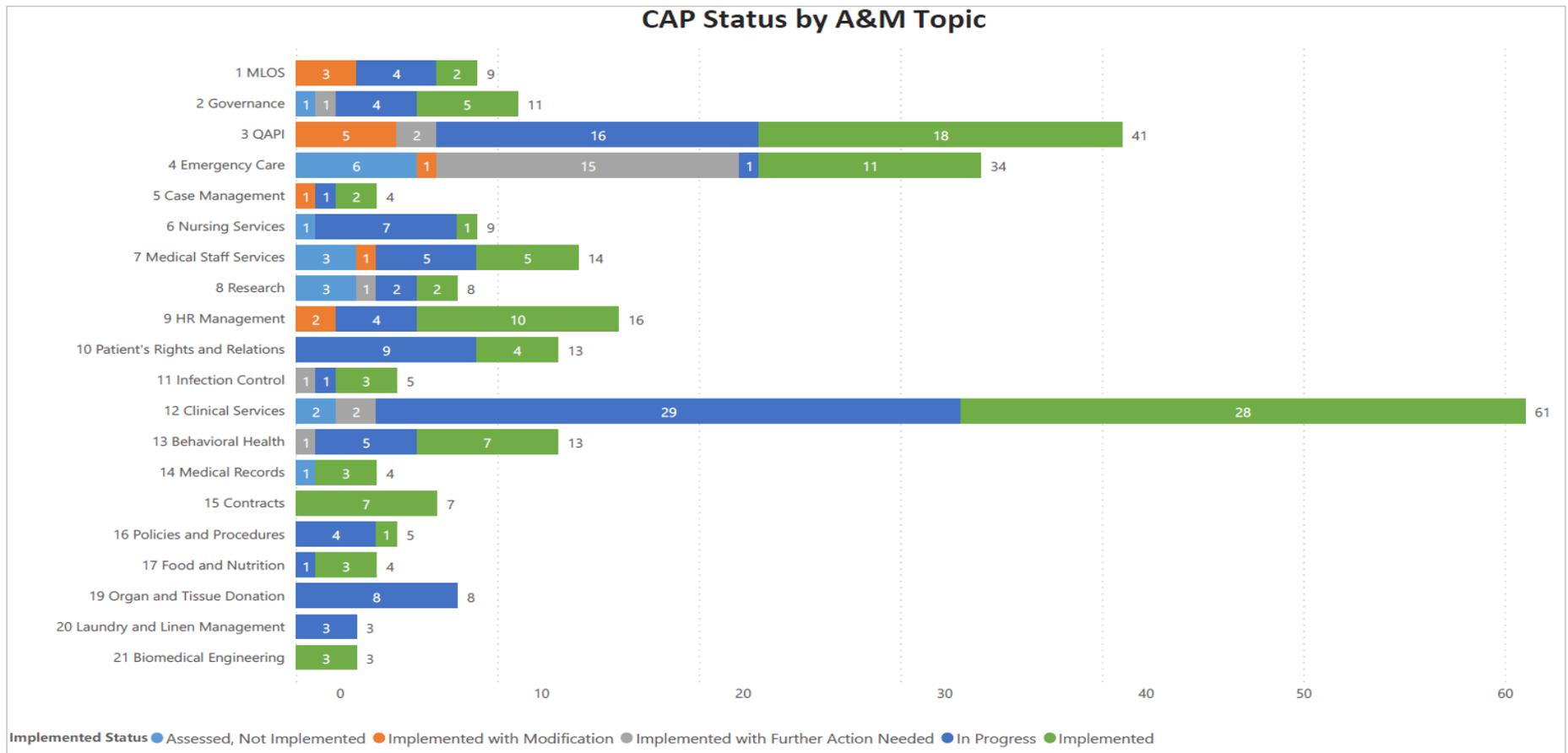
CAPs Documented (272/272) <b>100%</b>	Validations Completed (173/272) <b>64%</b>	Validations In Progress (99/272) <b>36%</b>
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**Completion Timeline:** Based on the due dates established by management for the outstanding action plans, validation work is expected to continue through calendar year 2022. Minimal work is expected in 2023 for three action plans with 2023 dates.

*The full audit report will be presented in Executive Session.*

# A&M Corrective Action Plan Status by Topic

The *In Progress* items are currently being validated or have future due dates.



## P.E. 9-30-2022 Audit Plan Status

### In Progress

- › Follow-up on Alvarez and Marsal Recommendations-  
*Fieldwork*
- › Physician Credentialing - *Fieldwork*
- › Business Continuity and Disaster Recovery - *Fieldwork*
- › Telemedicine Audit – *Planning* (co-sourced w/Corporate  
Compliance)
- › Management Action Plan Follow-up - Ongoing

### Not Started

- › HB 3834 Cybersecurity Training Compliance
- › UT Provider Invoice Payments (co-sourced w/Corporate  
Compliance)
- › Baylor Provider Invoice Payments (co-sourced w/Corporate  
Compliance)
- › Procurement Audit
- › Medical Device Audit
- › Vendor Invoice Payment Timeliness



# Follow-up on Management Action Plans

## Follow-up on Management Action Plans

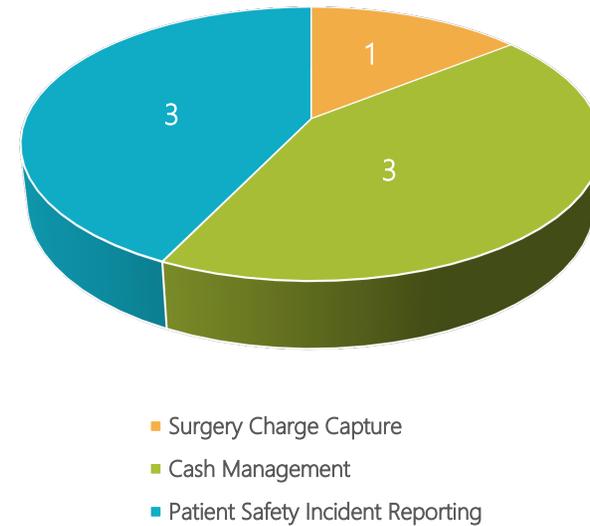
At the end of each audit engagement, HHSIA requests action plans and definitive implementation dates from management for remediating the risks associated with the issues identified during the audit.

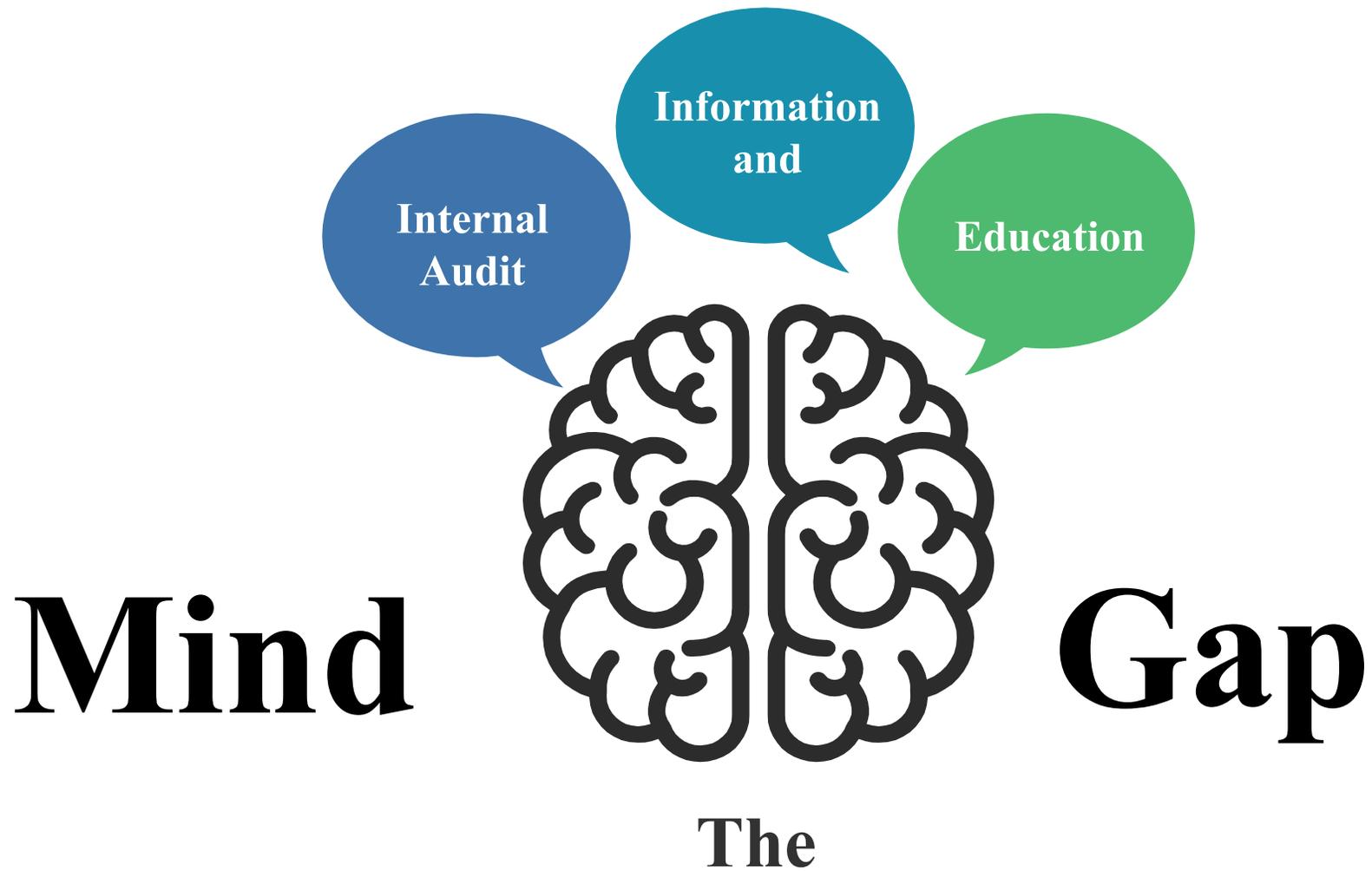
HHSIA follows up to confirm implementation of the management action plans (MAPs) and provides updates on any past-due MAPs with a HIGH priority for implementation.

Project Name	Outstanding Mgmt. Action Plans	High Priority Past Due
Surgery Charge Capture	1	0
Cash Management	3	1
Patient Safety Incident Reporting	3	0
<b>Total</b>	<b>7</b>	<b>1</b>

*Details of the one high-priority MAP will be discussed in Executive Session.*

Summary of Outstanding MAPs





## KNOWLEDGE SHARING Developments in Telemedicine

### The Federal Telehealth Extension and Evaluation Act

In February 2022, the Telehealth Extension and Evaluation Act was introduced, which would establish a two-year extension for certain COVID-10 emergency telehealth waivers. The objectives of the Act is to ensure patient access to telehealth after the public health emergency (PHE), allow more time to gather data related to virtual care utilization and effectiveness, and avoid a sudden drop in telehealth access.

In March 2022, headway was made when a bill was signed to extend Medicare coverage for telehealth services for 151 days after the PHE.

Key provisions of the bill are as follows:

- ✓ The definition of “originating site” was revised to mean any site where an “eligible telehealth individual is located” when services are performed. Telehealth services may continue to be delivered in patient homes, and Medicare coverage will not be restricted to services delivered at hospitals and other provider locations.
- ✓ Audio-only telehealth services will continue to be covered by Medicare.
- ✓ Physical therapists, occupational therapists, speech-language pathologists, and audiologists are included in the definition of distant site practitioners, and rural health centers and federally qualified health centers are now eligible as distant site practitioners.

**Sources:** *The National Law Review, February 15, 2022*

*Health Care Compliance Association Report on Medicare Compliance, March 12, 2022*

## KNOWLEDGE SHARING

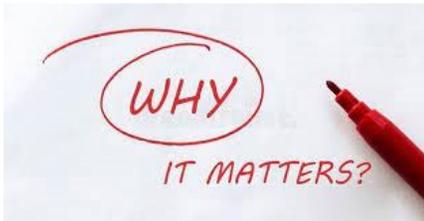
### Developments in Telemedicine (continued)

- Virtual Care is Transitioning Platforms at Harris Health

In May 2022, Harris Health System will transition from the web-based Doxy.me telemedicine platform, which enables providers to treat patients via videoconference. The organization will move to an Epic-centralized solution over two phases. The first, starting in May, utilizes Twilio as the video client. Twilio is a cloud-based HIPAA-compliant video-chat platform that allows providers with EPIC access to launch video visits, review relevant patient history, and update clinical documentation directly within Epic as the video encounter is live. The second phase will see Harris Health deploy AmWell (formerly American Well) within Epic to further enhance functionality to include transmitting health information (e.g., photos, video and peripheral device readings) directly into Epic. This functionality will support Harris Health's remote patient monitoring, correctional health, and Hospital at Home programs.

*Source: Leslie Ferrell, Administrative Director – Virtual Care*

- HHSIA Telemedicine Audit is in the planning phase





# Thank You

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**HARRIS  
HEALTH  
SYSTEM**

Thursday, May 12, 2022

**Communication by the Harris Health System Independent Auditor Regarding a  
Change in Accounting Practice for the Fiscal Year Ended September 30, 2023**

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Representatives from the external audit firm BKD, LLP, will provide an overview of the change in accounting practice related to recognition of ad valorem revenue for the fiscal year ended September 2023.

A copy of the discussion is attached.

### ***Ad Valorem Tax Revenues – Net***

Harris Health System is a component unit of Harris County. The Harris County Commissioners' Court levies a tax for the System as provided under state law. The taxes are collected by the Harris County Tax Assessor – Collector and are remitted to the System as received. On January 1, at the time of assessment, an enforceable lien is attached to the property for property taxes. Taxes are levied and become collectible from October 1 to January 31 of the succeeding year. Subsequent adjustments to the tax rolls, made by the County Assessor, are included in revenues in the period such adjustments are made by the County Assessor. Harris County also enters into property tax abatement agreements with local businesses under the state Property Redevelopment and *Tax Abatement Act*, Chapter 312, as well as its own guidelines and criteria, which is required under the Act.

Ad valorem tax revenues are not recognized as revenue when received but are rather recognized as revenue in the year for which the taxes are levied, net of provisions for uncollectible amounts, collection expenses and appraisal fees. Historically, Harris Health System followed Harris County in recognizing tax revenue generated from a January 1 assessment in the fiscal year beginning the following March 1. For example, funding resulting from the January 1, 2021 assessment was recognized from March 1, 2021 to February 28, 2022. This is due to the fact that the County approved the 2021 tax rates based on consideration of the January 1, 2021 assessments and its budgeted needs for the period from March 1, 2021 to February 28, 2022.

With the change in the Harris County's and Harris Health System's fiscal year end from February 28 to September 30, both entities will shift from considering the budgeted needs for the year ended February 28 to considering the budgeted needs for the year ended September 30. When the County approves the tax rates for 2022, those rates will be based on the budgeted needs of both entities for the period of October 1, 2022 to September 30, 2023. Because the 2021 levy was for the period of March 1, 2021 to February 28, 2022 and the 2022 levy will be for the period of October 1, 2022 to September 30, 2023, no ad valorem tax revenue will be recognized for the period of March 1, 2022 to September 30, 2022. This transition is required to adjust to the Harris County's and Harris Health System's new fiscal year end and to align the related budgeting and tax rate approval processes with that new fiscal year end.

Thursday, May 12, 2022

Discussion Regarding Future Compliance Committee Agenda Items

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## **Harris Health System Board of Trustees Compliance and Audit Committee Charter**

The Compliance and Audit Committee (“Committee”) of Harris Health System’s (“Harris Health”) Board of Trustees (“Board”) shall comprise at least three (3) voting members appointed by the Chair of the Board, one of whom shall be designated by the Board Chair as Chair of the Committee, and the County Auditor or his/her designee shall be an ex-officio, non-voting member as it pertains to the internal audit function. The Chair of the Board shall be an ex-officio, non-voting member of the Committee. The Committee shall meet no less than four (4) times per year. . The meetings of the Committee are open to the public and shall be conducted in accordance with the Texas Open Meetings Act. The Committee may, when necessary, meet in closed executive session as allowed by the Texas Open Meetings Act. The agendas, minutes and materials submitted to the Committee are public information to the extent provided in the Texas Public Information Act.

The primary responsibility of the Committee is to oversee Harris Health’s Corporate Compliance, internal audit, and external audit functions on behalf of the Board. The Committee recognizes the Harris County Auditor Office’s authority and responsibilities to provide Harris Health with audit services, an audit plan, and to report to the Committee and Board in accordance with the previously executed memorandum of understanding.

### **The Committee shall perform the following:**

#### **Compliance Related Duties:**

1. Annually review the overall effectiveness of the Harris Health Compliance Program based on the U.S. Federal Sentencing Guidelines, Office of Inspector General U.S Department of Health and Human Services guidance, and other applicable guidance;
2. Review and recommend for adoption to the Board, the annual Compliance Program Risk Assessment and Compliance Auditing and Monitoring Plan to ensure that Harris Health is focused on mitigating the greatest compliance risks;
3. Review certain Harris Health Policies and Procedures and recommend to the Board for approval.
4. Provide an open venue for communication among the Executive Vice President, Chief Compliance and Risk Officer (CCRO), and the Board including receiving regular updates from the CCRO regarding compliance matters and activities, including periodic reports

from the CCRO regarding compliance with Medicare, Medicaid, HIPAA, and other Federal and State health care program requirements and a status of fraud and abuse investigations.

5. Perform any other activities consistent with this Charter, the Bylaws, Harris Health Policies and Procedures, and applicable laws as the CCRO, Committee Chair or Board Chair deems necessary or appropriate.

**Audit Related Duties:**

1. Oversight and direction of Harris Health’s internal audit function as performed by the Harris County Auditor’s Office to ensure alignment of activities with areas of high risk and/or areas with potential for adding organizational value including:
  - a. Annually review and recommend approval of internal audit charter;
  - b. Annually review the proposed internal audit plan for Harris Health for the coming year and the coordination of such plan with the independent external audit, compliance and risk management functions;
  - c. Periodically review status of the audit plan;
  - d. Meet with and receive reports of the internal auditors; review relevant findings and recommendations;
  - e. Provide sufficient opportunity for the internal auditors to meet with members of the Committee and the Board.
2. Oversight and direction of Harris Health’s external audit function including:
  - a. Oversee selection of external auditors and recommend appointment of such auditors;
  - b. Review reports of any external audit firms contracted to perform financial, reporting, accounting, or internal audit activities;

Review the effectiveness of financial internal controls.

Thursday, May 12, 2022

Executive Session

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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 and a Status of Fraud and Abuse Investigations, Pursuant to Texas Health & Safety Code §161.032, and Possible Action Regarding This Matter Upon Return to Open Session

This information is being presented for informational purposes only.

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Thursday, May 12, 2022  
Executive Session Agenda Item

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Discussion Regarding Harris County Internal Audit Report on Harris Health System  
Outstanding Management Action Plans, Pursuant to Tex. Health & Safety Code Ann.  
§161.032

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Thursday, May 12, 2022  
Executive Session Agenda Item

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Discussion Regarding Harris County Internal Audit Report on the Harris Health System Correctional Health Pharmacy, Nursing and Infection Prevention Assessment, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Gov't Code Ann. §551.071, Tex. Occ. Code Ann. §160.007, and Tex. Occ. Code Ann. §151.002

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Thursday, May 12, 2022  
Executive Session Agenda Item

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Discussion Regarding Harris County Auditor's Status Update on Harris Health's Implementation of Recommendations from Alvarez and Marsal's Gap Assessment, Pursuant to Tex. Health & Safety Code Ann. §161.032, Tex. Gov't Code Ann. §551.071, Tex. Occ. Code Ann. §160.007, and Tex. Occ. Code Ann. §151.002

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