MINUTES OF MEETING - AUGUST 17, 2011

CENTRAL HEALTH
BOARD OF MANAGERS

On Wednesday, August 17, 2011, a meeting of the Central Health Board of Managers convened in open session at 5:34 p.m. in the Board Room of the Central Health Administrative Offices located at 1111 E. Cesar Chavez St., Austin, TX. 78702. Clerk for the meeting was Ms. Shanna Willner.

Board of Managers present: Chairperson Coopwood, Vice Chair Person Mendoza, Treasurer Rodriguez, Secretary Coleman-Beattie, Manager Lightsey, Manager Hudson, and Manager Heidrick.

Manager Daniel arrived at 5:35 p.m.

CITIZENS' COMMUNICATION

Clerk's notes:

Ms. Nancy Neavel spoke to support the tax rate so Central Health could provide access to service for everyone in the county.

Ms. Barbara Budde spoke to thank Central Health for ending payment for termination of elective abortions and for caring for the poor.

Mr. Bruce Bower spoke to support an increase in the Central Health taxes above the current effective rate.

CONSENT AGENDA

C1. Approve minutes for the following meetings of the Central Health Board of Managers:
a. August 3, 2011

C2. Receive the July 2011 Investment Report and ratify Central Health investments for July 2011.

C3. Receive the Central Health Investment Report for the Third Quarter Ending June 30, 2011.

C4. Approve a contract for depository services with JPMorgan Chase Bank, N.A.

C5. Approve the creation of two new bank accounts for Central Health JPMorgan Chase Bank, N.A.

Clerk's notes: Item C1 was pulled off of the Consent agenda and postponed.

Manager Heidrick moved that the Board approve Consent Agenda items C2 through C5. Treasurer Rodriguez seconded the motion.

Chairperson Tom Coopwood	For
Vice-Chairperson Rosie Mendoza	For
Treasurer Frank Rodriguez	For
Secretary Brenda Coleman-Beattie	For

Manager Anthony Haley	Absent
Manager Clarke Heidrick	For
Manager Katrina Daniel	For
Manager Rebecca Lightsey	For
Manager Lynne Hudson	For

REGULAR AGENDA

1. Discuss and take appropriate action on Central Health's preliminary Fiscal Year 2012 budget.

Clerk's Note: Mr. John Stephens, CFO, discussed Central Health's FY 2012 preliminary budget and reviewed a presentation provided to the Board. He provided a brief history of Central Health's expansion of services and development of patients' access to care, as well as historical expenditures and revenues since Central Health's inception.

Mr. Stephens contrasted the FY 2012 draft budget with the FY 2012 preliminary budget. He explained that in the 2012 Preliminary budget, Central Health's effective tax rate is set to increase from $0.0719 to $0.0789; which is a 6.5% increase over the current tax rate rather than an 8% increase as indicated in the draft budget. He noted that in this preliminary budget, Central Health has reduced the estimated revenue from investment income, as well as from the Seton Lease, and has increased the estimated revenues from property tax as compared to the FY 2011 budget. Overall, Central Health expects to use $12.3 million in reserves in 2012.

The Board discussed the 2012 preliminary budget in relationship to their goal of structural budgetary balance.

Manager Haley arrived at 5:50 p.m.

Manager Hudson moved that the Board approve the preliminary Fiscal Year 2012 budget line-items relating to the Seton Healthcare Family and Seton/UT Southwestern University Physicians Group d/b/a Austin Medical Education Program as presented by staff for presentation to the Travis County Commissioners Court and the public. Manager Haley seconded the motion.

Chairperson Tom Coopwood	Abstain
Vice-Chairperson Rosie Mendoza	For
Treasurer Frank Rodriguez	For
Secretary Brenda Coleman-Beattie	For
Manager Anthony Haley	For
Manager Clarke Heidrick	For
Manager Katrina Daniel	For
Manager Rebecca Lightsey	For
Manager Lynne Hudson	For

Manager Daniel moved that the Board approve the preliminary Fiscal Year 2012 budget line-items relating to the SIMS Foundation as presented by staff for presentation to the Travis County Commissioners Court and the public. Vice Chairperson Mendoza seconded the motion.

Chairperson Tom Coopwood	For
Vice-Chairperson Rosie Mendoza	For
Treasurer Frank Rodriguez	For
Secretary Brenda Coleman-Beattie	For
Manager Anthony Haley	Abstain

Manager Clarke Heidrick	For
Manager Katrina Daniel	For
Manager Rebecca Lightsey	For
Manager Lynne Hudson	For

Manager Haley moved that the Board approve the preliminary Fiscal Year 2012 budget line-items relating to the Texas Mutual Insurance Company as presented by staff for presentation to the Travis County Commissioners Court and the public. Secretary Coleman-Beattie seconded the motion.

Chairperson Tom Coopwood	For
Vice-Chairperson Rosie Mendoza	For
Treasurer Frank Rodriguez	For
Secretary Brenda Coleman-Beattie	For
Manager Anthony Haley	For
Manager Clarke Heidrick	Abstain
Manager Katrina Daniel	Abstain
Manager Rebecca Lightsey	For
Manager Lynne Hudson	For

Manager Lightsey moved that the Board approve the preliminary Fiscal Year 2012 budget line items relating to services provided by entities regulated by the Texas Department of Insurance including Line Items 20.03 Benefits – Hospitalization; 62.85 Third Party Administrator; 62.97 Pharmacy Program; 62.99 HMO Start-up and 98.50 Sendero paid-in capital, as presented by staff for presentation to the Travis County Commissioners Court and the public. Manager Heidrick seconded the motion.

Chairperson Tom Coopwood	For
Vice-Chairperson Rosie Mendoza	For
Treasurer Frank Rodriguez	For
Secretary Brenda Coleman-Beattie	For
Manager Anthony Haley	For
Manager Clarke Heidrick	For
Manager Katrina Daniel	Abstain
Manager Rebecca Lightsey	For
Manager Lynne Hudson	For

Secretary Coleman Beattie moved that the Board approve the line items other than those relating to the Seton Healthcare Family, Seton/UT Southwestern University Physicians Group d/b/a Austin Medical Education Program, the SIMS Foundation, Texas Mutual Insurance Company and services provided by entities regulated by the Texas Department of Insurance in the preliminary Fiscal Year 2012 budget as presented by staff for presentation to the Travis County Commissioners Court and the public. Manager Lightsey seconded the motion.

Chairperson Tom Coopwood	For
Vice-Chairperson Rosie Mendoza	For
Treasurer Frank Rodriguez	For
Secretary Brenda Coleman-Beattie	For
Manager Anthony Haley	For
Manager Clarke Heidrick	For
Manager Katrina Daniel	For

Manager Rebecca Lightsey	For
Manager Lynne Hudson	For

Treasurer Rodriguez moved that the Board increase Central Health's tax rate in the FY2012 preliminary budget over the current effective tax rate to $.0789 on each $100 of the taxable value of property taxable by Central Health for the 2011 tax year on a roll-call vote. Vice Chairperson Mendoza seconded the motion.

Chairperson Tom Coopwood	For
Vice-Chairperson Rosie Mendoza	For
Treasurer Frank Rodriguez	For
Secretary Brenda Coleman-Beattie	For
Manager Anthony Haley	For
Manager Clarke Heidrick	For
Manager Katrina Daniel	For
Manager Rebecca Lightsey	For
Manager Lynne Hudson	For

2. Notify the public of the date, time, and place of the public meetings at which the Central Health Board of Managers will present the budget and its associated tax rate to the public and accept public comments on those items.

Clerk's Note: Manager Heidrick moved that Central Health hold two public hearings at which it will present the FY 2012 preliminary budget and its associated tax rate to the public and accept public comment on those items, with the first hearing to be held on Thursday, September 1, 2011, at 6:00 p.m. at 1111 E. Cesar Chavez Street in Austin, Texas, and the second hearing to be held on Wednesday, September 7, 2011, at 5:30 p.m. at 1111 E. Cesar Chavez Street in Austin, Texas.

Manager Heidrick further moved that the Board set a meeting at which the Board of Managers will vote to adopt the Fiscal Year 2012 budget and the tax rate for the 2011 tax year on Wednesday, September 14, 2011, at 5:30 p.m., 1111 E. Cesar Chavez Street in Austin, Texas.

Manager Heidrick moved that these motions and the votes on these motions serve as notice to the public of the dates, times, and locations of the proposed hearings and meetings.

Vice Chair Person Mendoza seconded the motion.

3. Discuss and take appropriate action on Sendero Health Plans, Inc.[1]

Clerk's Note: Chairperson Coopwood announced that the Board would convene in closed session to discuss agenda item 3. The Board convened in closed session at 6:31 p.m. to discuss agenda item 3 under Section 551.071 of the Texas Government Code, Consultation with Attorney and Section 551.085 of the Texas Government Code, Deliberation of Governing Board of Certain Providers of Health Care Services.

The Board reconvened in open session at 7:36 p.m.

4. Receive and discuss a report of the July 2011 financial statements for Central Health.

Clerk's Note: Mr. John Stephens, CFO, reviewed the standard monthly expenses and revenues and discussed the related handouts. Mr. Stephens responded to questions from the Board related to UPL payments.

5. **Receive and discuss reports from the Board committees: Audit and Compliance Committee; Performance Improvement Subcommittee; Budget and Finance Committee; *ad hoc* Personnel Committee; *ad hoc* UMCB/Academic Medicine Committee, and *ad hoc* Legislative Committee.**

Clerk's Note: Chairperson Coopwood briefly reviewed the committees that convened in the month passed.

6. **Receive and discuss the CEO's report on the following Central Health activities: (a) procurement activity; (b) Central Health Connection; (c) current communications/outreach statistics; (d) quarterly service update and annual plan of work; and (e) Psychiatric Stakeholder's Meeting.**

Clerk's Note: Ms. Trish Young Brown, President & CEO, reviewed the handouts related to the CEO's report. Ms. Young Brown reviewed new vendors, reminded the Board that Central Health is approaching the new fiscal year in October and thus multiple contracts will be renewed, reviewed the progress of the Central Health Connection, and pointed out the Communications and Outreach report. The staff responded to questions from the Board. Mr. Larry Wallace, Chief Service Delivery Officer, discussed the recent meetings that the Central Health staff had attended with residents of the 78744 community area.

7. **Confirm the next regular Board meeting date, time, and location.**

Clerk's Notes: Chairperson Coopwood announced that the next regularly-scheduled meeting would be held be on Wednesday, September 7, 2011, at 6:00 p.m., in the Board Room, Central Health Administrative Offices 1111 E. Cesar Chavez, Austin, Texas 78702.

Chairperson Coopwood announced that Central Health will hold a Special Called meeting on Monday, August 22, 2011, at 5:30 p.m., in the Board Room of the Central Health Administrative Offices 1111 E. Cesar Chavez, Austin, Texas 78702.

The meeting was adjourned at 8:13 p.m.

Tom Coopwood, M.D. Chairperson
Central Health Board of Managers

ATTESTED TO BY:

Brenda Coleman-Beattie, Secretary
Central Health Board of Managers