

Monday, June 30, 2025

8:30 A.M.

BOARD ROOM

4800 Fournace Place, Bellaire, TX 77401

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

\*Notice: Some Board Members may participate by videoconference.

Mission

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

AGENDA

- |   |               |          |
|---|---------------|----------|
| I. Call to Order and Record of Attendance   | Dr. Cody Pyke | 2 min    |
| II. <a href="#">Approval of the Minutes of Previous Meeting</a>   | Dr. Cody Pyke | 1 min    |
| • <a href="#">Board Meeting – May 22, 2025</a>  |               |          |
| III. Announcements / Special Presentations  | Dr. Cody Pyke | 10 min   |
| A. CEO Report Including Special Announcements – <i>Dr. Esmaeil Porsa</i>  |               | (5 min)  |
| B. Board Member Announcements Regarding Board Member Advocacy and Community Engagements   |               | (5 min)  |
| IV. <a href="#">Public Comment</a>  | Dr. Cody Pyke | 3 min    |
| V. Discussion Regarding Board Governance Best Practices – <i>Ms. Karma Bass, Via Healthcare Consulting</i>  |               | 30 min   |
| VI. Executive Session   | Dr. Cody Pyke | 60 min   |
| A. Deliberations Regarding the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee, Pursuant to Tex. Gov't Code Ann. §§551.071, 551.074 – <i>Ms. Karma Bass, Via Healthcare Consulting</i>  |               | (5 min)  |
| B. Consultation with Attorney Regarding Expansion of Oncology Service Line on the LBJ Campus, to Include Radiation Therapy and Infusion Services, Pursuant to Tex. Gov't Code Ann. §§551.071, 551.085, and Possible Action Upon Return to Open Session – <i>Ms. Sara Thomas and Dr. Esmaeil Porsa</i> |               | (10 min) |
| C. <a href="#">Consultation with Attorneys Regarding Harris Health's Medical School Affiliation and Support Agreements, Pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Upon Return to Open Session – Mr. Louis Smith and Ms. Sara Thomas</a>  |               | (10 min) |

(5 min)

- D. [Report Regarding Quality of Medical and Healthcare, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007 and Tex. Health & Safety Code Ann. §161.032 to Receive Peer Review and/or Medical Committee Report, Including Report of the Medical Executive Board in Connection with the Evaluation of the Quality of Medical and Healthcare Services, and also the Harris Health Quality, Safety Performance Measures, Good Catch Recipients, Centers for Medicare and Medicaid Services Quality Reporting with Possible Action Regarding this Matter Upon Return to Open Session – Dr. Yashwant Chathampally](#)

(10 min)

- E. [Medical Executive Board Report and Credentialing Discussion, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007 and Tex. Health & Safety Code Ann. §161.032 to Receive Peer Review and/or Medical Committee Report, Including Consideration of Approval of Credentialing Changes for Members of Harris Health Medical Staff Upon Return to Open Session – Dr. Kunal Sharma and Dr. Asim Shah](#)

(5 min)

- F. [Report Regarding Harris Health Correctional Health Quality of Medical and Healthcare, Including Credentialing Discussion and Operational Updates, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007, Tex. Health & Safety Code Ann. §161.032 and Tex. Gov't Code Ann. §551.071 to Receive Peer Review and/or Medical Committee Report with Possible Action Upon Return to Open Session – Dr. O. Reggie Egins](#)

(15 min)

- G. Consultation with Attorney Regarding Deliberation of the Purchase, Exchange, Lease or Value of Real Property, Pursuant to Tex. Gov't Code Ann. §§551.071, 551.072, and Possible Action Upon Return to Open Session  
– Dr. Esmaeil Porsa and Ms. Sara Thomas

## VII. Reconvene to Open Meeting

Dr. Cody Pyke 2 min

- VIII. Discussion Related to Ben Taub Infrastructure and Notice to the City of Houston, Texas (the "City"), Regarding Chapter 26 Hearing on a Proposed Taking by Eminent Domain of Approximately 8.9 Acres out of Hermann Park Adjacent to Ben Taub Hospital for a Project to Expand the Hospital's Facilities  
– Dr. Esmaeil Porsa

Dr. Cody Pyke 5 min

## IX. General Action Item(s)

Dr. Cody Pyke 4 min

- A. General Action Item(s) Related to Quality: Medical Staff

1. [Consideration of Approval of Credentialing Changes for Members of Harris Health Medical Staff – Dr. Kunal Sharma](#)

(2 min)

- B. General Action Item(s) Related to Quality: Correctional Health Medical Staff

1. [Consideration of Approval of Credentialing Changes for Members of Harris Health Correctional Health Medical Staff – Dr. O. Reggie Egins](#)

(2 min)

## X. Strategic Discussion

Dr. Cody Pyke 25 min

- A. Harris Health Strategic Plan Initiatives

1. [Presentation Regarding the Harris Health Budget Process – Ms. Victoria Nikitin and Ms. Alison Perez](#)

(20 min)

**B. Committee Report(s)****Dr. Cody Pyke***(5 min)*

- June 13, 2025: Governance Committee

**XI. New Items for Board Consideration****Dr. Cody Pyke****32 min**

- A.** Discussion and Appropriate Action Calling an Interim Officer Election for the Current Term (2025) Resulting from the Vacancy in the Office of Board Vice Chair and any other Resulting Vacancies Required by Article V, Section 3 of the Harris Health Board of Trustees Bylaws

*(10 min)*

- B.** [Consideration of Approval of a Resolution Setting the Rate of Mandatory Payment for the Harris County Hospital District Local Provider Participation Fund and Notice of Public Hearing – Ms. Victoria Nikitin](#)

*(5 min)*

- C.** [Consideration of Approval of Staffing Plans and Payment for the Contracted Services Specified in the Harris Health Operating and Support Agreement with Baylor College of Medicine \(BCM\) for the Contract Year Ended June 30, 2026 – Ms. Victoria Nikitin and Mr. Louis Smith](#)

*(5 min)*

- D.** [Consideration of Approval of Staffing Plans and Payment for the Contracted Services Specified in the Harris Health Operating and Support Agreement with The University of Texas Health Science Center at Houston \(UT Health\) for the Contract Year Ended June 30, 2026 – Ms. Victoria Nikitin and Mr. Louis Smith](#)

*(5 min)*

- E.** [Presentation of the Harris County Hospital District 401\(k\) and Pension Plan Independent Auditor's Reports and Overview for the Fiscal Year Ended December 31, 2024 – Mr. Ryan Singleton, Forvis Mazars](#)

*(5 min)*

1. [Consideration of Acceptance of the Harris County Hospital District 401\(k\) Plan Independent Auditor's Report and Financial Statements for the Years Ended December 31, 2024 and 2023 – Mr. Ryan Singleton, Forvis Mazars](#)

*(1 min)*

2. [Consideration of Acceptance of the Harris County Hospital District Pension Plan Independent Auditor's Report and Financial Statements for the Years Ended December 31, 2024 and 2023 – Mr. Ryan Singleton, Forvis Mazars](#)

*(1 min)***XII. Consent Agenda Items****Dr. Cody Pyke****5 min****A. Consent Purchasing Recommendations**

1. [Consideration of Approval of Purchasing Recommendations \(Items A1 through A13 of the Purchasing Matrix\) – Ms. Paige McInnis and Mr. Jack Adger, Harris County Purchasing Office](#)  
[\(See Attached Expenditure Summary: June 30, 2025\)](#)

**B. Consent Grant Recommendations**

1. [Consideration of Approval of Grant Recommendations \(Items B1 through B2 of the Grant Matrix\) – Dr. Jennifer Small \(B1\) and Mr. Jeffrey Baker \(B2\)](#)  
[\(See Attached Grant Matrix: June 30, 2025\)](#)

**C. New Consent Items for Board Approval**

1. Consideration of Approval of Ms. Ingrid Robinson as Chair and Ms. Sima Ladjevardian as Vice Chair of the Board of Trustees Budget & Finance Committee – ***Board of Trustees***
2. Consideration of Approval of the Appointment of Mr. Paul Puente as a Member of the Board of Trustees Budget & Finance and Compliance & Audit Committees – ***Board of Trustees***
3. Consideration of Approval of Ms. Sima Ladjevardian as Chair of the Board of Trustees Governance Committee – ***Board of Trustees***
4. [Consideration of Approval of a Board Resolution Renaming the Monroe Clinic to Harris Health Urgent Care at Strawberry Health Center – Dr. Jennifer Small](#)
5. [Consideration of Acceptance of the Harris Health May 2025 Financial Report Subject to Audit – Ms. Victoria Nikitin](#)

**D. Consent Reports and Updates to the Board**

1. [Updates Regarding Pending State and Federal Legislative and Policy Issues Impacting Harris Health – Mr. R. King Hillier](#)
2. [Staffing Advisory Committee's Semi-Annual Evaluation of the Nurse Staffing Plan & Aggregate Staffing Variance – Dr. Jackie Brock](#)

*{End of Consent Agenda}*

**XIII. Item(s) Related to the Health Care for the Homeless Program****Dr. Cody Pyke****15 min**

- A. [Review and Acceptance of the Following Reports for the Health Care for the Homeless Program \(HCHP\) as Required by the United States Department of Health and Human Services, which Provides Funding to the Harris County Hospital District d/b/a/Harris Health to Provide Health Services to Persons Experiencing Homelessness under Section 330\(h\) of the Public Health Service Act – Dr. Jennifer Small and Ms. Tracey Burdine](#)
  - [HCHP June 2025 Operational Update](#)
- B. Consideration of Approval of the HCHP Consumer Advisory Council Report – ***Dr. Jennifer Small and Ms. Tracey Burdine***
- C. Consideration of Approval of the HCHP Revised Bylaws – ***Dr. Jennifer Small and Ms. Tracey Burdine***
- D. [Consideration of Approval of the HCHP 2024 Annual Progress Report – Dr. Jennifer Small and Ms. Tracey Burdine](#)
- E. Consideration of Approval of the HCHP Quality Management Report – ***Dr. Jennifer Small and Ms. Tracey Burdine***

*(11 min)**(1 min)**(1 min)**(1 min)**(1 min)*



<b>XIV. Executive Session</b>	<b>Dr. Cody Pyke</b>	<b>65 min</b>
<p>H. <a href="#"><u>Review of the Community Health Choice, Inc. and Community Health Choice Texas, Inc. Financial Performance for the Four Months Ending April 30, 2025, Pursuant to Tex. Gov't Code Ann. §551.085 – Ms. Lisa Wright, CEO and Ms. Anna Mateja, CFO, Community Health Choice</u></a></p> <p>I. Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Tex. Gov't Code Ann. §551.071 and Tex. Health &amp; Safety Code Ann. §161.032, and Possible Action Regarding this Matter Upon Return to Open Session – <b>Ms.Carolynn Jones</b></p> <p>J. <a href="#"><u>Consultation with Attorney Regarding Settlement with the State of Texas Health and Human Services Commission - Office of Inspector General Related to Reimbursement of Medicaid Payments, Pursuant to Tex. Gov't Code Ann. §551.072, and Possible Action Upon Return to Open Session – Ms. Ebon Swofford</u></a></p> <p>K. Discussion Regarding the Chief Executive Officer (CEO) Evaluation, Pursuant to Tex. Gov't Code Ann. §551.074, and Possible Action Upon Return to Open Session – <b>Board of Trustees</b></p>	<p>(10 min)</p> <p>(5 min)</p> <p>(5 min)</p> <p>(45 min)</p>	
<b>XV. Reconvene</b>	<b>Dr. Cody Pyke</b>	<b>2 min</b>
<b>XVI. Adjournment</b>	<b>Dr. Cody Pyke</b>	<b>1 min</b>

MINUTES OF THE HARRIS HEALTH BOARD OF TRUSTEES

Board Meeting

Thursday, May 22, 2025

10:00 A.M.

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
<b>I. Call to Order and Record of Attendance</b>	The meeting was called to order at 10:01 a.m. by Dr. Andrea Caracostis, Chair. It was noted that a quorum was present, and the attendance was recorded. Dr. Caracostis noted that while some Board members were present in person, others were participating via videoconference, in accordance with state law and the Harris Health Videoconferencing Policy. The meeting was accessible for public viewing online through the Harris Health website: <a href="http://harrishealthtx.swagit.com/live">http://harrishealthtx.swagit.com/live</a> .	<b>A copy of the attendance is appended to the archived minutes.</b>
<b>II. Approval of the Minutes of Previous Meeting</b>	<ul style="list-style-type: none"> <li>Board Meeting – April 30, 2025</li> </ul>	<b><u>Motion No. 25.05-44</u> Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve the minutes of April 30, 2025, Board meeting. Motion carried.</b>
<b>III. Announcements/ Special Presentations</b>	<p><b>A. CEO Report Including Special Announcements</b></p> <p>Dr. Esmaeil Porsa, President and Chief Executive Officer (CEO), provided the following updates:</p> <ul style="list-style-type: none"> <li>Lyndon B. Johnson (LBJ) and Ben Taub (BT) Hospitals recently completed the Nursing Magnet Status Recertification Survey.</li> <li>Updates were provided on the following projects currently in the construction phase: <ul style="list-style-type: none"> <li>Holly Hall Operations Center</li> <li>Ben Taub Hospital MRI Suite Expansion</li> <li>LBJ Parking Garage Solar Panel Installation</li> <li>LBJ Radiology Interventional Department Reconfiguration</li> <li>LBJ Expansion Hospital</li> </ul> </li> <li>Dr. Porsa shared highlights of Patient and Family Advisory Councils (PFAC) activities, including the kickoff meeting for the Ambulatory Care Services PFAC, held on May 14th.</li> </ul> <p>Mr. Paul Puente inquired about outreach efforts related to contracting for the ongoing construction projects and asked about the established protocol. Dr. Porsa stated that the organization casts a wide net to engage small businesses within Harris County. He also recommended inviting Mr. Derek Holmes, Vice President of Contract Administration and Contract Diversity, to return to the Board with a formal update on these efforts.</p>	<b>As Presented.</b>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	<p><b>B. Board Member Announcements Regarding Board Member Advocacy and Community Engagements</b></p> <p>Dr. Caracostis stated that the Harris Health System Board of Trustees is pleased to welcome its newest trustee, Mr. Philip Sun. He was appointed to the Board at the May 8, 2025, meeting of the Harris County Commissioners Court, for a term ending May 8, 2027.</p> <p>She noted that Mr. Sun brings extensive leadership experience from across major health care systems, universities, medical research institutes, colleges, health care nonprofits, and foundations. His background includes comprehensive management of capital programs—spanning planning, design, and construction—as well as oversight of finance and administration, facilities management, security, information technology, ancillary services, and real estate portfolios.</p> <p>Dr. Caracostis added that Mr. Sun holds a Bachelor of Arts and a graduate degree in Architecture with a specialization in health care, both from Rice University.</p> <p>On behalf of the Board, she extended a warm welcome to Mr. Sun and expressed her enthusiasm for working with him in service to patients and residents of Harris County.</p> <p>Dr. Caracostis also expressed her sincere appreciation to Mr. Jim Robinson for his dedicated service and valuable contributions over the past two years. She acknowledged Mr. Robinson’s significant impact as Chair of the Budget and Finance Committee and noted his service on the Compliance and Audit Committee, the Ambulatory Surgical Center at LBJ Governing Body, and in various other important roles.</p>	As Presented.
<b>IV. Public Comment</b>	Ms. Cynthia Cole, Executive Director of Local #1550 – AFSCME (American Federation of State, County, and Municipal Employees), addressed the Board regarding concerns related to the Emergency Medical Technician (EMT) department, including equipment issues, safety challenges in the Emergency Center, training needs. She also raised issues related to the Patient Financial Services department at the MLK Health Center and inquired about protocols for handling domestic or wild animals.	As Presented.
<b>V. Executive Session</b>	At 10:16 a.m., Dr. Caracostis stated that the Board would enter Executive Session for Items V. ‘A through C’ as permitted by law under Tex. Health & Safety Code Ann. §161.032, Tex. Occ. Code. Ann. §§ 151.002, 160.007 and Tex. Gov’t Code Ann. §551.071.	
	<p><b>A. Report Regarding Quality of Medical and Healthcare, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007 and Tex. Health &amp; Safety Code Ann. §161.032 to Receive Peer Review and/or Medical Committee Report, Including Report of the Medical Executive Board in Connection with the Evaluation of the Quality of Medical and Healthcare Services, and also the Harris Health Quality, Safety Performance Measures, Good Catch Recipients, Centers for Medicare and Medicaid Services Quality Reporting with Possible Action Regarding this Matter Upon Return to Open Session</b></p>	No Action Taken.

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	<b>B.</b> Medical Executive Board Report and Credentialing Discussion, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007 and Tex. Health & Safety Code Ann. §161.032 to Receive Peer Review and/or Medical Committee Report, Including Consideration of Approval of Credentialing Changes for Members of Harris Health Medical Staff Upon Return to Open Session	<b>No Action Taken.</b>
	<b>C.</b> Report Regarding Harris Health Correctional Health Quality of Medical and Healthcare, Including Credentialing Discussion and Operational Updates, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007, Tex. Health & Safety Code Ann. §161.032 and Tex. Gov't Code Ann. §551.071 to Receive Peer Review and/or Medical Committee Report with Possible Action Upon Return to Open Session	<b>No Action Taken.</b>
<b>VI. Reconvene to Open Meeting</b>	At 10:24 a.m., Dr. Caracostis reconvened the meeting in open session; she noted that a quorum was present, and that no action was taken in Executive Session.	
<b>VII. General Action Item(s)</b>		
	<b>A.</b> General Action Item(s) Related to Quality: Medical Staff	
	<p>1. Approval of Credentialing Changes for Members of the Harris Health Medical Staff</p> <p>Dr. Kunal Sharma, Chair, Medical Executive Board, presented the credentialing changes for members of the Harris Health Medical Staff. In May 2025, there were sixteen (16) initial appointments, fifty – six (56) reappointments, six (6) changes/additions of privileges, and thirteen (13) resignations. A copy of the credentialing report is available in the permanent record.</p>	<b><u>Motion No. 25.05-45</u></b> <b>Moved by Dr. Cody Pyke, seconded by Ms. Ingrid Robinson, and unanimously passed that the Board approve agenda item VII.A.1. Motion carried.</b>
	<p>2. Approval of Changes to the Nurse Practitioner and Physician Assistant General Clinical Privileges</p> <p>A copy of the Nurse Practitioner and Physician Assistant General Clinical Privileges is available in the permanent record.</p>	<b><u>Motion No. 25.05-46</u></b> <b>Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda item VII.A.2. Motion carried.</b>
	<b>B.</b> General Action Item(s) Related to Quality: Correctional Health Medical Staff	
	<p>1. Approval of Credentialing Changes for Members of the Harris Health Correctional Health Medical Staff</p> <p>Dr. Otis Ekins, Chief Medical Officer, Harris Health Correctional Health, presented the credentialing changes for members of the Harris Health Correctional Health Medical Staff. In May 2025, there were three (3) initial appointments, two (2) reappointments, and two (2) resignations. A copy of the credentialing report is available in the permanent record.</p>	<b><u>Motion No. 25.05-47</u></b> <b>Moved by Ms. Carol Paret, seconded by Dr. Cody Pyke, and unanimously passed that the Board approve agenda item VII.B.1. Motion carried.</b>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
<b>VIII. Strategic Discussion</b>		
	<b>A. Harris Health Strategic Plan Initiatives</b>	
	1. Presentation Regarding Patient and Family Advisory Council (PFAC) Update	<b>PULLED</b>
	2. Presentation Regarding the 2025 Harris Health Hurricane Preparedness and Emergency Response Update	<b>PULLED</b>
	<b>B. Committee Reports</b>	
	<ul style="list-style-type: none"> <li>• <b>May 8, 2025: Budget &amp; Finance Committee</b></li> <li>• <b>May 8, 2025: Compliance &amp; Audit Committee</b></li> <li>• <b>May 8, 2025: Joint Conference Committee</b></li> </ul> <p>Dr. Caracostis stated that the Budget and Finance Committee met on May 8, 2025, and discussed the following topics:</p> <ul style="list-style-type: none"> <li>• Mr. Derek Holmes, Vice President, Contract Administration &amp; Contractor Diversity, provided an update on Harris Health’s Contractor Diversity Annual Report.</li> <li>• Mr. Jay Camp, Director, Assistant Controller, Capital Assets, presented the following reports: <ul style="list-style-type: none"> <li>○ Harris Health Second Quarter Fiscal Year 2025 Investment Report</li> <li>○ Harris Health First Quarter Fiscal Year 2025 Pension Plan Report</li> <li>○ Harris Health March 2025 Quarterly Financial Report</li> </ul> </li> <li>• The Committee also received, for informational purposes only, the Annual Interest Rate Management Agreement Disclosure and the 2024 Annual Report of the 401k and 457b Administrative Committee Activities.</li> </ul> <p>She also noted that the Joint Conference Committee met on May 8, 2025, and discussed the following topics:</p> <ul style="list-style-type: none"> <li>• Dr. Kunal Sharma, Chair of the Medical Executive Board, and Dr. Asim Shah, Vice Chair of the Medical Executive Board, provided the Committee with an update on the activities of the MEB.</li> <li>• Dr. Tien Ko, Chief of Staff at LBJ, and Dr. Sandeep Markan, Chief of Staff at BT, shared updates on the system pavilions.</li> </ul> <p>The Compliance and Audit Committee met on May 8, 2025, and discussed the following topics:</p>	<b>As Presented.</b>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	<ul style="list-style-type: none"> <li>Mr. Ryan Singelton, with Forvis Mazars, LLP, presented the Harris Health Independent Auditor’s Planning Communication Regarding the Harris County Hospital District 401(k) and the Harris County Hospital District Pension Benefit Plans for the Year Ended December 31, 2024.</li> <li>Ms. Sharon Brantley-Smith, with the Harris County Internal Auditor’s Office, presented the Internal Audit Quarterly Update, which included: <ul style="list-style-type: none"> <li>She communicated that two new Senior Auditors recently join the audit team.</li> <li>Summary Status of FY 2025 Internal Audit Plan – The Audit Plan is 29% complete, with eight engagements in progress and four engagements not started.</li> <li>Overview of Completed engagements – The Correctional Health Provider Invoice Audit and the MOVEit Incident Response Assessment were recently completed. The Drug Oversight Assessment was mentioned at the February Compliance and Audit Committee Meeting, and the report was presented at the May meeting.</li> <li>Summary of Outstanding Management Action Plans (MAPs) – There were 16 outstanding MAPs from six prior engagements. The action plans were outstanding because the due dates had not yet passed, or Internal Audit’s validation was in progress. The outstanding MAPs include one past-due, high-priority item which was discussed in Executive Session.</li> </ul> </li> </ul> <p>Next, Internal Audit will be working to complete in-progress engagements, finalize the Internal Audit Strategic Plan for presentation to the Compliance and Audit Committee in September, and kick off the FY26 annual risk assessment process.</p>	
<b>IX. New Items for Board Consideration</b>	<b>A.</b> Approval for Funding of \$71,000,000 for the Calendar Year 2025 Harris County Hospital District Pension Plan	<b>Motion No. 25.05-48</b> <b>Moved by Ms. Libby Viera - Bland, seconded by Ms. Ingrid Robinson, and unanimously passed that the Board approve agenda item IX.A. Motion carried.</b>
<b>X. Consent Agenda Items</b>		
	<b>A.</b> Consent Purchasing Recommendations	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	<p>1. Approval of Purchasing Recommendations (Items A1 through A7 of the Purchasing Matrix)</p> <p>Dr. Caracostis stated that the purchasing recommendations (Items A1 through A13 of the purchasing matrix) were included in the Board packet. She noted that Agenda Item A2 is being presented for informational purposes only. A copy of the purchasing agenda is available in the permanent record.</p>	<p><b><u>Motion No. 25.05-49</u></b>  <b>Moved by Mr. Paul Puente, seconded by Ms. Libby Viera - Bland, and unanimously passed that the Board approve agenda item X.A.1. of the purchasing recommendations (A1 through A7 of the purchasing matrix). Motion carried.</b></p>
	<b>B. Consent Committee Recommendations</b>	
	1. Acceptance of the Harris Health Second Quarter Fiscal Year 2025 Investment Report	<p><b><u>Motion No. 25.05-50</u></b>  <b>Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.</b></p>
	2. Acceptance of the Harris Health First Quarter Fiscal Year 2025 Pension Plan Report	<p><b><u>Motion No. 25.05-50</u></b>  <b>Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.</b></p>
	3. Acceptance of the Harris Health March 2025 Quarterly Financial Report Subject to Audit	<p><b><u>Motion No. 25.05-50</u></b>  <b>Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.</b></p>
	<b>C. Consent Grant Recommendations</b>	
	1. Approval of Grant Recommendations (Item C1 through C3 of the Grant Matrix)	<p><b><u>Motion No. 25.05-50</u></b>  <b>Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.</b></p>
	<b>D. New Consent Items for Board Approval</b>	

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	1. Approval of Revisions to the Harris Health Patient Safety Plan	<u>Motion No. 25.05-50</u> Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.
	2. Approval to Acquire a Portion of Harrington Street in Exchange for Consideration and the Conveyance of an Easement to the City of Houston	<u>Motion No. 25.05-50</u> Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.
	3. Approval to Convey a Perpetual Blanket Easement and Right of Way to CenterPoint Energy Houston Electric, LLC on Harrington Street (the “Easement Area”) Adjacent to the Case de Amigos Health Center	<u>Motion No. 25.05-50</u> Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.
	4. Acceptance of the Harris Health April 2025 Financial Report Subject to Audit	<u>Motion No. 25.05-50</u> Moved by Ms. Libby Viera - Bland, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda items X.B – D. Motion carried.
	E. Consent Reports and Updates to the Board	
	1. Updates Regarding Pending State and Federal Legislative and Policy Issues Impacting Harris Health  <i>{End of Consent Agenda}</i>	For Information Only
XI. Item(s) Related to the Health Care for the Homeless Program		



AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	<p><b>A.</b> Review and Acceptance of the Following Reports for the Health Care for the Homeless Program (HCHP) as Required by the United States Department of Health and Human Services, which Provides Funding to the Harris County Hospital District d/b/a/Harris Health to Provide Health Services to Persons Experiencing Homelessness under Section 330(h) of the Public Health Service Act</p> <ul style="list-style-type: none"> <li>HCHP May 2025 Operational Update</li> </ul> <p>Dr. Nelson Gonzales, Grants Project Manager for the Health Care for the Homeless Program (HCHP), presented the May 2025 Operational Update. His report included the following components: the Productivity Report, Patient Satisfaction data, Budget Summary Report, and Carryover Budget.</p> <p>Dr. Gonzales reported that HCHP has served 3,333 unduplicated patients year-to-date, with a total of 10,536 visits. In April 2025 alone, HCHP served 1,472 unduplicated patients, with 3,002 visits completed. This includes 919 patients who received family planning services. He also shared patient satisfaction trending data for the fourth quarter, noting that results were above target in the following categories: recommend facility, recommend provider, provider listened, nurse listened, provider/nurse communication, and wait time.</p> <p>The budget summary for the period ending December 31, 2025, indicated that 15% of operating funds have been utilized. The underspending is primarily due to delays in billing from UT Dental. Dr. Gonzales noted that the program is actively working to establish a contract for psychiatric services. Additionally, Dr. Gonzales presented the 2025 carryover request, which includes an estimated \$629,078 to fund personnel, fringe benefits, and supplies.</p> <p>Dr. Porsa recognized HCHP for its increased productivity and staffing efforts. Dr. Gonzales emphasized that, with full staffing, two sites are now operating 40 hours per week, and two mobile units are currently deployed in the community. A copy of the presentation is available in the permanent record.</p>	<p><b><u>Motion No. 25.05-51</u></b>  <b>Moved by Dr. Cody Pyke, seconded by Ms. Libby Viera - Bland, and unanimously passed that the Board approve agenda item XI.A. Motion carried.</b></p>
	<p><b>B.</b> Approval of the HCHP Patient Satisfaction Report</p>	<p><b><u>Motion No. 25.05-52</u></b>  <b>Moved by Ms. Libby Viera - Bland, seconded by Ms. Carol Paret, and unanimously passed that the Board approve agenda item XI.B. Motion carried.</b></p>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	C. Approval of the HCHP Budget Summary Report	<b>Motion No. 25.05-53</b> Moved by Ms. Ingrid Robinson, seconded by Mr. Paul Puente, and unanimously passed that the Board approve agenda item XI.C. Motion carried.
	D. Approval of the HCHP 2025 Carryover Budget	<b>Motion No. 25.05-54</b> Moved by Ms. Libby Viera - Bland, seconded by Mr. Philip Sun, and unanimously passed that the Board approve agenda item XI.D. Motion carried.
<b>XII. Executive Session</b>	At 10:41 a.m., Dr. Andrea Caracostis stated that the Board would enter Executive Session for Items XII. 'D through H' as permitted by law under Tex. Gov't Code Ann. §§551.071, 551.072, 551.085 and Tex. Health & Safety Code Ann. §161.032.	
	<b>D. Discussion Regarding Committee Reviewed Reports, Pursuant to Tex. Gov't Code Ann. §551.085:</b> <ul style="list-style-type: none"> <li>Review of the Community Health Choice, Inc. and Community Health Choice Texas, Inc. Financial Performance for the Three Months Ending March 31, 2025, Pursuant to Tex. Gov't Code Ann. §551.085</li> <li>Review of the Community Health Choice, Inc. and Community Health Choice Texas, Inc. Audit Results and Audited Financial Statements for the Twelve Months Ending December 31, 2024, Pursuant to Tex. Gov't Code Ann. §551.085</li> </ul>	<b>No Action Taken.</b>
	<b>E. Report by the Executive Vice President, Chief Compliance and Risk Officer, Regarding Compliance with Medicare, Medicaid, HIPAA and Other Federal and State Health Care Program Requirements, Including Status of Fraud and Abuse Investigations, Pursuant to Pursuant to Tex. Gov't Code Ann. §551.071 and Tex. Health &amp; Safety Code Ann. §161.032, and Possible Action Regarding this Matter Upon Return to Open Session</b>	<b>No Action Taken.</b>
	<b>F. Consultation with Attorney Regarding Executive Orders, State and Federal Legislative Updates Impacting Harris Health, Pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Upon Return to Open Session</b>	<b>No Action Taken.</b>

AGENDA ITEM	DISCUSSION	ACTION/RECOMMENDATION
	<b>G.</b> Consultation with Attorneys Regarding Harris Health’s Medical School Affiliation and Support Agreements, Pursuant to Tex. Gov’t Code Ann. §551.71, and Possible Action Upon Return to Open Session	<b>No Action Taken.</b>
	<b>H.</b> Consultation with Attorney Regarding Deliberation of the Purchase, Exchange, Lease or Value of Real Property, Pursuant to Tex. Gov’t Code Ann. §551.072, and Possible Action Upon Return to Open Session	<b>No Action Taken.</b>
<b>XIII. Reconvene</b>	At 12:29 p.m. Dr. Andrea Caracostis, reconvened the meeting in open session; she noted that a quorum was present, and that no action was taken in Executive Session.	
<b>XIV. Adjournment</b>	There being no further business to come before the Board, the meeting adjourned at 12:30 p.m.	

I certify that the foregoing are the Minutes of the Harris Health Board of Trustees Meeting held on May 22, 2025.

Respectfully Submitted,

Andrea Caracostis, MD, MPH, Chair

Carol Paret, BS, Secretary

Minutes transcribed by Cherry A. Joseph, MBA

**Thursday, May 22, 2025**  
**Harris Health Board of Trustees Board Meeting Attendance**

BOARD MEMBERS PRESENT	BOARD MEMBERS ABSENT
Dr. Andrea Caracostis ( <i>Chair</i> )	Afsheen Davis
Dr. Cody Pyke ( <i>Vice Chair</i> )	Sima Ladjevardian
Carol Paret ( <i>Secretary</i> )	
Ingrid Robinson	
Libby Viera-Bland	
Paul Puente	
Philip Sun	

EXECUTIVE LEADERSHIP/STAFF/ SPECIAL INVITED GUESTS	
Alexander Barrie	Jennifer Zarate
Dr. Amy Smith	Jerry Summers
Anna Mateja ( <i>Community Health Choice</i> )	Jessey Thomas
Anthony Williams	Joe Zimmerman ( <i>Turner &amp; Townsend Heery</i> )
Dr. Anwar Mohammad Sirajuddin	John Matcek
Dr. Asim Shah	Dr. Joseph Kunisch
Barron Wallace ( <i>Bracewell</i> )	Dr. Kunal Sharma
Carolynn Jones	Laura Shamailov ( <i>AEH's Essential Women Leadership Academy</i> )
Cherry Joseph	Lawrence Bell ( <i>Harris County Precinct 3</i> )
Cornelius Sabastian Berry ( <i>Harris County Attorney's Office</i> )	Louis Smith
Cynthia Cole ( <i>Public Speaker: AFSME 1550</i> )	Manali Ghag ( <i>AEH's Essential Women Leadership Academy</i> )
Daniel Smith	Maria Cowles
Derek Curtis	Dr. Matasha Russell
DeWight Dopslauf	Matthew Schlueter
Dr. Esmail Porsa ( <i>Harris Health, President &amp; CEO</i> )	Micah Rodriguez
Dr. Glorimar Medina	Dr. Michael Nnadi
Jack Adger ( <i>Harris County Purchasing Office</i> )	Nathan Bac ( <i>Harris County Attorney's Office</i> )
Dr. Jackie Brock	Dr. Nelson Gonzalez
Dr. Jennifer Small	Dr. O. Reggie Ekins

Virtual Attendee Notice: *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.*

EXECUTIVE LEADERSHIP/STAFF/ SPECIAL INVITED GUESTS	
Olga Rodriguez	Sara Thomas <i>(Harris County Attorney's Office)</i>
Omar Reid	Shawn DeCosta
Paige Abernathy <i>(Harris County Attorney's Office)</i>	Dr. Steven Brass
Patrick Casey	Taylor McMillan
R. King Hillier	Dr. Tien Ko
Randy Manarang	Tiffani Dusang
Sam Karim	Victoria Nikitin
Dr. Sandeep Markan	

Virtual Attendee Notice: *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.*

## Public Comment Registration Process

Pursuant to Texas Government Code Ann. §551.007, members of the public are invited to attend the regular meetings of the Harris Health Board of Trustees and may address the Board during the public comment segment regarding an official agenda item or a subject related to healthcare/patient care rendered at Harris Health. Public comment will occur prior to the consideration of all agenda items.

If you have signed up to attend as a public speaker attending virtually, a meeting link will be provided within 24-48 hours of the scheduled meeting. Notice: Virtual public speakers will be removed from the meeting after speaking and have the option to join the meeting live via

<http://harrishealthtx.swagit.com/live>. *You must click the "Watch Live" hyperlink in the blue bar, located on the top left of the screen.*

### **How to Request to Address the Board of Trustees**

Members of the public must register in advance to speak at the Harris Health Board of Trustees Board meetings. Members of the public can contact the Board of Trustees Office during core business hours, Monday through Friday between 8:00 a.m. to 4:00 p.m. To register, members of the public must submit registration no later than 4:00 p.m. on the day before the scheduled meeting using one of the following manners:

1. Providing the requested information located in the "Speak to the Board" tile found at <https://www.harrishealth.org/about-us-hh/board/Pages/registerForm.aspx>
2. Printing and completing the downloadable registration form found at <https://www.harrishealth.org/about-us-hh/board/Documents/Public%20Comment%20Registration%20Form.pdf>
3. Emailing a hard-copy of the completed registration form to [BoardofTrustees@harrishealth.org](mailto:BoardofTrustees@harrishealth.org)
4. Mailing a completed registration form to 4800 Fournace Pl., Ste. E618, Bellaire, TX 77401
5. Contacting a Board of Trustees staff member at (346) 426-1524 to register verbally or by leaving a voicemail with the required information denoted on the registration form

Prior to submitting a request to address the Harris Health Board of Trustees, please take a moment to review the rules to be observed during the Public Comment Period.

### **Rules During Public Comment Period**

The presiding officer of the Board of Trustees or the Board Secretary shall keep the time for speakers.

#### **Three Minutes**

A speaker, whose subject matter, as submitted, relates to an identifiable item of business on the agenda, will be requested by the presiding officer to come to the podium where they will be provided three (3) minutes to speak. A speaker, whose subject matter, as submitted, does not relate to an identifiable item of business on the agenda, will also be provided three (3) minutes to speak. A member of the public who addresses the body through a translator will be given at least twice the amount of time as a member of the public who does not require the assistance of a translator.

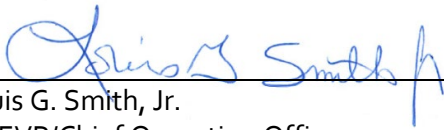
## Meeting of the Board of Trustees

Monday, June 30, 2025

Executive Session

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Consultation with Attorneys Regarding Harris Health's Medical School Affiliation and Support Agreements, Pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Upon Return to Open Session.



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Louis G. Smith, Jr.  
Sr. EVP/Chief Operating Officer

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## Meeting of the Board of Trustees

[Monday, June 30, 2025](#)

[Executive Session](#)

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Report Regarding Quality of Medical and Healthcare, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007 and Tex. Health & Safety Code Ann. §161.032 to Receive Peer Review and/or Medical Committee Report, Including Report of the Medical Executive Board in Connection with the Evaluation of the Quality of Medical and Healthcare Services, and also the Harris Health Quality, Safety Performance Measures, Good Catch Recipients, Centers for Medicare and Medicaid Services Quality Reporting with Possible Action Regarding this Matter Upon Return to Open Session.

  
\_\_\_\_\_  
Dr. Yashwant Chathampally  
Associate Chief Medical Officer, Senior Vice President – Quality & Patient Safety

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## Meeting of the Board of Trustees

Monday, June 30, 2025

Executive Session

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Medical Executive Board Report and Credentialing Discussion, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007 and Tex. Health & Safety Code Ann. §161.032 to Receive Peer Review and/or Medical Committee Report, Including Consideration of Approval of Credentialing Changes for Members of Harris Health Medical Staff Upon Return to Open Session.



Dr. Yashwant Chathampally

Associate Chief Medical Officer, Senior Vice President – Quality & Patient Safety

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## Meeting of the Board of Trustees

Monday, June 30, 2025

Executive Session

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Report Regarding Harris Health Correctional Health Quality of Medical and Healthcare, Including Credentialing Discussion and Operational Updates, Pursuant to Tex. Occ. Code Ann. §§151.002, 160.007, Tex. Health & Safety Code Ann. §161.032 and Tex. Gov't Code Ann. §551.071 to Receive Peer Review and/or Medical Committee Report with Possible Action Upon Return to Open Session.



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O. Reggie Ekins, MD, CCHP-CP  
Chief Medical Officer - Correctional Health

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## Meeting of the Board of Trustees

Monday, June 30, 2025

Consideration of Approval Regarding Credentialing Changes for Members of the  
Harris Health Medical Staff

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The Harris Health Medical Executive Board approved the attached credentialing changes for the members of the Harris Health Medical Staff on June 10, 2025.

The Harris Health Medical Executive Board requests the approval of the Board of Trustees.

Thank you.



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Dr. Yashwant Chathampally  
Associate Chief Medical Officer, Senior Vice President – Quality & Patient Safety

# Board of Trustees



## June 2025 Medical Staff Credentials Report

### Medical Staff Initial Appointments: 13

BCM Medical Staff Initial Appointments - 9

UT Medical Staff Initial Appointments - 4

HCHD Medical Staff Initial Appointments - 0

### Medical Staff Reappointments: 158

BCM Medical Staff Reappointments - 87

UT Medical Staff Reappointments - 68

HCHD Medical Staff Reappointments - 3

### BCM/UT/Harris County Hospital District (Harris Health) Medical Staff Changes in Clinical Privileges: 11

### BCM/UT/HCHD Medical Staff Resignations: 9

### For Information

Temporary Privileges Awaiting Board Approval - 8

Urgent Patient Care Need Privileges Awaiting Board Approval - 1

Leave of Absence - 1

### BCM/UT/Harris County Hospital District (Harris Health) Medical Staff Files for Discussion: 2

Medical Staff Initial Appointment Files for Discussion - 0

Medical Staff Reappointment Files for Discussion - 2



## Meeting of the Board of Trustees

Monday, June 30, 2025

Consideration of Approval of Credentialing Changes for Members of the  
Harris Health Correctional Health Medical Staff

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The Harris Health Correctional Health Medical Executive Committee approved the attached credentialing changes for the members of the Harris Health Correctional Health Medical Staff on June 9, 2025.

The Harris Health Correctional Health Medical Executive Committee requests the approval of the Board of Trustees.



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O. Reggie Ekins, MD, CCHP-P  
Chief Medical Officer of Correctional Health

June 2025 Correctional Health Credentials Report

Medical Staff Initial Appointments: 1

Medical Staff Reappointments: 4

Medical Staff Resignations: 0

Medical Staff Files for Discussion: 1

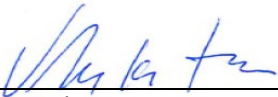
## Meeting of the Board of Trustees

Monday, June 30, 2025

Presentation Regarding the Budget Process

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Harris Health will provide education to the Board of Trustees regarding hospital district budget and tax rate processes in advance of the Budget Workshop.



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Victoria Nikitin  
EVP – Chief Financial Officer

# Harris Health Budget Process

Alison Perez

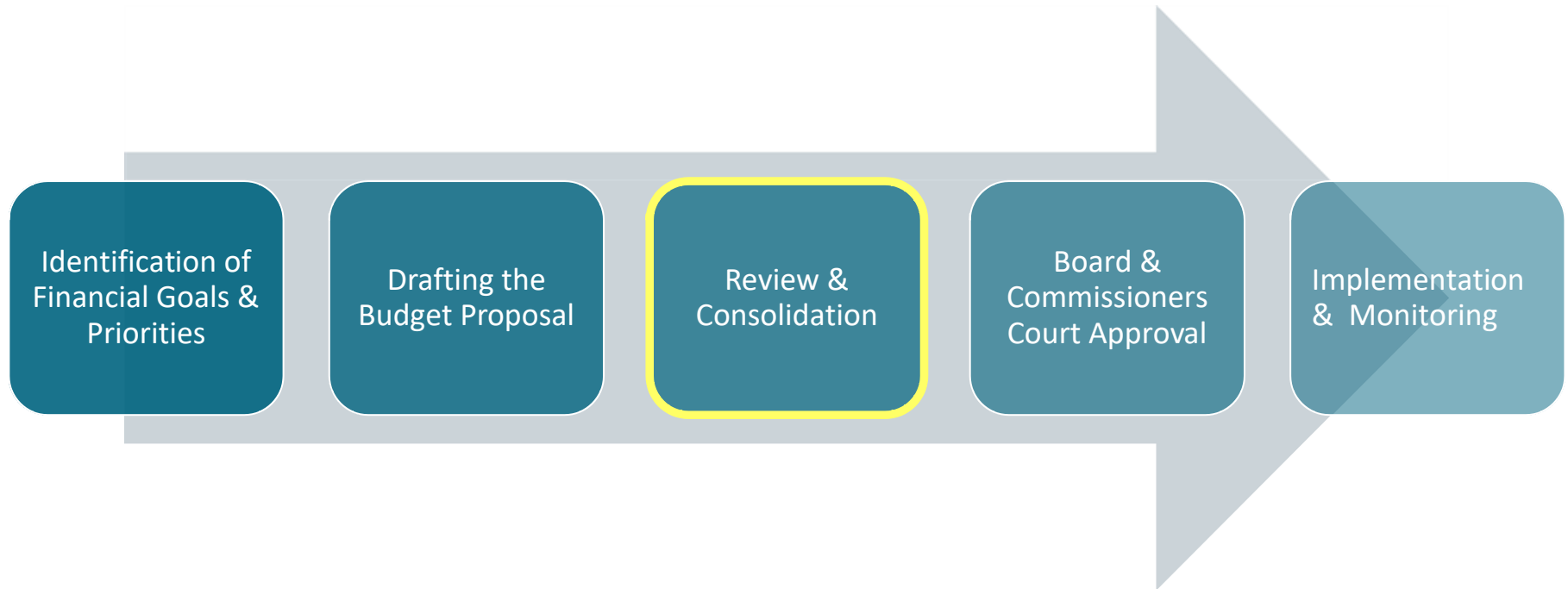
VP, Financial Planning & Analysis

**HARRISHEALTH**

# Agenda

- Phases of the Budget Cycle
  - Identification of Financial Goals & Priorities
  - Drafting the Budget Proposal
  - Review and Consolidation
  - Approval of the Budget
  - Implementation & Monitoring
- Strategies for Success

## Phases of the Budget Cycle



# Phase 1: Identification of Financial Goals & Priorities

Budget process kicks off in January of each year.

- Coordinate with our partners from the Harris County OMB regarding their timeline and expectations and then back into our deadlines accordingly.
- Work with Executive Leadership to establish financial targets and priorities for the year in alignment with our strategic goals.
- Develop **budget guidance** for leaders
  - Time frame to use as baseline
  - Labor efficiency expectations
  - Cost containment/reductions expectations
  - Application of inflationary factors
- Consider new **strategic initiatives** proposals.



## Phase 2: Drafting the Budget Proposal

### Volume Projections

Development of the budget is a collaborative effort between the pavilion leaders and Finance.

- Start the process with the development of **volume projections**.
  - These can include anything from patient days, emergency room visits, clinic visits and all related downstream ancillary volumes, to patient meals served, square footage and pounds of laundry.
  - Finance provides the baseline data based on historical actuals and the pavilion leaders adjust for known changes.
  - Examples of such changes include, closure of operating rooms for renovation, filling a vacant provider position in the clinics, or expanding days/hours of operation.
- Given our current capacity constraints, we are projecting relatively stable volumes for FY2026.



## Phase 2: Drafting the Budget Proposal

### Expense Projections: Fixed vs. Variable

Once volume projections are established, expense projections are developed.

- There are two classifications of expense: fixed vs. variable expenses.
  - **Fixed expenses** remain constant regardless of volume of activity.
    - Based on historical actual spend or contract rates.
    - Includes items, such as, utilities, rent, maintenance contracts, repairs, etc.
  - **Variable expenses** fluctuate based on the volume of activity. As volume increases, variable expenses increase and vice versa.
    - Based on the projected volume of activity (KVI) times the current cost per category or worked hour per unit (WHU) for FTEs.
    - Includes staffing in those areas that provide direct patient care, such as, inpatient units and operating rooms as well as Pharmacy.
    - Includes expenses, such as, medical supplies, pharmaceuticals, and dietary supplies.

## Phase 2: Drafting the Budget Proposal

### Expense Projections: FTE Targets

#### FTE Targets

- For variable areas, FTE targets are developed by pavilion leaders taking into consideration the following:
  - Changes in projected volume
  - **Productivity/labor efficiency** improvement goals based on **benchmark data**, where available
- For fixed areas, FTEs are based on budgeted FTEs for the current year.
  - Includes incremental FTEs for approved strategic initiatives only.
  - All other incremental FTE requests must go through the **Labor Management Oversight Committee, LMOC**.
- Once FTE targets are established, Finance projects the labor expense based on current average hourly rates adjusted for anticipated markets, merits and benefit expense.

# Phase 2: Drafting the Budget Proposal

## Expense Projections: Non-Labor Expense Targets

### Non-Labor Expense Targets

- For variable expenses, the targets are developed by Finance taking into consideration the following:
  - Changes in projected volume
  - Current cost per category
  - Anticipated inflationary increases
- For fixed expenses, the targets are developed taking into consideration the following:
  - Current contract rates and/or historical spend
  - Changes in contract terms

## Phase 2: Drafting the Budget Proposal

### Revenue Sources & Projections

#### Revenue Projections

- Net Patient Revenue – Driven by volume projections and collection/reimbursement rates from the Revenue Cycle team. Not anticipating any significant changes in FY 2026.
- Medicaid Supplemental Payments – Based on current year projections and updated based on the State data published later in the fiscal year (August-September).
- Other Revenue – Based on historical actuals adjusted for known changes.
- Net Ad Valorem Tax Revenue – Based on current year budget projections, with conservative inflationary adjustments applied, until updated projections are received from the County in early to mid August.

## Phase 2: Drafting the Budget Proposal

### Revenue Sources & Projections

#### Revenue Projections

- Net Ad Valorem Tax Revenue, cont. – Two sets of projections are received from the county each year based on the following:
  - **No New Revenue Rate (NNR)** – Represents the tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years.
  - **Voter Approved Rate (VAR)** – Represents the maximum rate allowed by law without voter approval.
- These rates generate the minimum and maximum amount of tax revenue which could be approved by the County Commissioners.
- The **Adopted Tax Rate** can fall anywhere between these two rates and is not determined until the public hearing and vote is held by the Commissioners Court, which is tentatively scheduled for September 18, 2025.

## Phase 2: Drafting the Budget Proposal

### Capital Budget Projections

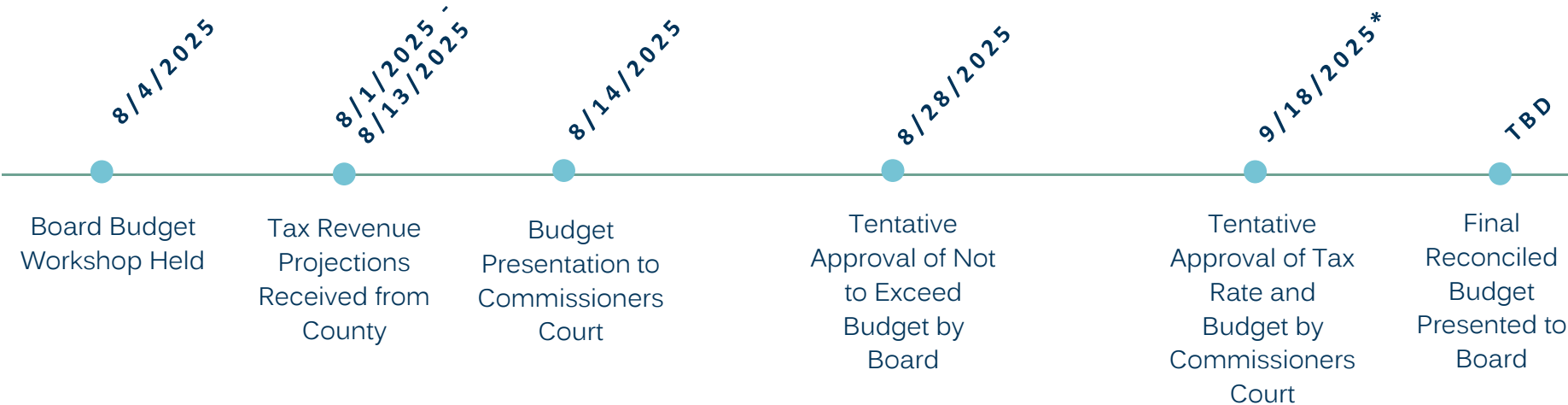
- Represents **routine capital** only.
- Does not include dollars associated with the \$2.5 billion bond issuance and associated strategic capital projects.
- Shifting from a commitment-based budget methodology to a **cash basis** for FY2026.
- Anticipating a decrease in the budget associated with this shift.

## Phase 3: Review & Consolidation

- Once the draft budget is complete, formal **budget hearings** are held with Executive Leadership to present requests, discuss any concerns, and provide feedback.
- Budget drafts are revised based on feedback received and sent back to Executive Leadership and Finance for **sign off**.
- Once Finance has reviewed, confirmed adherence to the budget guidance provided, and validated that the feedback from Executive Leadership has been addressed satisfactorily, revenue and expense budgets are **consolidated** for creation of the **formal budget proposal** to the Board and County Commissioners.

# Phase 4: Approval of the Budget

## Key Dates & Next Steps



Harris Health's timeline driven by the County's calendar and deadlines as provided by the Harris County OMB.

\* Represents tentative date



## Strategies for Success



Support the **\$2.5 Billion strategic bond** program



Increase **charitable donations** through philanthropy and grant funding



Explore and implement **revenue enhancement** opportunities



Explore and implement **cost saving** opportunities



Implement the long-term **strategic financial plan** for 2026 – 2030

# Questions



## Meeting of the Board of Trustees

Monday, June 30, 2025

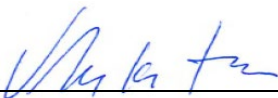
Consideration of Approval of a Resolution Setting the Rate of Mandatory Payment  
for the Harris County Hospital District Local Provider Participation Fund  
and Notice of Public Hearing

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Pursuant to Harris County Hospital District's Participation in a Local Provider Participation Fund, a mandatory payment may be required by the District from an institutional health care provider to fund certain intergovernmental transfers for supplemental Medicaid payment programs or Medicaid managed care rate enhancements.

Management recommends the approval of the attached Resolution Authorizing Harris County Hospital District to set the amount of the mandatory payment to be invoiced during the time frame of July 1, 2025 through June 30, 2026 as up to 6.00 percent of the net patient revenue of an institutional health care provider located in the district. This would grant Harris Health the flexibility to invoice any portion of this amount in installments at any point through the end of June 2026 (i.e. the authority to send invoices expires on July 1, 2026).

Enclosed is a copy of the Texas Health and Safety Code Chapter 299 which authorizes the Local Provider Participation Fund. Section 299.151(c) (highlighted for reference) allows the Board to assess up to 6.00 percent of net patient revenue from hospital services provided in the district.



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Victoria Nikitin  
EVP – Chief Financial Officer

## **Resolution Setting Rate of Mandatory Payment**

**WHEREAS**, pursuant to Chapter 299 of the Texas Health and Safety Code, the Board of Trustees (the “Board”) of Harris County Hospital District (the “District”) on June 27, 2019 authorized the District to participate in a Local Provider Participation Fund;

**WHEREAS**, the purpose of participation in a Harris County health care provider participation program is to generate revenue from a mandatory payment that may be required by the District from an institutional health care provider to fund certain intergovernmental transfers for a supplemental Medicaid payment program or Medicaid managed care rate enhancements;

**WHEREAS**, pursuant to Section 299 of the Texas Health and Safety Code, the Board on June 27, 2019 authorized the District to collect a mandatory payment from each institutional health care provider located in Harris County; and

**WHEREAS**, pursuant to Section 299.151(c) of the Texas Health and Safety Code, the Board must set the amount of the mandatory payment.

**Be it hereby resolved by the Board of Trustees of the Harris County Hospital District that:**

1. The District sets the amount of the mandatory payment to be invoiced during the time frame of July 1, 2025 through June 30, 2026 as up to 6.00 percent of the net patient revenue of an institutional health care provider located in the District.
2. The District may invoice any portion of the mandatory payment in installments, so long as the total rate invoiced during July 1, 2025 through June 30, 2026 does not exceed 6.00 percent.
3. This Resolution shall be in full force and effect from and after the date of its adoption.

PASSED AND APPROVED this 30th day of June, 2025.

HEALTH AND SAFETY CODE

TITLE 4. HEALTH FACILITIES

SUBTITLE D. HOSPITAL DISTRICTS

For expiration of this chapter, see Section 299.004.

CHAPTER 299. HARRIS COUNTY HOSPITAL DISTRICT HEALTH CARE PROVIDER  
PARTICIPATION PROGRAM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 299.001. DEFINITIONS. In this chapter:

- (1) "Board" means the board of hospital managers of the district.
- (2) "District" means the Harris County Hospital District.
- (3) "Institutional health care provider" means a nonpublic hospital located in the district that provides inpatient hospital services.
- (4) "Paying provider" means an institutional health care provider required to make a mandatory payment under this chapter.
- (5) "Program" means the health care provider participation program authorized by this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.002. APPLICABILITY. This chapter applies only to the Harris County Hospital District.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.003. HEALTH CARE PROVIDER PARTICIPATION PROGRAM;  
PARTICIPATION IN PROGRAM. The board may authorize the district to participate in a health care provider participation program on the affirmative vote of a majority of the board, subject to the provisions of this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.004. EXPIRATION. (a) Subject to Section [299.153](#)(d), the authority of the district to administer and operate a program under this chapter expires December 31, 2023.

(b) This chapter expires December 31, 2023.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 316 (H.B. [1338](#)), Sec. 1, eff. June 7, 2021.

#### SUBCHAPTER B. POWERS AND DUTIES OF BOARD

Sec. 299.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY PAYMENT. The board may require a mandatory payment authorized under this chapter by an institutional health care provider in the district only in the manner provided by this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.052. RULES AND PROCEDURES. The board may adopt rules relating to the administration of the program, including collection of the mandatory payments, expenditures, audits, and any other administrative aspects of the program.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.053. INSTITUTIONAL HEALTH CARE PROVIDER REPORTING. If the board authorizes the district to participate in a program under this chapter, the board shall require each institutional health care provider to submit to the district a copy of any financial and utilization data as reported in the provider's Medicare cost report submitted for the previous fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

#### SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 299.101. HEARING. (a) In each year that the board authorizes a program under this chapter, the board shall hold a public hearing on the amounts of any mandatory payments that the board intends to require during the year and how the revenue derived from those payments is to be spent.

(b) Not later than the fifth day before the date of the hearing required under Subsection (a), the board shall publish notice of the hearing in a newspaper of general circulation in the district and provide written notice of the hearing to each institutional health care provider in the district.

(c) A representative of a paying provider is entitled to appear at the public hearing and be heard regarding any matter related to the mandatory payments authorized under this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.102. DEPOSITORY. (a) If the board requires a mandatory payment authorized under this chapter, the board shall designate one or more banks as a depository for the district's local provider participation fund.

(b) All funds collected under this chapter shall be secured in the manner provided for securing other district funds.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.103. LOCAL PROVIDER PARTICIPATION FUND; AUTHORIZED USES OF MONEY. (a) If the district requires a mandatory payment authorized under this chapter, the district shall create a local provider participation fund.

(b) The local provider participation fund consists of:

(1) all revenue received by the district attributable to mandatory payments authorized under this chapter;

(2) money received from the Health and Human Services Commission as a refund of an intergovernmental transfer under the program, provided that the intergovernmental transfer does not receive a federal matching payment; and

(3) the earnings of the fund.

(c) Money deposited to the local provider participation fund of the district may be used only to:

(1) fund intergovernmental transfers from the district to the state to provide the nonfederal share of Medicaid payments for:

(A) uncompensated care payments to nonpublic hospitals, if those payments are authorized under the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315);

(B) uniform rate enhancements for nonpublic hospitals in the Medicaid managed care service area in which the district is located;

(C) payments available under another waiver program authorizing payments that are substantially similar to Medicaid payments to nonpublic hospitals described by Paragraph (A) or (B); or

(D) any reimbursement to nonpublic hospitals for which federal matching funds are available;

(2) subject to Section [299.151](#)(d), pay the administrative expenses of the district in administering the program, including collateralization of deposits;

(3) refund a mandatory payment collected in error from a paying provider;

(4) refund to paying providers a proportionate share of the money attributable to mandatory payments collected under this chapter that the district:

(A) receives from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; or

(B) determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(5) transfer funds to the Health and Human Services Commission if the district is legally required to transfer the funds to address a disallowance of federal matching funds with respect to programs for which the district made intergovernmental transfers described by Subdivision (1).

(d) Money in the local provider participation fund may not be commingled with other district funds.

(e) Notwithstanding any other provision of this chapter, with respect to an intergovernmental transfer of funds described by Subsection (c)(1) made by the district, any funds received by the state, district, or other entity as a result of the transfer may not be used by the state, district, or any other entity to:

(1) expand Medicaid eligibility under the Patient Protection and Affordable Care Act (Pub. L. No. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152); or



(2) fund the nonfederal share of payments to nonpublic hospitals available through the Medicaid disproportionate share hospital program or the delivery system reform incentive payment program.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

#### SUBCHAPTER D. MANDATORY PAYMENTS

Sec. 299.151. MANDATORY PAYMENTS BASED ON PAYING PROVIDER NET PATIENT REVENUE. (a) If the board authorizes a health care provider participation program under this chapter, the board may require a mandatory payment to be assessed, either annually or periodically throughout the year at the discretion of the board, on the net patient revenue of each institutional health care provider located in the district. The board shall provide an institutional health care provider written notice of each assessment under this subsection, and the provider has 30 calendar days following the date of receipt of the notice to pay the assessment. In the first year in which the mandatory payment is required, the mandatory payment is assessed on the net patient revenue of an institutional health care provider, as determined by the provider's Medicare cost report submitted for the previous fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report. If the mandatory payment is required, the district shall update the amount of the mandatory payment on an annual basis and may update the amount on a more frequent basis.

(b) The amount of a mandatory payment authorized under this chapter must be uniformly proportionate with the amount of net patient revenue generated by each paying provider in the district as permitted under federal law. A health care provider participation program authorized under this chapter may not hold harmless any institutional health care provider, as required under 42 U.S.C. Section 1396b(w).

(c) If the board requires a mandatory payment authorized under this chapter, the board shall set the amount of the mandatory payment, subject to the limitations of this chapter. The aggregate amount of the mandatory payments required of all paying providers in the district may not exceed six percent of the aggregate net patient revenue from hospital services provided by all paying providers in the district.

(d) Subject to Subsection (c), if the board requires a mandatory payment authorized under this chapter, the board shall set the mandatory payments in amounts that in the aggregate will generate sufficient revenue to cover the administrative expenses of the district for activities under

this chapter and to fund an intergovernmental transfer described by Section [299.103](#)(c)(1). The annual amount of revenue from mandatory payments used for administrative expenses by the district for activities under this chapter is \$600,000, plus the cost of collateralization of deposits, regardless of actual expenses.

(e) A paying provider may not add a mandatory payment required under this section as a surcharge to a patient.

(f) A mandatory payment assessed under this chapter is not a tax for hospital purposes for purposes of Section [4](#), Article IX, Texas Constitution, or Section 281.045.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 316 (H.B. [1338](#)), Sec. 2, eff. June 7, 2021.

Sec. 299.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. (a) The district may designate an official of the district or contract with another person to assess and collect the mandatory payments authorized under this chapter.

(b) The person charged by the district with the assessment and collection of mandatory payments shall charge and deduct from the mandatory payments collected for the district a collection fee in an amount not to exceed the person's usual and customary charges for like services.

(c) If the person charged with the assessment and collection of mandatory payments is an official of the district, any revenue from a collection fee charged under Subsection (b) shall be deposited in the district general fund and, if appropriate, shall be reported as fees of the district.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

Sec. 299.153. PURPOSE; CORRECTION OF INVALID PROVISION OR PROCEDURE; LIMITATION OF AUTHORITY. (a) The purpose of this chapter is to authorize the district to establish a program to enable the district to collect mandatory payments from institutional health care providers to fund the nonfederal share of a Medicaid supplemental payment program or the Medicaid managed care rate enhancements for nonpublic hospitals to support the

provision of health care by institutional health care providers to district residents in need of health care.

(b) This chapter does not authorize the district to collect mandatory payments for the purpose of raising general revenue or any amount in excess of the amount reasonably necessary to:

(1) fund the nonfederal share of a Medicaid supplemental payment program or Medicaid managed care rate enhancements for nonpublic hospitals; and

(2) cover the administrative expenses of the district associated with activities under this chapter and other uses of the fund described by Section [299.103](#)(c).

(c) To the extent any provision or procedure under this chapter causes a mandatory payment authorized under this chapter to be ineligible for federal matching funds, the board may provide by rule for an alternative provision or procedure that conforms to the requirements of the federal Centers for Medicare and Medicaid Services. A rule adopted under this section may not create, impose, or materially expand the legal or financial liability or responsibility of the district or an institutional health care provider in the district beyond the provisions of this chapter. This section does not require the board to adopt a rule.

(d) The district may only assess and collect a mandatory payment authorized under this chapter if a waiver program, uniform rate enhancement, or reimbursement described by Section [299.103](#)(c)(1) is available to the district.

Added by Acts 2019, 86th Leg., R.S., Ch. 208 (H.B. [3459](#)), Sec. 1, eff. May 24, 2019.

**Notice of Public Hearing of the Board of Trustees of the Harris Health System  
(Harris County Hospital District d/b/a Harris Health System) to Consider  
Provider Participation Program Payments**

Notice is hereby given that the above named Board will hold a public hearing at 9 a.m. on June 30, 2025, with the hearing to be held in the Board Room of 4800 Fournace Place, Bellaire, Texas 77401, to hear public comments and consider action concerning:

- (1) The amount of the mandatory payment to be invoiced during the time frame of July 1, 2025 through June 30, 2026 as up to 6.00 percent of the net patient revenue of an institutional health care provider located in the district; and
- (2) All other actions necessary to comply with Chapter 299 of the Texas Health and Safety Code.

The Board will hold the public hearing pursuant to Chapter 299 of the Texas Health and Safety Code, which authorized the creation of the Harris County Hospital District local provider participation program. Representatives of local nonpublic hospitals and the public wishing to be heard on these matters may appear before the Board at the public hearing.

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

## Meeting of the Board of Trustees

Monday, June 30, 2025

Consideration of Approval of Payment for the Contracted Services Specified in the Harris Health Operating and Support Agreement with Baylor College of Medicine (BCM) for the Contract Year Ended June 30, 2026

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Harris Health and Baylor College of Medicine entered into an Operating and Support Agreement effective July 1, 2020 (the "Agreement") to provide funding to support faculty staff member positions at Harris Health facilities and program support for BCM residency programs at the Harris Health facilities.

The funding for the annual staffing plan for all services under the Agreement for the contract year of July 1, 2025 through June 30, 2026, is projected to be approximately \$280.0 million, considering historical position vacancy rates. If the vacancy rates decline in the new contract year, or if programs are modified to respond to patient demand, the net cost of physician services could be as much as \$292.0 million (5% variance).

**Administration recommends that the Board of Trustees approve the funding for the Harris Health Operating and Support Agreement with Baylor College of Medicine in an amount not to exceed \$292.0 million for the period July 1, 2025 through June 30, 2026.**



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Victoria Nikitin  
EVP – Chief Financial Officer

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## Meeting of the Board of Trustees

Monday, June 30, 2025

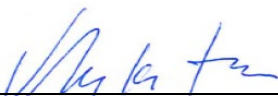
Consideration of Approval of Payment for the Contracted Services Specified in the Harris Health Operating and Support Agreement with The University of Texas Health Science Center at Houston (UT Health) for the Contract Year Ended June 30, 2026

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Harris Health and UT Health entered into an Operating and Support Agreement effective July 1, 2020 (the "Agreement") to provide funding to support faculty staff member positions at Harris Health facilities and program support for UT Health residency programs at the Harris Health facilities.

The funding for the annual staffing plan for all services under the Agreement for the contract year of July 1, 2025 through June 30, 2026, is projected to be approximately \$200 million, considering historical position vacancy rates. If the vacancy rates decline in the new contract year, or if programs are modified to respond to patient demand, the net cost of physician services could be as much as \$209.0 million (5% variance).

**Administration recommends that the Board of Trustees approve the funding for the Harris Health Operating and Support Agreement with UT Health in an amount not to exceed \$209.0 million for the period July 1, 2025 through June 30, 2026.**



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Victoria Nikitin  
EVP – Chief Financial Officer

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## Meeting of the Board of Trustees

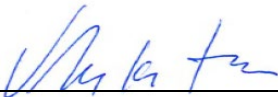
Monday, June 30, 2025

Presentation of the Harris County Hospital District 401(k) and Pension Plan Independent Auditor's Reports and Overview for the Fiscal Year Ended December 31, 2024

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Representatives from the external audit firm Forvis Mazars, LLP, will provide an overview of the results of the Harris County Hospital District 401(k) and Pension Plan audit engagements and audit reports for the Board of Trustees' consideration and approval.

A copy of the presentation is attached.



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Victoria Nikitin  
EVP – Chief Financial Officer

Harris County Hospital District d/b/a  
Harris Health

Harris County Hospital District 401(k) Plan  
Harris County Hospital District Pension Plan

Year Ended December 31, 2024

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**mazars**

## REQUIRED COMMUNICATIONS

- **Forvis Mazars Responsibilities**

- Draft financial statements and related notes are being presented and we are prepared to issue unmodified opinions

- **Accounting Policies and Practices**

- Consistent with accounting and industry standards

- **There were no**

- Difficulties encountered by our team when conducting the audit
- Disagreements with management
- Contentious accounting issues
- Consultations with other accountants
- Identified material weaknesses or significant deficiencies in internal controls

- **Material Written Communications**

- Audit communication letter
- Management representation letter

## Risk Area

- Management override of controls
- Related-party disclosures
- Management estimates
  - Fair value of investments
  - Actuarial methods and assumptions used in calculating amounts recorded or disclosed in supplementary information

## Comments

- No matters are reportable.
- No matters are reportable; however, refer to related-party disclosure in the Plan's financial statements.
- No matters are reportable
- No matters are reportable

# Thank You!

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**mazars**

## Meeting of the Board of Trustees

Monday, June 30, 2025

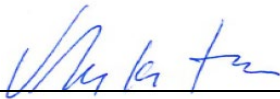
Consideration of Acceptance of the Harris County Hospital District 401(k) Plan  
Independent Auditor's Report and Financial Statements for the Years Ended  
December 31, 2024 and 2023

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Representatives from the external audit firm Forvis Mazars, LLP, will provide an overview of the results of the audit engagement for the Harris County Hospital District 401(k) Plan for the Board of Trustees' consideration and approval.

A copy of the draft report is attached.

Management recommends the acceptance of the Harris County Hospital District 401(k) Plan Independent Auditor's Report and Financial Statements for the Years Ended December 31, 2024 and 2023.



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Victoria Nikitin  
EVP – Chief Financial Officer

# **Harris County Hospital District 401(k) Plan**

## **Independent Auditor's Report and Financial Statements**

December 31, 2024 and 2023

Harris County Hospital District 401(k) Plan  
Contents  
December 31, 2024 and 2023

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<b>Management's Discussion and Analysis (Unaudited)</b> .....	3
<b>Financial Statements</b>	
Statements of Net Position Available for Benefits.....	5
Statements of Changes in Net Position Available for Benefits .....	6
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DRAFT 6.11.2025



**Harris County Hospital District 401(k) Plan  
Management's Discussion and Analysis (Unaudited)  
December 31, 2024, 2023, and 2022**

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As management of the Harris County Hospital District, d/b/a Harris Health (System), we offer readers of the financial statements of the Harris County Hospital District 401(k) Plan (Plan), this narrative overview and analysis of the financial activities of the Plan for the years ended December 31, 2024, 2023, and 2022.

**Financial Highlights**

- The Plan reported net investment income for 2024 of \$94,905,907, a decrease of \$12,899,330 from 2023. The Plan reported net investment income for 2023 of \$107,805,237, an increase of \$223,300,686 from 2022.
- The Plan's net position available for benefits increased by \$125,467,645 in 2024, increased by \$131,888,582 in 2023, and decreased by \$89,394,893 in 2022.
- The Plan's employer contributions were \$29,493,067, \$26,738,228, and \$22,642,370 in 2024, 2023, and 2022, respectively. Participant contributions were \$64,753,463, \$60,956,298, and \$51,084,596 in 2024, 2023, and 2022, respectively.
- Benefit payments were \$64,312,529, \$63,849,741, and \$47,655,827 in 2024, 2023, and 2022, respectively. Administrative expenses were \$794,006, \$711,696 and \$683,278 in 2024, 2023, and 2022, respectively. Combined benefit payments and administrative expenses increased by \$545,098, \$16,222,332, and \$3,785,961 in 2024, 2023, and 2022, respectively.

**Overview of the Financial Statements**

Our discussion and analysis is intended to serve as an introduction to the Plan's financial statements. The Plan's financial statements are composed of financial statements and notes to the financial statements. The financial statements consist of two statements: (1) statements of net position available for benefits and (2) statements of changes in net position available for benefits. These statements present information on all the Plan's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Plan is improving or deteriorating. The statements of changes in net position available for benefits present information showing how the Plan's net position changed during the year. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

**Financial Analysis**

The Plan's assets include investments reported at fair value as of December 31, 2024 and 2023. These assets are held in trust for Plan benefits. Fidelity Management Trust Company serves as trustee and custodian for the Plan.

- The net appreciation in fair value of investments for 2024 totaled \$86,481,716 compared to net appreciation of \$100,127,468 in 2023. Dividend income increased by \$746,422 to \$8,424,191 in 2024. Dividend income decreased by \$1,718,852 to \$7,677,769 in 2023.
- The Plan's net investment income in 2024 was \$94,905,907, net investment income in 2023 was \$107,805,237, and net investment loss in 2022 was \$(115,495,449). Net investment income (loss) consists of interest, dividend income and net appreciation (depreciation) in the fair value of investments.

**Harris County Hospital District 401(k) Plan  
Management's Discussion and Analysis (Unaudited)  
December 31, 2024, 2023, and 2022**

**Statements of Net Position Available for Benefits**

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Mutual funds and common trust funds	\$ 813,584,667	\$ 689,394,475	\$ 559,715,311
Notes receivable from participants	19,421,397	18,143,944	15,934,526
Net position available for benefits	<u>\$ 833,006,064</u>	<u>\$ 707,538,419</u>	<u>\$ 575,649,837</u>

**Statements of Changes in Net Position Available for Benefits**

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Net position available for benefits, beginning of year	\$ 707,538,419	\$ 575,649,837	\$ 665,044,730
Net appreciation (depreciation) in fair value of investments	86,481,716	100,127,468	(124,892,070)
Interest and dividends	8,424,191	7,677,769	9,396,621
Interest income on notes receivables from participants	1,421,743	950,256	712,695
Contributions	94,246,530	87,694,526	73,726,966
Benefits paid to participants	(64,312,529)	(63,849,741)	(47,655,827)
Administrative expenses	(794,006)	(711,696)	(683,278)
Net position available for benefits, end of year	<u>\$ 833,006,064</u>	<u>\$ 707,538,419</u>	<u>\$ 575,649,837</u>

**Request for Information**

This financial report is designed to provide a general overview of the Plan's finances. Questions about this report and requests for additional financial information should be directed to the Harris County Hospital District, d/b/a Harris Health, Attention: Benefits Department, 4800 Fournace Place, Bellaire, Texas 77401.

Harris County Hospital District 401(k) Plan  
 Statements of Net Position Available for Benefits  
 December 31, 2024 and 2023

	2024	2023
ASSETS		
Investments, At Fair Value	\$ 813,584,667	\$ 689,394,475
Notes Receivable From Participants	19,421,397	18,143,944
Net Position Available for Benefits	<u>\$ 833,006,064</u>	<u>\$ 707,538,419</u>

See Notes to Financial Statements

**Harris County Hospital District 401(k) Plan  
Statements of Changes in Net Position Available for Benefits  
Years Ended December 31, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Additions</b>		
<b>Investment Income</b>		
Net appreciation in fair value of investments	\$ 86,481,716	\$ 100,127,468
Interest and dividends	8,424,191	7,677,769
<b>Net Investment Income</b>	94,905,907	107,805,237
<b>Interest Income on Notes Receivables From Participants</b>	1,421,743	950,256
<b>Contributions</b>		
Employer	29,493,067	26,738,228
Participant	64,753,463	60,956,298
<b>Total Contributions</b>	94,246,530	87,694,526
<b>Total Additions</b>	190,574,180	196,450,019
<b>Deductions</b>		
Benefits paid to participants	64,312,529	63,849,741
Administrative expenses	794,006	711,696
<b>Total Deductions</b>	65,106,535	64,561,437
<b>Net Increase</b>	125,467,645	131,888,582
<b>Net Position Available for Benefits, Beginning of Year</b>	707,538,419	575,649,837
<b>Net Position Available for Benefits, End of Year</b>	<u>\$ 833,006,064</u>	<u>\$ 707,538,419</u>

## **Note 1. Description of the Plan**

The Harris County Hospital District 401(k) Plan (Plan) was established on January 1, 1985. The Plan is a defined-contribution plan open to all full-time and part-time employees of the Harris County Hospital District, d/b/a Harris Health (System) who meet the Plan's requirements on the date on which the employee becomes an eligible employee. The Plan is a governmental plan and, as such, is specifically exempt from the reporting and disclosure requirements of the *Employee Retirement Income Security Act of 1974*. Fidelity Management Trust Company (Fidelity) serves as the trustee and custodian for all Plan assets.

The following brief description of the Plan is provided for general information purposes only. For more complete information, participants should refer to the *Summary Plan Description*, a copy of which is available from the System.

The Plan is administered by an Administrative Committee appointed by the System's Board of Trustees, whose members are responsible for administering the Plan under the terms established. The Board of Trustees approves amendments to the Plan.

### ***Contributions and Vesting***

Each year, participants may contribute a portion of their annual compensation to either a pretax contribution or Roth 401(k) contribution, as defined by the Plan, subject to certain Internal Revenue Code (IRC) limitations. The limitation was \$23,000 and \$22,500 in 2024 and 2023, respectively, for all participants. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Effective July 2007, the System enhanced the Plan with an employer match up to 5% of the participant's compensation for eligible employees, which is 100% vested with three or more years of service. Participant rollover contributions are also permitted.

### ***Forfeited Accounts***

Forfeitures under the Plan for a Plan year will be applied to reduce the System's obligation to make future matching contributions or to pay Plan administrative expenses for the Plan year. At December 31, 2024 and 2023, the balance of the forfeiture account was \$16,991 and \$1,195, respectively. During the years ended December 31, 2024 and 2023, employer contributions were reduced by \$2,679,757 and \$2,325,032, respectively, from forfeited nonvested accounts.

### ***Participant Investment Account Options***

Participants direct the investment of their contributions into various investment options offered by the Plan. The System's matching contribution is allocated to the same investment options as the participant's contributions. The Plan currently offers a variety of mutual funds and common trust funds as investment options for participants.

The Plan Document also includes an automatic deferral feature whereby a participant is treated as electing to defer a certain percentage of eligible compensation unless the participant made an affirmative election otherwise. The automatic deferral feature also provides for the percentage deferred at 3%.

### ***Participant Accounts***

Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, the System's matching contribution and allocations of Plan earnings, and charged with withdrawals and an allocation of Plan losses and administrative expenses. Allocations are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. Participants are vested immediately in their voluntary and employee contributions, plus actual earnings thereon.

***Notes Receivable from Participants***

Participants may borrow, subject to approval, as much as one-half of their respective accounts, up to a maximum amount of \$50,000. The minimum loan amount is \$1,000. Loans are charged at a rate of interest equal to the current prime lending rate, plus 1%. Interest paid is credited to the participant's account. The loans are generally repaid by payroll deduction within five years, except in the case of a loan used to purchase a principal residence.

***Payment of Benefits***

Benefit payments will normally be made in one lump sum, as soon as practicable, after the employee's severance from employment with the System. However, employees whose benefits at the date of severance are in excess of \$1,000 may elect to have the benefit payment made at any time prior to attaining age 72. The participants or their beneficiaries may also receive benefit payments from the Plan upon the participants' permanent disability or death.

**Note 2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The accompanying financial statements are prepared on the accrual basis of accounting.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net position available for benefits and changes in net position available for benefits and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

***Valuation of Investments and Income Recognition***

Investments are reported at fair value. Quoted market prices, if available, are used to value investments. Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year-end. Estimated fair value of the common trust funds is NAV, which is based on the market value of its underlying investments. Since the NAV of the common trust funds is determined and published daily and is the basis for current transactions, the NAV is considered a readily determinable fair value.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Management fees and operating expenses charged to the Plan for investments in mutual and common trust funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction (addition) of investment return (loss) for such investments.

***Notes Receivable from Participants***

Notes receivable from participants are measured at their unpaid principal balance, plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan Document.

***Payment of Benefits***

Benefit payments to participants are recorded upon distribution.

**Harris County Hospital District 401(k) Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**Administrative Expenses**

Certain administrative expenses were paid by the System and excluded from the financial statements. Trustee fees, record-keeping fees, loan initiation and maintenance fees, and legal fees are paid by the Plan and are represented as administrative expenses within the statements of changes in net position available for benefits.

**Note 3. Investments**

The fair value of individual investment options that represented 5% or more of the Plan's net position available for benefits as of December 31, 2024 and 2023, were as follows:

	2024	2023
Fidelity 500 Index Fund	*	\$ 81,187,777
T. Rowe Price Retirement 2030 Trust (Class F)	*	56,939,154
T. Rowe Price Blue Chip Growth	*	55,832,304
T. Rowe Price Retirement 2040 Trust (Class F)	*	53,316,942
T. Rowe Price Retirement 2050 Trust (Class F)	*	49,006,668
T. Rowe Price Retirement 2035 Trust (Class F)	*	47,872,355
T. Rowe Price Retirement 2045 Trust (Class F)	*	46,038,112
T. Rowe Price Retirement 2055 Trust (Class F)	*	38,813,484
Diamond Hill Large Cap Fund	*	36,987,435
Spartan 500 Index Pool Fund (Class C)	115,945,797	*
T. Rowe Price Retirement 2030 Trust (Class B)	66,467,137	*
T. Rowe Price Retirement 2040 Trust (Class B)	63,692,994	*
William Blair Large Cap Growth Fund	62,443,293	*
T. Rowe Price Retirement 2050 Trust (Class B)	60,553,352	*
T. Rowe Price Retirement 2035 Trust (Class B)	57,774,209	*
T. Rowe Price Retirement 2045 Trust (Class B)	57,001,535	*
T. Rowe Price Retirement 2055 Trust (Class B)	49,111,135	*
Invesco Stable Value Trust (Class B1)	47,043,617	46,845,502

\* Investment did not represent greater than 5% in the year.

The Plan categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 are quoted prices in an active market for identical assets; Level 2 are significant other observable inputs and Level 3 are significant unobservable inputs.

**Harris County Hospital District 401(k) Plan  
Notes to Financial Statements  
December 31, 2024 and 2023**

The following is a summary of the hierarchy of fair value of investments of the Plan as of December 31, 2024 and 2023:

	Fair Value Measurement Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
<b>December 31, 2024</b>			
Mutual funds:			
Domestic equities	\$ 273,256,499	\$ -	\$ 273,256,499
International equities	25,832,986	-	25,832,986
Balanced and target date	1,526,077	-	1,526,077
U.S. fixed income funds	52,920,976	-	52,920,976
Common trust funds:			
Balanced and target date	-	460,048,129	460,048,129
Investment at fair value	<u>\$ 353,536,538</u>	<u>\$ 460,048,129</u>	<u>\$ 813,584,667</u>
<b>December 31, 2023</b>			
Mutual funds:			
Domestic equities	\$ 199,425,301	\$ -	\$ 199,425,301
International equities	21,419,509	-	21,419,509
Balanced and target date	1,392,812	-	1,392,812
U.S. fixed income funds	78,563,636	-	78,563,636
Common trust funds:			
Balanced and target date	-	388,593,217	388,593,217
Investment at fair value	<u>\$ 300,801,258</u>	<u>\$ 388,593,217</u>	<u>\$ 689,394,475</u>

**Investment Policy**

The investment guidelines for the Plan provide a framework for the selection of investment alternatives made available under the Plan to ensure that Plan participants have available high-quality investment alternatives that span the risk and return spectrum, and enable the Plan participants to diversify their Plan accounts consistent with their individual circumstances, goals, and risk and reward objectives. The administrative committee is responsible for selecting the investment options that are made available under the Plan and monitoring the investment options' performance. A variety of investment options are offered to include domestic equities, international equities, asset allocation, fixed income, and short-term alternatives.



**Harris County Hospital District 401(k) Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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The available investment options as of December 31, 2024 and 2023, are as follows:

- U.S. fixed-income:
  - PIMCO Total Return Fund (Institutional Class)
  - Vanguard Total Bond Market Index (Institutional Class)
  - Invesco Stable Value Fund (Class B1)
- Balanced and target date:
  - PIMCO Inflation Response Multi-Asset Institutional
  - T. Rowe Price Retirement 2005 Trust (Class F)
  - T. Rowe Price Retirement 2010 Trust (Class F)
  - T. Rowe Price Retirement 2015 Trust (Class F)
  - T. Rowe Price Retirement 2020 Trust (Class F)
  - T. Rowe Price Retirement 2025 Trust (Class F)
  - T. Rowe Price Retirement 2030 Trust (Class F)
  - T. Rowe Price Retirement 2035 Trust (Class F)
  - T. Rowe Price Retirement 2040 Trust (Class F)
  - T. Rowe Price Retirement 2045 Trust (Class F)
  - T. Rowe Price Retirement 2050 Trust (Class F)
  - T. Rowe Price Retirement 2055 Trust (Class F)
  - T. Rowe Price Retirement 2060 Trust (Class F)
  - T. Rowe Price Retirement 2005 Trust (Class B)
  - T. Rowe Price Retirement 2010 Trust (Class B)
  - T. Rowe Price Retirement 2015 Trust (Class B)
  - T. Rowe Price Retirement 2020 Trust (Class B)
  - T. Rowe Price Retirement 2025 Trust (Class B)
  - T. Rowe Price Retirement 2030 Trust (Class B)
  - T. Rowe Price Retirement 2035 Trust (Class B)
  - T. Rowe Price Retirement 2040 Trust (Class B)
  - T. Rowe Price Retirement 2045 Trust (Class B)
  - T. Rowe Price Retirement 2050 Trust (Class B)
  - T. Rowe Price Retirement 2055 Trust (Class B)
  - T. Rowe Price Retirement 2060 Trust (Class B)
  - T. Rowe Price Retirement 2065 Trust (Class B)
- U.S. equity:
  - Diamond Hill Large Cap Fund
  - Fidelity 500 Index Fund
  - T. Rowe Price Blue Chip Growth
  - Meridian Growth
  - DFA US Target Value
  - Vanguard Extended Market Index
  - Principal Global Real Estate Securities
  - Baird Core Plus Bond Institutional Fund
  - William Blair Large Cap Growth Fund
  - Spartan 500 Index Pool Fund (Class C)
- Non-U.S. equity:
  - Dodge & Cox International Stock
  - Vanguard Total International Stock (Institutional Class)
  - Dodge & Cox International Stock Fund

**Harris County Hospital District 401(k) Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

***Custodial Credit Risk***

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the Plan will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of December 31, 2024 and 2023, the Plan does not hold deposits or investments exposed to custodial credit risk.

***Interest-Rate Risk***

The Plan offers participants three U.S. fixed-income funds as investment options at December 31, 2024 and 2023, respectively. The following is a summary of the fair value of the fixed-income funds as of December 31, 2024 and 2023, prorated for maturity distribution as disclosed by the fund managers:

<b>Maturity Distribution</b>	<b>2024 Fair Value</b>	<b>2023 Fair Value</b>
Less than 1 Year	\$ 23,509	\$ -
3-5 Years	2,521,387	-
Greater than 5 Years	50,376,080	78,563,636
	<u>\$ 52,920,976</u>	<u>\$ 78,563,636</u>

The Plan also provides investment options in balanced and target date common trust funds. The target date common trust funds provide a single-fund diversified portfolio that is automatically adjusting with an age-based asset allocation. The common trust funds are offered in five-year increments. As of December 31, 2024 and 2023, respectively, the fixed-income asset allocation of the common trust funds range from 55% and 55% for an anticipated year of retirement in the near future to 2.0% and 2.0% for those participants with longer opportunities for investment. The fund manager notes the interest rate sensitivity for these common trust funds as moderate. As of December 31, 2024 and 2023, approximately \$62,286,000 and \$57,735,000, respectively, were invested in fixed-income strategies in the balanced and target date common trust funds. The maturity distribution of these common trust funds is not available.

The Plan's investment policy does not specifically address limits on maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Each participant is responsible for determining the maturity and commensurate returns of their portfolio.

**Harris County Hospital District 401(k) Plan  
Notes to Financial Statements  
December 31, 2024 and 2023**

***Credit Risk***

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan's investment policy does not specifically address the quality rating of the investments. Each participant is responsible for determining the risks and commensurate returns on their portfolio. The Plan's core U.S. fixed-income funds were rated based on the average quality of the fixed-income investments as of December 31, 2024 and 2023, as noted below:

<b>Quality Allocation</b>	<b>2024 Fair Value</b>	<b>2023 Fair Value</b>
U.S. Government	\$ 4,020,114	\$ 8,180,144
Short Term Investments (Cash & Cash Equiv)	(780,924)	337,288
AAA	37,137,305	48,132,299
AA	2,016,899	3,574,299
A	5,784,821	8,354,163
BBB and below	4,648,674	9,966,705
Not Rated	94,087	18,738
	<u>\$ 52,920,976</u>	<u>\$ 78,563,636</u>

The Plan's balanced and target date common trust funds were noted by the fund manager as being invested in securities with an average credit rating of low.

***Foreign Currency Risk***

Foreign currency risk is the risk that fluctuations in the exchange rate will adversely affect the value of investments denominated in a currency other than the U.S. dollar. The Plan offers investments in international equities through an international equity mutual fund. These investments are denominated in U.S. dollars and accounted for at fair value. The Plan has no exposure to foreign currency fluctuations.

**Note 4. Plan Termination**

Although it has not expressed any intent to do so, the System has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event of Plan termination, participants would become 100% vested in their accounts.

**Note 5. Related-Party Transactions**

Certain Plan investments are shares of mutual funds managed by Fidelity, which is the trustee of the Plan. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than a direct payment. The Plan paid \$794,006 and \$711,696 in administrative expenses to Fidelity during the years ended December 31, 2024 and 2023, respectively.

**Note 6. Plan Tax Status**

The Internal Revenue Service (IRS) has determined and informed the System by a letter dated June 10, 2014, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax exempt.

**Note 7. Risks and Uncertainties**

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term. Such changes could materially affect the participants' account balances and the amounts reported in the statements of net position available for benefits.

**Note 8. Subsequent Events**

Subsequent events have been evaluated through June xx, 2025, which is the date the financial statements were available to be issued.

## Meeting of the Board of Trustees

Monday, June 30, 2025

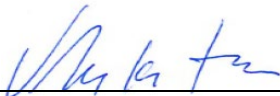
Consideration of Acceptance of the Harris County Hospital District Pension Plan  
Independent Auditor's Report and Financial Statements for the Years Ended  
December 31, 2024 and 2023

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Representatives from the external audit firm Forvis Mazars, LLP, will provide an overview of the results of the audit engagement for the Harris County Hospital District Pension Plan for the Board of Trustees' consideration and approval.

A copy of the draft report is attached.

Management recommends the acceptance of the Harris County Hospital District Pension Plan Independent Auditor's Report and Financial Statements for the Years Ended December 31, 2024 and 2023.



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Victoria Nikitin  
EVP – Chief Financial Officer

# **Harris County Hospital District Pension Plan**

## **Independent Auditor's Report and Financial Statements**

December 31, 2024 and 2023

Harris County Hospital District Pension Plan  
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December 31, 2024 and 2023

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**Harris County Hospital District Pension Plan  
Management's Discussion and Analysis (Unaudited)  
December 31, 2024, 2023, and 2022**

As management of the Harris County Hospital District, d/b/a Harris Health (System), we offer readers of the financial statements of Harris County Hospital District Pension Plan (Plan), this narrative overview and analysis of the financial activities of the Plan for the years ended December 31, 2024, 2023, and 2022.

**Financial Highlights**

- Net position of the Plan as of December 31, 2024, 2023, and 2022, was \$1,043,567,505, \$948,342,881, and \$821,202,643, respectively. The net position is restricted for use for the payment of future employee pension benefits.
- The Plan's net position restricted for pensions increased \$95,224,624 for the year ended December 31, 2024, increased \$127,140,238 for the year ended December 31, 2023, and decreased (\$145,170,301) for the year ended December 31, 2022.
- Contributions to the Plan are made solely by the employer, the System, as determined by the Plan's actuaries based on future obligations and required funding to meet those obligations. These contributions totaled \$69,000,000, \$68,000,000, and \$60,000,000 for the years ended December 31, 2024, 2023, and 2022, respectively.
- The Plan's total investment income (loss) in 2024, 2023, and 2022 was \$94,027,580, \$125,600,849, and \$(146,103,720), yielding a total return on investment of 9.5%, 14.3%, and (16.5%), respectively. Investment income (loss) consists of interest, dividend income, and net appreciation (depreciation) in the fair value of investments. In 2022, the U.S. economic activity was negatively impacted and weakened. In 2024 and 2023, the U.S. economic activity firmed and strengthened. A detail of the asset allocation for the years ended December 31, 2024, 2023, and 2022, was as follows:

	2024	2023	2022
Domestic equities (common stocks and common collective trust)	37 %	36 %	30 %
International equities (common collective trust and mutual funds)	20	27	29
Fixed income investment (fixed income securities and mutual funds)	35	29	31
Hedge funds (common collective trusts)	4	4	5
REIT (common collective trusts)	4	4	5
Total	100 %	100 %	100 %

- Benefit payments are the primary expense of the Plan. Such payments totaled \$65,337,726, \$64,129,382, and \$56,575,806 for the years ended December 31, 2024, 2023, and 2022, respectively.
- Other expenses of the Plan include administrative and investment management expenses, which totaled \$2,465,230, \$2,331,229, and \$2,490,775 for the years ended December 31, 2024, 2023, and 2022, respectively.



**Harris County Hospital District Pension Plan  
Management's Discussion and Analysis (Unaudited)  
December 31, 2024, 2023, and 2022**

**Overview of the Financial Statements**

Our discussion and analysis is intended to serve as an introduction to the Plan's basic financial statements. The Plan's financial statements are composed of financial statements and notes to the financial statements. The financial statements consist of two statements: (1) statement of fiduciary net position and (2) statement of changes in fiduciary net position. These statements present information on all the Plan's assets and liabilities with the difference between the two reported as net position restricted for pensions. Over time, increases or decreases in net position restricted for pensions may serve as a useful indicator of whether the financial position of the Plan is improving or deteriorating. The statement of changes in fiduciary net position presents information showing how the Plan's net position restricted for pensions changed during the year. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

**Investment Policy**

The Plan's investment policy requires the Plan to maintain target asset allocation and ranges for the total fund. The asset allocation and ranges are as follows:

	<u>Target</u>	<u>Range</u>
Domestic equity	22 %	20–46 %
International equity	35	15–39
Fixed income	33	23–47
Hedge funds	5	3–7
Real estate funds	5	3–7
Total	<u>100 %</u>	

The Plan's investment policy was adhered to during the years ended December 31, 2024, 2023, and 2022.

**Fiduciary Net Position**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Cash	\$ 25,042,476	\$ 28,895,596	\$ 40,444,435
Common stocks	337,733,141	338,076,110	248,068,402
Mutual funds	218,401,912	258,609,351	246,949,236
Collective investment trusts	331,310,571	203,658,006	189,844,975
Fixed income securities	148,177,803	139,957,937	129,606,257
Short-term investments	693,502	2,993,473	2,100,099
Receivables from accrued income and other	1,295,746	9,507,424	3,700,467
	1,062,655,151	981,697,897	860,713,871
Liabilities from accrued expenses and other	(19,087,646)	(33,355,016)	(39,511,228)
Net position restricted for pensions	<u>\$ 1,043,567,505</u>	<u>\$ 948,342,881</u>	<u>\$ 821,202,643</u>

**Harris County Hospital District Pension Plan  
Management's Discussion and Analysis (Unaudited)  
December 31, 2024, 2023, and 2022**

**Changes in Fiduciary Net Position**

	<b>2024</b>	<b>2023</b>	<b>2022</b>
Beginning balance	\$ 948,342,881	\$ 821,202,643	\$ 966,372,944
Contributions	69,000,000	68,000,000	60,000,000
Investment income (loss)	94,027,580	125,600,849	(146,103,720)
Deductions	(67,802,956)	(66,460,611)	(59,066,581)
	<u>\$ 1,043,567,505</u>	<u>\$ 948,342,881</u>	<u>\$ 821,202,643</u>

**Investment Expenses**

The Plan's investment expenses for the year ended December 31, 2024, are summarized as follows:

	<b>Direct and Indirect Fees and Commissions</b>				
	<b>Management Fees Paid from Trust</b>	<b>Management Fees Netted from Returns</b>	<b>Total Management Fees</b>	<b>Brokerage Fees/Commissions</b>	<b>Profit Share/Carried Interest</b>
Equity securities	\$ 1,490,804	\$ -	\$ 1,490,804	\$ -	\$ -
Fixed income	333,100	-	333,100	-	-
Real assets	170,772	-	170,772	-	-
Total direct and indirect fees and commissions	<u>\$ 1,994,676</u>	<u>\$ -</u>	<u>\$ 1,994,676</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Investment Services</b>					
Custodial					287,379
Foreign income tax					49,634
Investment consulting					127,115
Legal					6,426
Total investment services					<u>470,554</u>
Total administrative expenses					<u>\$ 2,465,230</u>

The following investment managers have been engaged by the System:

**List of Investment Manager Names**

Blackstone Alternative Asset Management LP  
Dodge and Cox  
Jennison Associates  
JP Morgan  
Morgan Stanley  
State Street Corporation  
TCW Asset Management Co.  
William Blair & Company LLC  
Eaton Vance  
Earnest Partners

The Plan holds other/alternative investments in Blackstone Partners Offshore Fund Ltd., which is managed by Blackstone Alternative Asset Management LP.

**Harris County Hospital District Pension Plan  
Management's Discussion and Analysis (Unaudited)  
December 31, 2024, 2023, and 2022**

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**Request for Information**

This financial report is designed to provide a general overview of the Plan's finances. Questions about this report and requests for additional financial information should be directed to the Harris County Hospital District, d/b/a Harris Health, Attention: Benefits Department, 4800 Fournace Place, Bellaire, Texas 77401.

DRAFT 6.12.2025

**Harris County Hospital District Pension Plan**  
**Statements of Fiduciary Net Position**  
**December 31, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>Cash</b>	\$ 25,042,476	\$ 28,895,596
<b>Investments, At Fair Value</b>		
Fixed income securities	148,177,803	139,957,937
Mutual funds:		
Fixed income	165,070,611	127,635,772
International equity	53,331,301	130,973,579
Common stocks	337,733,141	338,076,110
Collective investment trusts:		
Domestic equity	45,120,441	-
International equity	154,502,336	124,301,773
Fixed income	49,073,028	-
Multistrategy	45,581,644	41,119,557
Real estate	37,033,122	38,236,676
Short-term investments	693,502	2,993,473
Total investments	1,036,316,929	943,294,877
<b>Receivables</b>		
Due from broker for securities sold	58,854	8,080,050
Accrued interest and dividends	1,236,892	1,427,374
Total receivables	1,295,746	9,507,424
Total assets	1,062,655,151	981,697,897
<b>LIABILITIES</b>		
Accrued administrative expenses	530,580	467,189
Due to broker for securities purchased	18,557,066	32,887,827
Total liabilities	19,087,646	33,355,016
<b>Net Position Restricted for Pensions</b>	\$ 1,043,567,505	\$ 948,342,881

**Harris County Hospital District Pension Plan  
Statements of Changes in Fiduciary Net Position  
Years Ended December 31, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Employer Contributions</b>	<u>\$ 69,000,000</u>	<u>\$ 68,000,000</u>
<b>Investment Income</b>		
Net appreciation in fair value of investments	76,377,087	110,256,410
Interest	6,404,847	5,616,430
Dividends	11,065,549	9,728,329
Other loss	<u>180,097</u>	<u>(320)</u>
<b>Total Investment Income</b>	<u>94,027,580</u>	<u>125,600,849</u>
<b>Total Additions</b>	<u>163,027,580</u>	<u>193,600,849</u>
<b>Deductions</b>		
Benefits paid to participants and beneficiaries	65,337,726	64,129,382
Administrative expenses	<u>2,465,230</u>	<u>2,331,229</u>
<b>Total Deductions</b>	<u>67,802,956</u>	<u>66,460,611</u>
<b>Net Increase in Net Position Restricted for Pensions</b>	95,224,624	127,140,238
<b>Net Position Restricted for Pensions, Beginning of Year</b>	<u>948,342,881</u>	<u>821,202,643</u>
<b>Net Position Restricted for Pensions, End of Year</b>	<u><u>\$ 1,043,567,505</u></u>	<u><u>\$ 948,342,881</u></u>

*See Notes to Financial Statements*

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**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**Note 1. Description of the Plan**

The following description of Harris County Hospital District Pension Plan (Plan) provides only general information. Participants should refer to the *Summary Plan Description* for more complete information, a copy of which is available from the Harris County Hospital District, d/b/a Harris Health (System).

**General**

The Plan is a noncontributory, single-employer defined-benefit pension plan covering all full-time employees of the System who meet the Plan's service requirements. As a governmental plan, it is exempt from the reporting and disclosure requirements of the *Employee Retirement Income Security Act of 1974*, and follows the reporting requirements as dictated by the Governmental Accounting Standards Board (GASB).

In October 2006, the System Board of Trustees (Board) amended the Plan to close enrollment to new hires effective January 1, 2007. The amended plan offers employees hired prior to January 1, 2007, a choice to either (1) continue with their current pension plan or (2) elect to participate in the System's enhanced 401(k) retirement savings plan with a match, effective July 2007, of up to 5% of participant's compensation provided by the System. All new hires and rehires after December 31, 2006, are only eligible for the System's 401(k) retirement savings plan with a match up to 5%.

The Plan is administered by an administrative committee (Committee) appointed by the Board of the System. The Committee comprises nine members who are responsible for administering the Plan under the terms that are established. The Board, as authorized in the *Plan Document*, approves amendments to the Plan. State Street (Trustee) serves as trustee and custodian for the Plan.

**Contributions**

Contributions to provide benefits under the Plan are made solely by the System. The System makes annual contributions based on an actuarial valuation of the Plan. The actuarial recommended contribution includes normal cost, plus amortization of the expected unfunded liability, if any.

**Pension Benefits**

Active employees with one or more years of service, who meet eligibility requirements, are entitled to a monthly pension payment beginning at normal retirement age (65) equal to the benefit accrued based on compensation and years of service. The Plan permits early retirement at ages 55 to 64, provided 10 years of service has been completed. If employees terminate after five years of service, they retain the right to vested benefits. Participants become 100% vested in their accrued benefits after five years of service. Each participant shall have a monthly benefit payable for life that is equal to the greater of (a) the number of years of service multiplied by 1.5% of the average monthly compensation (average base compensation received in the five highest consecutive calendar years out of the 10 complete calendar years prior to retirement) or (b) the accrued monthly retirement benefit determined as of January 1, 1989, plus the number of years of future service earned after January 1, 1989, multiplied by 1.5% of the average monthly compensation, subject to a minimum equal to the benefit earned under the Plan prior to the adoption of the sixth amendment as of September 30, 1991 (applies to non-highly compensated employees only). Monthly benefit payments are subject to a minimum based on the number of years of service multiplied by \$6 and a maximum provision permitted to be paid under Section 415 of the Internal Revenue Code (the IRC). Participants may also elect to receive their benefits in other optional forms.

If the present value of a terminating participant's vested benefit is \$1,000 or less, the benefit will automatically be paid in a lump sum. In 2024 and 2023, there were no lump-sum payments made to terminated participants.

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

***Death and Disability Benefits***

If an active employee dies, a benefit equal to one-half of the normal pension benefit will be due to the spouse of the participant if the participant has attained 10 years of service. The beneficiary of a deceased retired participant is entitled to a lump-sum payment of \$5,000. If a participant becomes disabled, the participant will be paid 55% of his/her average monthly compensation, less 64% of the monthly primary social security benefit at the time of disability. Disability benefits will be paid during the participant's disability or until retirement age is reached, whichever is shorter.

***Plan Membership***

Membership of the Plan consisted of the following as of January 1, 2024 and 2023, respectively:

	<b>2024</b>	<b>2023</b>
Inactive Plan members or beneficiaries currently receiving benefits	3,672	3,647
Inactive Plan members entitled to but not yet receiving benefits	1,264	1,289
Active Plan members	1,484	1,549
Total Plan members	<u>6,420</u>	<u>6,485</u>

**Note 2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The accompanying financial statements are prepared on the accrual basis of accounting. The Plan applies the Governmental Accounting Standards Board pronouncements applicable to benefit plan accounting and reporting.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities and the actuarial present value of accumulated Plan benefits at the date of the financial statements and changes therein. Actual results could differ from those estimates.

***Risks and Uncertainties***

The Plan utilizes various investment securities, including U.S. Government securities, corporate debt instruments, mutual funds, common stocks, collective investment trusts, and real estate investment trusts. Investment securities, in general, are exposed to various risks, such as interest rate, credit risk, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

The actuarial present value of accumulated Plan benefits is calculated based on economic and demographic assumptions, including investment return rates, inflation rates, salary increases, retirement ages and mortality rates. Due to uncertainties inherent in the estimations and assumptions processes, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would-be material to the financial statements.

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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***Valuation of Investments and Income Recognition***

Investments are reported at fair value. Quoted market prices, if available, are used to value investments. Mutual funds, including short-term investments, are valued at the net asset value (NAV) of shares held by the Plan at year-end. Common stocks are valued at the closing price reported on the active market on which the individual securities are traded. Fixed income securities are valued on the basis of yields currently available on comparable securities of issuers with similar credit ratings. Units of collective investment trusts are stated at fair value using NAV practical expedient.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Certain management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

***Administrative Expenses***

All administrative expenses incurred in the operation of the Plan are paid by the Plan as provided in the Plan Document. The System provides accounting and certain other administrative services to the Plan at no charge.

***Payment of Benefits***

Benefit payments to participants are recorded upon distribution.

**Note 3. Investments**

The fair value of investments as of December 31, 2024 and 2023, is presented in the following table (in thousands):

	<b>2024</b>	<b>2023</b>
Common stocks	\$ 337,733	\$ 338,076
Mutual funds	218,403	258,610
Collective investment trusts	331,311	203,658
Fixed income securities	148,178	139,958
Short-term investments	694	2,993
Total	<u>\$ 1,036,317</u>	<u>\$ 943,295</u>

The Plan categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 are quoted prices in an active market for identical assets, Level 2 are significant other observable inputs and Level 3 are significant unobservable inputs.

The mutual funds held by the Plan are actively traded and valued at the daily closing price as reported by the fund and are disclosed as investments in Registered Investment Companies. The collective investment trusts held by the Plan are valued at NAV of the respective investments as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the investment will be sold for an amount different from the reported NAV.



**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

The following is a summary of the hierarchy of the fair value of investments of the Plan as of December 31, 2024 (in thousands):

	Fair Value Measurement Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Debt securities:			
U.S. Treasury securities	\$ -	\$ 89,067	\$ 89,067
Asset backed	-	3,464	3,464
Agencies	-	3,372	3,372
Commercial mortgage-backed securities	-	17,581	17,581
Corporate bonds	-	32,778	32,778
Mortgages	-	1,256	1,256
Municipals	-	661	661
Fixed income mutual funds	165,071	-	165,071
Total debt securities	165,071	148,177	313,248
Equity securities:			
Domestic	337,733	-	337,733
International	53,331	-	53,331
Total equity securities	391,064	-	391,064
Short-term investment funds	694	-	694
Total investments by fair value level	\$ 556,829	\$ 148,177	705,006
Collective investment trusts measured at the NAV practical expedient:			
Domestic equity			45,120
International equity			154,502
Fixed income			49,073
Hedge funds - multistrategy			45,582
Real estate			37,033
Total investments at NAV			331,311
Total investments measured at fair value			\$ 1,036,317

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

The following is a summary of the hierarchy of the fair value of investments of the Plan as of December 31, 2023 (in thousands):

	Fair Value Measurement Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Debt securities:			
U.S. Treasury securities	\$ -	\$ 79,636	\$ 79,636
Asset backed	-	5,204	5,204
Agencies	-	2,997	2,997
Commercial mortgage-backed securities	-	18,443	18,443
Corporate bonds	-	31,750	31,750
Mortgages	-	1,264	1,264
Municipals	-	664	664
Fixed income mutual funds	127,636	-	127,636
Total debt securities	127,636	139,957	267,593
Equity securities:			
Domestic	338,076	-	338,076
International	130,974	-	130,974
Total equity securities	469,050	-	469,050
Short-term investment funds	2,993	-	2,993
Total investments by fair value level	\$ 599,679	\$ 139,957	739,636
Collective investment trusts measured at the NAV practical expedient:			
International equity			124,302
Hedge funds - multistrategy			41,120
Real estate			38,237
Total investments at NAV			203,659
Total investments measured at fair value			\$ 943,295

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

***Investments Measured Using the NAV per Share Practical Expedient***

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2024 and 2023. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice</b>
<b>December 31, 2024 (in thousands):</b>				
Domestic equity	\$ 45,120	None	Daily	None
International equity	154,502	None	Daily	None
Fixed income	49,073	None	Monthly	30 days
Hedge funds - multistrategy	45,582	None	Monthly	95 days
Real estate	37,033	None	Quarterly	45 days
Total investments at NAV	<u>\$ 331,311</u>			
<b>December 31, 2023 (in thousands):</b>				
International equity	\$ 124,302	None	Daily	None
Hedge funds - multistrategy	41,120	None	Monthly	95 days
Real estate	38,237	None	Quarterly	45 days
Total investments at NAV	<u>\$ 203,659</u>			

For collective investment trusts that are measured at NAV per share, the valuation provided by the fund manager is used. All partnerships provide audited financial statements, along with unaudited quarterly reports.

International equity – The trust's investment is an international equity and the investment objective is to seek long-term capital appreciation above the MSCI All Country World Ex-U.S. Investable Market Index (net), by investing at least 80% of its total assets in a diversified portfolio of common stocks and in securities convertible into, exchangeable for or having the right to buy such common stocks that issued by companies of all sizes domiciled outside the United States.

Hedge funds – multistrategy - This type invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility, primarily through limited partnerships. The fund is organized by investing substantially all assets through a master feeder structure and may use a wide range of investment strategies.

Real estate – This type invests in institutional quality real estate private equity funds to provide income, low-correlation to other investments and a hedge against inflation.

During the Plan years ended December 31, 2024 and 2023, the Plan's investments (including investments bought, sold and held during the Plan year) appreciated in value by \$76,377,087 and \$110,256,410, respectively, as follows (in thousands).

	<b>2024</b>	<b>2023</b>
Common stocks	\$ 65,628	\$ 77,071
Mutual funds	250	7,172
Collective investment trusts	10,500	26,013
Total	<u>\$ 76,377</u>	<u>\$ 110,256</u>

**Note 4. Investment Risk Disclosures**

***Investment Policy***

Substantially all of the Plan's investments are held by the Trustee. The Committee authorizes various portfolio managers to manage investments within the guidelines of the Plan's statement of investment policy (the Policy) set forth by the Committee. The Policy mandates a diversified portfolio, which includes investments in collective investment trusts, fixed income securities and equity securities. GASB requires disclosure of common deposit and investment risks, including credit risk, concentration of credit risk, custodial credit risk, interest rate risk and foreign currency risk of investments.

The Policy in regard to the allocation of invested assets is established and may be amended by the System's Board of Trustees by a majority vote of its members. It is the policy of the Plan Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Policy discourages the use of cash equivalents, except for liquidity purposes and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board of Trustee's adopted asset allocation as of December 31, 2024 and 2023:

<b>Asset Class</b>	<b>2024 Target Allocation</b>	<b>2023 Target Allocation</b>
International equity	22 %	22 %
Fixed income	35	35
Domestic equity	33	33
Hedge funds	5	5
Real estate funds	5	5
	<u>100 %</u>	<u>100 %</u>

***Money-Weighted Rate of Return***

For the years ended December 31, 2024 and 2023, the annual money-weighted rate of return on pension plan investments, net of pension investment expenses, was 9.65% and 15.04%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**Credit Risk and Concentration of Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Policy establishes minimum acceptable credit ratings for certain investment instruments. Fixed income investment managers are expected to invest in a well-diversified mix of debt instruments, including U.S. Treasury, agency, mortgage-backed, asset-backed, corporate, Eurodollar and Yankee issue. The Core Plus Fixed Income Investment Manager may also invest in derivative instruments such as options, future contracts, or swap agreements. With the exception of the U.S. Treasury and its agencies, no more than 5% of the market value of the portfolio should be invested in the securities of a single issuer. No more than 15% of the Fixed Income Investment Manager's portion of the Plan or 120% of the benchmark's allocation, whichever is greater, shall be rated less than "A" quality. Bonds of foreign issuers are permitted to comprise up to 30% of a Fixed Income Investment Manager's portfolio. The duration of the portfolio is expected to be within 50% of the index's duration. Guidelines for diversification and risk tolerance are detailed within the Policy. Additionally, the Policy includes specific investment strategies for fund groups that address each group's investment options and describes the priorities for suitable investments. GASB does not require disclosure of U.S. Government obligations explicitly guaranteed. As of December 31, 2024 and 2023 below are the Plan's fixed income investments, excluding U.S. Government obligations, at fair value (in thousands):

Security Type	2024		2023	
	Fair Value	Quality	Fair Value	Quality
Fixed income securities:				
Asset backed	\$ 3,464	AA+	\$ 5,204	AA+
Agencies	3,372	AAA	2,997	AAA
Commercial mortgage-backed securities	17,581	AAA	18,443	AAA
Mortgages	1,256	A	1,264	A
Corporate	32,778	A-	31,749	A-
Municipal	661	AA+	664	AA+
Mutual funds	165,071	A-	127,636	A-
Total	<u>\$ 224,183</u>		<u>\$ 187,957</u>	

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The System mitigates these risks by emphasizing the importance of a diversified portfolio. All funds must be sufficiently diversified to eliminate the risk of loss resulting from overconcentration of assets in a specific maturity, a specific issuer, or a specific class of securities. In particular, no more than 5% of an equity portfolio may be invested in a single company without consent of the Committee. Holdings in any one industry or sector are not to exceed the greater of 150% of the benchmark's allocation or 30% of the portfolio market value. No more than 20% of the portfolio may be invested in cash equivalents and fixed income securities with fixed income securities not exceeding 15%. Concentration by issuer for other investment instruments is limited to 5%. The Policy does specify that acceptable investment instruments must have high-quality credit ratings and, consequently, risk is minimal.

As of December 31, 2024 and 2023, the Plan did not hold more than 5% of assets in any single issuer other than mutual funds, U.S. Government obligations, collective investment trusts or obligations of U.S. Government chartered entities.

The Plan maintained no investments in derivatives as of December 31, 2024 and 2023.

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the Plan will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Plan will not be able to recover the value of its investment or collateral securities that are in possession of another party.

The Plan does not have a formal policy for custodial credit risk. As of December 31, 2024 and 2023, all investments are held in a nominee name of the custodian for the benefit of the Plan.

**Interest Rate Risk**

All investments carry the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater is the sensitivity of its fair market value to changes in market interest rates. The Plan does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Interest rate risk is limited by the short-term nature of the investments.

As of December 31, 2024 and 2023, the Plan had the following investments in its fixed income accounts (in thousands):

Security Type	2024		2023	
	Fair Value	Weighted-average Maturity in Years	Fair Value	Weighted-average Maturity in Years
Fixed income securities:				
Asset backed	\$ 3,464	13.1	\$ 5,204	8.1
Agencies	3,372	22.8	2,997	24.43
Commercial mortgage-backed securities	17,581	29.3	18,443	36.77
Mortgages	1,256	17.6	1,264	13.43
Corporate	32,778	10.5	31,749	55.92
Municipal	661	4.4	664	3.67
U.S. Treasury	89,066	4.60	79,636	3.00
Mutual funds	165,071	7.96	127,636	7.96
Total	<u>\$ 313,249</u>		<u>\$ 267,593</u>	

**Foreign Currency Risk**

Foreign currency risk is the risk that fluctuations in the exchange rate will adversely affect the value of investments denominated in a currency other than the U.S. dollar.

The Plan holds investments in collective investment trusts and mutual funds that are invested in international equities. These investments are denominated in U.S. dollars and accounted for at fair value. The Plan has no exposure to foreign currency fluctuations.

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**Note 5. Net Pension Liability of the System**

The components of the net pension liability of the System as of December 31, 2024 and 2023, were as follows (in thousands):

	<b>2024</b>	<b>2023</b>
Total pension liability	\$ 1,213,086	\$ 1,183,781
Plan net position restricted for pensions	1,043,568	948,343
System net pension liability	<u>\$ 169,518</u>	<u>\$ 235,438</u>
Plan net position restricted for pensions as a percentage of the total pension liability	86.03%	80.11%

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of December 31, 2024 and 2023, using the following actuarial assumptions:

	<b>2024</b>	<b>2023</b>
Actuarial cost method	Entry age normal	Entry age normal
Inflation	2.5%	2.5%
Investment rate of return - net of expenses	5.75%	5.75%
Projected salary increases (ultimate rate)	3.0%	3.0%
Assumed retirement age	Various retirement age rates were assumed for ages 55 through 70	Various retirement age rates were assumed for ages 55 through 70
Mortality rate:	Pre-Decrement: Pub-2010 general employee below-median, amount-weighted	Pre-Decrement: Pub-2010 general employee below-median, amount-weighted
	Post-Decrement (Non-Disabled) Pub-2010 general retiree below-median, amount weighted	Post-Decrement (Non-Disabled) Pub-2010 general retiree below-median, amount weighted
	Disabled: Pub-2010 general disabled retiree, amount weighted	Disabled: Pub-2010 general disabled retiree, amount weighted
	Contingent Survivor: Pub-2010 contingent survivor below-median, amount weighted	Contingent Survivor: Pub-2010 contingent survivor below-median, amount weighted
	Mortality improvement: The mortality tables include fully generational mortality improvement projected after year 2010 using Scale MP-2021	Mortality improvement: The mortality tables include fully generational mortality improvement projected after year 2010 using Scale MP-2021

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

**Harris County Hospital District Pension Plan**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of December 31, 2024 and 2023 (see the discussion of the Plan's investment policy), are summarized in the following table:

	Expected Real	
	2024	2023
Asset class:		
Domestic equity - large cap	7.05 %	7.05 %
Domestic equity - small cap	7.62	7.62
International equity	7.72	7.72
Fixed income	4.30	4.30
Hedge funds	6.13	6.13
Real estate	6.24	6.24

**Discount Rate**

The discount rate used to measure the total pension liability was 5.75% for 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan's net position restricted for pensions was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

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

The following represents the net pension liability calculated using the stated discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

System Net Pension Liability	1% Decrease (4.75%)	Current Discount Rate (5.75%) (In Thousands)	1% Increase (6.75%)
December 31, 2024	\$ 308,064	\$ 169,519	\$ 52,285
December 31, 2023	\$ 372,453	\$ 235,438	\$ 119,708



#### **Note 6. Tax Status**

The Plan has received a determination letter from the Internal Revenue Service dated June 10, 2014, stating that the Plan and related trust, as then designed, were in compliance with the applicable requirements of the IRC and therefore not subject to tax. The Plan Administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

#### **Note 7. Related-party Transactions**

Certain Plan investments are managed by State Street, which is the trustee and custodian as defined by the Plan. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. Management fees and other investment service fees paid by the Plan were \$2,465,230 and \$2,331,229 for the years ended December 31, 2024 and 2023, respectively. The System provides certain administrative services at no cost to the Plan.

#### **Note 8. Plan Termination**

Although it has not expressed any intention to do so, the System has the right under the Plan, in certain circumstances, to discontinue contributions to the Plan and to terminate the Plan. In the event that the Plan is terminated, the net position of the Plan will be allocated generally to provide the following benefits in the order indicated:

- Benefits due to participants who have reached the age of 65 and to beneficiaries of deceased participants
- Benefits due to participants qualified for early retirement, as defined by the Plan
- Benefits due to other participants in proportion to the actuarial value of their accumulated benefits

In the event the assets are not sufficient to carry out any of the foregoing purposes in full, the allocations to the accounts of individuals thereunder shall be made in the proportion that the assets available bear to the assets required to carry out the purpose in full.

#### **Note 9. Subsequent Events**

Subsequent events have been evaluated through June XX, 2025, which is the date the financial statements were available to be issued.

***Required Supplementary Information  
(Unaudited)***

**Harris County Hospital District Pension Plan**  
**Schedule of Changes in Net Pension Liability and Related Ratios– Unaudited**  
**Last 10 Fiscal Years**  
**Years Ended December 31, 2024 Through 2015**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:										
Service cost	\$ 9,795	\$ 9,705	\$ 9,567	\$ 8,601	\$ 8,036	\$ 8,057	\$ 8,280	\$ 6,803	\$ 7,232	\$ 7,795
Interest	67,925	66,288	65,269	64,147	64,307	63,183	60,495	61,427	59,397	57,482
Changes of benefit terms:										
Difference between expected and actual experience	16,924	6,480	28,224	1,782	3,807	243	8,000	1,718	(4,063)	4,637
Changes of assumptions	-	-	(2,611)	61,527	50,545	23,528	15,748	10,709	-	-
Benefit payments	(65,338)	(64,129)	(56,576)	(53,264)	(50,184)	(47,367)	(44,712)	(42,563)	(40,178)	(44,023)
Net change in total pension liability	29,307	18,344	43,873	82,793	76,511	47,644	47,811	38,094	22,388	25,891
Total pension liability - beginning	1,183,781	1,165,437	1,121,564	1,038,771	962,260	914,616	866,805	828,711	806,323	780,432
Total pension liability - ending	1,213,086	1,183,781	1,165,437	1,121,564	1,038,771	962,260	914,616	866,805	828,711	806,323
Plan net position restricted for pensions:										
Contributions - employer	69,000	68,000	60,000	57,000	53,778	33,621	30,984	29,433	32,693	31,759
Net investment income (loss)	94,028	125,601	(146,104)	88,725	138,087	119,362	(35,426)	107,519	39,529	(4,891)
Benefit payments	(65,338)	(64,129)	(56,576)	(53,264)	(50,184)	(47,367)	(44,712)	(42,563)	(40,178)	(44,023)
Administrative expenses	(2,465)	(2,331)	(2,491)	(2,725)	(2,366)	(3,010)	(2,442)	(2,478)	(2,360)	(2,389)
Net change in plan net position restricted for pensions	95,225	127,141	(145,171)	89,736	139,315	102,606	(51,596)	91,911	29,684	(19,544)
Plan net position restricted for pensions - beginning	948,343	821,202	966,373	876,637	737,322	634,716	686,312	594,401	564,717	584,261
Plan net position restricted for pensions - ending	1,043,568	948,343	821,202	966,373	876,637	737,322	634,716	686,312	594,401	564,717
System net pension liability - ending	\$ 169,518	\$ 235,438	\$ 344,235	\$ 155,191	\$ 162,134	\$ 224,938	\$ 279,900	\$ 180,493	\$ 234,310	\$ 241,606
Plan net position restricted for pensions as a percentage of the total pension liability	86.03%	80.11%	70.46%	86.16%	84.39%	76.62%	69.40%	79.18%	71.73%	70.04%
Covered payroll	\$ 130,224	\$ 126,784	\$ 150,963	\$ 148,657	\$ 156,479	\$ 163,835	\$ 169,885	\$ 173,272	\$ 182,060	\$ 197,360
System net pension liability as a percentage of covered payroll	130.17%	185.70%	228.03%	104.40%	103.61%	137.30%	164.76%	104.17%	128.70%	122.42%

**Harris County Hospital District Pension Plan**  
**Notes to Schedule of Changes in Net Pension Liability and Related Ratios– Unaudited**  
**Last 10 Fiscal Years**  
**Years Ended December 31, 2024 Through 2015**

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Notes to schedule:

Changes of assumptions – In 2014, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2014 bottom quartile mortality tables with generational mortality improvement projected after 2014 with 50% of Scale MP-2014 for purposes of developing mortality rates.

Changes of assumptions – In 2017, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the MP-2017 scale and rate of return on investments from 7.5% to 7.0%.

Changes of assumptions – In 2018, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2014 total dataset mortality tables with generational mortality improvement projected after 2006 using Scale MP-2018 for purposes of developing mortality rates and change in inflation rate from 3.0% to 2.5%.

Changes of assumptions – In 2019, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the Pri-2012 total dataset mortality tables with generational mortality improvement projected after 2012 using Scale MP-2019 for purposes of developing mortality rates and change in investment return rate from 7.0% to 6.75%.

Changes of assumptions – In 2020, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the Pri-2012 total dataset mortality tables with generational mortality improvement projected after 2012 using Scale MP-2020 for purposes of developing mortality rates and change in investment return rate from 6.75% to 6.25%.

Changes of assumptions – In 2021, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the Pri-2012 total dataset mortality tables with generational mortality improvement projected after 2012 using Scale MP-2021 for purposes of developing mortality rates and change in investment return rate from 6.25% to 5.75%.

Changes of assumptions – In 2022, 2023 and 2024, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the Pub-2010 total dataset mortality tables, changes in withdrawal rates from disclosed as in prior year to 75% of prior rates, changes in retirement rates from disclosed as in prior year to rates as disclosed in valuation section of the report and changes in salary increases from rates based on service disclosed amounts in prior year to rates based on age as disclosed in valuation section of the report.

This schedule is presented to illustrate the requirement to show information for 10 years. Information presented in this schedule has been determined as of Harris County's fiscal year end (December 31) in accordance with GASB 68.

**Harris County Hospital District Pension Plan  
Schedule of Investment Returns– Unaudited  
Last 10 Fiscal Years  
Years Ended December 31, 2024 Through 2015**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	9.65%	15.04%	(15.39)%	9.84%	18.29%	18.71%	(5.56)%	17.93%	6.65%	(1.19)%

This schedule is presented to illustrate the requirement to show information for 10 years. Information presented in this schedule has been determined as of Harris County's fiscal year end (December 31) in accordance with GASB 68.

**Harris County Hospital District Pension Plan  
Schedule of Employer Contributions – Unaudited  
Last 10 Fiscal Years  
Years Ended December 31, 2024 Through 2015  
(Dollar Amounts in Thousands)**

	<b>Actuarially Determined Contribution</b>	<b>Actual Annual Contribution</b>	<b>Actual Annual Contribution as a Percentage of Actuarially Determined Contribution</b>	<b>Covered Payroll</b>	<b>Contributions as a Percent of Covered Payroll</b>
Plan year ended:					
December 31, 2024	\$ 36,930	\$ 69,000	187 %	\$ 130,224	53 %
December 31, 2023	38,610	68,000	176	126,784	54
December 31, 2022	38,858	60,000	154	150,963	40
December 31, 2021	36,225	57,000	157	148,657	38
December 31, 2020	36,056	53,778	149	156,479	34
December 31, 2019	33,621	33,621	100	163,835	21
December 31, 2018	30,984	30,984	100	169,885	18
December 31, 2017	29,433	29,433	100	173,272	17
December 31, 2016	32,693	32,693	100	182,060	18
December 31, 2015	31,759	31,759	100	197,360	16

**Harris County Hospital District Pension Plan**  
**Notes to Required Supplementary Information - Unaudited**  
**Year Ended December 31, 2024**  
**(Dollar Amounts in Thousands)**

The information on the required supplementary information was computed as part of the actuarial valuations at the dates indicated.

Additional information as of the latest actuarial valuation is as follows:

Valuation date	December 31, 2024
Actuarial cost method	Entry age normal
Amortization method	Level dollar amortization of unfunded liabilities
Asset valuation method	Market value
Inflation	2.50%
Salary increase (ultimate rate)	3.00%
Investment rate of return	5.75%
Mortality	<div>Pre-Decrement:</div> <div>Pub-2010 General Employee Below-Median, Amount-Weighted</div> <div>Post-Decrement (Non-Disabled):</div> <div>Pub-2010 General Retiree Below-Median, Amount-Weighted</div> <div>Disabled:</div> <div>Pub-2010 General Disabled Retiree, Amount-Weighted</div> <div>Contingent Survivor:</div> <div>Pub-2010 Contingent Survivor Below-Median, Amount-Weighted</div> <div>Mortality Improvement:</div> <div>The mortality tables include fully generational mortality improvement projected after year 2010 using Scale MP-2021.</div>



**Paige McInnis**  
**Harris County Purchasing Agent**

June 10, 2025

Board of Trustees Office  
Harris Health

**RE: Board of Trustees Meeting – June 30, 2025**  
**Budget and Finance Agenda Items**

The Office of the Harris County Purchasing Agent recommends review of the attached procurement actions:

- A. Approvals
- B. Transmittals

All recommendations are within the guidelines established by Harris County and Harris Health.

Sincerely,

*Paige McInnis*

Paige McInnis  
Purchasing Agent

JA/ea  
Attachments



**Budget and Finance Agenda Items for the Harris County Hospital District dba Harris Health System - Board of Trustees Report**

**Expenditure Summary: June 30, 2025 (Approvals)**

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
A1	<b>Multiple Vendors (See attached)</b>  MWBE Goal: Multiple Vendors	<b>Professional Architectural and/or Engineering Services for Various Projects for Harris Health</b> - To provide architectural and engineering services for projects of various size and scope for Harris Health System.  <b>Job No. 240410</b>	Award Most qualified vendors meeting requirements  One-year initial term with four (4) one-year renewal options	Patrick Casey		\$ 44,850,000
A2	<b>TMC Laundry</b>  MWBE Goal: 0% Non-Divisible	<b>Linen Processing, Cart Building and Linen Distribution Services</b> - To provide comprehensive linen processing, cart building, and linen distribution services for Harris Health facilities.  <b>Job No. 240438</b>	Award Best proposal meeting requirements  Five-year initial term	Charles Motley		*
A3	<b>Campos Engineering, Inc.</b>  MWBE Goal: 6%  <b>Engineered Air Balance Co., Inc.</b>  MWBE Goal: 6%	<b>Testing, Adjusting, Balancing (TAB) and Related Services for Harris Health</b> - To provide Testing, Adjusting, Balancing (TAB) and Related Services for Harris Health.  <b>Job No. 240420</b>	Award Best proposal meeting requirements  One-year initial term with four (4) one-year renewal options	Patrick Casey		*
A4	<b>Carestream Health, Inc. (GA-06143)</b>  MWBE Goal: Exempt Sole Source	<b>Service and Maintenance for Carestream Portable X-ray Systems for Harris Health</b> - To continue to provide scheduled and unscheduled service and maintenance for Carestream Portable Digital X-ray Systems.  <b>Sole Source Exemption, Board Motion 23.06-95</b>	Additional Funds Extension Sole Source Exemption  July 01, 2025 through June 30, 2027	James Young	\$ 443,145	\$ 930,626
A5	<b>UKG Kronos Systems, LLC (HCHD-0076)</b>  MWBE Goal: Exempt Sole Source	<b>Kronos Workforce Dimensions Software Maintenance and Support for Harris Health</b> - Additional funds are required to add Analytical and Productivity modules to current solution.  <b>Sole Source Exemption</b>	Ratify Additional Funds Sole Source Exemption  June 27, 2025 through June 26, 2026	Samantha Raffied	\$ 963,109	\$ 859,550
A6	<b>Karl Storz Endoscopy-America, Inc.</b>  MWBE Goal: Exempt Sole Source	<b>Surgical Video Visualization Equipment for Harris Health</b> - This procurement is to purchase thirty-two (32) laryngoscopes and three (3) cystoscopes for Ben Taub Hospital.  <b>Sole Source Exemption</b>	Purchase Sole Source Exemption	Arun Mathew		\$ 579,718
A7	<b>Fisk Electric Company</b>  MWBE Goal: Exempt Public Health or Safety	<b>ATS Generator Switches for Harris Health</b> - Additional funds are needed to extend the rental period until 08/31/2025. Once the rental period concludes, Harris Health will be allowed to purchase the ATS switches.  <b>Public Health or Safety Exemption, Board Motion 24.09-135</b>	Additional Funds Public Health or Safety Exemption	Patrick Casey	\$ 296,191	\$ 576,736
A8	<b>Stryker Neurovascular (HCHD-1176)</b>  MWBE Goal: Exempt Public Health or Safety	<b>Neurointerventional Microcoil Embolics Products for Harris Health</b> - To continue providing Harris Health with Neurointerventional microcoil embolics products used for the treatment of neurovascular aneurysms.  <b>Public Health or Safety Exemption, Board Motion 24.04-50</b>	Additional Funds Extension Public Health or Safety Exemption  October 01, 2025 through September 30, 2027	Charles Motley	\$ 212,130	\$ 424,259

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
A9	<b>Amergis Healthcare Staffing, Inc. (HCHD-530)</b>  MWBE Goal: Exempt Public Health or Safety	<b>Temporary Nursing and Allied Health Services for Harris Health</b> - Additional funds are necessary to cover new services.  <b>Public Health or Safety Exemption, Board Motion 24.01-10</b>	Ratify Additional Funds Public Health or Safety Exemption  September 11, 2024 through September 10, 2025	Maureen Padilla	\$ 2,400,000	\$ 405,600
A10	<b>Diamond Drugs, Inc. d/b/a Diamond Pharmacy Services</b>  MWBE Goal: 0% Specialized, Technical, or Unique in Nature	<b>Pharmaceutical Dispensing for Institutionalized Persons of Harris County</b> - Additional funds are needed for an increase in services required to continue supporting Harris County Community Supervision & Corrections Department (CSCD) with providing health care services and pharmaceuticals to misdemeanor and felony offenders.  <b>Job No. 220232</b>	Ratify Additional Funds  October 01, 2024 through September 30, 2025	Kiki Teal	\$ 1,400,000	\$ 390,350
A11	<b>National NNL Group, Inc.</b>  MWBE Goal: Exempt Public Health or Safety	<b>Generator for Harris Health</b> - To provide a generator at Fournace Place to act as a backup power source in the event of a power outage or natural disaster. National NNL Group, Inc. was selected based on immediate availability.  <b>Public Health or Safety Exemption</b>	Ratify Purchase Public Health or Safety Exemption	Patrick Casey		\$ 370,425
A12	<b>LivaNova USA Inc.</b>  MWBE Goal: Exempt Sole Source	<b>Cardiopulmonary Bypass Machine for Harris Health</b> - This procurement is to purchase one (1) cardiopulmonary bypass machine for Ben Taub Hospital.  <b>Sole Source Exemption</b>	Purchase Sole Source Exemption	Arun Mathew		\$ 346,057
A13	<b>TDIndustries, Inc. (BuyBoard No. 720-23)</b>  MWBE Goal: 0% Non-Divisible	<b>Replacement of Roof Top Unit at Lyndon B. Johnson Hospital for Harris Health</b> - To replace one (1) roof top air handler unit at Lyndon B. Johnson Hospital.  <b>Texas Association of School Boards (TASB) BuyBoard Cooperative Program</b>	Ratify Purchase Low quote	Babak Zare		\$ 258,741
					Total Expenditures	\$ 53,800,762
					Total Revenue	\$ (0)

**Budget and Finance Agenda Items for the Harris County Hospital District dba Harris Health System - Board of Trustees Report**

**Expenditure Summary: June 30, 2025 (Transmittals)**

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B1	AMN Healthcare, Inc. (PP-SV-453)  MWBE Goal: 20%	<b>Managed Services Provider (MSP) for Temporary Healthcare Personnel</b> - To provide a MSP Program for Temporary Healthcare Personnel for Harris Health and Correctional Health facilities.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Contract(s)  One (1) year initial term with four (4) one-year renewal options	Pamela Russell-Rhodes		\$ 21,006,130
B2	Abbott Laboratories Inc.  MWBE Goal: Exempt GPO	<b>Chemistry and Immunochemistry Analyzers, Reagents, Consumables and Service</b> - To replace the existing Automation lines at Ben Taub and Lyndon B. Johnson Hospitals as well as existing chemistry analyzers at Ben Taub and Lyndon B. Johnson Hospitals and Smith Clinic.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Offer(s) Meeting Requirements  One (1) year initial term with six (6) one-year renewal options	Michael Nnadi		\$ 20,109,517
B3	GE Healthcare (PP-IM-265)  MWBE Goal: Exempt GPO	<b>Computed Tomography (CT)</b> - To replace three (3) CT machines and one (1) CT Sims machine at Smith Clinic as part of the Smith Imaging Refresh Program.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Offer(s) Meeting Requirements	Arun Mathew		\$ 5,317,571
B4	General Datatech LP (DIR-CPO-5347)  MWBE Goal: 0% Non-Divisible	<b>Networking Products and Related Services</b> - Annual maintenance renewal for Cisco SmartNet, including hardware, software, ISE subscription, secure email subscription/SMA subscription, Collab Flex agreement, and ThousandEyes subscription.  <i>State of Texas Department of Information Resources (DIR) Cooperative Contract</i>	Award Low quote  April 01, 2025 through March 31, 2026	A. Kilty		\$ 4,193,024
B5	GE Healthcare (PP-IM-270)  MWBE Goal: Exempt GPO	<b>Magnetic Resonance Imaging (MRI)</b> - To add two (2) MRI machines at Smith Clinic as part of the Smith Imaging Refresh project for Harris Health.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Offer(s) Meeting Requirements	Arun Mathew		\$ 3,291,670
B6	GE Healthcare (PP-IM-269)  MWBE Goal: Exempt GPO	<b>Molecular Imaging</b> - To replace two (2) nuclear medicine imaging units at Ben Taub Hospital. One machine is past its expected useful life and the other machine is no longer supported by the manufacturer.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Offer(s) Meeting Requirements	Arun Mathew		\$ 2,037,364
B7	Hill-Rom Company, Inc. (AD-NS-2071)  MWBE Goal: Exempt GPO	<b>Patient Beds, Mattresses and Therapeutic Surfaces – Rental</b> - To continue providing rental of patient beds at Harris Health facilities.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Best ASCEND Contract  March 01, 2025 through February 29, 2028	Charles Motley		\$ 1,500,000
B8	Government Scientific Source, Inc. (TXMAS-21-49301)  MWBE Goal: 0% Drop Shipped	<b>Quantiferon TB Gold Plus Collection Tubes, Reagents and Controls for Harris Health</b> - To provide testing supplies required for Tuberculosis testing on the Liaison XL.  <i>TxSmartBuy Term Contracts - State of Texas Cooperative Program</i>	Award Only quote  April 01, 2025 through March 31, 2026	Patricia Darnuser Firdos Berhanu		\$ 1,500,000

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B9	Oracle America, Inc. [HCHD-1310] [DIR- CPO-5439]  MWBE Goal: Exempt Sole Source	<b>Annual Software Maintenance Renewal for the Entire Suite of Oracle PeopleSoft Applications for Harris Health</b> - To provide annual software maintenance renewal for the entire suite of Oracle PeopleSoft applications. The functionality within Oracle includes Payroll, Human Resources, eDevelopment, eRecruitment, Benefits, Requisitioning, Purchasing, Inventory, Accounts Payable, Asset Management, General Ledger, and ePerformance.  <b>State of Texas Department of Information Resources (DIR) Cooperative Contract</b>	Award Only quote  March 01, 2025 through February 28, 2026 with four (4) one- year renewal options	Raj Nair		\$ 1,382,899
B10	Sanofi Pasteur Inc (PPPH24CNT01/HCHD- 1590)  MWBE Goal: Exempt GPO	<b>Flu Vaccine for the 2025-2026 Season</b> - To provide Harris Health System patients with influenza vaccines.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Best Contract(s)  One (1) year initial term	Sunny Ogbonnaya	\$ 1,235,780	\$ 1,235,780
B11	Trace3, Inc (DIR-TSO- 4361)  MWBE Goal: 0% Non- Divisible	<b>Netskope - Cloud Access Security Broker (CASB) Solution for Harris Health</b> - To continue providing protection of the organization's cloud initiatives and assisting in alignment of Information Security's business goals with Harris Health's Strategic Plan. The increase in renewal amount is due to adding additional users.  <b>State of Texas Department of Information Resources (DIR) Cooperative Contract, Board Motion 24.03-38</b>	Renewal  April 14, 2025 through April 13, 2026	Darrell Jones	\$ 831,615	\$ 1,162,104
B12	HP, Inc.  MWBE Goal: 0% Drop Shipped	<b>HP Products and Services</b> - HP laptops for Harris Health Field Services FY2025 budget inventory. FS technicians will install equipment where needed, PCs to fulfill Tech ReFresh and Break-Fix projects.  <b>State of Texas Department of Information Resources (DIR) Cooperative Contract</b>	Award Low quote	A. Kilty		\$ 1,086,411
B13	CDW, LLC.  MWBE Goal: Exempt GPO	<b>Hardware/Software Resellers, Services and Refurbished Equipment</b> - To provide 125 Ergotron medical carts that will serve as workstations on wheels for Harris Health.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Lowest Offer	A. Kilty, A. Pham		\$ 1,062,152
B14	Cotton Commercial USA, Inc. (HCHD-1526)  MWBE Goal: Not Applicable to Request	<b>Emergency Assessment, Mitigation, Restoration, and Rebuilding Services</b> - Utilization of Choice Partners agreement 24/002TC-03 with Cotton Commercial USA, Inc. for emergency and non-emergency assessment, mitigation, restoration, and rebuilding service calls at all Harris Health facilities.  <b>Choice Partners, a division of Harris County Department of Education Cooperative Program</b>	Purchase Only quote  September 20, 2024 through September 19, 2025 with two (2) one- year renewal options	Terry Elliott		\$ 1,000,000
B15	Pfizer (PPPH25PFZ01)  MWBE Goal: Exempt GPO	<b>Brand Pharmaceuticals</b> - To provide Harris Health with COVID vaccines for the upcoming year.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Best Contract(s)  July 01, 2025 through June 30, 2028	Sunny Ogbonnaya		\$ 896,935
B16	GE Healthcare (PP-IM- 266)  MWBE Goal: Exempt GPO	<b>General Radiography</b> - To replace two (2) radiographic fluoroscopy imaging systems at Smith Clinic that are past their expected useful life.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Best Offer(s) Meeting Requirements	Patrick Casey		\$ 840,744

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B17	<b>B.Braun Medical, Inc (HCHD-0122)</b>  MWBE Goal: Exempt GPO	<b>Regional Anesthesia Trays and Supplies -</b> To continue providing Harris Health with regional anesthesia trays and consumables required for epidural and spinal procedures.  <b>Premier Healthcare Alliance, L.P. Contract, Board Motion 23.12-177</b>	Additional Funds Extension  March 01, 2025 through February 28, 2029	Charles Motley	\$ 208,322	\$ 840,000
B18	<b>Oracle America, Inc. [HCHD-1309] [DIR-CPO-5439]</b>  MWBE Goal: Exempt Sole Source	<b>Oracle Database Maintenance Renewal for Harris Health -</b> To provide annual software maintenance for the following Oracle products: Database Enterprise, Access Manager, Identity Governance Suite, Active Data Guard, Diagnostics Pack, Real Application Clusters, Tuning Pack, Advanced Compression, Database Lifecycle Management Pack and Partitioning.  <b>State of Texas Department of Information Resources (DIR) Cooperative Contract</b>	Award Only quote  March 01, 2025 through February 28, 2026 with four (4) one-year renewal options	Raj Nair		\$ 828,922
B19	<b>Medtronic Inc (HCHD-1372)</b>  MWBE Goal: Exempt GPO	<b>Cardiac Rhythm Management -</b> To provide Harris Health with pacemakers, implantable cardioverter defibrillators (ICDs), cardiac resynchronization therapy pacemakers (CRT-Ps), cardiac resynchronization therapy defibrillators (CRT-Ds), implantable monitors, leads, and accessories used for device implantation.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Best Contract(s)  March 01, 2025 through March 31, 2027 with three (3) one-year renewal options	Charles Motley		\$ 795,000
B20	<b>Karl Storz Endoscopy-America Inc. (PP-OR-2304)</b>  MWBE Goal: Exempt GPO	<b>OR Integration and Automation Systems -</b> This procurement is to purchase image and video integration platforms for five (5) operating rooms at Lyndon B. Johnson Hospital.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Only Offer Received	Arun Mathew		\$ 632,842
B21	<b>Carl Zeiss Meditec Inc. (PP-OR-2526)</b>  MWBE Goal: Exempt GPO	<b>Surgical Microscopes -</b> To replace one (1) surgical microscope for the Orthopedic Department at Ben Taub Hospital.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Best Offer(s) Meeting Requirements	Patrick Casey		\$ 600,440
B22	<b>GenServe LLC</b>  MWBE Goal: 0% Non-Divisible	<b>Facility Maintenance Equipment and Services -</b> To purchase one (1) generator for the Outpatient Clinic at Lyndon B. Johnson Hospital.  <b>Texas Association of School Boards (TASB) BuyBoard Cooperative Program</b>	Purchase Low quote	Patrick Casey		\$ 545,846
B23	<b>Epic Systems Corporation [GA-04577]</b>  MWBE Goal: Exempt Sole Source	<b>Epic MyChart Subscription Fees for Harris Health -</b> To provide for continued use of the Epic MyChart application which allows patients to access their electronic medical record online.  <b>Sole Source Exemption, Board Motion 23.08-130</b>	Renewal Sole Source Exemption  September 28, 2024 through September 27, 2025	David Burnett	\$ 312,000	\$ 500,000
B24	<b>Microsoft Corporation [HCHD-775] [DIR-CPO-4911]</b>  MWBE Goal: 0% Non-Divisible	<b>Microsoft Unified Support Services Maintenance Renewal for Harris Health -</b> To continue to provide IT support and consulting services, as needed, for the support of the Microsoft application environments. This includes software licensing, maintenance, and support.  <b>State of Texas Department of Information Resources (DIR) Cooperative Contract, Board Motion 23.06-95</b>	Additional Funds Extension  July 06, 2025 through July 05, 2026	Cary Fagan	\$ 533,153	\$ 492,673

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B25	<b>SHI Government Solutions, Inc. (HCHD-1450) [DIR-CPO-5237]</b>  MWBE Goal: 0% Non-Divisible	<b>Microsoft Glint Maintenance Renewal</b> - Additional funds are required to add software maintenance for Glint employee engagement survey tool used by Human Resources.  <i>State of Texas Department of Information Resources (DIR) Cooperative Contract</i>	Additional Funds  May 01, 2025 through December 31, 2027	Jai Seymone McBride	\$ 19,000,000	\$ 484,960
B26	<b>Boston Scientific Corporation PP-CA-657 (HCHD-1368)</b>  MWBE Goal: Exempt GPO	<b>Cardiac Rhythm Management Device</b> - To provide Harris Health with pacemakers, implantable cardioverter defibrillators (ICDs), cardiac resynchronization therapy pacemakers (CRT-Ps), cardiac resynchronization therapy defibrillators (CRT-Ds), implantable monitors, leads, and accessories used for device implantation.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Contract(s)  April 07, 2025 through April 07, 2026 with two (2) one-year renewal options	Charles Motley		\$ 473,628
B27	<b>SHI Government Solutions, Inc.</b>  MWBE Goal: 0% Non-Divisible	<b>Software COTS and Related Services</b> - Annual maintenance renewal for the Symantec eVault and eDiscovery software. This software provides email archiving and the legal discovery process.  <i>State of Texas Department of Information Resources (DIR) Cooperative Contract</i>	Award Only quote  April 19, 2025 through April 18, 2026	A. Kilty		\$ 460,330
B28	<b>Bausch &amp; Lomb Americas Inc (PP-OR-2190)</b>  MWBE Goal: Exempt GPO	<b>Ophthalmology Products</b> - This consignment agreement is to provide Harris Health with ophthalmology products.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Contract(s)  May 01, 2025 through June 30, 2026	Charles Motley		\$ 451,000
B29	<b>Sunbelt Rentals Inc.</b>  MWBE Goal: 0% Non-Divisible	<b>Equipment Rental Provider</b> - To provide rental of four (04) generators at Smith Clinic, Martin Luther King Clinic and El Franco Lee Clinic for a period of six (06) months, from June 01, 2025 to November 30, 2025 to ensure power continuity during hurricane season.  <i>Sourcewell</i>	Award Low quote	Teong Chai		\$ 406,000
B30	<b>Ricoh USA, Inc (DIR-CPO-4435)</b>  MWBE Goal: 0% Specialized, Technical, or Unique in Nature	<b>Multi-Function Print Equipment Lease, Support, and Supplies</b> - To provide Multi-Function Print equipment lease required to support Harris Health document management requirements.  <i>State of Texas Department of Information Resources (DIR) Cooperative Contract</i>	Purchase Only quote	Damien Wiley		\$ 399,893
B31	<b>Oracle America, Inc. [HCHD-1298] [DIR-CPO-5439]</b>  MWBE Goal: Exempt Sole Source	<b>Oracle Exadata Software Maintenance for Harris Health</b> - To continue to provide maintenance and support for Exadata Software which is a fully integrated database-computing platform.  <i>State of Texas Department of Information Resources (DIR) Cooperative Contract</i>	Award Only quote  April 01, 2025 through March 31, 2026 with four (4) one-year renewal options	Raj Nair		\$ 352,892
B32	<b>Olathe Ford Sales Inc</b>  MWBE Goal: 0% Drop Shipped	<b>Class 4-8 Chassis and Cabs with Related Equipment, Accessories, and Services</b> - To replace three (03) ambulances as part of the project HH Type II Ambulances.  <i>Sourcewell</i>	Award Lowest quote meeting specifications	Peka Owens		\$ 315,500
B33	<b>Philips Healthcare</b>  MWBE Goal: Exempt GPO	<b>General Radiology</b> - This procurement is to purchase one (1) x-ray system for the general radiology room at Strawberry Clinic.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Only Offer Received	Arun Mathew		\$ 279,523



No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B34	<b>Outreach Strategists, LLC</b>  MWBE Goal: 100%	<b>Public Relations Services for Harris Health</b> - To provide public relations services and other related services for Harris Health.  <b>Choice Partners, a division of Harris County Department of Education Cooperative Program</b>	Award Only quote  One (1) year initial term with four (4) one-year renewal options	Maria Cowles		\$ 250,000
B35	<b>Alpha Eyecare Associates, PLLC (HCHD-695)</b>  MWBE Goal: 0% Specialized, Technical, or Unique in Nature	<b>Optometry and Ophthalmology Services for Harris Health</b> - To continue providing optometrists and ophthalmologists to conduct eye examinations for detainees at the Harris County Sheriff's Office Facilities.  <b>Professional Services Exemption</b>	Additional Funds Extension Professional Services Exemption  March 01, 2025 through February 28, 2026	Trinette Larks	\$ 75,000	\$ 245,000
B36	<b>Sun Coast Resources Inc.</b>  MWBE Goal: 0% Non-Divisible	<b>Diesel Fuel for Harris Health</b> - To provide diesel fuel for emergency generators used throughout Harris Health.  <b>Job No. 230067</b>	May 01, 2025 through April 30, 2026 with two (2) one-year renewal options	Terry Elliott		\$ 245,000
B37	<b>GE Healthcare (PP-IM-268)</b>  MWBE Goal: Exempt GPO	<b>Mobile C-arms</b> - To add one (1) Mobile C-Arm to Quentin Mease Clinic for the new GI outpatient endoscopy suite.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Best Offer(s) Meeting Requirements	Arun Mathew		\$ 237,634
B38	<b>MCG Health, LLC (HCHD-1587)</b>  MWBE Goal: Exempt Sole Source	<b>Evidence-Based Clinical Decision Support Software for Harris Health</b> - To continue to provide software support and licenses for evidence-based best practices and care planning tools, supporting clinical decision-making and documentation as well as enabling efficient transitions between care settings. Included are utilization review and management, case management, disease management, denial management, and/or similar activities for Harris Health.  <b>Sole Source Exemption, Board Motion 23.06-95</b>	Purchase Sole Source Exemption  One (1) year initial term with four (4) one-year renewal options	Alyssa Davis		\$ 232,947
B39	<b>Fisk Electric Company</b>  MWBE Goal: 13%	<b>Structured Cabling, Audio/Visual Installations and Related Items for Harris County</b> - To allow Harris Health to utilize the contract to provide installation of category 6A data cables and VPO cameras at Ben Taub and Lyndon B. Johnson Hospitals.  <b>Job No. 190290</b>		Russ Burlew		\$ 217,700
B40	<b>SHI Government Solutions, Inc. (DIR-CPO-5237)</b>  MWBE Goal: 0% Non-Divisible	<b>Products and Services</b> - This is the annual maintenance renewal for all of the Adobe software products, which include but not limited to, Adobe Enterprise, Adobe Acrobat Pro DC, Creative Cloud Suite and Captivate.  <b>State of Texas Department of Information Resources (DIR) Cooperative Contract</b>	Award Low quote  One (1) year initial term with two (2) one-year renewal options	A. Kilty		\$ 216,942
B41	<b>Johnson Controls Fire Protection LP (Sourcewell No. 030421- JHN)</b>  MWBE Goal: 6%	<b>Fire Sprinkler System Upgrade at the Lyndon B. Johnson Warehouse for Harris Health</b> - This project includes design and construction services to modify the existing sprinkler system to meet Early Suppression Fast Response (ESFR) requirements.  <b>Sourcewell</b>	Purchase Only quote	Babak Zare		\$ 208,786

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B42	<b>ePlus Technology Inc. (US-TIPS230105)</b>  MWBE Goal: 0% Non-Divisible	<b>Technology Solutions Products and Services</b> - Check Point endpoint security software provides data security, network security, advanced threat prevention, forensics, and endpoint detection and response (EDR).  <b>The Interlocal Purchasing System (TIPS)</b>	Award Low quote  March 15, 2025 through March 14, 2026	Darrell Jones		\$ 208,338
B43	<b>R1 RCM</b>  MWBE Goal: 0% Specialized, Technical, or Unique in Nature	<b>Physician Advisor Services for Harris Health</b> - To provide physician advisor services at Harris Health inpatients and outpatients facilities.  <b>Offer No. FB03052025</b>	Award Most qualified vendor(s) meeting requirements  One (1) year initial term with four (4) one-year renewal options	Alyssa Davis		\$ 200,000
B44	<b>College of American Pathologists, (HCHD-1522)</b>  MWBE Goal: 0% Non-Divisible	<b>Proficiency Testing Services for Laboratories of Harris Health.</b> - To provide Proficiency Testing Services for Harris Health Laboratories in order to maintain CLIA (Clinical Laboratory Improvements Amendments) certification.  <b>Offer No. AB12012024</b>	Award Best offer meeting requirements  One (1) year initial term	Michael Nnadi		\$ 200,000
B45	<b>Hologic Sales and Service, LLC</b>  MWBE Goal: Exempt Sole Source	<b>Cytology Liquid-Based System for Harris Health</b> - To provide analyzers, reagents and consumables for cytology liquid-based testing at Ben Taub and Lyndon B. Johnson Hospitals.  <b>Sole Source Exemption</b>	Award Sole Source Exemption  One (1) year initial term with four (4) one-year renewal options	Michael Nnadi		\$ 200,000
B46	<b>Carefusion Solutions, LLC (PPPH28CFS01)</b>  MWBE Goal: Exempt GPO	<b>Medication and Supply Automation</b> - To provide additional Pyxis Automated Dispensing Cabinets (ADC) at Ben Taub Hospital that include installing Premier drawers for maximum security.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Best Contract(s)	Velvette Davis David Wilson		\$ 187,630
B47	<b>Philips Healthcare (PP-IM-287)</b>  MWBE Goal: Exempt GPO	<b>Ultrasound</b> - This procurement is to purchase one (1) ultrasound system for radiology to replace existing system that is end of useful life at Lyndon B. Johnson Hospital.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Award Best Offer(s) Meeting Requirements	Arun Mathew		\$ 184,577
B48	<b>Nuance Communications, Inc. (GA-05939)</b>  MWBE Goal: Exempt Sole Source	<b>Software Maintenance and Support Renewal for the Nuance PowerScribe Voice Dictation System for Harris Health</b> - To provide software maintenance and support for the Nuance Dictaphone system that provides voice dictation capabilities for our radiology reports. Maintenance and support includes technical support, patch fixes and version upgrades.  <b>Sole Source Exemption, Board Motion 23.04-57</b>	Renewal Sole Source Exemption  May 19, 2025 through May 18, 2026	Antony Kilty	\$ 174,488	\$ 174,488
B49	<b>Air Vet, Inc.</b>  MWBE Goal: 0% Minimal MWBE Availability	<b>Virtual Veterinarian Services for Harris Health</b> - To provide 24/7 veterinarian services as comprehensive care for employee's pets.  <b>Offer No. PT20250218</b>	Award Best offer meeting requirements  One (1) year initial term with six (6) one-year renewal options	Amanda Jones-Duncan		\$ 173,340



No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B50	<b>Pfizer (PPPH18PFZ01)</b>  MWBE Goal: Exempt GPO	<b>COVID Vaccines</b> - To continue providing Harris Health with COVID vaccines required for ongoing protection against the virus. Additional funds are needed to support an increase in product required.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Additional Funds  July 01, 2024 through June 30, 2025	Michael Nnadi	\$ 364,990	\$ 154,342
B51	<b>Precision Surgical LLC</b>  MWBE Goal: 0% Non-Divisible	<b>Cranial Stabilization Systems for Harris Health</b> - This procurement is to purchase five (5) cranial stabilization systems to replace existing equipment that is past its useful life at Ben Taub Hospital.  <i>Offer No. BEJ033125</i>	Purchase Lowest priced offer meeting requirements	Arun Mathew		\$ 152,969
B52	<b>Olympus America Inc. (PP-OR-2313 &amp; PP-OR-2340)</b>  MWBE Goal: Exempt GPO	<b>Automated Endoscopic Reprocessor &amp; Surgical Endoscopy – Flexible</b> - This procurement is to purchase four (4) reprocessors, one (1) processor and related components for Ben Taub Hospital.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Offer(s) Meeting Requirements	Arun Mathew		\$ 149,650
B53	<b>Olympus America Inc.</b>  MWBE Goal: Exempt Sole Source	<b>Colonoscopes for Harris Health</b> - This procurement is to purchase three (3) Slim Colonoscopes with Dual Focus NBI for Quentin Mease Hospital.  <i>Sole Source Exemption</i>	Purchase Sole Source Exemption	Arun Mathew		\$ 147,687
B54	<b>SCC Soft Computer [HCHD-1531]</b>  MWBE Goal: Exempt Sole Source	<b>Maintenance and Support for the Blood Bank Inventory Management System for Harris Health</b> - To continue to provide annual software maintenance for the blood management system. This software does extensive compatibility checks between patients and blood products to insure the proper utilization of blood product.  <i>Sole Source Exemption, Board Motion 23.09-146</i>	Purchase Sole Source Exemption  One (1) year initial term with three (3) one-year renewal options	David Layman		\$ 146,536
B55	<b>Sedgwick Claims Management Services, Inc. (HCHD-1523)</b>  MWBE Goal: 0% Specialized, Technical, or Unique in Nature	<b>Workers' Compensation Third Party Administration and Associated Services for Harris Health</b> - To provide comprehensive Workers' Compensation claims management, medical cost containment, and a Risk Management Information System and its associated services for Harris Health.  <i>Offer No. FDA20241028</i>	Award Best evaluated response(s)  January 01, 2025 through December 31, 2025 with four (4) one- year renewal options	Williams-Smith, Tangela		\$ 130,520
B56	<b>Healthconnect TX fna Greater Houston Healthconnect, Inc. (GA-05283)</b>  MWBE Goal: Exempt Sole Source	<b>Healthcare Information Exchange (HIE) Software System for Harris Health</b> - To continue to enable the exchange of patient medical records between Harris Health and other providers that do not have Epic EMR software. This is a requirement for Harris Health to maintain Meaningful Use certification, improve patient care and reduce cost through reduction of duplicate diagnostic testing.  <i>Sole Source Exemption</i>	Purchase Sole Source Exemption  June 01, 2025 through May 31, 2026	Raj Nair		\$ 129,375
B57	<b>Accountable Drug Testing Services LLC (HCHD-1529)</b>  MWBE Goal: 100%	<b>Mobile Phlebotomy Services</b> - To provide Mobile Phlebotomy Services to Patients of Harris County Correctional Facilities.  <i>Offer No. AB241110</i>	Award Lowest priced offer meeting requirements  One (1) year initial term with four (4) one-year renewal options	Kiki Teal		\$ 125,660

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B58	<b>SonoSite (PP-IM-317)</b>  MWBE Goal: Exempt GPO	<b>Ultrasound</b> - To replace two (2) point of care ultrasound machines that are past their expected useful life in the anesthesiology operating room at Ben Taub Hospital.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Best Offer(s) Meeting Requirements	Patrick Casey		\$ 125,280
B59	<b>Intelligent Medical Objects, Inc. [GA-02162]</b>  MWBE Goal: Exempt Sole Source	<b>IMO Core Periop (Surgical Volume) Software Licenses</b> - Additional funds are required to add a CPT-mapped procedure file software subscription to align with Epic Back to Foundation. This subscription will improve preference card selection, charge capture, and scheduling while establishing system-wide governance, and maintain procedure terms with CPT and HCPCS mappings.  <i>Sole Source Exemption</i>	Additional Funds Sole Source Exemption  July 01, 2025 through June 01, 2026	Anthony Kilty	\$ 124,503	\$ 125,000
B60	<b>Natus Medical Inc</b>  MWBE Goal: 0% Non-Divisible	<b>Electromyography Machines for Harris Health</b> - This procurement is to purchase three (3) electromyography machines to replace equipment that is past its expected useful life at Smith Clinic.  <i>Offer No. BEJ060225</i>	Purchase Best offer meeting requirements	Arun Mathew		\$ 119,609
B61	<b>Karl Storz Endoscopy-America, Inc. (PP-OR-2313; PP-OR-2280; PP-OR-2256; PP-OR-2480; PP-OR-2471)</b>  MWBE Goal: Exempt GPO	<b>Laparoscopic Surgical Instruments, Surgical Endoscopy – Rigid, Surgical Instruments, Surgical Video Visualization, and Video Laryngoscopes</b> - This procurement is to purchase various laryngoscope and cystoscope ancillary components for Ben Taub Hospital.  <i>Premier Healthcare Alliance, L.P. Contract</i>	Award Only Offer Received	Arun Mathew		\$ 117,953
B62	<b>LeeAnn Thieman dba SelfCare for Healthcare (HCHD-525)</b>  MWBE Goal: Exempt Personal Services Agreement	<b>Consulting Service for Nursing Engagement, Retention and Wellness for Harris Health</b> - To continue to implement SelfCare for HealthCare Program, which includes efforts to increase retention, engagement, and work life balance for nurses to be in better mental, physical, and spiritual health and in turn will provide better care, outcomes, and satisfaction for patients.  <i>Personal Services Exemption, Board Motion 23.02-24</i>	Renewal Personal Services Exemption  February 01, 2025 through January 31, 2026	Maureen Padilla	\$ 195,500	\$ 115,000
B63	<b>Network Sciences, Inc (GA-04786)</b>  MWBE Goal: Exempt Sole Source	<b>Maintenance and Support for the Joint Eligibility Software System for Harris Health</b> - To provide maintenance and support which includes upgrades and updates for the Joint Eligibility Software System. Additional funds are required due to the higher amount of inquiries made about a patient's eligibility for charity care programs.  <i>Sole Source Exemption, Board Motion 23.07-113</i>	Additional Funds Sole Source Exemption  August 22, 2024 through August 21, 2025	Veronica Patricio	\$ 480,000	\$ 109,830
B64	<b>Stryker Corporation</b>  MWBE Goal: 0% Non-Divisible	<b>EMS Equipment for Harris Health</b> - To add three (3) Power Load systems to the Harris Health EMS team.  <i>Offer No. NMB052825</i>	Purchase Best offer meeting requirements	Arun Mathew		\$ 103,807
B65	<b>General Datatech, L.P. (HCHD-1397)</b>  MWBE Goal: 18%	<b>Information Technology Consulting and Staff Augmentation Services</b> - Additional funds are needed to cover anticipated additional staff augmentation for support of operations and IT projects for Harris Health.  <i>Job No. 24-0174, Board Motion 24.09-135</i>	Additional Funds  August 21, 2024 through August 20, 2025	Antony Kilty	\$ 80,000	\$ 100,000

No.	Vendor	Description Justification Contract	Action Basis of Recommendation Term	Project Owner	Previous Amount	Current Estimated Cost
B66	Swisslog (PP-FA-1084)  MWBE Goal: Exempt GPO	<b>Service and Maintenance Agreement for the Pneumatic Tube Systems for Harris Health -</b> Additional funds are required to add coverage for equipment located at Ben Taub Hospital.  <b>Premier Healthcare Alliance, L.P. Contract</b>	Additional Funds  November 12, 2024 through November 11, 2025	Terry Elliott	\$ 81,804	\$ 36,826
B67	US Foods, Inc. (PP-DI-001D)  MWBE Goal: Exempt GPO	<b>Foodservice Participation and Utilization Incentive for Harris Health</b> - To continue participation in Premier Direct Parent Participation and Utilization Rebate Program with US Foods, Inc. Program provides a 1% rebate on the aggregate purchases of all Harris Health facilities.  <b>Premier Healthcare Alliance, L.P. Contract; Board Motion 24.01-10</b>	Transmittal Additional revenue and extension  July 01, 2025 through June 30, 2030	Monica Carbajal		\$ (547,850)
					Total Expenditures	\$ 81,954,176
					Total Revenue	\$ (547,850)

## Meeting of the Board of Trustees

Monday, June 30, 2025

Consideration of Approval of Grant Recommendations  
(Items B1 through B2 of the Grant Matrix)

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**Grant Recommendations:**

**B1. Grant Award**

- Grantor: The City of Houston Department of Health  
*Funded by the Centers for Disease Control and Prevention*
- Term: January 1, 2024 – December 31, 2024
- Award Amount: \$125,000.00
- Project Owner: Dr. Jennifer Small

**B2. Grant Agreement**

- Grantor: Harris County Hospital District Foundation  
*Funded by a grant from the Roots & Wings Foundation*
- Term: 2 Years
- Award Amount: \$390,000.00
- Project Owner: Amineh Kostov

**Grant Agenda Items for the Harris County Hospital District dba Harris Health, Board of Trustees Report**  
**Grant Matrix: June 30, 2025**

No.	Grantor	Description/Justification	Action, Basis of Recommendation	Term	Project Owner	Award Amount
B1	The City of Houston Department of Health <i>Funded by the Centers for Disease Control and Prevention</i>	Consideration of Approval of a Grant Award from The City of Houston Department of Health Funded by the Centers for Disease Control and Prevention to Harris Health for <b>Routine HIV Screening Services</b> at Harris Health.	<b>Grant Award</b>	January 1, 2024 through December 31, 2024	Dr. Jennifer Small	\$ 125,000.00
B2	Harris County Hospital District Foundation <i>by a grant from the Roots &amp; Wings Foundation</i>	Consideration of Approval of a Grant Agreement between Harris Health and the Harris County Hospital District Foundation, through a grant from the Roots & Wings Foundation, benefiting the <b>Maternal Health Blood Pressure Monitoring Program (HealthConnect)</b> aimed at improving early detection and management of hypertensive disorders during the prenatal and postpartum periods and provide education, monitor results, and coordinate timely follow-up care.  <i>This Grant replaces the previously approved grant by the Harris Health Board of Trustees (June 27, 2024) to fund prenatal education classes, and to help provide baby items to mothers who come to their postpartum visits, in order to</i>	<b>Grant Agreement</b>	2 Years	Amineh Kostov	\$ 390,000.00
<b>TOTAL AMOUNT:</b>						<b>\$ 515,000.00</b>

## Meeting of the Board of Trustees

Monday, June 30, 2025

Consideration of Approval of a Board Resolution Renaming the Monroe Clinic to Harris  
Health Urgent Care at Strawberry Health Center

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Jennifer Small, AuD, MBA, CCC-A  
Chief Executive Officer – Ambulatory Care Services

STATE OF TEXAS  
COUNTY OF HARRIS

MOTION NO. \_\_\_\_\_

On June 30, 2025, the Harris County Hospital District d/b/a Harris Health Board of Trustees convened in regular session at its regular meeting place. The following members of the Board were present:

		Present	Absent
Andrea Caracostis, MD, MPH	Chair	<input type="checkbox"/>	<input type="checkbox"/>
Cody M. Pyke, MD, JD, LLM	Vice Chair	<input type="checkbox"/>	<input type="checkbox"/>
Carol Paret, BS	Secretary	<input type="checkbox"/>	<input type="checkbox"/>
Afsheen Davis, JD, MPH	Board Member	<input type="checkbox"/>	<input type="checkbox"/>
Ingrid Robinson, MBA	Board Member	<input type="checkbox"/>	<input type="checkbox"/>
Libby Viera-Bland, AICP	Board Member	<input type="checkbox"/>	<input type="checkbox"/>
Paul Puente	Board Member	<input type="checkbox"/>	<input type="checkbox"/>
Philip Sun, AIA, ACHA, NCARB	Board Member	<input type="checkbox"/>	<input type="checkbox"/>
Sima Ladjevardian, JD	Board Member	<input type="checkbox"/>	<input type="checkbox"/>

The Board determined that a quorum was present. Among other business, a resolution on the following matter was considered:

Consideration of Approval of a Board Resolution Renaming the Monroe Clinic to Harris Health Urgent Care at Strawberry Health Center

\_\_\_\_\_ introduced the resolution and made a motion that it be adopted. \_\_\_\_\_ seconded the motion for adoption. The motion, carrying with it the adoption of the resolution, prevailed by the following vote:

	Yes	No	Abstain	Absent
Andrea Caracostis, MD, MPH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cody M. Pyke, MD, JD, LLM, FCLM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carol Paret, BS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Afsheen Davis, JD, MPH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ingrid Robinson, MBA	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Libby Viera-Bland, AICP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paul Puente	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Philip Sun, AIA, ACHA, NCARB	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sima Ladjevardian, JD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The adopted resolution reads as follows:

Harris Health, by and through its Board of Trustees, hereby approves a Resolution Naming the Facility Formerly Known as Monroe Clinic to Harris Health Urgent Care at Strawberry Health Center.

PASSED AND APPROVED this 30<sup>th</sup> of June, 2025.

\_\_\_\_\_  
Andrea Caracostis, MD, MPH, Chair

Attest:

\_\_\_\_\_  
Carol Paret, BS, Secretary

DRAFT



## Meeting of the Board of Trustees

Monday, June 30, 2025

Consideration of Acceptance of the Harris Health May 2025 Financial Report  
Subject to Audit

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Attached for your review and consideration is the May 2025 Financial Report.

Administration recommends that the Board accept the financial report for the period ended May 31, 2025, subject to final audit.



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Victoria Nikitin  
EVP – Chief Financial Officer



# Financial Statements

As of May 31, 2025  
Subject to Audit



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# Financial Highlights Review **HARRISHEALTH**

As of May 31, 2025

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Operating income for the month ended May 31, 2025 was \$6.2 million compared to budgeted income of \$253 thousand.

Total net revenue for the month ended May 31, 2025 of \$223.0 million was \$3.3 million or 1.5% more than budget. Net patient revenue was \$1.7 million less than budget while ad valorem taxes were \$1.3 more than budget. Medicaid Supplemental programs were \$5.0 million more than expected primarily due to the State DSH refund.

As of May 31, 2025, total expenses of \$216.8 million were \$2.7 million or 1.2% less than budget. Total labor costs were \$6.5 million less than budget driven primarily by the timing of strategic initiatives' implementation compared to plan. Additionally, benefits expense was less than anticipated driven by the pension expense adjustment based on the recently issued actuarial report. Interest expense was \$4.2 million more than planned due to the recognition of the cost of issuance for the 2025 bond offering.

For the month ended May 31, 2025, total patient days and average daily census increased 0.5% compared to budget. Inpatient case mix index, a measure of patient acuity, and length of stay were 1.3% and 6.0% higher, respectively, than budget. Emergency room visits were 0.6% more than budget. Total clinic visits, including telehealth, were 1.0% higher compared to budget. Births were down 11.0%.

Total cash receipts for the month were \$457.1 million. The System has \$1,889.6 million in unrestricted cash, cash equivalents and investments, representing 286.3 days cash on hand. Increase in days cash of hand is due to reimbursement from the Series 2025 bond for \$278 million in capital expenditures paid prior to the issuance, in accordance with the August 2023 reimbursement resolution. The remainder of the \$840 million issuance is recorded an asset limited as to use within the balance sheet. The corresponding debt is shown within the long-term debt portion of the balance sheet.

Harris Health has \$130.0 million in net accounts receivable, representing 62.0 days of outstanding patient accounts receivable at May 31, 2025. The May balance sheet reflects a combined net receivable position of \$148.3 million under the various Medicaid Supplemental programs. The current portion of ad valorem taxes receivable is \$14.4 million, which is offset by ad valorem tax collections as received. Accounts payable and accrued liabilities include \$351.9 million in deferred ad valorem tax revenues that are released as ad valorem tax revenue is recognized. As of May 31, 2025, \$1,024.3 million in ad valorem tax collections were received and \$86.4 million in current ad valorem tax revenue was recognized.



# Income Statement

**HARRISHEALTH**

As of May 31, 2025 and 2024 (in \$ Millions)

	MONTH-TO-MONTH			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	\$ 59.7	\$ 61.4	-2.8%	\$ 509.3	\$ 498.5	2.2%	\$ 497.2	2.4%
Medicaid Supplemental Programs	59.0	53.9	9.4%	462.7	431.5	7.2%	432.6	6.9%
Other Operating Revenue	11.7	12.0	-2.9%	98.6	96.6	2.1%	86.5	14.0%
<b>Total Operating Revenue</b>	<b>\$ 130.3</b>	<b>\$ 127.3</b>	<b>2.4%</b>	<b>\$ 1,070.6</b>	<b>\$ 1,026.6</b>	<b>4.3%</b>	<b>\$ 1,016.3</b>	<b>5.3%</b>
Net Ad Valorem Taxes	86.4	85.1	1.5%	684.7	680.6	0.6%	603.5	13.4%
Net Tobacco Settlement Revenue	-	-	0.0%	19.0	15.2	24.7%	15.2	24.8%
Capital Gifts & Grants	-	0.8	0.0%	2.0	6.7	-70.0%	-	0.0%
Interest Income & Other	6.3	6.5	-2.6%	43.2	51.7	-16.4%	51.4	-15.8%
<b>Total Nonoperating Revenue</b>	<b>\$ 92.7</b>	<b>\$ 92.4</b>	<b>0.3%</b>	<b>\$ 748.9</b>	<b>\$ 754.2</b>	<b>-0.7%</b>	<b>\$ 670.1</b>	<b>11.8%</b>
<b>Total Net Revenue</b>	<b>\$ 223.0</b>	<b>\$ 219.7</b>	<b>1.5%</b>	<b>\$ 1,819.5</b>	<b>\$ 1,780.8</b>	<b>2.2%</b>	<b>\$ 1,686.4</b>	<b>7.9%</b>
<b>EXPENSE</b>								
Salaries and Wages	\$ 82.6	\$ 88.0	6.1%	\$ 652.0	\$ 672.9	3.1%	\$ 628.9	-3.7%
Employee Benefits	26.5	27.7	4.1%	213.0	221.3	3.7%	207.2	-2.8%
<b>Total Labor Cost</b>	<b>\$ 109.1</b>	<b>\$ 115.7</b>	<b>5.6%</b>	<b>\$ 865.0</b>	<b>\$ 894.2</b>	<b>3.3%</b>	<b>\$ 836.1</b>	<b>-3.5%</b>
Supply Expenses	27.8	30.1	7.7%	214.6	234.1	8.3%	199.7	-7.5%
Physician Services	38.5	38.7	0.6%	307.0	310.0	0.9%	290.6	-5.6%
Purchased Services	27.0	26.8	-0.7%	203.2	222.2	8.6%	181.6	-11.9%
Depreciation & Interest	14.3	8.1	-76.2%	75.7	59.5	-27.3%	66.8	-13.3%
<b>Total Operating Expense</b>	<b>\$ 216.8</b>	<b>\$ 219.4</b>	<b>1.2%</b>	<b>\$ 1,665.5</b>	<b>\$ 1,719.9</b>	<b>3.2%</b>	<b>\$ 1,574.8</b>	<b>-5.8%</b>
<b>Operating Income (Loss)</b>	<b>\$ 6.2</b>	<b>\$ 0.3</b>		<b>\$ 154.0</b>	<b>\$ 60.9</b>		<b>\$ 111.5</b>	
<b>Total Margin %</b>	<b>2.8%</b>	<b>0.1%</b>		<b>8.5%</b>	<b>3.4%</b>		<b>6.6%</b>	

# Balance Sheet

**HARRISHEALTH**

May 2025 and 2024 (in \$ Millions)

	CURRENT YEAR	PRIOR YEAR
<b><u>CURRENT ASSETS</u></b>		
Cash, Cash Equivalents and Short Term Investments	\$ 1,889.6	\$ 1,540.5
Net Patient Accounts Receivable	130.0	163.0
Net Ad Valorem Taxes, Current Portion	14.4	22.3
Other Current Assets	256.8	297.6
<b>Total Current Assets</b>	<b>\$ 2,290.8</b>	<b>\$ 2,023.3</b>
<b><u>CAPITAL ASSETS</u></b>		
Plant, Property, & Equipment, Net of Accumulated Depreciation	\$ 575.4	\$ 557.6
Construction in Progress	404.9	163.0
Right of Use Assets	35.3	39.1
<b>Total Capital Assets</b>	<b>\$ 1,015.6</b>	<b>\$ 759.7</b>
<b><u>ASSETS LIMITED AS TO USE &amp; RESTRICTED ASSETS</u></b>		
Debt Service & Capital Asset Funds	\$ 597.1	\$ 38.7
LPPF Restricted Cash	431.6	44.0
Capital Gift Proceeds	57.4	55.3
Other - Restricted	1.1	1.0
<b>Total Assets Limited As to Use &amp; Restricted Assets</b>	<b>\$ 1,087.1</b>	<b>\$ 139.0</b>
Other Assets	40.8	45.4
Deferred Outflows of Resources	176.5	211.4
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<b>\$ 4,610.8</b>	<b>\$ 3,178.9</b>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts Payable and Accrued Liabilities	\$ 631.5	\$ 195.1
Employee Compensation & Related Liabilities	157.0	142.6
Deferred Revenue - Ad Valorem	351.9	303.0
Estimated Third-Party Payor Settlements	31.0	29.8
Current Portion Long-Term Debt and Capital Leases	36.8	37.5
<b>Total Current Liabilities</b>	<b>\$ 1,208.2</b>	<b>\$ 708.0</b>
Long-Term Debt	1,108.7	281.4
Net Pension & Post Employment Benefits Liability	668.8	742.8
Other Long-Term Liabilities	7.8	6.7
Deferred Inflows of Resources	110.4	114.9
<b>Total Liabilities</b>	<b>\$ 3,103.9</b>	<b>\$ 1,853.9</b>
<b>Total Net Assets</b>	<b>\$ 1,506.9</b>	<b>\$ 1,325.0</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 4,610.8</b>	<b>\$ 3,178.9</b>

# Cash Flow Summary

**HARRISHEALTH**

As of May 31, 2025 and 2024 (in \$ Millions)

	MONTH-TO-MONTH		YEAR-TO-DATE	
	CURRENT YEAR	PRIOR YEAR	CURRENT YEAR	PRIOR YEAR
<b>CASH RECEIPTS</b>				
Collections on Patient Accounts	\$ 72.5	\$ 79.6	\$ 563.1	\$ 548.9
Medicaid Supplemental Programs	70.2	(29.5)	331.8	604.1
Net Ad Valorem Taxes	6.4	1.8	1,024.3	874.7
Tobacco Settlement	19.0	-	19.0	15.2
Other Revenue	289.0	13.0	396.9	181.6
<b>Total Cash Receipts</b>	<b>\$ 457.1</b>	<b>\$ 64.9</b>	<b>\$ 2,335.0</b>	<b>\$ 2,224.6</b>
<b>CASH DISBURSEMENTS</b>				
Salaries, Wages and Benefits	\$ 107.9	\$ 103.4	\$ 884.4	\$ 891.9
Supplies	35.4	31.4	242.0	214.2
Physician Services	38.8	35.7	292.9	279.8
Purchased Services	28.2	24.4	200.9	182.7
Capital Expenditures	55.8	22.7	273.4	111.4
Debt and Interest Payments	0.2	0.3	19.9	6.5
Other Uses	18.3	(0.6)	(4.5)	10.2
<b>Total Cash Disbursements</b>	<b>\$ 284.6</b>	<b>\$ 217.2</b>	<b>\$ 1,908.9</b>	<b>\$ 1,696.7</b>
<b>Net Change</b>	<b>\$ 172.5</b>	<b>\$ (152.3)</b>	<b>\$ 426.2</b>	<b>\$ 527.9</b>
Unrestricted cash, cash equivalents and investments - Beginning of year			\$ 1,463.4	
Net Change			\$ 426.2	
<b>Unrestricted cash, cash equivalents and investments - End of period</b>			<b>\$ 1,889.6</b>	

# Performance Ratios

**HARRISHEALTH**

As of May 31, 2025 and 2024 (in \$ Millions)

	MONTH-TO-MONTH		YEAR-TO-DATE		
	CURRENT YEAR	CURRENT BUDGET	CURRENT YEAR	CURRENT BUDGET	PRIOR YEAR
<b><u>OPERATING HEALTH INDICATORS</u></b>					
Operating Margin %	2.8%	0.1%	8.5%	3.4%	6.6%
Run Rate per Day (In\$ Millions)	\$ 6.7	\$ 6.9	\$ 6.6	\$ 6.9	\$ 6.2
Salary, Wages & Benefit per APD	\$ 2,407	\$ 2,513	\$ 2,417	\$ 2,536	\$ 2,378
Supply Cost per APD	\$ 613	\$ 654	\$ 600	\$ 664	\$ 568
Physician Services per APD	\$ 850	\$ 842	\$ 858	\$ 879	\$ 827
<b>Total Expense per APD</b>	<b>\$ 4,781</b>	<b>\$ 4,768</b>	<b>\$ 4,655</b>	<b>\$ 4,877</b>	<b>\$ 4,479</b>
Overtime as a % of Total Salaries	3.1%	3.0%	3.4%	3.0%	3.3%
Contract as a % of Total Salaries	3.5%	2.8%	3.2%	2.8%	4.4%
Full-time Equivalent Employees	10,391	10,676	10,441	10,601	10,341
<b><u>FINANCIAL HEALTH INDICATORS</u></b>					
Quick Ratio			1.9		2.8
Unrestricted Cash (In \$ Millions)			\$ 1,889.6	\$ 1,622.1	\$ 1,540.5
Days Cash on Hand			286.3	236.5	246.9
Days Revenue in Accounts Receivable			62.0	74.5	80.0
Days in Accounts Payable			40.1		44.0
Capital Expenditures/Depreciation & Amortization			429.7%		195.6%
Average Age of Plant(years)			10.0		10.5



# Harris Health Key Indicators



# Statistical Highlights

# HARRISHEALTH

As of May 31, 2025 and 2024

	MONTH-TO-MONTH			YEAR-TO-DATE				
	CURRENT QUARTER	CURRENT BUDGET	PERCENT CHANGE	CURRENT YEAR	CURRENT BUDGET	PERCENT CHANGE	PRIOR YEAR	PERCENT CHANGE
Adjusted Patient Days	45,339	45,899	-1.2%	357,812	353,112	1.3%	351,597	1.8%
Outpatient % of Adjusted Volume	65.0%	63.2%	2.9%	63.5%	62.4%	1.7%	62.7%	1.3%
Primary Care Clinic Visits	45,998	45,284	1.6%	365,589	360,962	1.3%	355,094	3.0%
Specialty Clinic Visits	21,767	21,782	-0.1%	167,778	164,144	2.2%	164,690	1.9%
Telehealth Clinic Visits	10,540	10,441	0.9%	82,438	79,531	3.7%	78,245	5.4%
<b>Total Clinic Visits</b>	<b>78,305</b>	<b>77,507</b>	<b>1.0%</b>	<b>615,805</b>	<b>604,637</b>	<b>1.8%</b>	<b>598,029</b>	<b>3.0%</b>
Emergency Room Visits - Outpatient	12,150	11,873	2.3%	94,359	92,603	1.9%	94,026	0.4%
Emergency Room Visits - Admitted	1,613	1,802	-10.5%	13,698	14,726	-7.0%	14,458	-5.3%
<b>Total Emergency Room Visits</b>	<b>13,763</b>	<b>13,675</b>	<b>0.6%</b>	<b>108,057</b>	<b>107,329</b>	<b>0.7%</b>	<b>108,484</b>	<b>-0.4%</b>
Surgery Cases - Outpatient	1,143	1,008	13.4%	8,292	7,688	7.9%	7,673	8.1%
Surgery Cases - Inpatient	880	814	8.1%	7,080	6,671	6.1%	6,607	7.2%
<b>Total Surgery Cases</b>	<b>2,023</b>	<b>1,822</b>	<b>11.0%</b>	<b>15,372</b>	<b>14,359</b>	<b>7.1%</b>	<b>14,280</b>	<b>7.6%</b>
<b>Total Outpatient Visits</b>	<b>144,131</b>	<b>128,034</b>	<b>12.6%</b>	<b>1,047,329</b>	<b>996,779</b>	<b>5.1%</b>	<b>987,340</b>	<b>6.1%</b>
Inpatient Cases (Discharges)	2,399	2,709	-11.4%	19,763	21,571	-8.4%	20,447	-3.3%
Outpatient Observation Cases	1,228	1,061	15.7%	8,492	7,478	13.6%	7,766	9.3%
<b>Total Cases Occupying Patient Beds</b>	<b>3,627</b>	<b>3,770</b>	<b>-3.8%</b>	<b>28,255</b>	<b>29,049</b>	<b>-2.7%</b>	<b>28,213</b>	<b>0.1%</b>
Births	411	462	-11.0%	3,544	3,636	-2.5%	3,422	3.6%
Inpatient Days	15,866	16,908	-6.2%	130,693	132,670	-1.5%	131,206	-0.4%
Outpatient Observation Days	4,312	3,174	35.9%	29,773	23,884	24.7%	26,556	12.1%
<b>Total Patient Days</b>	<b>20,178</b>	<b>20,082</b>	<b>0.5%</b>	<b>160,466</b>	<b>156,554</b>	<b>2.5%</b>	<b>157,762</b>	<b>1.7%</b>
Average Daily Census	650.9	647.8	0.5%	660.4	644.3	2.5%	646.6	2.1%
Average Operating Beds	701	700	0.1%	702	700	0.3%	700	0.3%
Bed Occupancy %	92.9%	92.5%	0.4%	94.1%	92.0%	2.2%	92.4%	1.8%
Inpatient Average Length of Stay	6.61	6.24	6.0%	6.61	6.15	7.5%	6.42	3.1%
Inpatient Case Mix Index (CMI)	1.734	1.712	1.3%	1.731	1.712	1.1%	1.705	1.5%
<b>Payor Mix (% of Charges)</b>								
Charity & Self Pay	47.3%	43.4%	9.0%	44.9%	43.4%	3.6%	43.8%	2.5%
Medicaid & Medicaid Managed	17.3%	19.4%	-10.7%	18.6%	19.4%	-4.2%	19.3%	-3.5%
Medicare & Medicare Managed	11.1%	11.4%	-2.9%	10.9%	11.4%	-5.1%	11.7%	-7.4%
Commercial & Other	24.3%	25.8%	-5.9%	25.6%	25.8%	-0.6%	25.2%	1.8%
<b>Total Unduplicated Patients - Rolling 12</b>				<b>244,489</b>			<b>248,070</b>	<b>-1.4%</b>
<b>Total New Patient - Rolling 12</b>				<b>87,850</b>			<b>89,785</b>	<b>-2.2%</b>

# Harris Health

## Statistical Highlights

May FY 2025

### Cases Occupying Beds - CM

Actual	Budget	Prior Year
3,627	3,770	3,536

### Cases Occupying Beds - YTD

Actual	Budget	Prior Year
28,255	29,049	28,213

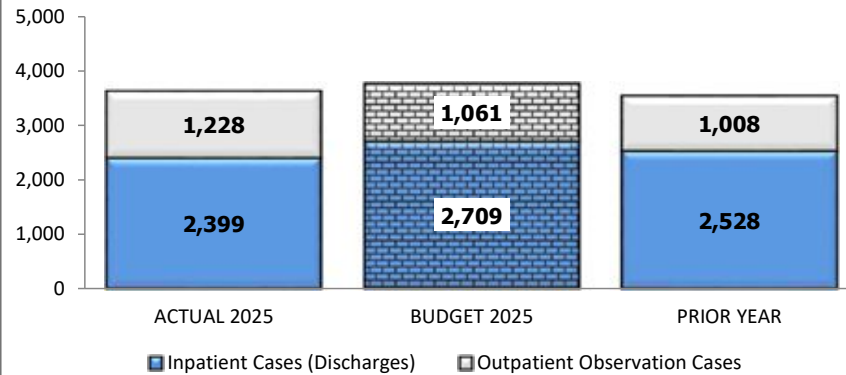
### Emergency Visits - CM

Actual	Budget	Prior Year
13,763	13,675	14,487

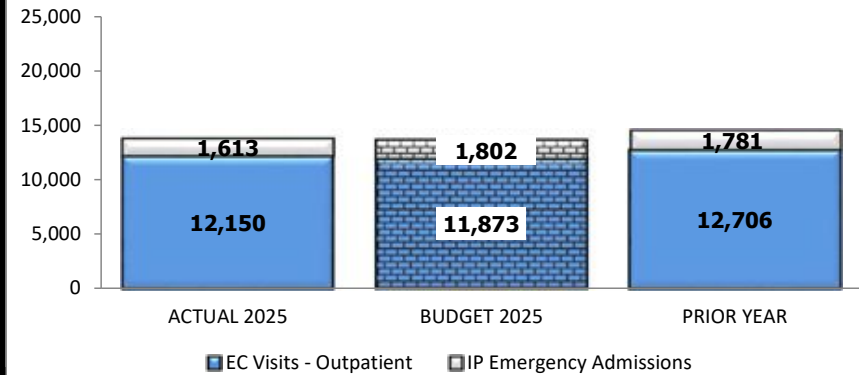
### Emergency Visits - YTD

Actual	Budget	Prior Year
108,057	107,329	108,484

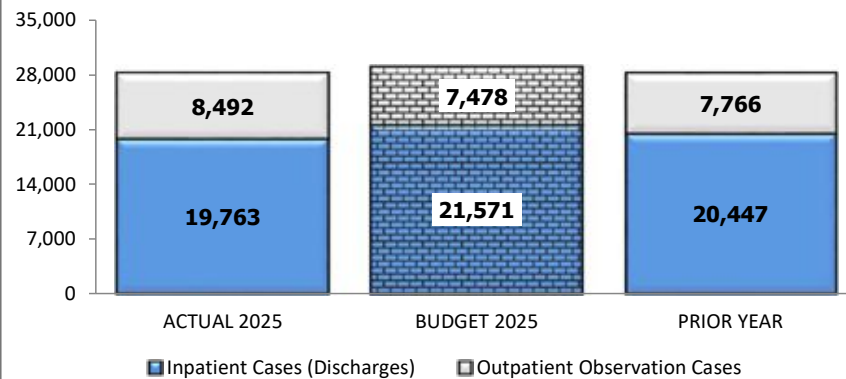
### Cases Occupying Beds - Current Month



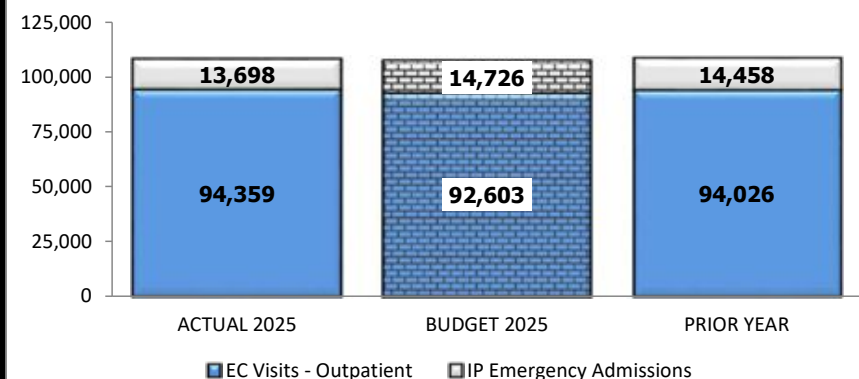
### Emergency Visits - Current Month



### Cases Occupying Beds - YTD



### Emergency Visits - YTD



# Harris Health

## Statistical Highlights

May FY 2025

### Surgery Cases - CM

Actual	Budget	Prior Year
2,023	1,822	1,935

### Surgery Cases - YTD

Actual	Budget	Prior Year
15,372	14,359	14,280

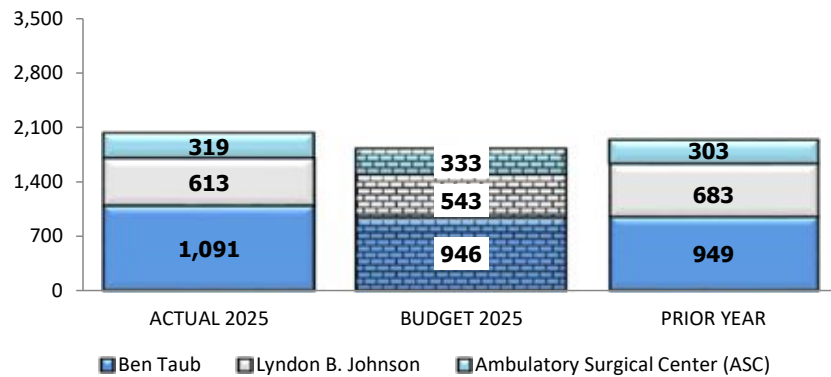
### Clinic Visits - CM

Actual	Budget	Prior Year
78,305	77,507	75,847

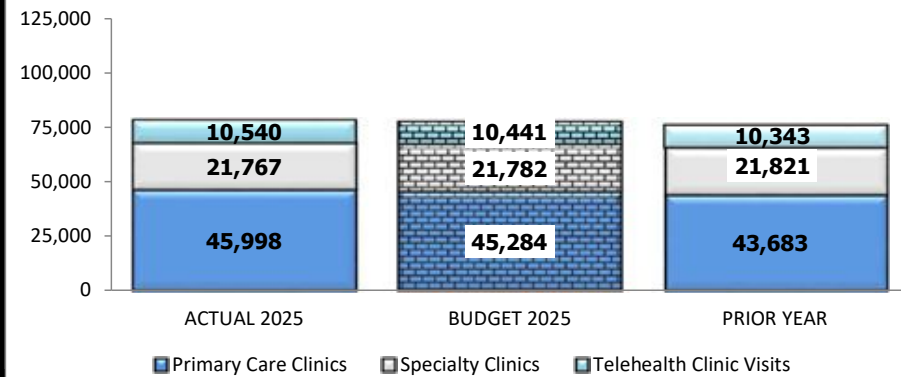
### Clinic Visits - YTD

Actual	Budget	Prior Year
615,805	604,637	598,029

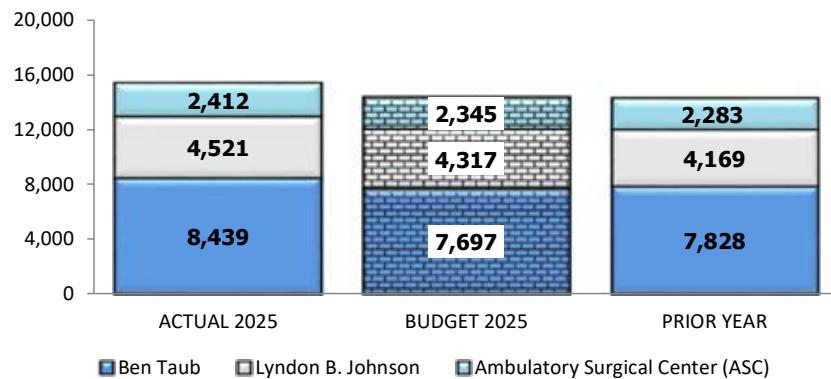
### Surgery Cases - Current Month



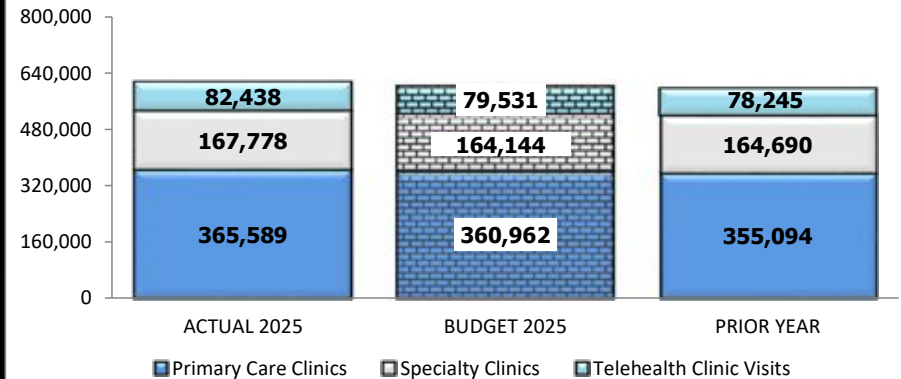
### Clinic Visits - Current Month



### Surgery Cases - YTD



### Clinic Visits - YTD



# Harris Health

## Statistical Highlights

May FY 2025

### Adjusted Patient Days - CM

45,339

### Adjusted Patient Days - YTD

357,812

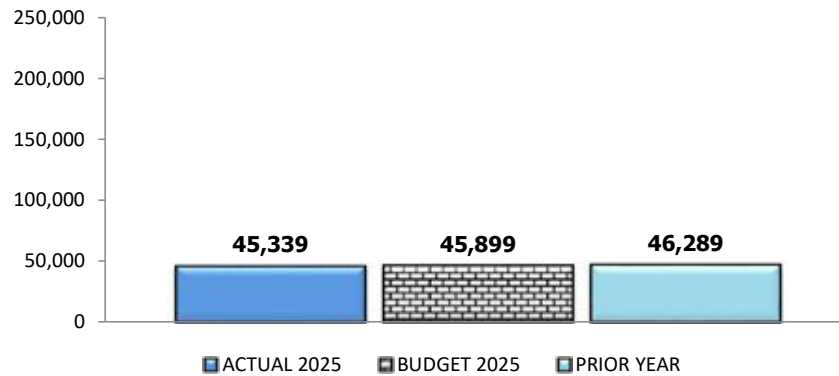
### Average Daily Census - CM

650.9

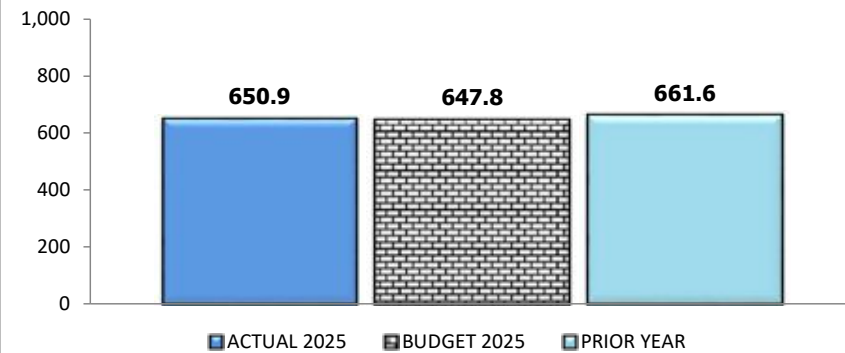
### Average Daily Census - YTD

660.4

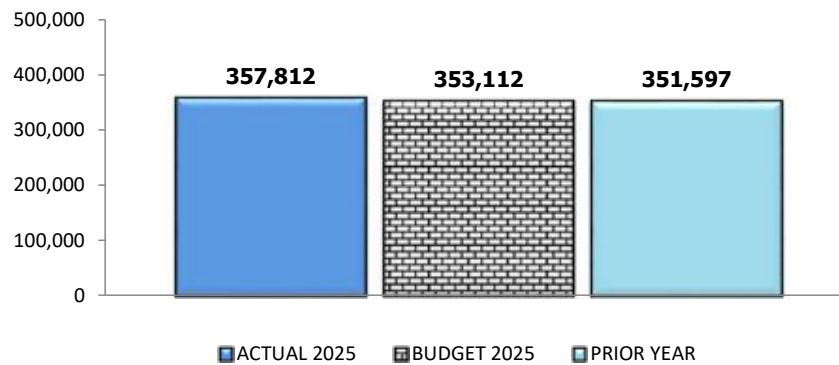
### Adjusted Patient Days - Current Month



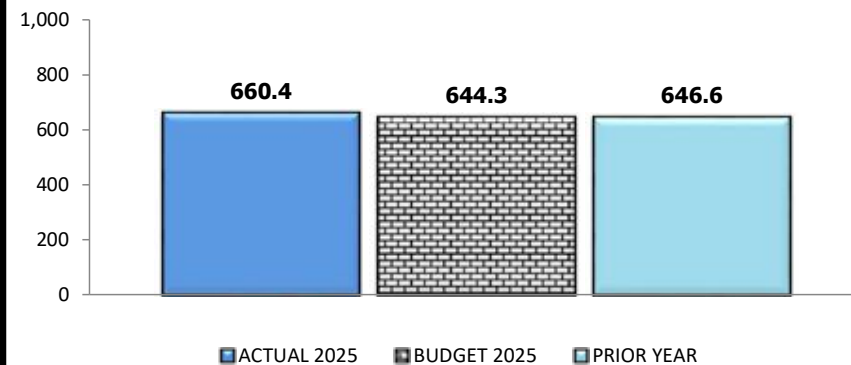
### Average Daily Census - Current Month



### Adjusted Patient Days - YTD



### Average Daily Census - YTD



# Harris Health

## Statistical Highlights

May FY 2025

### Inpatient ALOS - CM

6.61

### Inpatient ALOS - YTD

6.61

### Case Mix Index (CMI) - CM

Overall

Excl. Obstetrics

1.734

1.907

### Case Mix Index (CMI) - YTD

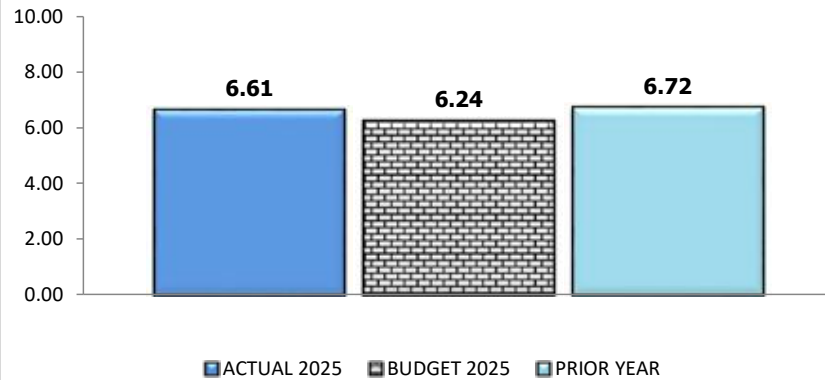
Overall

Excl. Obstetrics

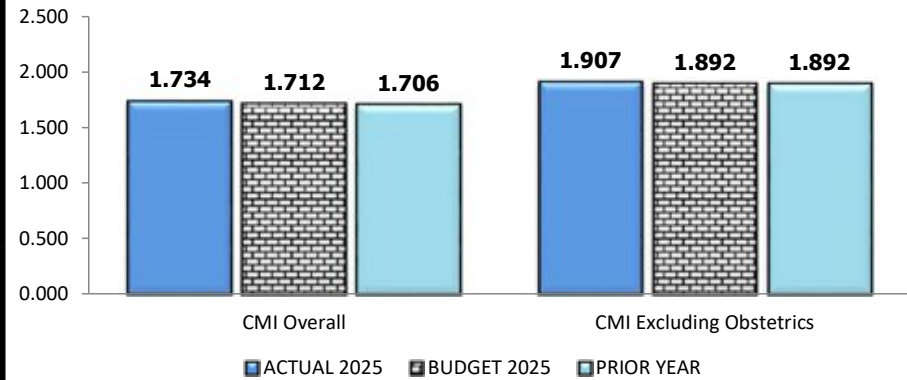
1.731

1.920

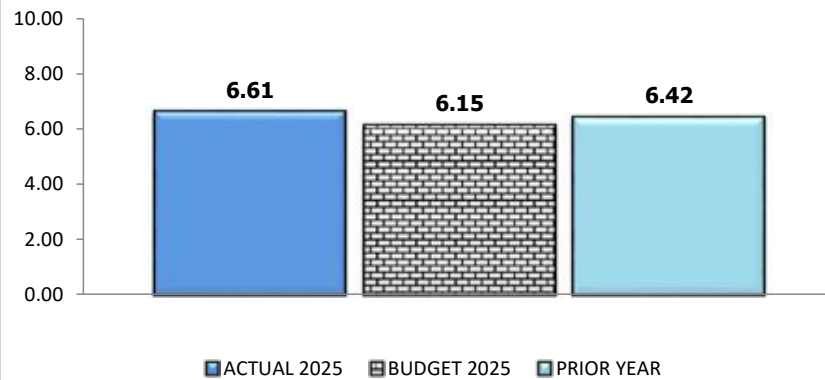
### Inpatient ALOS - Current Month



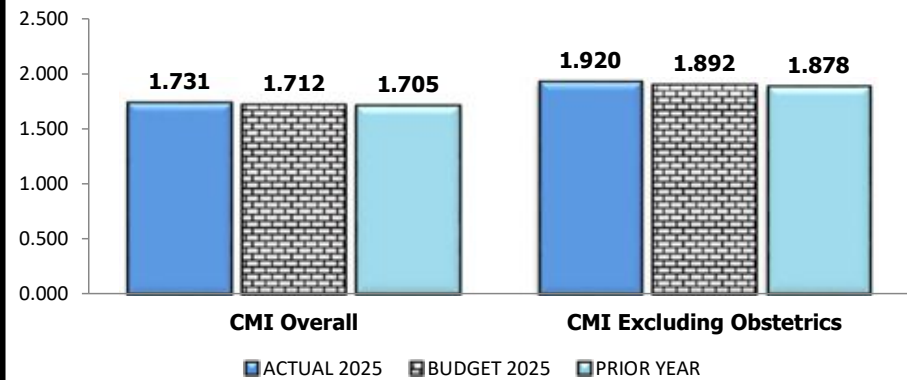
### Case Mix Index - Current Month



### Inpatient ALOS - YTD



### Case Mix Index - YTD



# Harris Health

## Statistical Highlights - Cases Occupying Beds

May FY 2025

### BT Cases Occupying Beds - CM

Actual	Budget	Prior Year
2,051	2,281	2,091

### BT Cases Occupying Beds - YTD

Actual	Budget	Prior Year
16,284	17,445	16,713

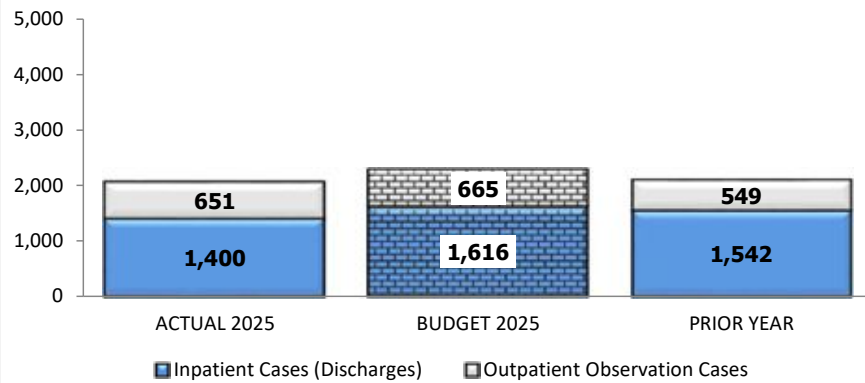
### LBJ Cases Occupying Beds - CM

Actual	Budget	Prior Year
1,550	1,466	1,443

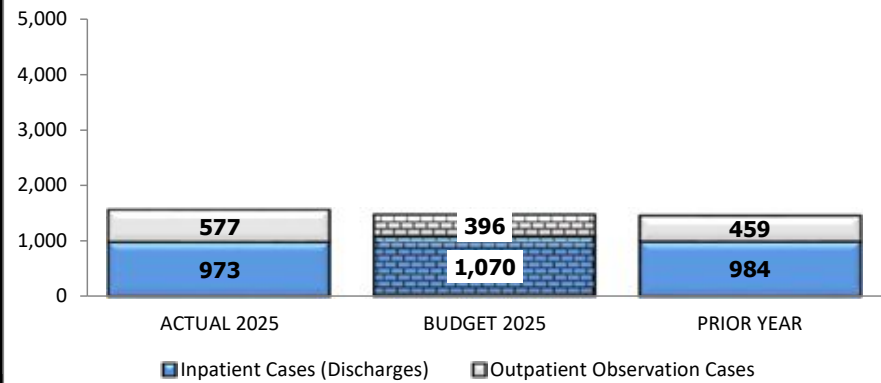
### LBJ Cases Occupying Beds - YTD

Actual	Budget	Prior Year
11,834	11,464	11,490

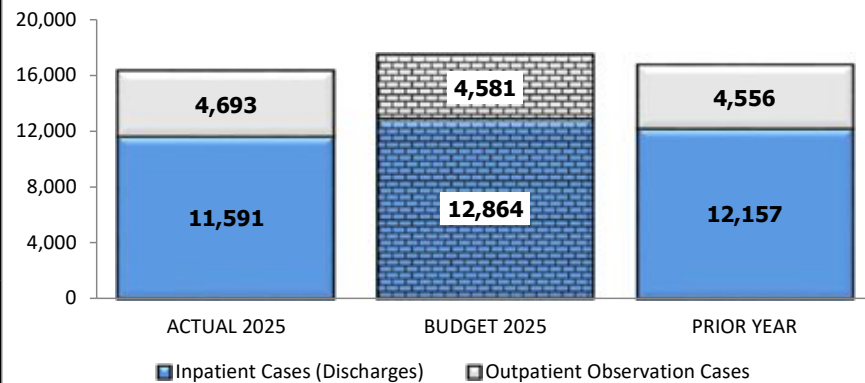
### Ben Taub Cases - Current Month



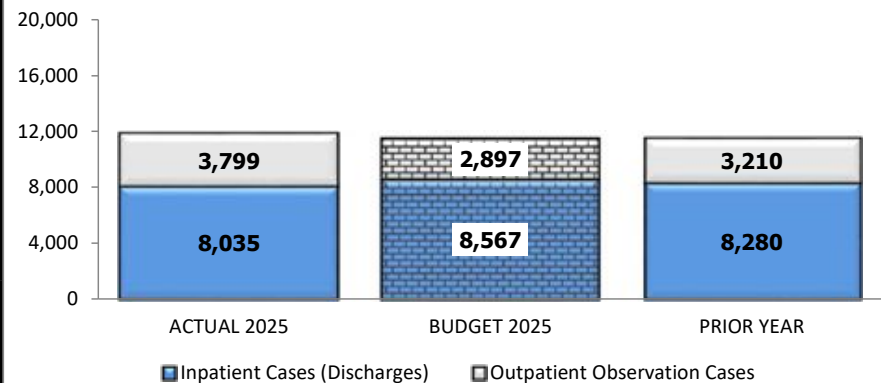
### Lyndon B. Johnson Cases - Current Month



### Ben Taub Cases - YTD



### Lyndon B. Johnson Cases - YTD





# Harris Health

## Statistical Highlights - Surgery Cases

May FY 2025

### BT Surgery Cases - CM

Actual	Budget	Prior Year
1,091	946	949

### BT Surgery Cases - YTD

Actual	Budget	Prior Year
8,439	7,697	7,828

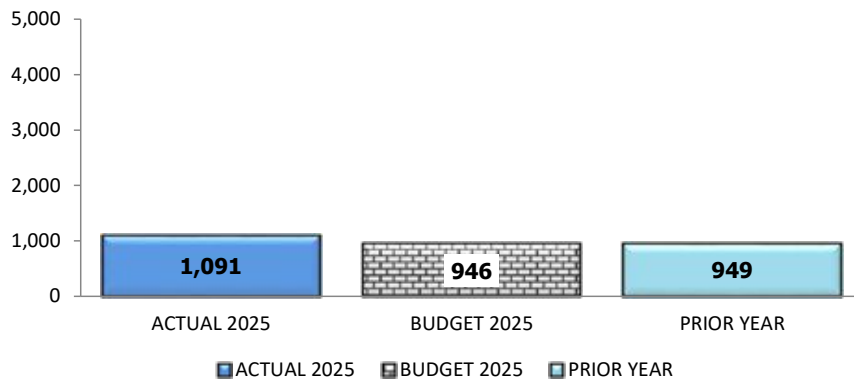
### LBJ Surgery Cases - CM

Actual	Budget	Prior Year
932	876	986

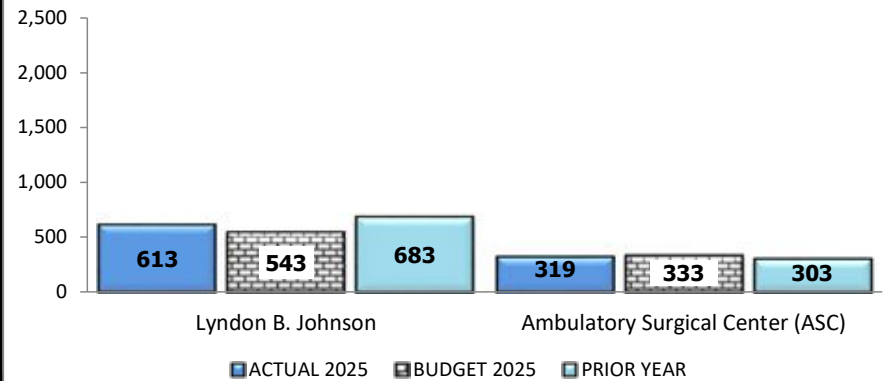
### LBJ Surgery Cases - YTD

Actual	Budget	Prior Year
6,933	6,662	6,452

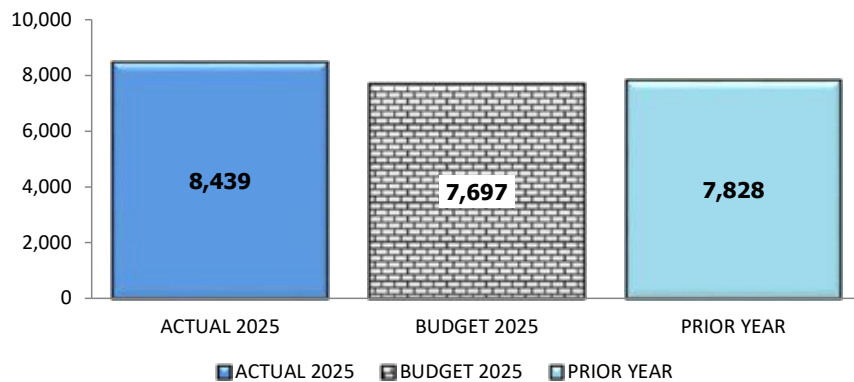
### Ben Taub OR Cases - Current Month



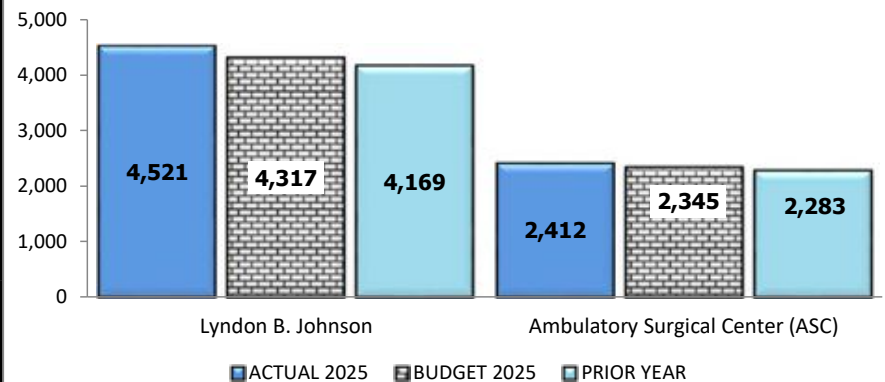
### Lyndon B. Johnson OR Cases - Current Month



### Ben Taub OR Cases - YTD



### Lyndon B. Johnson OR Cases - YTD





# Harris Health

## Statistical Highlights - Emergency Room Visits

May FY 2025

### BT Emergency Visits - CM

Actual	Budget	Prior Year
7,007	6,881	7,275

### BT Emergency Visits - YTD

Actual	Budget	Prior Year
55,110	55,587	55,389

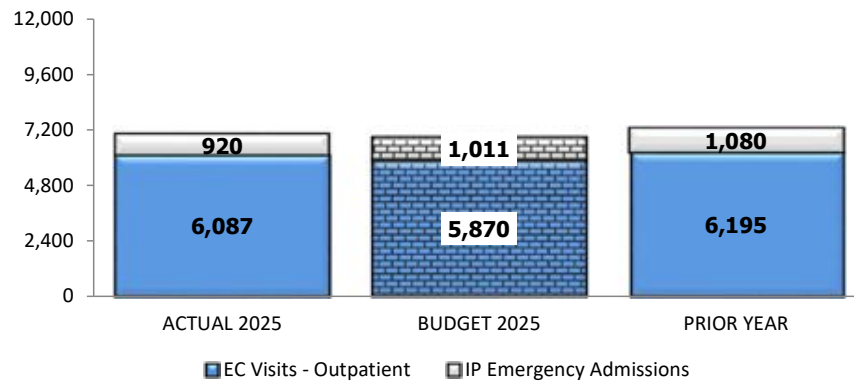
### LBJ Emergency Visits - CM

Actual	Budget	Prior Year
6,756	6,794	7,212

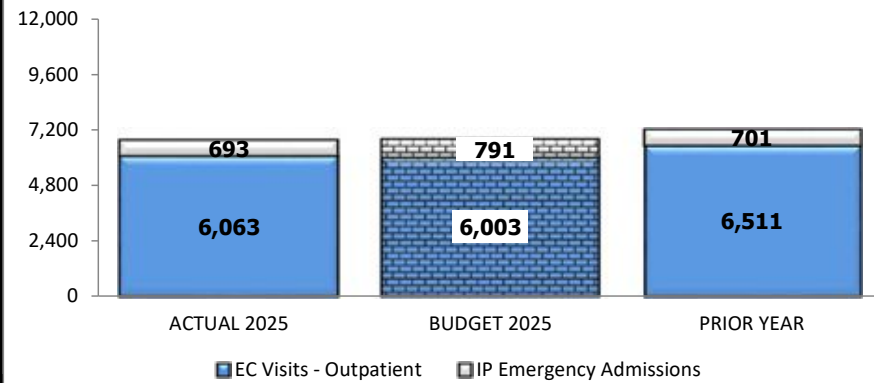
### LBJ Emergency Visits - YTD

Actual	Budget	Prior Year
52,947	51,742	53,095

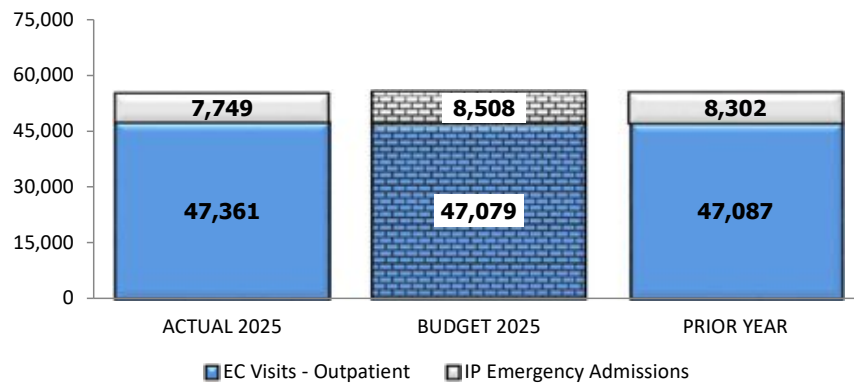
### Ben Taub EC Visits - Current Month



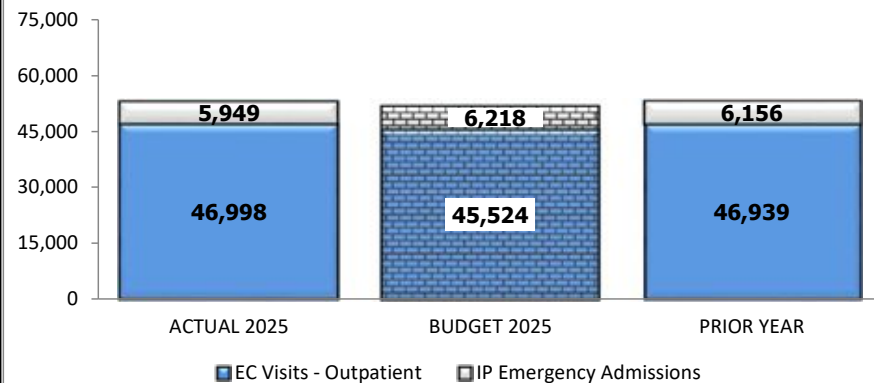
### Lyndon B. Johnson EC Visits - Current Month



### Ben Taub EC Visits - YTD



### Lyndon B. Johnson EC Visits - YTD



# Harris Health

## Statistical Highlights - Births

May FY 2025

### BT Births - CM

Actual	Budget	Prior Year
241	279	245

### BT Births - YTD

Actual	Budget	Prior Year
2,016	2,103	1,867

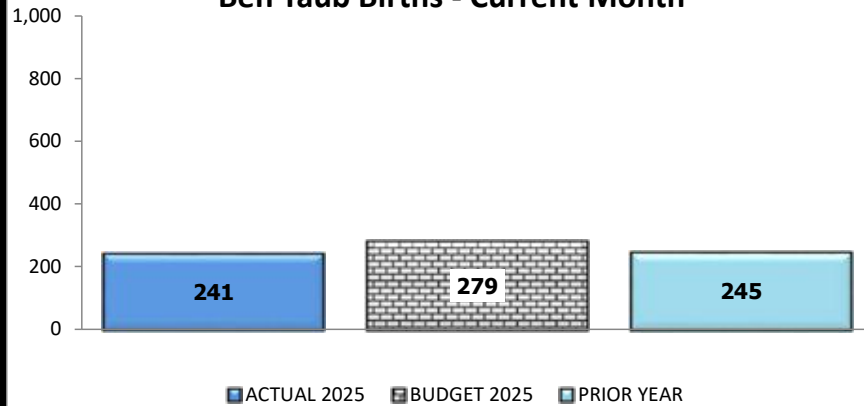
### LBJ Births - CM

Actual	Budget	Prior Year
170	183	217

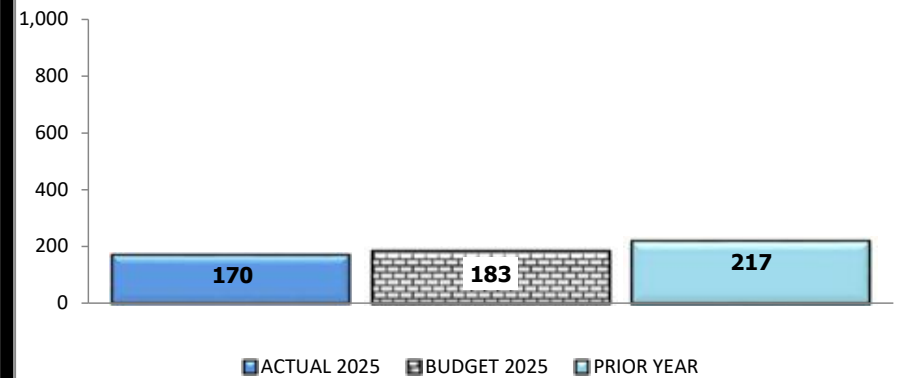
### LBJ Births - YTD

Actual	Budget	Prior Year
1,528	1,533	1,555

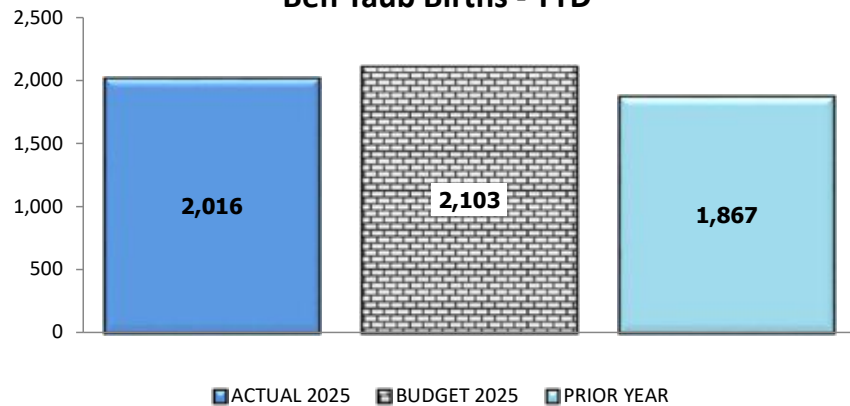
### Ben Taub Births - Current Month



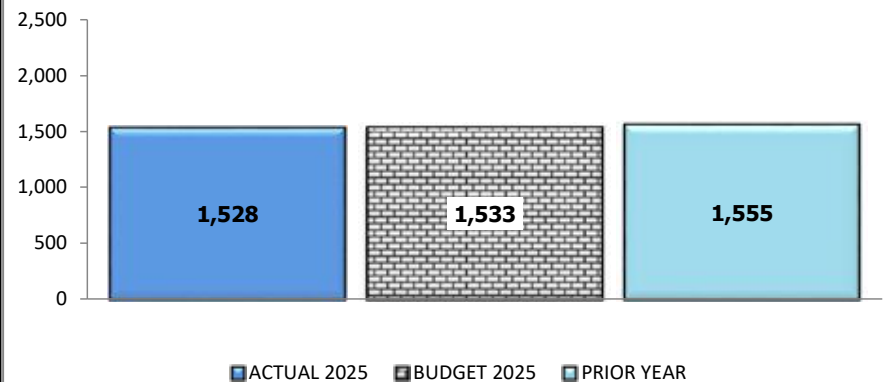
### Lyndon B. Johnson Births - Current Month



### Ben Taub Births - YTD



### Lyndon B. Johnson Births - YTD



# Harris Health

## Statistical Highlights - Adjusted Patient Days

May FY 2025

### BT Adjusted Patient Days - CM

22,226

### BT Adjusted Patient Days - YTD

173,678

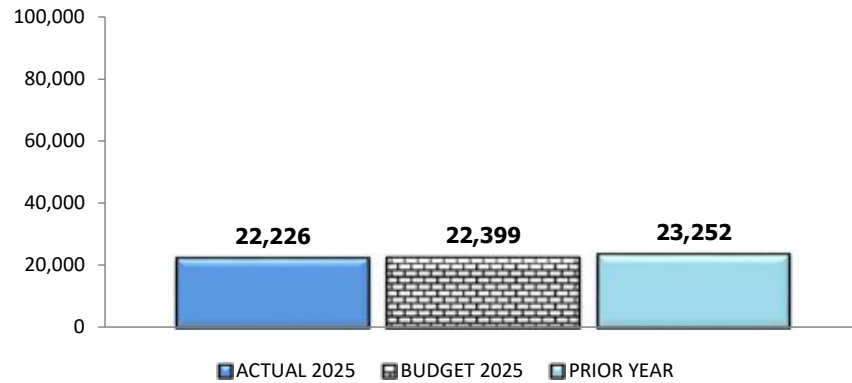
### LBJ Adjusted Patient Days - CM

13,515

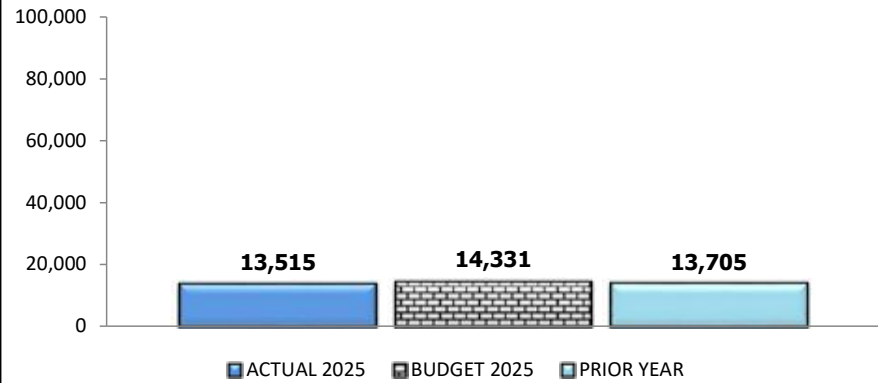
### LBJ Adjusted Patient Days - YTD

108,787

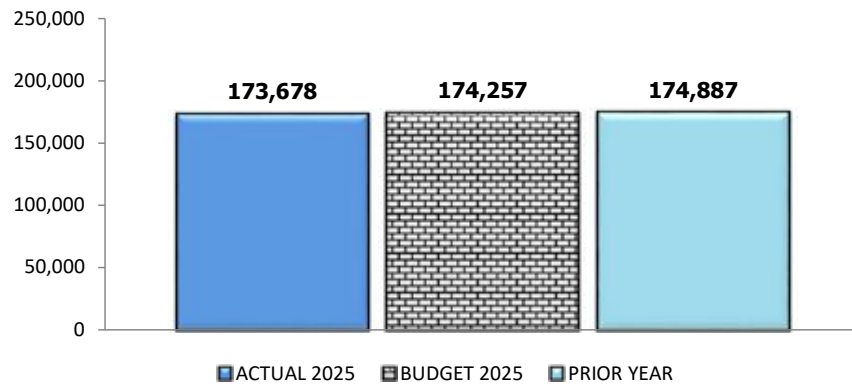
#### Ben Taub APD - Current Month



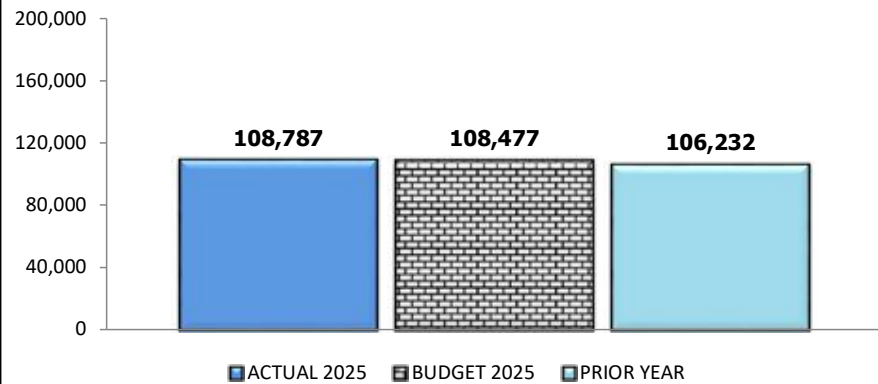
#### Lyndon B. Johnson APD - Current Month



#### Ben Taub APD - YTD



#### Lyndon B. Johnson APD - YTD



# Harris Health

## Statistical Highlights - Average Daily Census (ADC)

May FY 2025

### BT Average Daily Census - CM

418.8

### BT Average Daily Census - YTD

428.8

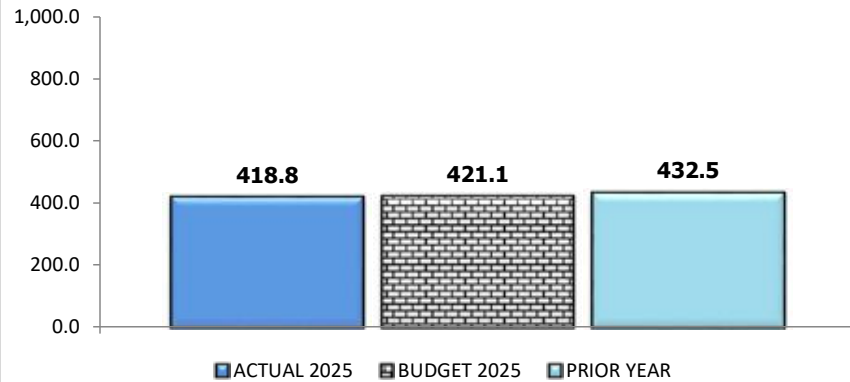
### LBJ Average Daily Census - CM

229.4

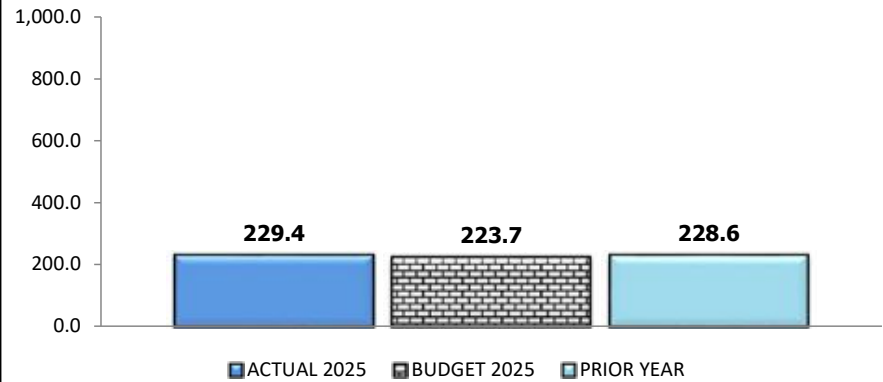
### LBJ Average Daily Census - YTD

229.6

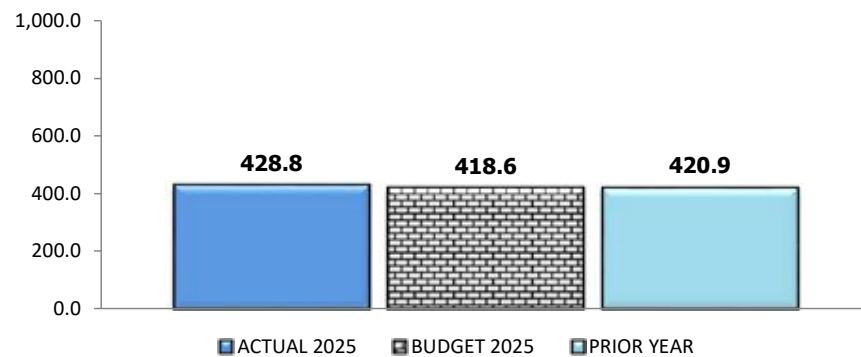
#### Ben Taub ADC - Current Month



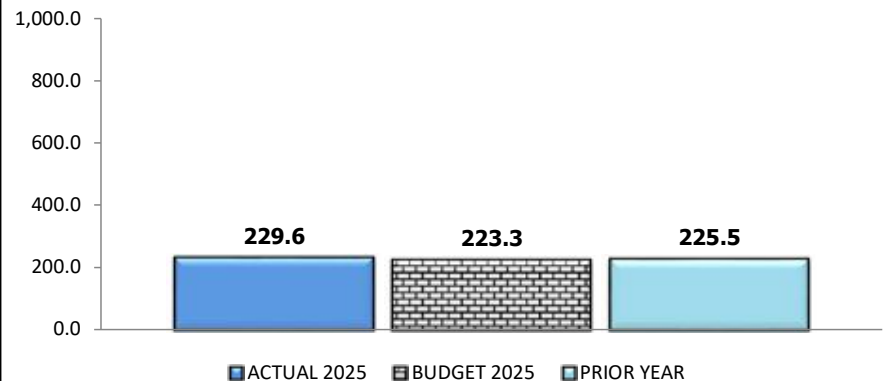
#### Lyndon B. Johnson ADC - Current Month



#### Ben Taub ADC - YTD



#### Lyndon B. Johnson ADC - YTD



# Harris Health

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

May FY 2025

### BT Inpatient ALOS - CM

7.51

### BT Inpatient ALOS - YTD

7.38

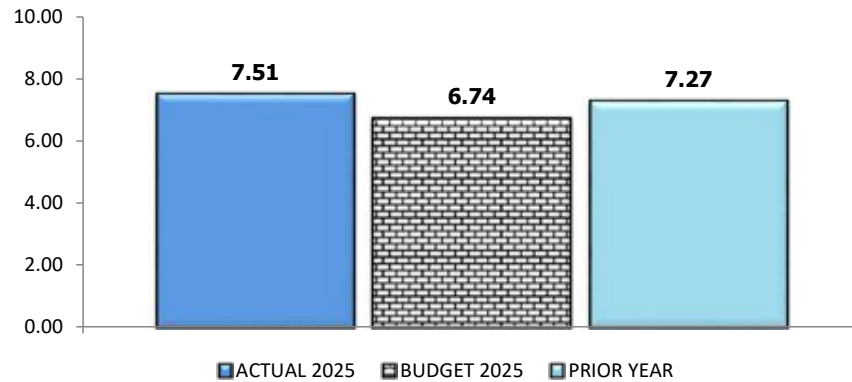
### LBJ Inpatient ALOS - CM

5.42

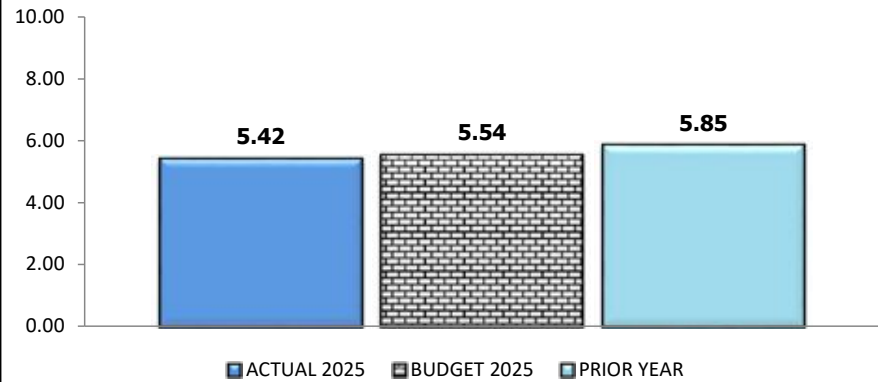
### LBJ Inpatient ALOS - YTD

5.56

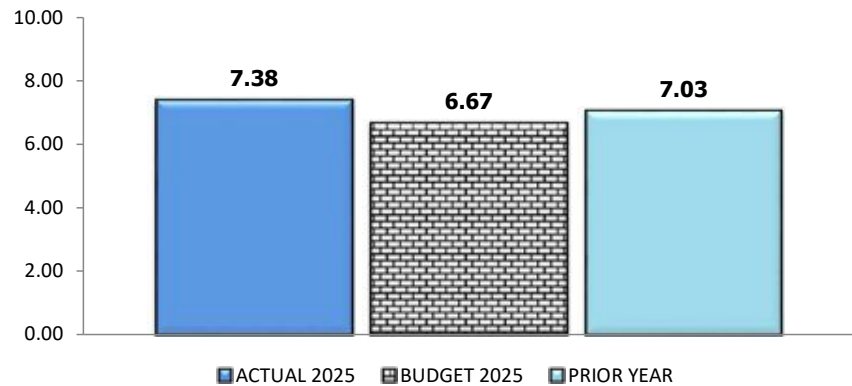
### Ben Taub ALOS - Current Month



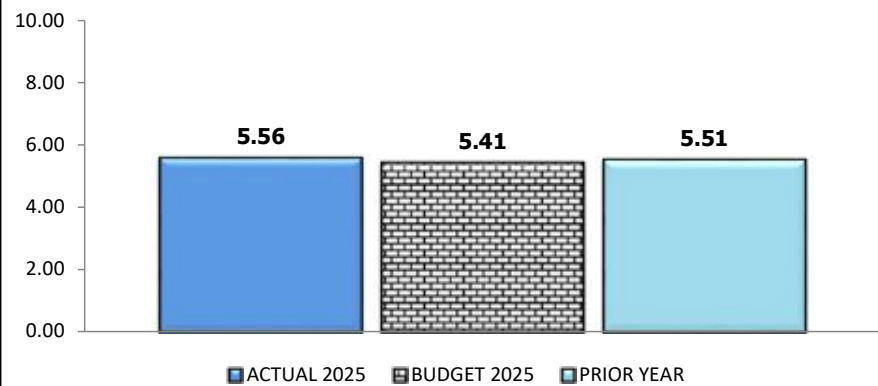
### Lyndon B. Johnson ALOS - Current Month



### Ben Taub ALOS - YTD



### Lyndon B. Johnson ALOS - YTD



# Harris Health

## Statistical Highlights - Case Mix Index (CMI)

May FY 2025

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

Overall	Excl. Obstetrics
1.889	2.092

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

Overall	Excl. Obstetrics
1.873	2.080

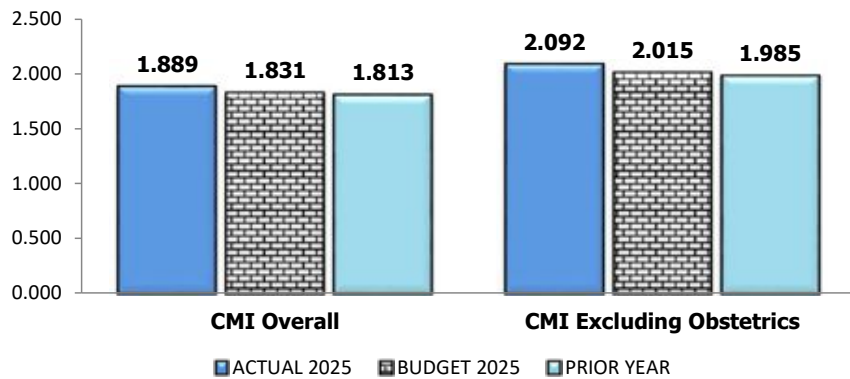
### LBJ Case Mix Index (CMI) - CM

Overall	Excl. Obstetrics
1.525	1.662

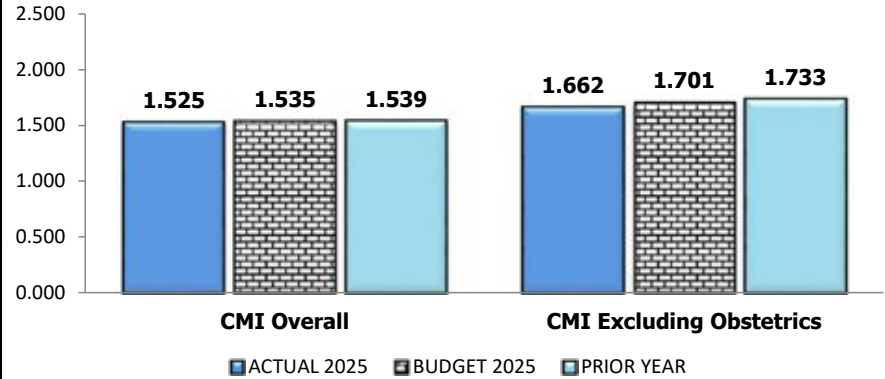
### LBJ Case Mix Index (CMI) - YTD

Overall	Excl. Obstetrics
1.536	1.698

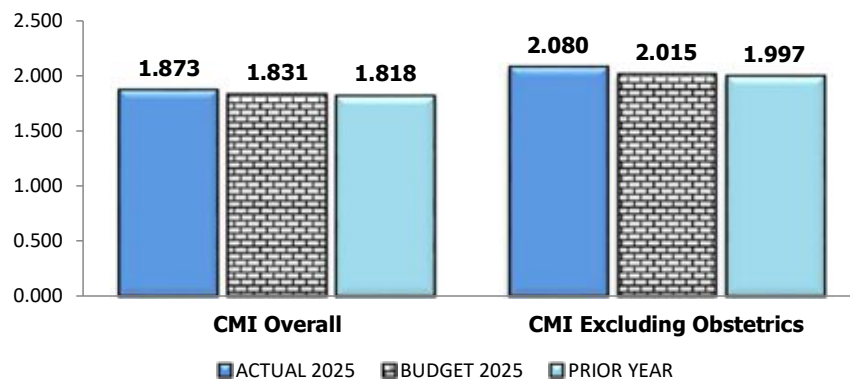
### Ben Taub CMI - Current Month



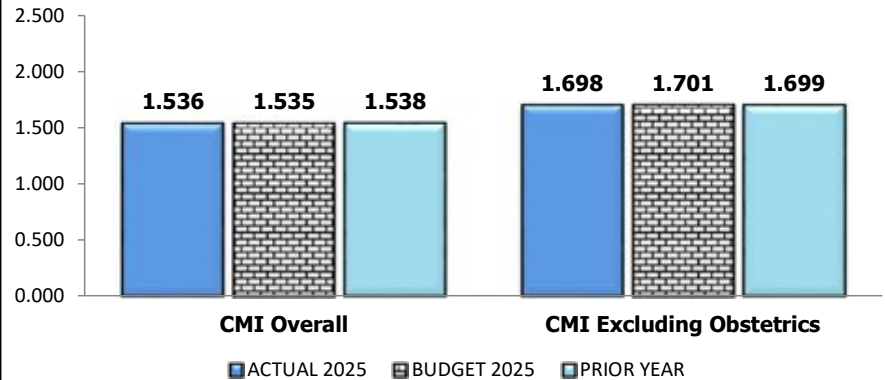
### Lyndon B. Johnson CMI - Current Month



### Ben Taub CMI - YTD



### Lyndon B. Johnson CMI - YTD

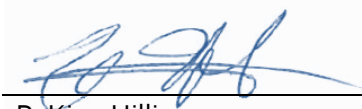


## Meeting of the Board of Trustees

Monday, June 30, 2025

Updates Regarding Pending State and Federal Legislative and Policy Issues  
Impacting Harris Health

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R. King Hillier  
SVP, Public Policy & Government Relations

**June 2025****Board of Trustees Monthly Legislative Report****FEDERAL UPDATE**

**Reconciliation Update:** The Congressional Budget Office (CBO) on June 5 released updated estimates on the budgetary effects that the House-passed One Big Beautiful Bill Act will have over the next 10 years. CBO estimates the bill would increase the federal deficit by \$2.4 trillion over the next decade.

CBO also estimates that provisions under the jurisdiction of the House Committee on Energy and Commerce, including those related to Medicaid, would reduce the deficit by nearly \$1.1 trillion over the next 10 years, including \$334 billion from imposing Medicaid work requirements.

CBO projects that almost 11 million individuals could lose their health insurance coverage, including 1.4 million individuals without "satisfactory immigration status." These coverage losses would be in addition to the 5.1 million individuals who are expected to lose their healthcare coverage due to changes included in the CMS proposed rule issued March 19, 2025, titled "Patient Protection and Affordable Care Act; Marketplace Integrity and Affordability" and due to the potential expiration of advanced premium tax credits (APTCs).

On June 16 the Senate Finance Committee released draft reconciliation language which made significant changes to the health-related provisions from the House-passed "One Big Beautiful Bill Act."

Key differences include:

- The Senate version eliminates several notable provisions, including physician payment reform, HSA expansion, the *Accelerating Kids Access to Care Act*, and the *Orphan Cures Act*.
- The House version proposed grandfathering current provider tax rates for all states and banned new or increased provider taxes. The Senate bill would go further, but only in states that have expanded Medicaid under the Affordable Care Act. It would lower the current 6% cap on provider tax rates to 3.5%. The cap would be phased in by lowering it 0.5% annually, starting in 2027 until 2031. Texas could maintain its 6% cap but could not create future provider taxes to expand Medicaid spending.
- While the House bill froze existing state directed payments (SDPs) and capped new ones, the Senate version sets a new cap: 100% of Medicare rates for expansion states and 110% for non-expansion states. Existing SDPs would be reduced by 10% annually until they reach the new thresholds. America's essential Hospitals (AEH) estimates this Senate provision



would reduce Texas hospital SDPs by 24%. The White House has added to the complexity by [directing](#) the Department of Health and Human Services to ensure that Medicaid payment rates do not exceed those of Medicare. The provision proposed by the White House would reduce payments to hospitals in Texas by \$2 billion annually.

- Related to work requirements, the Senate bill allocates \$150 million to implement work requirements—\$100 million in grants to states and \$50 million to HHS. The Senate bill also would require parents with children 15 and older to work or do community service for 80 hours per month to qualify for Medicaid. The House plan exempted all people with dependents from the work requirements. Under the House passed bill according to Manatt, a Washington DC based Medicaid consulting firm, 150,000 Texans would lose Medicaid coverage. Of these, about 7,789 would be non-disabled adults subject to work requirements. This number will grow under the Senate provisions because it would apply to parents of older children.
- Note that the new Senate language would affect more people in Texas because it also applies to adults with older children.
- While most PBM provisions from the House version were retained, the Senate bill omits the provision that would delink PBM compensation from drug prices in Medicare Part D.
- There are a number of provisions related to the ACA Market Place and Enhanced Premium Tax Credits (EPTCs) that will increase the number of uninsured while increasing premiums for all insured Americans.

Otherwise, both bills contain similar healthcare provisions including measures to increase the frequency of eligibility checks from and to prohibit federal matching funds for gender-affirming care. In addition, both versions would prevent the implementation of Biden-era rules designed to streamline Medicaid enrollment and eligibility, as well as a regulation requiring minimum staffing levels in nursing homes. Both maintain the provision of Medicaid retroactive billing from 90 days to 30 days.

A significant Medicare-related provision in the Senate bill remains largely consistent with the House version: both would bar asylum seekers, refugees, and individuals with protected status from accessing Medicare.

As House and Senate leaders enter negotiations, the final bill that reaches the Senate floor could differ significantly from the committee text released to date. Meanwhile, the Byrd Rule scrub is ongoing, and some provisions will likely be struck as part of that process. While Senate leadership continues to push for a July 4th deadline, it is highly possible that final action slips into August.

**STATE UPDATE**

**89<sup>TH</sup> REGULAR LEGISLATIVE SESSION CONCLUDES:** Lawmakers and stakeholders began the 89<sup>th</sup> Session facing numerous significant levels of uncertainty, including a hotly contested Speaker's race resulting in new House leadership and a cadre of freshman members—31 in the House and 3 in the Senate.

To put this in context, turnover on this scale typically only occurs immediately following decennial redistricting, and in either scenario, it results in significant change to the body in terms of committee chairs and membership.

This time, however, in addition to the turnover in membership, newly elected House Speaker Dustin Burrows (R-Lubbock) and his lieutenants amended the longstanding structure itself of House committees. Prompted by a key issue permeating recent GOP primaries, the House dispensed with the tradition of appointing members of the minority party as committee chairs. Instead, House chairs in the 89<sup>th</sup> only came from the majority party and vice chairs only from the minority party. Moreover, the House established standing subcommittees that could be chaired by members of either party.

Amidst all this uncertainty, lawmakers filed a total of 8,719 House and Senate Bills. Of these, only 1,213 passed both chambers and made their way to Governor Abbott's desk.

As of this writing, the Governor still retains authority to veto any piece of legislation having passed the Legislature.

The veto period ends June 22, 2025.

**MCO PROCUREMENT SUCCESSFULLY DEFENDED:** Harris Health and Community Health Choice personnel worked diligently all session defending against numerous standalone pieces of legislation, budget riders, and last-minute amendments seeking to interfere with or cancel the state's most recent Medicaid and CHIP procurement.

Some efforts would have simply canceled the procurement and extended the current contracts while others would have wholly replaced the state's procurement process with an application state—or file and compete—scheme.

Through legislative hearings, stakeholder engagement, and meetings with key members, our team and our allies were successful on all legislative and budgetary fronts this session.

Even so, the issue is not yet fully resolved, as a court case challenging the procurement will soon resume now that the Legislature has passed on the opportunity to address the matter. Moreover, the topic of procurement and guaranteed contracts for hospital district affiliated health plans will

surely be debated as the Health and Human Services Commission enters the Sunset process ahead of next session.

**THE TEXAS SUNSET COMMISSION AND THE SUNSET PROCESS:** Over the interim and leading into 2027's 90<sup>th</sup> Regular Session, the state's Health and Human Services Commission (HHSC) and its Department of Insurance (TDI) will undergo Sunset review—a process whereby members of the Texas Sunset Commission examine and make recommendations on state agency operations, and sometimes, their continued existence.

The Sunset Commission is comprised of five state Representatives, five state Senators, and two public members.

The Sunset Commission typically issues its final reports near the start of each legislative session, with key lawmakers thereafter filing legislation seeking to implement the recommendations contained therein.

Considered “must pass” pieces of legislation, these Sunset bills will be top priorities leading up to and throughout next session. Moreover, they will be prime vehicles for all manner of amendments, potentially helpful and harmful to Harris Health and our patients.

## **STATE BUDGET HIGHLIGHTS:**

### **Basic Budget Stats:**

Lawmakers approved a \$338 billion budget for the 2026-2027 biennium consisting of \$149 billion in GR/GR-D and \$181 billion in All Funds.

This includes \$82.6 billion in total Medicaid funding along with an additional \$750 million in the state's supplemental budget for the Medicaid program.

This \$82.6 billion represents a \$6.2 billion increase from the 2024-2025 biennial levels and includes \$4 billion for increased Medicaid and CHIP enrollment.

Some additional budgetary line items of concern to Harris Health are as follows (all figures biennial):

- Maternal and Child Health - \$125 million
- EMS/Trauma - \$231 million
- Reduce Tobacco Use - \$18 million
- HIV/STD - \$463 million
- Immunize Children & Adults in Texas - \$163 million
- Trauma Add On - \$360 million
- Safety Net Add On - \$300 million
- Tiers Eligibility and Support Tech - \$236 million

- Tiers Capital Project - \$246 million
- Preceptorship Program - \$5 million
- Prof Nursing Shortage Reduction - \$47 million
- Nursing Innovation Grants - \$6 million
- Workforce Education/Reskilling PGMS - \$29 million

**Art. III All-Payor Claims Database Rider:**

Directs the Center for Healthcare Data at The University of Texas Health Science Center at Houston to conduct data analysis and issue biennial reports on:

- Trends in statewide healthcare expenditures, with detailed analysis of medical and pharmaceutical costs;
- Trends in healthcare utilization and accessibility;
- Measures of healthcare quality;
- Incidence and prevalence of chronic diseases; and
- Comparative analysis of state-funded health care services and major cost drivers across and among state agencies providing state healthcare services.

**FACILITY FEE PRESERVATION:** Efforts seeking to severely curtail hospitals' ability to collect facility fees and study their use national provider identifier (NPI) numbers were unsuccessful this session.

By session's end, both House and Senate versions received committee approval in their respective chambers of origin, but progressed no further.

The initial versions of these bills would have resulted in significant financial losses to Harris Health. In contrast the highly negotiated versions making the most progress through the legislature were vast improvements with provisions largely agreeable to Harris Health.

Though we don't know for certain, we expect this issue to come back over the interim and leading into next session.

**CURBING CONCRETE CRUSHING:** House and Senate measures seeking to provide hospitals with greater protection from concrete crushing facilities failed to pass this session. Both passed committee in their respective chambers of origin but failed to obtain any further legislative approval.

Per direction from Senate leadership, the upper chamber's version was bracketed such that it only applied to LBJ Hospital and exempted temporary crushers from its restrictions. The House version was more expansive.

**LAWMAKERS PASS LEGISLATION AUTHORIZING HARRIS HEALTH TO EMPLOY PEACE OFFICERS:** The Senate bill allowing Harris Health to commission and employ peace officers obtained final approval from lawmakers in the waning days of session.

Harris Health 4800 Fournace Place, Bellaire, Texas 77401 | harrishealth.org

With this ability, Harris Health will join the ranks of all other large hospital districts in the state and will be better able to ensure the safety of patients, staff, and visitors.

Though we are still within the veto period, we have no indication of concerns from the Governor's office.

**STATE LEGISLATION PROTECTING 340B FAILS:** State level legislation supported by Harris Health seeking to protect the 340B program failed to pass the Legislature this session.

Despite support from a coalition of provider-based stakeholder groups, this measure made it out of committee with insufficient time and too much opposition to make it through the powerful House Calendars committee.

Efforts at 340B protection remain in play on the federal level, however, and we expect the issue to get some attention over the interim on the state level.

**LOCAL TAX LEGISLATION:** The most concerning bills curtailing the ability of hospital districts to collect vital property taxes failed this session, such as those that would have reduced our Voter-Approval Tax Rate from the current 8%.

One bill that did pass, however, increases the ad valorem taxation exemption for tangible personal business property from the current level of \$2,500 to \$125,000.

We expect discussions on local taxes to continue over the interim and into next session.

**LOCAL DEBT LEGISLATION:** The most draconian bills seeking to curtail the ability of local governments, including hospital districts, to take advantage of low-cost debt failed this session. One such failed piece of legislation would have—among other restrictions—prevented hospital districts from issuing certificates of obligation.

Other pieces of legislation, largely regarding transparency, passed the legislature. One such bill requires the Bond Review Board to develop and maintain a publicly accessible and searchable database with information on each bond proposed or issued by a local government. Another requires the comptroller and the Bond Review Board to develop and maintain a database of current and historical information regarding taxes imposed and bonds issued by each taxing unit in the state.

Though the most concerning measures failed to pass this session, we again expect policymakers to continue their focus on local government debt over the interim and into next session.

**OTHER LEGISLATION OF INTEREST:** Other than legislation discussed above, numerous bills impacting Harris Health to varying degrees passed this session. Some of these bills are as follows:

**HB 26** by Rep. Hull – Medicaid Nutrition Counseling

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Requires Texas Health and Human Services to allow MCOs to offer medically necessary, cost-effective nutrition counseling and instructing services in lieu of another service specified in the state Medicaid plan.

**HB 136** by Rep. Hull – Lactation Consultant Coverage

**Status:** Passed the Legislature and signed by the Governor—effective 9/1/25.

**What it does:** Requires HHSC to provide Medicaid reimbursement for lactation consultation services delivered by lactation consultants certified by an HHSC-approved international or national certification program.

The bill also directs the HHSC executive commissioner to create a separate provider type for lactation consultants for purposes of Medicaid enrollment and reimbursement.

**HB 138** by Rep. Dean – Mandate Fiscal Notes

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Requires the Center for Health Care Data at The University of Texas Health Science Center at Houston to establish the Health Impact, Cost, and Coverage Analysis Program—the Program will analyze proposed legislation imposing new mandates on health benefit plan issuers or administrators and report these findings.

To cover the cost, the Comptroller will assess an annual fee on each health maintenance organization and insurer providing preferred provider benefit plans, excluding certain state employee benefit plans and issuers operating solely as a Medicaid managed health care organization.

**HB 142** by Rep. Noble – Office of Inspector General (OIG) Oversight and Recovery Audit Contractor authority

**Status:** Passed the Legislature and signed by the Governor—effective 9/1/25.

**What it does:** Requires the Recovery Audit Contractor (RAC) program identify underpayments and overpayments within Medicaid managed care, extending beyond the current reviews of Fee-for-Service payments.

RACs may not initiate a review unless the OIG approves, determines it would be cost-effective, and at least one year has passed since the date the claim was

received. RACs also may not initiate a review if an MCO has notified the OIG the MCO is auditing the claim already.

HHSC's executive commissioner must adopt a process for appeals related to overpayments. HHSC is only required to implement the bill if the legislature appropriates funds for this purpose; otherwise, it may implement using other funds but is not required to.

**HB 149** by Rep. Capriglione – Texas Responsible Artificial Intelligence Governance Act (TRAIGA)

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** TRAIGA is the state's omnibus AI bill for the session, with many provisions affecting almost all industries, including health care.

Among other items, TRAIGA requires disclosure of an AI system to consumers, prohibits some uses of AI, and lists certain prohibitions on capturing information such as biometric data and political viewpoints.

The bill provides the attorney general with enforcement powers and authorizes state agencies to sanction individuals in violation of its provisions.

**HB 426** by Rep. Bernal – Childhood Cranial Remolding Coverage

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Requires HHSC provide Medicaid and CHIP reimbursement for childhood cranial remolding orthosis for certain children and requires that such reimbursement not be less favorable than the coverage required for other orthotics under the Medicaid program.

**HB 879** by Rep. Frank – Military Veteran Health Care Licensure

**Status:** Passed the Legislature and signed by the Governor—effective 9/1/25.

**What it does:** Requires the Texas Medical Board (TMB) and the Texas Board of Nursing (TNB) to issue a license to practice medicine or nursing, respectively, to military veteran applicants meeting certain requirements.

**HB 3512** by Rep. Capriglione – AI Training Programs for Governmental Entities

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Requires the Department of Information Resources (DIR), in consultation with the state cybersecurity council, to annually:

- certify at least five AI training programs for state and local government employees;
- update standards for maintaining program certification; and
- ensure that the AI training programs were equal in length to state-certified cybersecurity training programs.

The bill also incorporates the AI training programs into required cybersecurity training for certain local government employees.

**HB 3800** by Rep. Orr – Local Health Care Workforce Advisory Board

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Requires the Texas Workforce Commission (TWC) to establish an advisory board to develop a resource guide that facilitates collaboration between health care providers and institutions of higher education to address local health care workforce needs, including training, workforce shortages, and challenging workloads.

**HB 3801** by Rep. Orr – Health Professions Workforce Coordinating Council

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Establishes the Health Professions Workforce Coordinating Council and repeals the existing Statewide Health Coordinating Council and its nursing advisory committee.

The council will be administratively attached to the Department of State Health Services (DSHS) and include representatives from relevant state health agencies and licensing boards, the Texas Education Agency, the Texas Higher Education Coordinating Board, and four governor-appointed members with relevant healthcare experience.

The council will be required to:

- collect certain data related to the health profession workforce from the participating agencies, including data on high school and higher education graduation and certification rates, health professions workforce shortages, licensed health care professionals in the state, relevant federal labor statistics, and any other information relevant to the supply and demand of health care professionals;
- prepare a biennial strategic plan assessing the supply, demand, and projected need for the health professions workforce;



- establish a work group composed of members of the council or their designees to study health professions and health care education programs that provide a gateway to various health professions; and,
- establish a nursing advisory committee to assist with reviewing policies for data collection and reports published by the Health Professions Research Center related to nursing, develop priorities and an operations plan related to nursing resources, and review reports and information disseminated by the council.

**HB 4638** by Rep. Bonnen – Texas Pharmaceutical Initiative (TPI) Extension

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Extends TPI’s authorizing statute to 2027 and makes certain changes to its reporting requirements and how its members are appointed.

The TPI was established by the 88<sup>th</sup> Legislature to provide greater, and more cost-effective access to prescription drugs and essential medical supplies to employees, dependents, and retirees of state public entities and to individuals served by Medicaid and CHIP.

**SB 646** by Sen. West – Mental Health Loan Repayment Program

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Expands eligibility for education loan repayment assistance to Licensed Master Social Workers (LMSWs), Licensed Professional Counselor Associate (LPC-As), Licensed Marriage, and Family Therapist-Associate (LMFT-As), and school counselors with master’s degrees. Increases repayment assistance by \$20,000 for various professions and provides additional opportunities for currently eligible participants.

**SB 815** by Sen. Schwertner – Artificial Intelligence in Utilization Review Denials

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Prohibit a utilization review agent from using an automated decision system to make an adverse determination wholly or partly.

The insurance commissioner would be authorized to conduct an audit or inspection any time a utilization review agent used an automated decision system for utilization review. These provisions would not prohibit the use of an algorithm, AI system, or automated decision system for administrative support or fraud-detection functions.

TDI issued a letter clarifying an organization may still use algorithms, automated processes, or AI for administrative functions, such as processing approvals and identifying utilization decisions for further review. However, a qualified provider must make the actual adverse determination.

**SB 963** by Sen. Hughes – MCO Marketing

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Prevents HHSC from establishing marketing guidelines prohibiting an MCO from informing a recipient about the availability of qualified health plans offered through the federal government’s Health Insurance Marketplace.

Prevents an MCO informing an individual about qualified health plans from offering the individual material or financial gain as an actual or implied incentive for enrolling in a qualified health plan.

**SB 1188** by Sen. Kolkhorst – Electronic Health Record Requirements

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Establishes certain provisions on EHRs, including the responsibilities of certain covered entities—such as payors—regarding privacy, documentation, and record of biological sex.

Requires EHRs be physically stored in the United States or a US territory.

Requires EHRs be made available to the parents or guardians of minors.

Requires EHRs have a space for documentation of biological sex and any sexual developmental disorders.

Allows a health care practitioner to use AI in conjunction with a patient’s medical record to make diagnostic decisions and recommendations, so long as certain conditions are met.

**SB 1266** by Sen. Alvarado – Provider Enrollment and Credentialing Support

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Directs HHSC to create a support team to assist with the Medicaid provider enrollment and credentialing processes. Requires an annual evaluation of timeliness and an online portal for submitting complaints and feedback. Mandates paper notices prior to the revalidation period.

**SB 1236** by Sen. Hughes – Pharmacist and Insurer Contracting

**Status:** Passed the Legislature and signed by the Governor—effective 9/1/25.

**What it does:** Requires an issuer or PBM make available to any network pharmacy an online portal through which the pharmacy may access all pharmacy benefit network contracts between the issuer or PBM and the pharmacy.

Prohibits an issuer or PMB from certain actions, such as requiring a pharmacy to participate in a pharmacy benefit network and penalizing a pharmacist or pharmacy for refusing to participate in a pharmacy benefit network.

**SB 1964** by Sen. Parker – AI Use for Governmental Entities

**Status:** Passed the Legislature—awaits action by the Governor.

**What it does:** Requires the Department of Information Resources (DIR) to establish an AI system code of ethics for use by state agencies and local governments that procure, develop, deploy, or use AI systems.

At minimum, the code of ethics is required to include guidance for the deployment and use of AI systems and heightened scrutiny of AI systems aligning with the Artificial Intelligence Risk Management Framework published by the National Institute of Standards and Technology (NIST).

DIR will also make available to local governments training material and best practices for using AI.

## Meeting of the Board of Trustees

Monday, June 30, 2025

Staffing Advisory Committee's Semi-Annual Evaluation of the  
Nurse Staffing Plan & Aggregate Staffing Variance

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In accordance with Harris Health policy and Department of State Health Services, Title 25, Texas Administrative Code, §133.41(f) and (o); the Staffing Advisory Committee reports semi-annually to the Harris Health Board of Trustees its evaluation of the effectiveness of the official nursing services staffing plan and aggregate staffing variance.

This report is being presented for informational purposes only.



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Dr. Jacqueline Brock  
EVP & Chief Nursing Executive

**Harris Health Board of Trustees**  
**Staffing Advisory Committee Evaluation of the FY25 Nurse Staffing Plans**  
**Summary**  
**Board Date: June 30, 2025**

**I. Overview**

Annually, Harris Health Nursing Services plan for adequate numbers of nurses and support staff for each nursing service provided. The staffing plan is based on historical data; projections for future program development and expansion; and the Staffing Advisory Committee's input into the needs of patients, the unit and nursing staff. The plan takes into account patient census, scope of services provided on the unit; severity of illness and intensity of care; geographical layout of the unit; skill mix; and competency and experience of the nurses.

**II. FY 2025 Staffing Plans**

The table below shows our RN to patient ratios. These ratios are consistent with community and national standards. The unlicensed assistive personnel ratios vary based on census, the patient population served, and the needs of the patients.

Patient Care Area	Charge Nurse	RN to Patient Ratio	Unlicensed Personnel	Clerical
Intensive Care	1	1:1-2	1:5-10	1
Coronary Care	1	1:1-2	1:5-10	1
Intermediate Care	1	1:3-4	1:5-10	1
Specialty Care	1	1:3-4	1:5-10	1
Medical/Surgical	1	1:5	1:5-10	1
Labor & Delivery	1	1:1-2	1	1
Perinatal Special Care		1:3		
Postpartum Couplets	1	1:3-4 couplets	1	1
Level III Nursery: Neonatal ICU	1	1:2		1
Level II Nursery	1	1:3-4		1
Psychiatry	1	1:6	1:5-6	
IMU/Med Surg/Tele Units	1	1:4-5	1:5-10	1
Operating Services	This area follows The Association of Perioperative Registered Nurses (AORN) Staffing Guidelines			

### III. Evaluation of the Nurse Staffing Plans – June 2025

#### A. Ben Taub Hospital

Evaluators	Total Surveyed	% Strongly agree or agree	% Disagree or strongly disagree*
Nurse Clinician Members	15	89%	7% - Disagreed
			4% – Strongly disagreed

#### B. Lyndon B. Johnson Hospital

Evaluators	Total Surveyed	% Strongly agree or agree	% Disagree or strongly disagree*
Nurse Clinician Members	14	77%	21% - Disagreed
			2% – Strongly disagreed

\*Ben Taub Hospital: The statement with the highest level of disagreement was:

“There is a general sense of adequate staffing.”

\*LBJ Hospital: The statements with the highest level of disagreement were:

- 1) “The staffing plan takes into account relevant unit characteristics (volume, scope of services, intensity of patient care, etc.);” and
- 2) “The staffing plan takes into account relevant patient characteristics (age, functional ability, severity of illness, etc.).”

### IV. Year-to-Date Aggregate RN Staffing Variance (Clinical Areas)

(As of March 2025)

	Actual RN FTEs Worked	Budgeted RN FTEs Flexed	RN FTE Variance
BT – Nursing Services	914.73	808.09	106.64
LBJ – Nursing Services	568.77	473.31	95.46

## **V. Patient Care Outcomes**

In review of patient fall, central line-associated bloodstream infection (CLABSI) and catheter-associated urinary tract infection (CAUTI) data from January 2024 to December 2024, both hospitals' CLABSI and CAUTI rates met or were below the National Database of Nursing Quality Indicators (NDNQI) mean for at least 6 of the 12 months.

Two units' patient fall scores were above the NDNQI mean for at least six of the 12 months. A correlation analysis between patient falls and hours per patient day was conducted. There was no significant correlation between the two variables.

Thank you.

## Meeting of the Board of Trustees

Monday, June 30, 2025

Review and Acceptance of the Following Report for the Healthcare for the Homeless Program as Required by the United States Department of Health and Human Services Which Provides Funding to the Harris County Hospital District d/b/a/Harris Health System to Provide Health Services to Persons Experiencing Homelessness under Section 330(h) of the Public Health Service Act

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Attached for review and acceptance:

- **HCHP June 2025 Operational Updates**

Administration recommends that the Board accept the Healthcare for the Homeless Program Report as required by the United States Department of Health and Human Services which provides funding to the Harris County Hospital District d/b/a/ Harris Health System to provide health services to persons experiencing homelessness under Section 330 (h) of the Public Health Service Act.



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Jennifer Small, AuD, MBA, CCC-A  
Chief Executive Officer – Ambulatory Care Services



# Health Care for the Homeless Monthly Update Report – June 2025

Jennifer Small AuD, MBA, CCC-A, Chief Executive Officer, Ambulatory Care Services

Tracey Burdine, Director, Health Care for the Homeless Program

**HARRISHEALTH**



## Agenda

- Operational Update
  - Productivity Report
  - Consumer Advisory Report
  - HCHP Bylaws
  - 2024 Annual Report
  - Quality Management Report

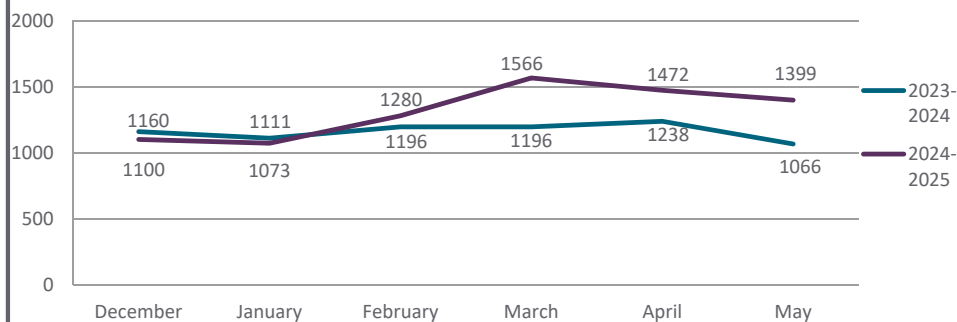
**HARRISHEALTH**

## Patients Served

HRSA Unduplicated Patients Target: <b>7,250</b>	HRSA Completed Visit Patients Target: <b>30,496</b>
YTD Unduplicated Patients: 3,889	YTD Total Completed Visits: 13,002

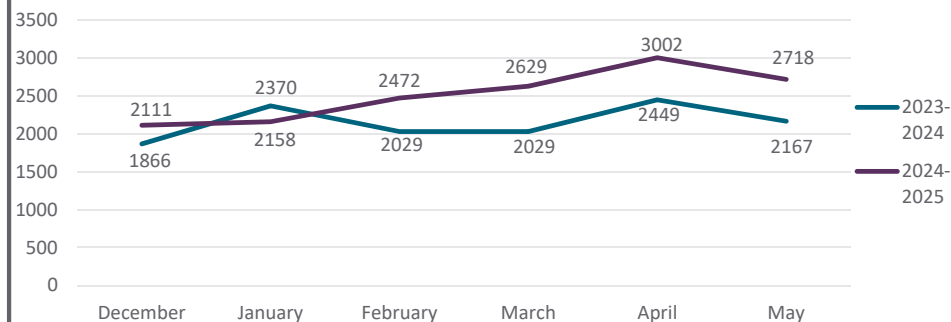
# Unduplicated Patients

Monthly Unduplicated Patients (December – May)

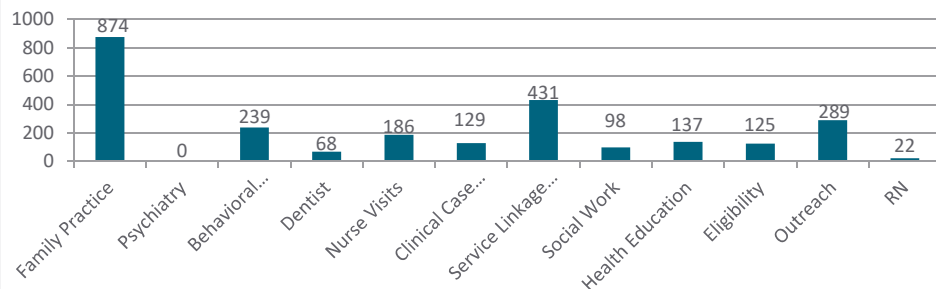


# Completed Visits

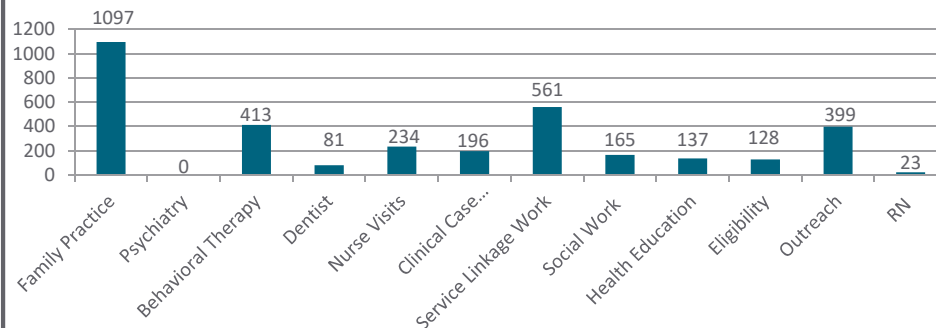
Completed Visits (December – May)



Monthly Unduplicated Patients by Department (May 2025)



Completed Visits by Department (May 2025)



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# Operational Update

## Consumer Advisory Council

### Highlights of Council Activities from February 2025 – April 2025

The following items were discussed:

- Assessment of operational hours
- The 2025 Uniform Data System (UDS) Report including productivity, quality, and cost of care outcomes.
- Participation in community events and health fairs.
- Open Door Mission renovation project updates.

# Operational Update

## HCHP Bylaws

Harris County Hospital District d/b/a Harris Health System (“Harris Health”) is a designated health center (“Health Center”) and the recipient of a Federal award under Section 330(h) of the Public Health Service Act, which authorizes grants to health centers that provide services to a special medically underserved population composed of homeless individuals.

### **Bylaw Revisions:**

#### Organization Name Update

- Language updated from “Harris Health System” to “Harris Health” throughout the bylaws to align with current organizational branding and usage.

#### Terminology Update

- “Gender” terminology has been revised to “Sex”
- Change made to comply with updated HRSA language standards



**HARRISHEALTH**

# ANNUAL REPORT

HEALTH CARE FOR THE  
HOMELESS PROGRAM

2024

# OUR DIAGNOSES



HCHP provides patient-centered care for individuals experiencing homelessness through shelter based clinics and mobile outreach. Our model addresses barriers to health by offering services on a sliding fee scale with a focus on equity and access.

## General Diagnoses in HCHP Patients

- Overweight and obesity
- Depression and other mood disorders
- Tobacco use disorder
- Hypertension
- Diabetes

## Mental Health & Substance Use Trends

- Depression and other mood disorders
- Tobacco use disorder
- Anxiety disorders including post-traumatic stress disorder
- Other mental disorders, excluding drug or alcohol dependence
- Other substance-related disorders



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# OUR PATIENTS SERVED

Throughout 2024, the program served 6,684 unduplicated patients (89% of the 7,250 target) and delivered 27,306 visits (121% of the 22,500 goal), reflecting strong service utilization and ongoing opportunities to broaden reach.

## VISITS



**121%**

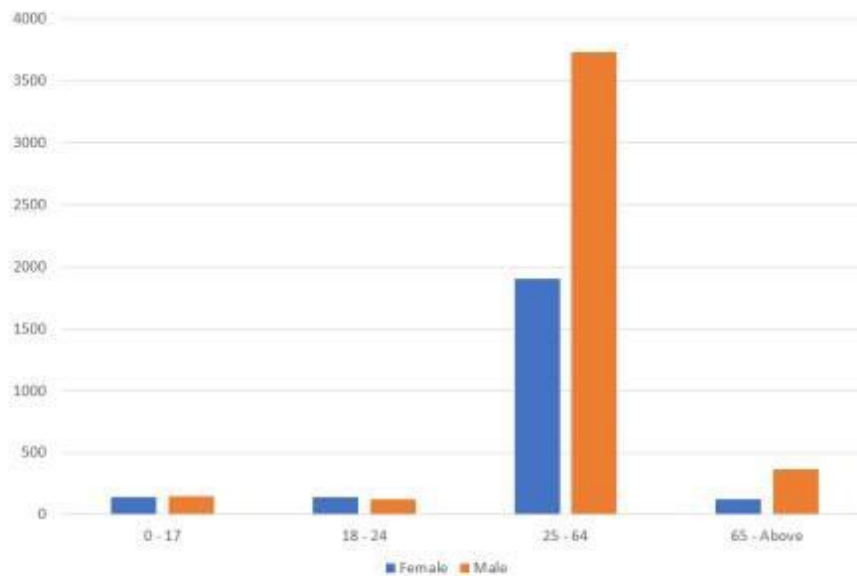
## PATIENTS



**89%**

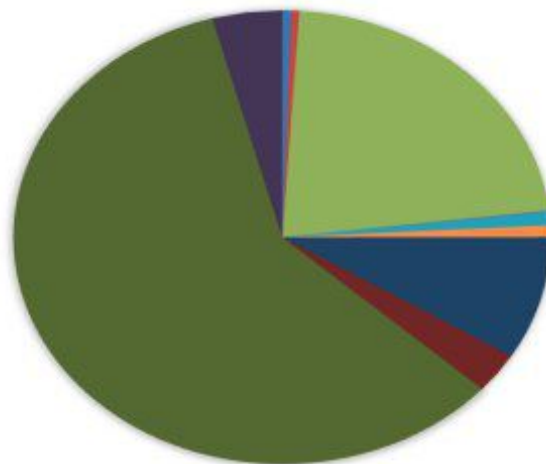


From the 6,684 patients, 4,371 (65%) were male and 2,313 (35%) were female. The majority of patients fell within the 25-64 age range, reflecting the program's strong adult patient base. These figures highlight the continued need for age- and sex-responsive healthcare services across the homeless population.



# FINANCIAL OVERVIEW

The HCHP completed the Health Resources and Services Administration (HRSA) service area competition grant application with no findings and secured renewed funding for a three-year grant period. The funding amount secured for the 2025 fiscal year totals \$4,722,051. This renewed support underscores the confidence HRSA has in the mission and the effective work HCHP has accomplished within the community.



## FUNDS AWARDED:

Over **\$4.95 million** in grant funds were deployed in 2024 to support health initiatives serving individuals experiencing homelessness, with 71% of funds utilized.

HCHP has demonstrated strong fiscal stewardship and alignment with strategic goals.



# OUR TOP TESTIMONIALS



In May of 2024, I met Shadee on the mobile dental unit while we were at Star of Hope Cornerstone. While getting set up for her visit, we begin to talk. I was telling her about my niece and daughter joining the Navy because of the difficulties they were facing being new young adults. I saw her a few times during the two weeks we were there and we decided to exchange numbers. Shadee didn't have any close family here in Houston so I told her that I will be by her side for the journey in what will take almost a year from the day we met. Each visit she had with the dental team, myself, our dentist and the other dental assistant, we continued to encourage her during the process of joining. She had many challenges and she wanted to give up. There were so many roadblocks all the way till the day she arrived to basic and I stepped in to make sure she didn't give up or deny her a chance for a new start at life.

On Feb 5th, I got my last hug from her and made sure she had all my contact info written down so we could write each other. I gave her tips on what to do and not to do during basic training, this wasn't my first rodeo.

Every Sunday, I would get my call from her, I couldn't wait to hear how she was doing and if she needed anything. She was doing great even with some small challenges.

A month in, she called and gave me the graduation date. With doubt in her voice, I told her I would not miss her graduation and I was keeping my promise that I would be with her through the journey of become a United States soldier.

On April 24, 2025, I watched Shadee become a soldier and gave her the biggest hug. She was surprised that I made it.

With being in the Homeless Program, I now know that it only takes just one conversation that can turn someone's life around when they are in a hard spot in their life.

***Ayanna Doggett***

# Health Care for the Homeless Quality Management Report – QTR 4 2024

LaResa A. Ridge MD, MBA, Health Care for the Homeless Medical Director,  
Ambulatory Care Services

**HARRISHEALTH**

# Quality Data Trending Report – Quarter 1

Health Care for the Homeless Program Quality Report 2025							
Quality Measure - 2024	UDS Benchmark	HCHP Goal	2024 Q2	2024 Q3	2024 Q4	2025 Q1	TREND LINE
Childhood Immunization Status	>35%	50%	6%**	15%**	17%**	17%**	
IVD & Aspirin	> 78%	85%	86%	83%*	82%*	76%**	
Depression Remission at 12 months	>21%	20%	17%*	23%	25%	6%**	
Diabetes A1C > 9	< 32%	30%	36%**	31%*	36%**	60%**	
Early Entry into Prenatal Care	>69%	70%	11%**	41%**	50%**	15%**	
Adult BMI/F/U Plan	> 61%	85%	94%	92%	91%	84%*	
Colorectal Cancer Screening	> 31%	50%	52%	56%	59%	32%*	
Depression Screening / F/U	> 65%	80%	80%	89%	72%*	68%*	
Hypertension BP < 140/90	> 63%	65%	66%	67%	66%	64%*	
Dental Sealants	>60%	65%	-	-	-	63%*	
Cervical Cancer Screening	> 45%	70%	75%	79%	73%	70%	
Breast Cancer Screening	> 42%	50%	62%	60%	59%	54%	
Child BMI % Diet & Physical Activity Counseling	> 68%	82%	91%	87%	93%	84%	
Tobacco Screening/Counseling/ Pharmacotherapy	> 77%	90%	98%	98%	98%	97%	
Statin Therapy	> 77%	80%	82%	85%	84%	88%	
HIV Screening	> 62%	80%	96%	97%	95%	95%	
Low Birth Weight: <2500 grams	>11%	5%	-	-	67%	-	
HIV Linkage to Care	>86%	88%	100%	65%**	-	100%	

- \* = Metrics that are meeting UDS Benchmark but not HCHP goal
- \*\* = Metrics that are not meeting HCHP goal or UDS Benchmark
- - = No patients eligible for month



**Problem Statement:** The following 5 of 17 HRSA required quality metrics did not meet goal for Quarter 4 of 2024: Childhood Immunization, IVD & Aspirin, Depression Screening F/U, Diabetes A1C > 9, and Early Entry into Prenatal Care. QRC Request: CAP Approval

Quality Measures			Q2 (2024)			Q3 (2024)			Q4 (2024)			Q1 (2025)		
Quality Measures	UDS Benchmark	HCHP Goal	April	May	June	July	August	September	October	November	December	January	February	March
Childhood Immunization	>36%	>50%	0%**	0%**	0%**	25%**	20%**	0%**	50%	0%**	0%**	0%**	50%	0%**
IVD & Aspirin	>78%	>85%	88%	86%	85%	73%**	97%	76%**	89%	74%**	84%*	68%*	68%**	81%*
Depression Screening F/U	>65%	>80%	80%	79%*	81%	88%	82%	87%	73%*	71%*	73%*	68%*	67%*	68%*
Diabetes A1C > 9	<32%	<30%	43%**	40%**	35%**	37%**	36%**	33%**	33%**	40%**	36%**	64%**	64%**	53%**
Early Entry into Prenatal Care	>70%	>70%	0%**	33%**	0%**	0%**	25%**	100%	33%**	50%**	67%**	0%**	25%**	20%**

- \* = Metrics that are meeting UDS Benchmark but not HCHP goal
- \*\* = Metrics that are not meeting UDS Benchmark or HCHP goal

- = No patients eligible for month

Plan (Root Cause-Based on analysis of the problem)-WHY?	Do-(Action, Responsible Person, Implementation Date)
<ol style="list-style-type: none"> <li><b>Childhood Immunizations Status:</b> Deficiencies due to 1) Patients presenting in a uncorrectable, vaccine deficient state at the time of the initial visit. Primarily, these patients missed receiving the influenza and rotavirus vaccinations during infancy and/or parents declined recommended vaccines.</li> <li><b>IVD &amp; Aspirin:</b> Deficiency due to 1) Dashboard error analyzing and including patients who do not meet the criteria for the metric and marking them deficient. 2) Failure to reconcile problem list to remove outdated or resolved diagnosis. 3) Failure to identify appropriate candidates for therapy.</li> <li><b>Depression Screening F/U:</b> Deficiency due to 1) Adjustment to the scoring of the screening with recent EPIC update. 2) Failure to screen patients within the time period 3) Failure to address positive depression screening 4) Failure to document follow-up plan</li> <li><b>Diabetes A1C &gt; 9:</b> Deficiency due to 1) Limited ability to collect labs on mobile units; 2) Continuation of uncontrolled diabetes 3) Patients' inability to have A1C tested during the time period</li> <li><b>Early Entry into Prenatal Care:</b> Deficiency due to 1) Patients present to clinics in advanced maternal state and beyond first trimester of pregnancy</li> </ol>	<p><b>Responsible Persons:</b> LaResa Ridge, MD (Medical Director), Sarath Roy ( Operations Manager), Nichelle Easley (Nurse Manager), Jaden Jacobs (Quality Assurance Coordinator)</p> <ol style="list-style-type: none"> <li><b>Childhood Immunizations Status:</b> 1) Staff continues to educate parents on the importance of timely vaccinations. 2) Staff continues to actively engage patients on "catch-up schedules" to eradicate deficiency state 3) Continued designation and monitoring of this standard as a "focus standard" for this year. (Implementation Date: May 8, 2025)</li> <li><b>IVD &amp; Aspirin:</b> 1) Ensure providers reconcile problem list at each visit 2) Ensure appropriate patients are identified 3) Ensure exclusion criteria or contraindications for the metric are documented (Implementation Date: April 15, 2025 )</li> <li><b>Depression Screening F/U:</b> 1) Reenforce adherence and understanding of BPA alerts which identify patients who have not been screened or had a positive screening. (Implementation Date: February 2025)</li> <li><b>Diabetes A1C &gt; 9:</b> : 1)Encourage collection of A1C test at the time of the visit, if possible, or an appointment is scheduled prior to patient's discharge. 2) Continuing to promote aggressive escalation of treatment regimen by providers 2)Continue referrals to clinical pharmacist (Implementation date: April 16, 2025)</li> <li><b>Early Entry into Prenatal Care:</b> 1) Identify and educate potential parents of the importance of early prenatal care during the annual completion of the family planning tool (Implementation Date: May 28, 2024)</li> </ol>
Check (How will you measure effectiveness?)	ACT (Effective/Ineffective): Adopt, Adapt, or Abandon
Via analysis of the UDS Dashboard data on weekly and monthly basis	<ol style="list-style-type: none"> <li><b>Childhood Immunization Status:</b> Q1 24:0%, Q2 24:0%, Q3 24 15% Q4 24:17% Q1: 25 17%(Ineffective, Adapt)</li> <li><b>IVD &amp; Aspirin:</b> Q1 24:83%, Q2 24: 86%, Q3 24 82% Q4 24:82% Q1 25:76% (Effective, Adapt)</li> <li><b>Depression Screening F/U:</b> Q1 24: 81% Q2 24: 80%, Q3 24 86%, Q4 24:72% Q1 25:32% (Effective, Adapt)</li> <li><b>Diabetes A1C &gt;9:</b> Q1 24:47%, Q2 24: 39%, Q3 24 36% Q4 24:36% Q1 25: 60% (Ineffective, Adapt)</li> <li><b>Maternal Care:</b> Q1 24:40%, Q2 24 17%, Q3 24 42% Q4 24:50% Q1 25: 15%(Effective, Adapt)</li> </ol>

## Meeting of the Board of Trustees

Monday, June 30, 2025

Consideration of Approval of the HCHP 2024 Annual Progress Report

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Attached for review and approval:

- **HCHP 2024 Annual Progress Report**

Administration recommends that the Board approve the Healthcare for the Homeless Program Report as required by the United States Department of Health and Human Services which provides funding to the Harris County Hospital District d/b/a/ Harris Health System to provide health services to persons experiencing homelessness under Section 330 (h) of the Public Health Service Act.



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Jennifer Small, AuD, MBA, CCC-A  
Chief Executive Officer – Ambulatory Care Services





**HARRISHEALTH**

# ANNUAL REPORT

HEALTH CARE FOR THE  
HOMELESS PROGRAM

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2024



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# EXECUTIVE OVERVIEW

We are pleased to present our 2024 Annual Report, highlighting a year of meaningful progress, resilience, and commitment to our mission. Through collaboration, innovation, and unwavering dedication to the communities we serve, we have advanced access to quality health care and strengthened the systems that support vulnerable populations. This report reflects our achievements, challenges, and continued pursuit of equity and excellence in care.



Harris Health Administration  
Building - Fournace Pl.

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HEALTH CARE FOR THE HOMELESS PROGRAM



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# MESSAGE FROM DR. SMALL



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HEALTH CARE FOR THE HOMELESS  
PROGRAM

On behalf of Harris Health,

It is a pleasure to highlight the accomplishments of our Health Care for the Homeless Program. Our dedicated team of healthcare professionals have a steadfast commitment to holistically address the medical and social needs of individuals experiencing homelessness. We continue to serve as the regional leader to address the medical needs of the homeless population. The quality of care we provide is second to none; tying with another organization as having the most quality badges in the state of Texas. We have expanded our fleet of mobile health vans to increase our reach within Harris County to connect individuals to both the services within the HCHP and our health system. Continued collaboration with community partners, dedicated staff, and the desire to care for some of the most vulnerable amongst us are but a few characteristics of our HCHP. They fulfill a vital role within our community and I am grateful for their services within the healthcare spectrum.

Jennifer Small AuD, MBA, CCC-A,

Chief Executive Officer, Ambulatory Care Service

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# MESSAGE FROM DR. CARACOSTIS



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HEALTH CARE FOR THE HOMELESS  
PROGRAM

Dear Harris County residents and Harris Health Staff,

It has been a privilege to learn how our Harris Health Health Care for the Homeless Program (HCHP) takes care of a hard to serve vulnerable population.

Addressing the physical and emotional health care disparities among people experiencing homelessness, requires expertise and dedication, two attributes that the HCHP staff have demonstrated, by systematically reaching out to people experiencing homelessness with dignity and respect.

In 2024, the Health Care for the Homeless Program (HCHP) was awarded five quality badges by the Health Resources and Services Administration. The Lord of the Streets and Open Door Mission clinics were recognized by NCOA as Patient-Centered Medical Homes.

HCHP added three new medical mobile units to increase outreach and care to people experiencing unsheltered homelessness.

HCHP increased its community outreach programs to increase awareness of the program, find new partners, and showcase and increase access to services.

I am deeply grateful for the HCHP commitment to our patients.

Andrea Caracostis, MD, MPH

Chair of the Board of Trustees

# OUR HISTORY

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In **1987**, a coalition of community-based agencies, in response to the Stewart B. McKinney federal mandate designed to assure health care for homeless individuals, proposed a shelter-based program. In **1988**, HCHP became the first existing federally-funded health center in Harris County.

For over **36 years**, HCHP has been a critical provider of primary care services for Harris County's homeless community. We ensure access to quality and compassionate healthcare for one of the region's most vulnerable populations.

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HEALTH CARE FOR THE HOMELESS PROGRAM



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# OUR MISSION STATEMENT

The Health Care for the Homeless Program (HCHP) exists to improve the health outcomes of persons experiencing homelessness in Houston and Harris County by:

1. Facilitating access to comprehensive health services, including medical, dental, mental health, and substance use treatment, by expanding both new and existing care delivery sites.
2. Strengthening interagency communication and collaboration to improve coordinated services for individuals experiencing homelessness.

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**HEALTH CARE FOR THE HOMELESS PROGRAM**



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## **HARRIS HEALTH 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.

## **HARRIS HEALTH VALUES QUALITY**

Quality and Patient Safety  
United as One Harris Health System  
Accountable and Just Culture  
Leadership & Integrity  
Innovation, Education, Research  
Trust, Recognition, Respect  
You: Patients, Employees, Medical Staff

## **HARRIS HEALTH VISION**

Harris Health will become the premier public academic healthcare system in the nation.

## **HARRIS HEALTH PROMISE**

To provide high-quality healthcare by knowledgeable and highly trained staff;  
To provide prompt, friendly, and courteous service;  
To be sensitive and responsive to your needs and concerns as well as those of your family; and  
To provide a clean, comfortable and safe environment, in all of our settings.

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## **HEALTH CARE FOR THE HOMELESS PROGRAM**





# OUR CLINICS



## Shelter Clinics:

Salvation Army Adult  
Rehabilitation Center

Star of Hope Cornerstone  
Community

Star of Hope Men's  
Development Center

## Open Access Clinics:

Harmony House

Lord of the Streets

Navigation Center

Open Door Mission

## Mobile Outreach Services:

Outreach Medical Mobile Units

Outreach Medical Dental Unit

Outreach Mobile Telehealth Unit  
(Street Medicine)

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HEALTH CARE FOR THE HOMELESS  
PROGRAM

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# OUR SERVICES

The HCHP provides a comprehensive, integrated approach to care by combining medical, dental, behavioral health, social and supportive services.

Social services support patients by connecting them to housing resources, substance use disorder treatment and other supports.

## Behavioral Health Services

- Mental Health
- Behavioral Therapy
- Substance Use  
Disorder



## Medical Services

- Primary Care
- Dental Care
- Pediatric Care
- HIV Prevention



## Support Services

- Case Management
- Service Linkage
- Social Work
- Eligibility

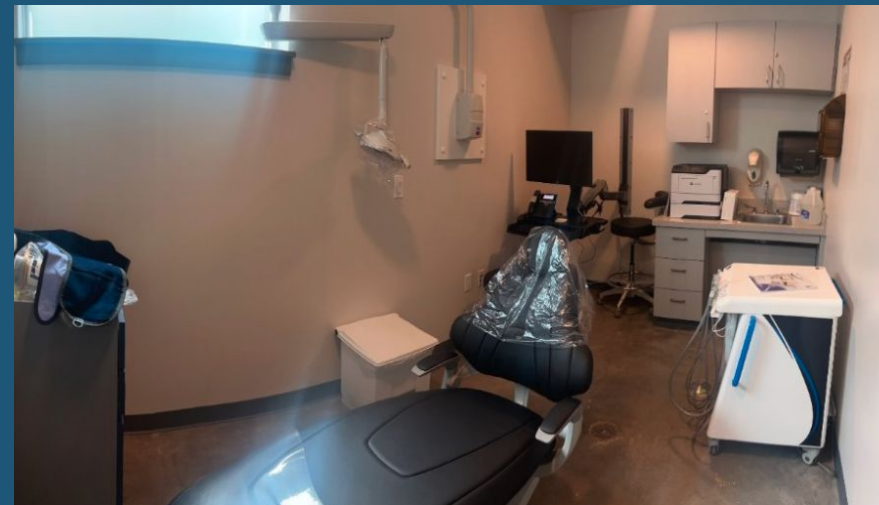


# OUR DENTAL SERVICES

The HCHP Mobile Dental unit was created to improve the oral health of the homeless population within our community. The HCHP Mobile Dental unit eliminates barriers such as cost and accessibility by providing on site services at local shelters and homeless encampments.

During the 2024 reporting year, we served a total of 692 patients and completed 1,470 visits. This increase in visits reflects the effective utilization of the Harmony House Dental Satellite Clinic, which ensured uninterrupted access to dental services for our patients.

Dental services are delivered in collaboration with the University of Texas through a board-certified dentist, ensuring high quality evidence-based care for our patients.



**HEALTH CARE FOR THE HOMELESS PROGRAM**

# OUR DIAGNOSES



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HEALTH CARE FOR THE HOMELESS  
PROGRAM

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# OUR PATIENTS SERVED

Throughout 2024, the program served 6,684 unduplicated patients (89% of the 7,250 target) and delivered 27,306 visits (121% of the 22,500 goal), reflecting strong service utilization and ongoing opportunities to broaden reach.

## VISITS



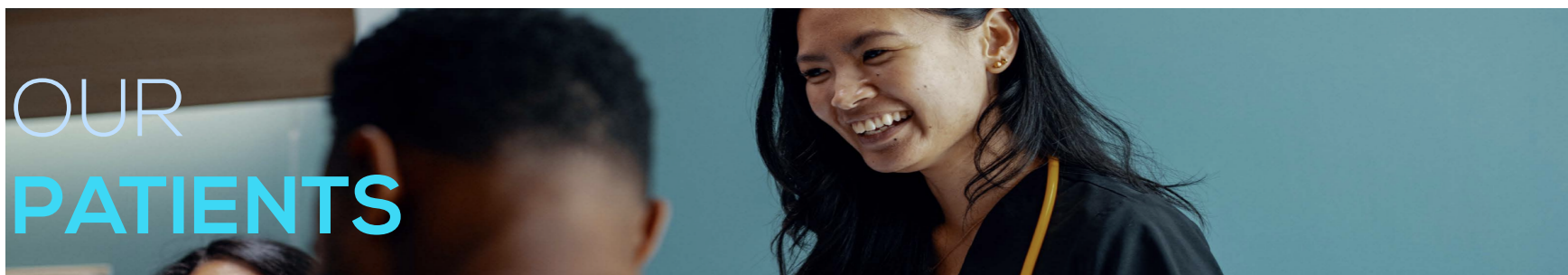
## PATIENTS



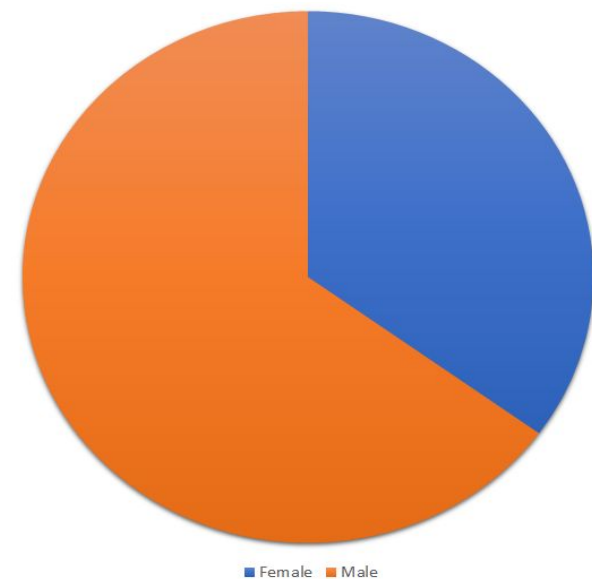
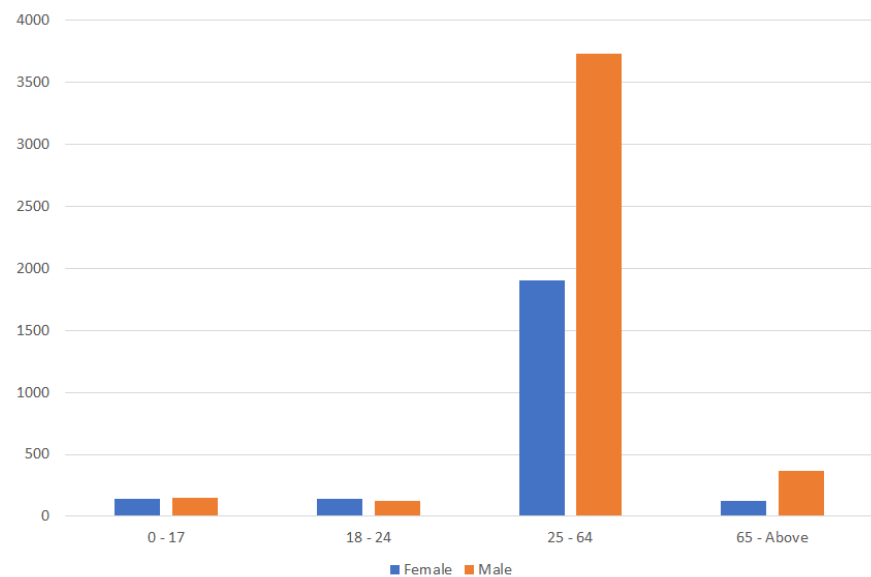
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HEALTH CARE FOR THE HOMELESS  
PROGRAM



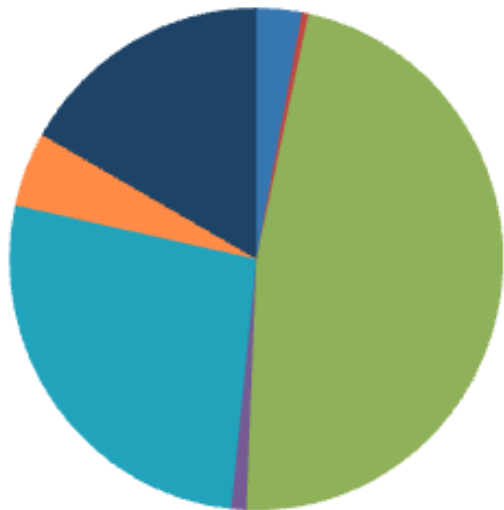


From the 6,684 patients, 4,371 (65%) were male and 2,313 (35%) were female. The majority of patients fell within the 25–64 age range, reflecting the program’s strong adult patient base. These figures highlight the continued need for age- and sex-responsive healthcare services across the homeless population.



## HEALTH CARE FOR THE HOMELESS PROGRAM

# OUR PATIENTS



■ Asian  
■ Black or African American  
■ White  
■ Unreported/Chose not to disclose  
■ Native Hawaiian/ Other Pacific Islander  
■ American Indian/ Alaska Native  
■ More than one race

In 2024, HCHP served a total of 6,684 patients. Of these, 3,347 patients (50.1%) identified as Black or African American, 1,899 (28.4%) as White, 1,705, and (26%) as Hispanic/Latino. 53 (0.8%) as Asian. Additionally, 8 patients (0.1%) identified as Native Hawaiian or Other Pacific Islander, and 16 (0.2%) as American Indian or Alaska Native. 174 patients (2.6%) reported more than one race, while 1,187 patients (17.8%) did not report or chose not to disclose their race.



HEALTH CARE FOR THE HOMELESS PROGRAM



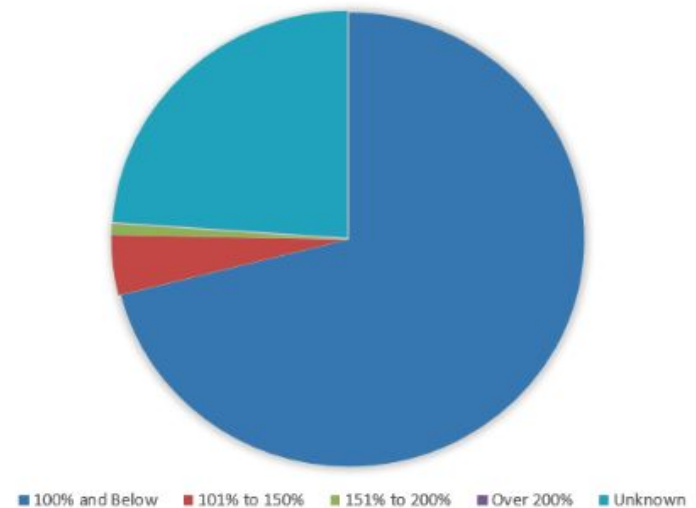
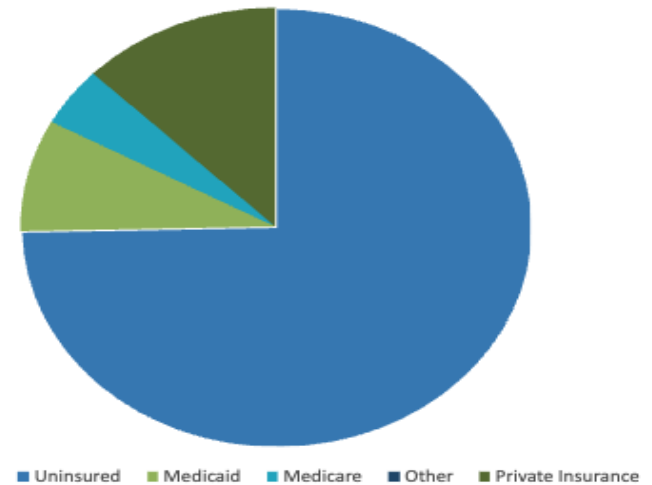
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# SLIDING FEE SCALE

The Health Care for the Homeless Program implemented a revised Sliding Fee Scale, aligned with the 2024 Federal Poverty Guidelines issued on January 17, 2024.

The updated scale outlines patient payment responsibilities ranging from \$0 to \$7, based on household size and gross monthly income. This sliding fee scale applies exclusively to participants enrolled in the Health Care for the Homeless Program.

Out of 6,684 patients the majority of those patients had income at or below 100% of the federal poverty level. An additional 12 patients fell between 101% and 200%, while no patients reported incomes over 200%. Income was unknown for 1,679 patients (25%), highlighting a gap in reported financial data.



*“In fact, she cared more about my health than I did!”*

*“She listened so carefully to me. This visit was a joy. Everybody here is so professional and nice.”*

*“I feel much better after my visit. I’m coming back here!”*

*John L. Watson*

Pictured here is Mr. Watson and Nurse Practitioner Ms. Gibson-Farria

## OUR TOP TESTIMONIALS



HEALTH CARE FOR THE HOMELESS PROGRAM

# OUR TOP TESTIMONIALS

*This spontaneous testimonial speaks to the critical role HCHP plays in delivering compassionate, high-quality care to individuals experiencing homelessness. Programs like this are not only meeting medical needs—they're restoring trust, dignity, and hope.*

"I want to express my deepest gratitude to the Harris Health Department for being a beacon of hope and compassion in my life. Their homeless program has been a game-changer for me, providing me with a safe place to stay and access to essential healthcare services, after having a life changing experience that left me with nothing..

But what's truly remarkable is the exceptional care I received from the dental team, particularly Dr. Chu and Ms. Ayanna. When I first visited them, my teeth were in terrible condition, filled with plaque and pain. However, they didn't give up on me. Instead, they worked tirelessly with me to develop a treatment plan that has transformed my oral health.

Thanks to their dedication and expertise, my teeth have improved immensely. I'm no longer held back by dental pain or embarrassment. I'm happy, confident, and grateful.

I hope that Harris Health Dental will continue to provide this critical service to those in need. Words cannot express my appreciation for the kindness, compassion, and professionalism shown by Dr. Chu and Ms. Ayanna. They're true angels, and I'm blessed to have them in my life.

Thank you, Harris Health Department, for being a shining example of what it means to care for the most vulnerable members of our community."

***Lillian M***

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HEALTH CARE FOR THE HOMELESS PROGRAM

# OUR TOP TESTIMONIALS



In May of 2024, I met Shadee on the mobile dental unit while we were at Star of Hope Cornerstone. While getting set up for her visit, we begin to talk. I was telling her about my niece and daughter joining the Navy because of the difficulties they were facing being new young adults. I saw her a few times during the two weeks we were there and we decided to exchange numbers. Shadee didn't have any close family here in Houston so I told her that I will be by her side for the journey in what will take almost a year from the day we met. Each visit she had with the dental team, myself, our dentist and the other dental assistant, we continued to encourage her during the process of joining. She had many challenges and she wanted to give up. There were so many roadblocks all the way till the day she arrived to basic and I stepped in to make sure she didn't give up or deny her a chance for a new start at life.

On Feb 5th, I got my last hug from her and made sure she had all my contact info written down so we could write each other. I gave her tips on what to do and not to do during basic training, this wasn't my first rodeo.

Every Sunday, I would get my call from her, I couldn't wait to hear how she was doing and if she needed anything. She was doing great even with some small challenges.

A month in, she called and gave me the graduation date. With doubt in her voice, I told her I would not miss her graduation and I was keeping my promise that I would be with her through the journey of become a United States soldier.

On April 24, 2025, I watched Shadee become a soldier and gave her the biggest hug. She was surprised that I made it.

With being in the Homeless Program, I now know that it only takes just one conversation that can turn someone's life around when they are in a hard spot in their life.

***Ayanna Doggett***

HEALTH CARE FOR THE HOMELESS PROGRAM

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# CLINIC INITIATIVES

## Purses for Paps



As part of our women's health outreach, female patients who completed a Pap smear were invited to select a purse as a thank you gift. This initiative aimed to empower women while increasing cervical cancer screening rates in populations that often face barriers to gynecological care.

## Polos for Poops



To promote colorectal cancer screening, patients who completed a FIT or stool-based test received a complimentary polo shirt. This initiative helped normalize conversations around colorectal health and increased screening uptake in our mobile and clinic-based settings.

## Muffins for Mammograms



To make annual breast cancer screenings more approachable, patients received a fresh muffin after completing their mammogram. This light-hearted, comfort-focused approach encouraged participation and fostered a more relaxed and supportive environment.



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## HEALTH CARE FOR THE HOMELESS PROGRAM



# OUR ENGAGEMENT

Harris Health's Homeless Program creates a seamless network of care for individuals experiencing homelessness, improving access, and continuity of services.

Staff regularly provide health education, screenings, and on site care at partner locations, building trust and expanding access to vital services.



HEALTH CARE FOR THE HOMELESS  
PROGRAM

# OUR ENGAGEMENT

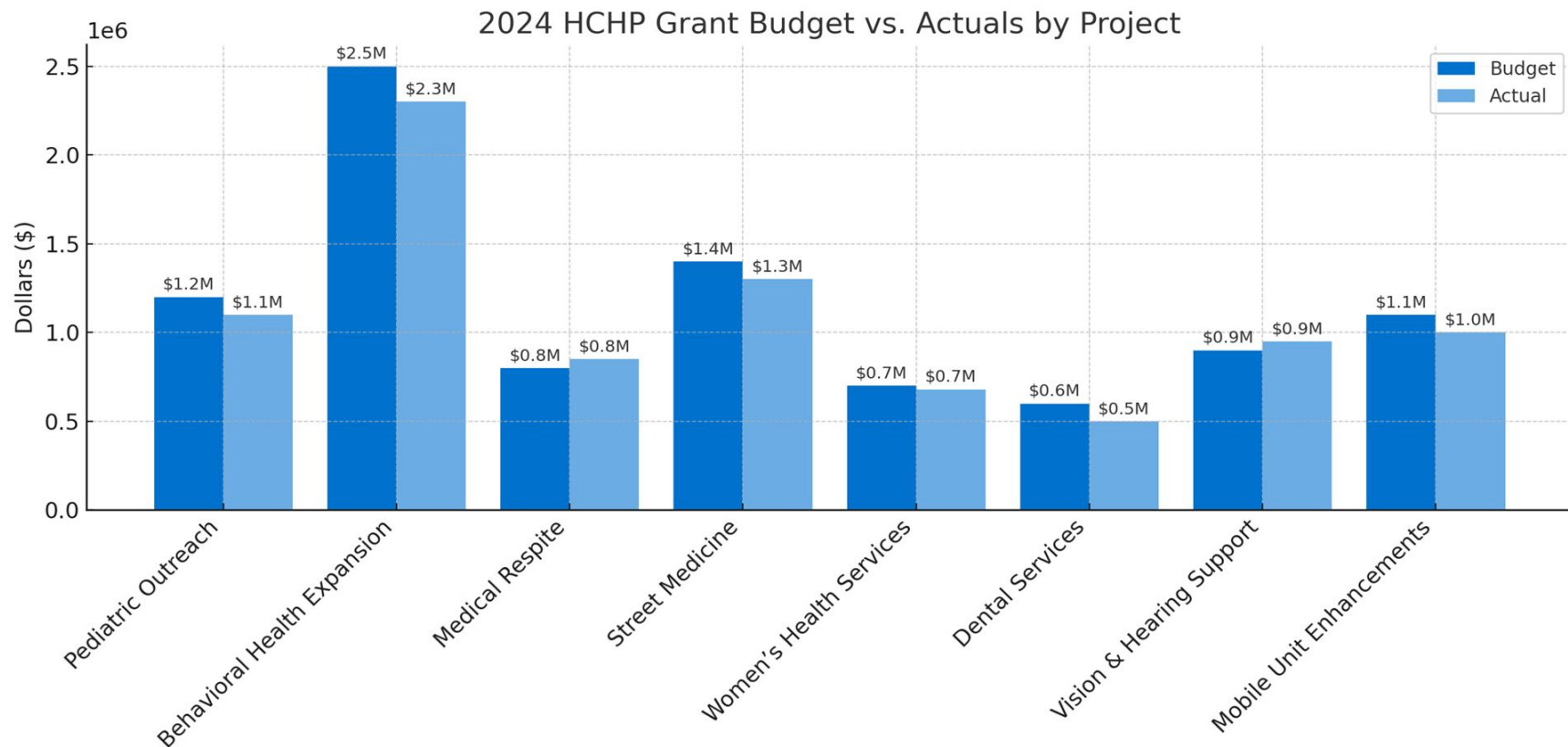
In 2024, HCHP Actively Participated in  
Over 30 Outreach Events.



HEALTH CARE FOR THE HOMELESS  
PROGRAM

# FINANCIAL OVERVIEW

The Health Care for the Homeless Program managed over \$15.25 million in grant funding across 16 active projects in 2024. The chart highlights budget vs. actuals by project, supporting our continued focus on fiscal stewardship and strategic resource allocation.

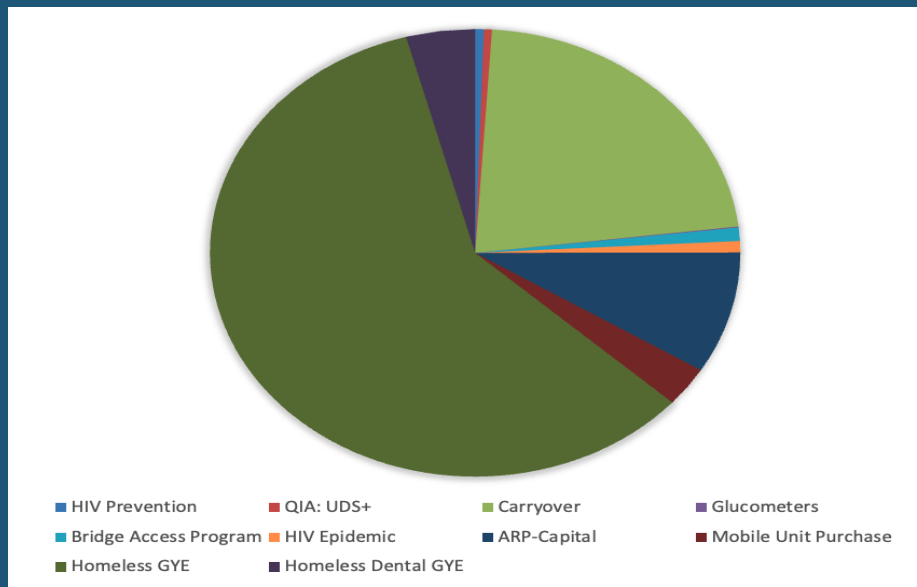


HEALTH CARE FOR THE HOMELESS PROGRAM



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Over **\$4.95 million** in grant funds were deployed in 2024 to support health initiatives serving individuals experiencing homelessness, with 71% of funds utilized,

HCHP has demonstrated strong fiscal stewardship and alignment with strategic goals.

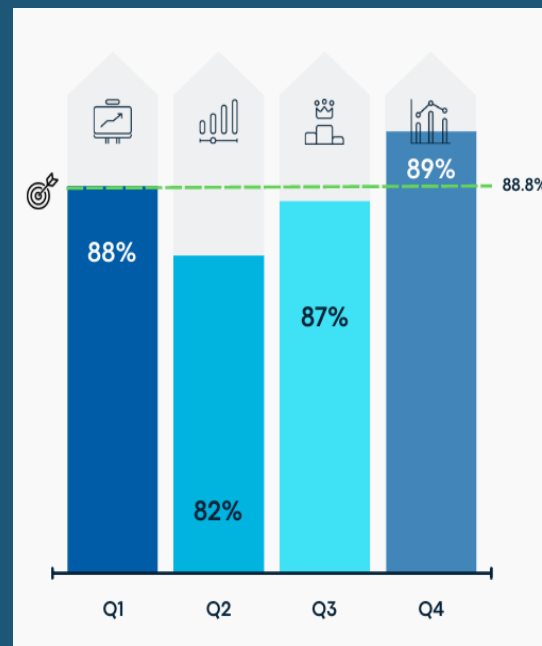
HEALTH CARE FOR THE HOMELESS PROGRAM

# PATIENT SATISFACTION SURVEY

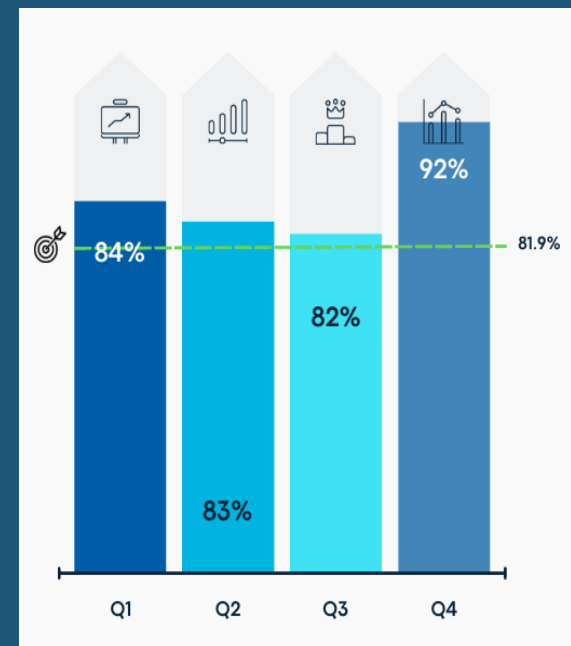


HEALTH CARE FOR THE HOMELESS  
PROGRAM

Percentage of Patients Who  
Would Recommend their  
Provider



Percentage of Patients Who  
Would Recommend the Facility



Quarter 4 results exceeded annual performance targets for both provider and facility satisfaction, reinforcing HCHP's commitment to patient-centered care.

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# QUALITY BADGE AWARDS

Among 70 Federally Qualified Health Centers (FQHCs) in Texas, HCHP was recognized by HRSA for earning the highest number of Quality Badges - tying for the top spot statewide.



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HEALTH CARE FOR THE HOMELESS PROGRAM

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# QUALITY METRICS INITIATIVES

## GOALS

-  Diabetes Management  
Diabetes Health Badge
-  HIV Prevention & Treatment  
HIV Prevention and Care Badge
-  Cancer Screening Rates  
Cancer Screening Badge
-  Cardiovascular Risk Reduction  
Heart Health Badge

## FOCUS AREAS



Cardiovascular Health:  
Ischemic vascular disease IVD use of aspirin  
or another antiplatelet



Maternal & Child Health  
Early entry into prenatal care



Behavioral Health:  
Depression remission at 12 months

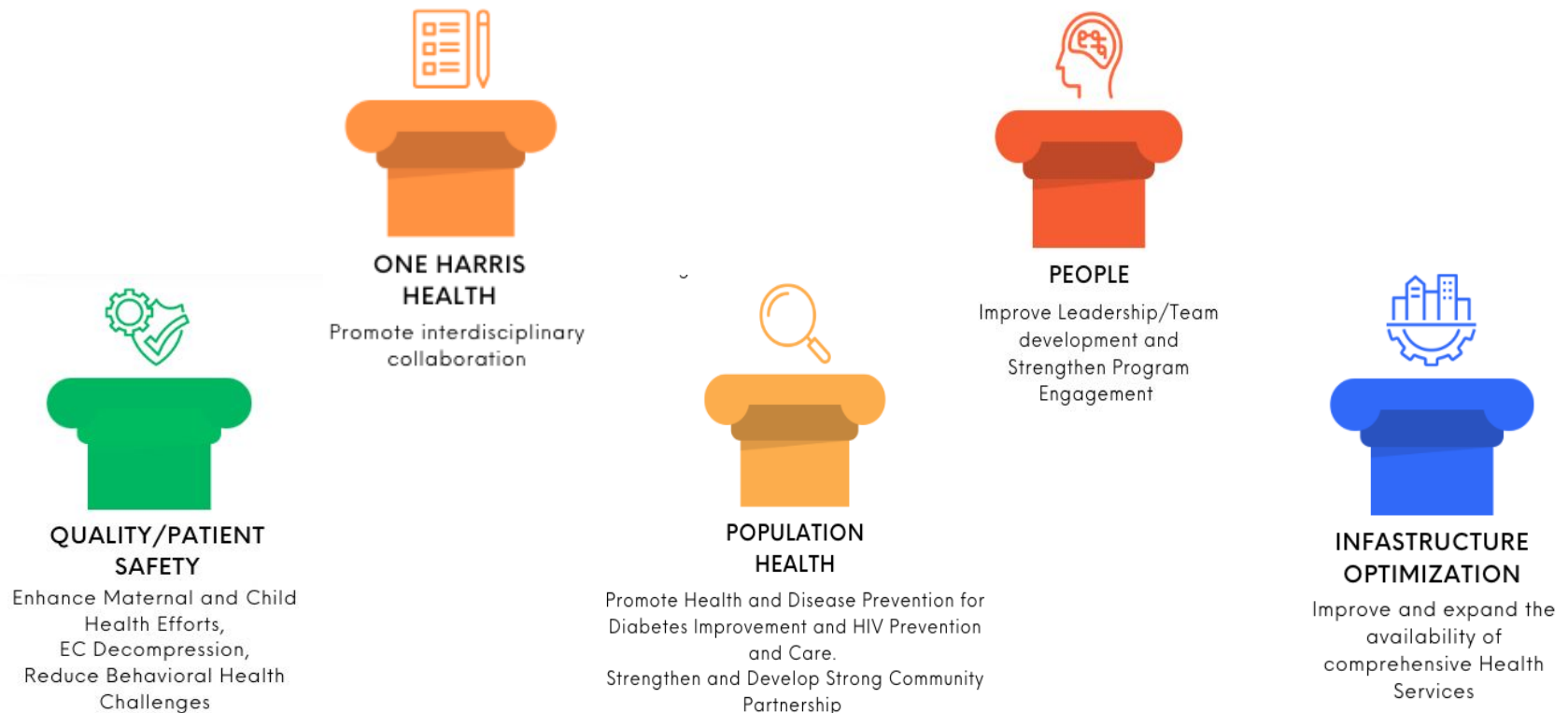


Chronic Disease Control:  
Diabetes hemoglobin A1c HbA1c poor control

**These quality initiatives align with the HCHP strategic plan and represent key focus areas prioritized by our teams. Of the 18 HRSA required quality metrics, HCHP met or exceeded the performance targets for 12 during the 2024 reporting year. Through the use of data driven strategies and strong interdisciplinary collaboration, we are committed to improving patient outcomes across the program.**

# STRATEGIC IMPACT OVERVIEW

The current strategic plan spans from 2023 to 2026, with 32% of the goals already achieved and an additional 28% actively in progress. We remain focused and committed to fully implementing the plan by the end of 2026.



## HEALTH CARE FOR THE HOMELESS PROGRAM

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## OUR TEAM

There are 45+ dedicated team members supporting over 6,500 patients annually with compassion and expertise across the HCHP network



Tracey Burdine  
Director Ambulatory  
Care Services



LaResa Ridge  
Medical Director



Nichelle Easley  
Nurse Manager



Sarath Roy  
Operations Manager



Nelson Gonzalez  
Grants Project  
Manager



Bobby Hansford  
Community Service  
Manager



Minh Nguyen  
Behavioral Therapist  
Supervisor



Jaden Jacobs  
Quality Assurance  
Coordinator



Freda Timmons  
Financial Analyst



Valerie Rangel  
Admin Secretary

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HEALTH CARE FOR THE HOMELESS PROGRAM



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# SUPPORTING LEADERS

**Esmaeil Porsa, MD,  
MBA, MPH, CCHP-A**  
President and Chief  
Executive Officer

**Matasha Russell, MD**  
Chief Medical Officer

**Matthew Schlueter, PhD,  
MBA, RN**  
Chief Nursing Officer

**Lydia Rogers, DNP,  
MBA, RN**  
Administrative Director  
Clinical Operations

**Binta Baudy, MPH**  
Vice President

**Micheline Hamilton,  
DNP, RN**  
Administrative Director of  
Nursing

**Naoshia Carroll, PhD,  
RN**  
Director of Nursing -  
ACS

It takes the collaboration of many to make the Health Care for the Homeless Program a success. Guided by strategic leadership and support of our executive team, the program continues to thrive-fostering partnerships, aligning resources, and advancing our mission to provide equitable, quality care to those most in need.



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**HEALTH CARE FOR THE HOMELESS PROGRAM**

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# OUR ACCREDITATIONS



National Integrated Accreditation for Healthcare  
Organization (NIAHO) from DNVGL Healthcare Inc.

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HEALTH CARE FOR THE HOMELESS  
PROGRAM



**Clinics Awarded :**

Lord of the Streets

Open Door Mission



# OUR SUPPORTERS

We extend our heartfelt gratitude to all the supporters, partners, and organizations who make the Healthcare for the Homeless Program possible. Your commitment enables us to provide essential, high-quality care to individuals experiencing homelessness throughout Harris County.

## Board of Directors

Andrea Caracostis, MD, MPH, Board Chair  
Cody M. Pyke, MD, JD, LLM, FCLM, Vice Chair  
Carol Paret, BS, Secretary  
Afsheen Davis, JD, MPH  
Sima Ladjevardian, JD  
Paul J. Puente  
Ingrid Robinson, MBA  
Jim Robinson, MA, CFE  
Libby Viera-Bland, AICP



HEALTH CARE FOR THE HOMELESS  
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## Community Partners

Health Care for the Homeless  
Community Advisory Board  
City of Houston Homeless  
Department  
Continuum of Care Program  
Cenikor  
Women's Empowerment  
Network  
Strategic Fund Administration  
Open Door Mission  
Harmony House Inc



## Funding Agencies

Health Resources in Services  
Administration (HRSA)  
Harris Health  
Harris County Hospital District  
Foundation  
1966 Fund



# OUR CONTACTS

If You Encounter Individuals Experiencing Homelessness In Our Community, Please Don't Hesitate To Connect Them With The Resources Listed Below.



346-426-0500



[HTTPS://WWW.HARRISHEALTH.ORG/SERVICES-HH/OUTREACH/PAGES/HEALTHCARE-HOMELESS.ASPX](https://www.harrishealth.org/services-hh/outreach/pages/healthcare-homeless.aspx)

<u>Site Name</u>	<u>Address</u>	<u>Phone Number</u>
Harmony House	702 Girard St, Houston, TX 77007	713-929-4701
Lord of the Streets	3401 Fannin St, Houston, TX 77004	713-566-9920
Navigation Center	2903 Jensen Dr, Houston, TX 77026	713-497-0967
Open Door Mission	5803 Harrisburg Blvd, Houston, TX 77011	713-497-0961
Salvation Army Adult Rehabilitation Center	2118 Washington Ave, Houston, TX 77007	713-929-4606
Star of Hope Cornerstone Community	2575 Reed Rd, Houston, TX 77051	713-497-0931
Star of Hope Men's Development Center	1811 Ruiz St, Houston, TX 77002	713-929-4610

HEALTH CARE FOR THE HOMELESS PROGRAM

# Thank You For Your Continued Support!



## Health Care For The Homeless Program

# BOARD OF TRUSTEES

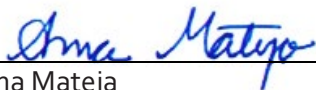
HARRISHEALTH

## Meeting of the Board of Trustees

Monday, June 30, 2025

Executive Session

Review of the Community Health Choice, Inc. and Community Health Choice Texas, Inc. financial performance for the four months ending April 30, 2025, pursuant to Tex. Gov't Code Ann. §551.085.



Anna Mateja  
Chief Financial Officer  
Community Health Choice, Inc.  
Community Health Choice Texas, Inc.



Victoria Nikitin  
EVP & Chief Financial Officer  
Harris Health

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## Meeting of the Board of Trustees

Monday, June 30, 2025

Executive Session

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Consultation with Attorney Regarding Settlement with the State of Texas Health and Human Services Commission - Office of Inspector General Related to Reimbursement of Medicaid Payments, Pursuant to Tex. Gov't Code Ann. §551.072, and Possible Action Upon Return to Open Session.



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Sara Thomas  
Chief Legal Officer/Division Director  
Harris County Attorney's Office  
Harris Health

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