CENTRAL HEALTH

Our Vision
Central Texas is a model healthy community.

Our Mission
By caring for those who need it most, Central Health improves the health of our community.

Our Values
Central Health will achieve excellence through:
Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.
Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD OF MANAGERS MEETING
Wednesday, March 31, 2021, 5:00 p.m.
or immediately following the Executive Committee Meeting
via toll-free videoconference[1]

Members of the public may observe and participate in the meeting by connecting to the Ring Central meeting link listed below (copy and paste into your web browser):

https://meetings.ringcentral.com/j/1460202556?pwd=cldENFhNaGo1TjJmczBIN01LQi9mZz09

Password: 854674

Members of the public may also listen and participate by telephone only:
Dial: (888) 501-0031
Meeting ID: 146 020 2556
Password: 854674

A member of the public who wishes to make comments during Public Communication must properly register with Central Health ***no later than 3:30 p.m. on March 31, 2021***. Registration can be completed in one of two ways:

- Complete the virtual sign-in form at https://www.centralhealth.net/meeting-sign-up/, or
- Call 512-978-9190. Please leave a voice message with your full name and your request to comment via telephone at the meeting.

PUBLIC COMMUNICATION

Central Health will conduct Public Communication in the same manner as it has been conducted at in-person meetings, including setting a fixed amount of time per person to speak and limiting Board responses to public inquiries, if any, to statements of specific factual information or existing policy.

CONSENT AGENDA

All matters listed under the CONSENT AGENDA will be considered by the Board of Managers to be routine and will be enacted by one motion. There will be no separate discussion of these items unless members of

the Board request specific items be moved from the CONSENT AGENDA to the REGULAR AGENDA for discussion prior to the vote on the motion to adopt the CONSENT AGENDA.

C1. Receive the Quarterly Investment Report and ratify Central Health Investments for February 2021.

C2. Approve the minutes of the Central Health Board of Managers February 24, 2021 meeting.

REGULAR AGENDA[2]

1. Receive an update from the CEO of Episcopal Health Foundation about a grant to support Central Health's Fiscal Year (FY) 2021 Board priority objective to develop an equity focused strategic system of care plan. (*Informational Item*)

2. Receive a report on fiscal year-to-date healthcare service expenditures made by, and accept the preliminary February 2020 financial statements for Central Health and the Community Care Collaborative including fiscal and related operational updates for CommUnityCare Health Centers and Sendero Health Plans, Inc. (*Informational Item*)

3. Receive and discuss a report on Historically Underutilized Business (HUB) spending performance for Fiscal Year 2020. (*Informational Item*)

4. Discuss and take appropriate action on an amended Cafeteria Plan Resolution outlining employee benefits. (*Action Item*)

5. Discuss and take appropriate action on a request by CommUnityCare regarding compensation for certain new hires. (*Action Item*)

6. Receive an update on the findings of the 360° review of the President and CEO.[3] (*Informational Item*)

7. Discuss and take appropriate action on Central Health owned or occupied real property and potential property for acquisition, lease, or development in Travis County, including next steps in the redevelopment of the Central Health Downtown Campus, administrative offices of Central Health and Enterprise partners, and new developments in Eastern Travis County.[4, 5] (*Action Item*)

8. Discuss and take appropriate action on approval of publication of notice of intention to authorize issuance of certificates of obligation to finance acquisition and construction or renovation of real property. [4, 5] (*Action Item*)

9. Receive a briefing regarding Central Health Enterprise information security issues.[5, 6] (*Informational Item*)

10. Receive and discuss an update regarding Sendero Health Plans, Inc., including 2021 ACA enrollment and financial updates.[7] (*Informational Item*)

11. Discuss and take appropriate action on 2021 ACA Special Open Enrollment period, including possible consideration of a request for funding from the Health Alliance for Austin Musicians (HAAM). (*Action Item*)

12. Confirm the next regular Board meeting date, time, and location. (*Informational Item*)

Notes:

[1] By Emergency Executive Order of the Governor, issued March 16, 2020, Central Health may hold a videoconference meeting with no Board members present at a physical meeting location.

[2] The Board of Managers may take items in an order that differs from the posted order and may consider any item posted on the agenda in a closed session if the item involves issues that require consideration in a closed session and the Board announces that the item will be considered during a closed session.

[3] Possible closed session discussion under Texas Government Code §551.074 (Personnel Matters).

[4] Possible closed session discussion under Texas Government Code §551.072 (Deliberation Regarding Real Property).

[5] Possible closed session discussion under Texas Government Code §551.071 (Consultation with Attorney).

[6] Possible closed session discussion under Texas Government Code §551.089 (Deliberation Regarding Security Devices or Audits).

[7] Possible closed session discussion under Texas Government Code §551.085 (Governing Body of Certain Providers of Health Care Services).

A recording of this meeting will be made available to the public through the Central Health website (www.centralhealth.net) as soon as possible after the meeting.

Any individual with a disability who plans to attend this meeting and requires auxiliary aids or services should notify Central Health at least two days in advance, so that appropriate arrangements can be made. Notice should be given to the Board Governance Manager by telephone at (512) 978-8049.

Cualquier persona con una discapacidad que planee asistir o ver esta reunión y requiera ayudas o servicios auxiliares debe notificar a Central Health con la mayor anticipación posible de la reunión, pero no menos de dos días de anticipación, para que se puedan hacer los arreglos apropiados. Se debe notificar al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049.

Consecutive interpretation services from Spanish to English are available during Public Communication or when public comment is invited. Please notify the Board Governance Manager by telephone at (512) 978-8049 if services are needed.

Servicios de interpretación consecutiva del español al inglés están disponibles durante la Comunicación Publica o cuando se le invita al público a comentar. Notifique al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049 si necesita servicios.

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BOARD MEETING

March 31, 2021

AGENDA ITEM C1

Receive the Quarterly Investment Report and ratify Central Health Investments for February 2021.

INVESTMENT MANAGEMENT DEPARTMENT
TRAVIS COUNTY, TEXAS

Travis County Administration Building
700 Lavaca, Suite 1560
P.O. Box 1748
Austin, Texas 78767

Phone: (512) 854-9779
Fax: (512) 854-4210
Email: Deborah.laudermilk@traviscountytx.gov

DATE: **March 12, 2021**

TO: **Sherri R. Greenberg, M.S., Chairperson**
Charles E. Bell, M.D., M.S., Vice-Chairperson
Julie Zuniga, R.N. PhD., Treasurer
Cynthia Valadez, Sr., Secretary
Cynthia Brinson, M.D., Manager
Shannon Jones III, M.P.A., Manager
Amit Motwani, Manager
Maram Museitif, M.P.H., C.P.H., Manager
Guadalupe Zamora, M.D., Manager

FROM: **Deborah A. Laudermilk, Travis County Chief Investment Officer**
Reagan Grimes, Travis County Investment Manager
Michael Gbenoba, Sr. Financial Analyst

RE: **Central Health FY 2021 First Quarter Investment Report**

INVESTMENT EARNINGS

Total portfolio earnings for this quarter:	**$**	**175,406**
Total portfolio earnings for this fiscal year:	**$**	**175,406**

These earnings are determined on an accrual basis. Investment balances are in the Portfolio Statistics section of this report.

CASH AVAILABILITY

Operating Account for the Quarter Ended December 31, 2020:

The cash availability in the bank operating account is monitored daily. Typically, cash balances are invested as soon as they are known and available. The cash availability (includes the controlled disbursement) for the quarter ended December 31, 2021:

	2021 Average Daily Collected Balance	2020 Average Daily Collected Balance
October	**$ 1,338,323**	**$ 1,374,854**
November	**$ 1,355,583**	**$ 1,394,101**
December	**$ 1,325,459**	**$ 1,369,477**

Several years ago we opened a dedicated non-interest bearing account at Chase that we have managed with the goal of earning additional ECR (earnings credit) to offset annual bank charges. The current balance is $1,190,000 and is reflected in the totals listed above.

MARKET REVIEW

Interest rates remain at all-time lows since last March when the Fed Funds rate was reduced to the range of 0.0% - 0.25%, and unfortunately for investors like the County, it is unlikely that they will be increased until late 2022 or 2023. In various interviews, press conferences and publications, Chairman Powell as well as other members of the FOMC, have continued to reiterate that rates need to remain at this low level until the country is at full employment and inflation rates are holding steady in the 2% area. As for the inflation rate goal of 2%, the FOMC isn't concerned if inflation gets a little ahead of itself (over 2%) because they are using the 2% target as an averaged-over-time figure. The other FOMC target of full employment will take some time to reach, particularly since the country is not fully vaccinated and isn't expected to be until this summer along with varying rates of re-openings around the country. Currently there is still over 9.5 million people out of work and 4.5 million have dropped out of the work force. Payrolls remain 9.5 million below the peak in February 2020. In February 2021, US employers added more jobs than expected and unemployment fell to 6.2%. By the end of the year unemployment is expected to fall to 4.5% and then fall further to 3.5% in 2023. Non-farm payrolls rose 379k in February despite the "great freeze" which could also be a reflection of some re-openings. Not surprising, leisure and hospitality had the biggest increase in new jobs. There is some continuing concern that the additional unemployment benefit of $300/week, as well as the same benefit included in previous stimulus packages, allows for some of these beneficiaries to not look for work because they can make more money unemployed then they would if they returned to work. This is a difficult predicament and most likely those that have been in these types of positions are not in the best financial situation to begin with and are looking for the most beneficial situation for themselves and/or their families. On the other hand, unfortunately, there are always those out there that will game the system regardless.

Unlike economic downturns of the past and past FOMCs' strategies, Chairman Powell and members have made it clear that they will be reactive in relation to the movements of the economy and they "WILL react." They are open to tweaks in QE if they believe it is warranted, but they have repeatedly emphasized PATIENCE. They have made it clear that they will not tighten until they see sustained inflation and will wait to see the impact of the fiscal stimulus on growth and inflation before taking any action. Central bankers are still planning on asset purchases of $120 billion a month until the Fed's goals are reached. Some of the short-term factors that the Fed is watching closely due to their potential impact are:

1) **Vaccines and reopening** – this could be precarious since even though the president has stated that there is enough vaccine to fully immunized every adult by the end of May, there is some concern as to how many adults will agree to get the vaccine.
2) **Rapid GDP growth** – the full $1.9 trillion stimulus package will not impact the country this year since $450 billion will be immediate and $150 billion will be a part of further spending later this year. Hundreds of billions are slated for next year and later.

3) **Frothy risk markets** – there is considerable debate, in particular about the equity market as to whether it is reaching new peaks due to stimulus and improving economic factors, or this is an equity bubble. Time will tell.
4) **Reflating commodities** – the market has priced in short-term inflation increases
5) **Full-blown Fed accommodation** – in a recent interview Chairman Powell indicated that recovery is far from complete and there are no plans to remove monetary accommodation anytime soon.
6) **Worry about high levels of savings** – the new stimulus to taxpayers, expected in April could increase savings rates for some of the population versus it's intended purpose of recipients spending their checks to further stimulate the economy.

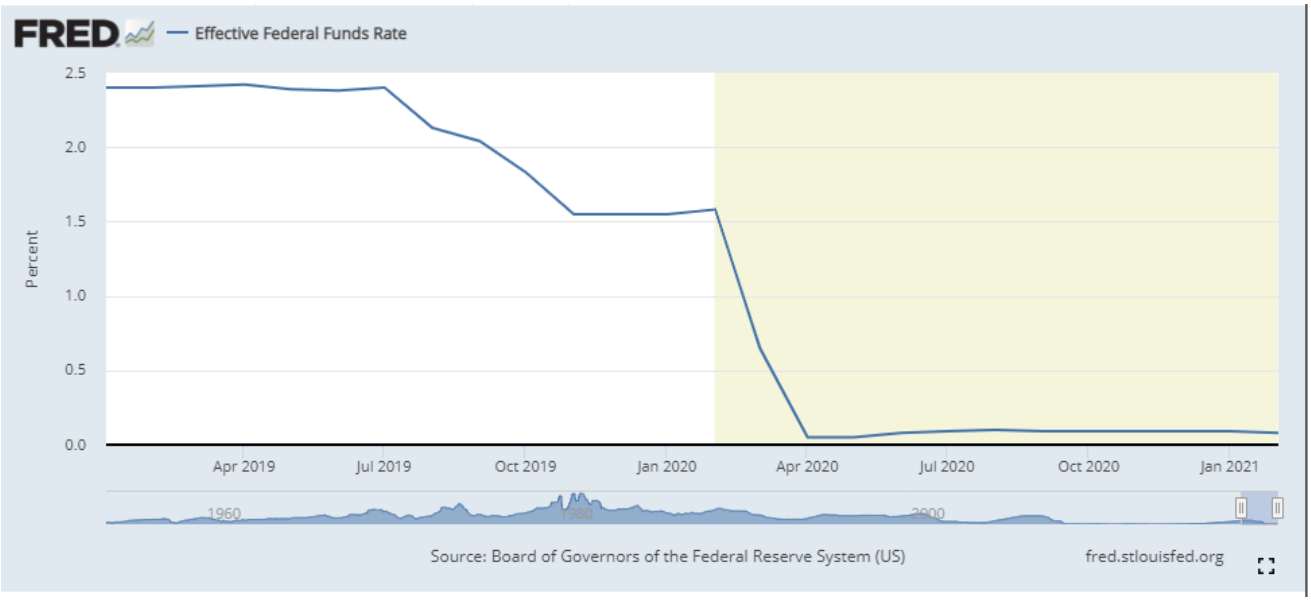
It is understandable as to why the Fed wants to keep its options open and be reactive instead of proactive to provide the best direction for the economy to return to pre-COVID levels.

Productivity fell 4.2% in the quarter ending December, even though surprisingly Q4 over Q4 productivity was up 2.4%. GDP is expected to get to 6.5% by the end of the year, which is an increase from the previous estimate of 4.2%. Consumer spending is expected to increase 10% in the first quarter and 8.5% for the year. In February, retail sales fell 3%, but that was after a massive upward revision. This is clearly due to the lack of anticipated stimulus and like many other indicators, evidence of the impact of the February freeze. Housing starts fell 10.3% in February, some due to the bad weather, but also impacted by the lack of supply, which followed a 5.1% decline in January. On the other hand, multifamily housing rose 28.7% in January and fell 15% in February.

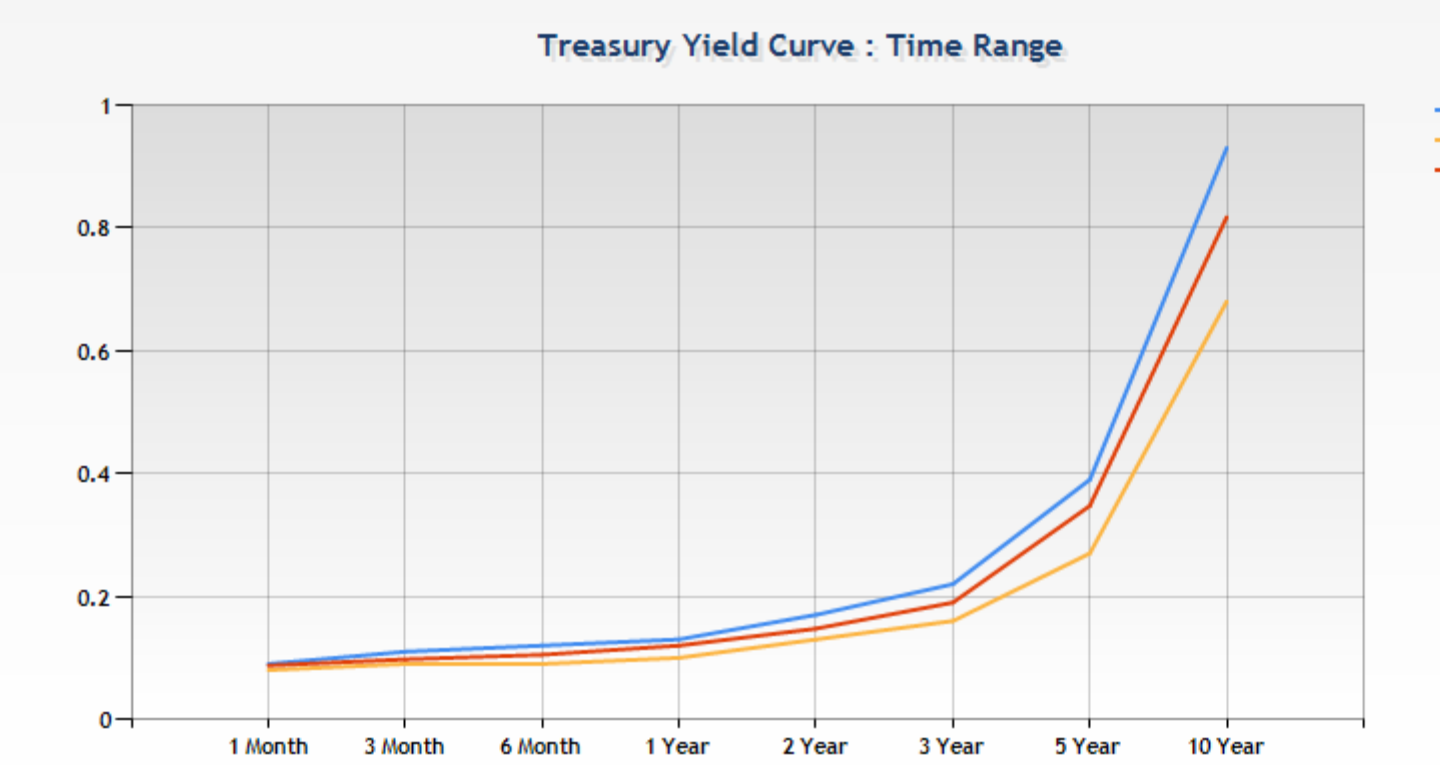
OPEC has decided to maintain its current production levels in spite of the world emerging from COVID shutdowns. This lack of action could benefit US producers who then can increase their output, selling into the shortfall created by OPEC. Continuing on the international front, global manufacturers are still facing shortages of parts and raw materials, some of which is related to the pandemic, but some is a result of trade disputes. Thankfully, a number of US businesses have made conscious decisions to source from US businesses even if the cost is s little higher.

As for the European economies, they seem to be all over the place, with re-openings and new lockdowns. Germany recently announced new lockdowns and Britain is having a great deal of public unrest, as citizens are tiring of the lockdowns and are desperate for the economies to re-open. Bond yields are also rising in Europe where the economic recovery has been sluggish and there are limited stimulus options since many members of the central bank are opposed to it. The European Central Bank has increased bond purchases to help insulate European bonds from selling pressure as things improve in the US. China on the other hand has decided that their economy is strong enough to withstand withdrawing liquidity and smaller than expected fiscal spending. As some have pointed out, the comparison of US and China strategies in 2008 and now strategies for dealing with the current, the two countries have taken opposite approaches in each economic downturn. But as history has frequently pointed out, many believe there is considerable market manipulation in the Chinese markets, so it is currently difficult to tell which strategy will prove the best.

I thought it would be interesting for those not dealing in the financial markets everyday to see the comparison of the Fed Funds Effective rates for the FY Q1 2020 versus FY Q1 2021. The monthly average of the Fed funds effective rate since the beginning of the fiscal year 2021 has traded between 0.09% compared to FYQ1 2020 which traded between 2.04% and 1.55%. Since the end of the first quarter 2021 the effective rate has held steady at 0.09% and last year it was at 1.55%. The yield of the 2-year treasury has fluctuated during the first quarter of 2021 between 0.11% and 0.19% compared to 2020 when it traded between 1.58% and 1.65%. Currently, the 2-year treasury is hovering in the mid-teens, 0.13% to 0.16%. The extremely low yield curve continues to make investing within the County's parameters a challenge. Below is a chart from St. Louis Fed that provides a picture of the dramatic shift of the yield curve over the past 2 years.



September 2020 – December 2020



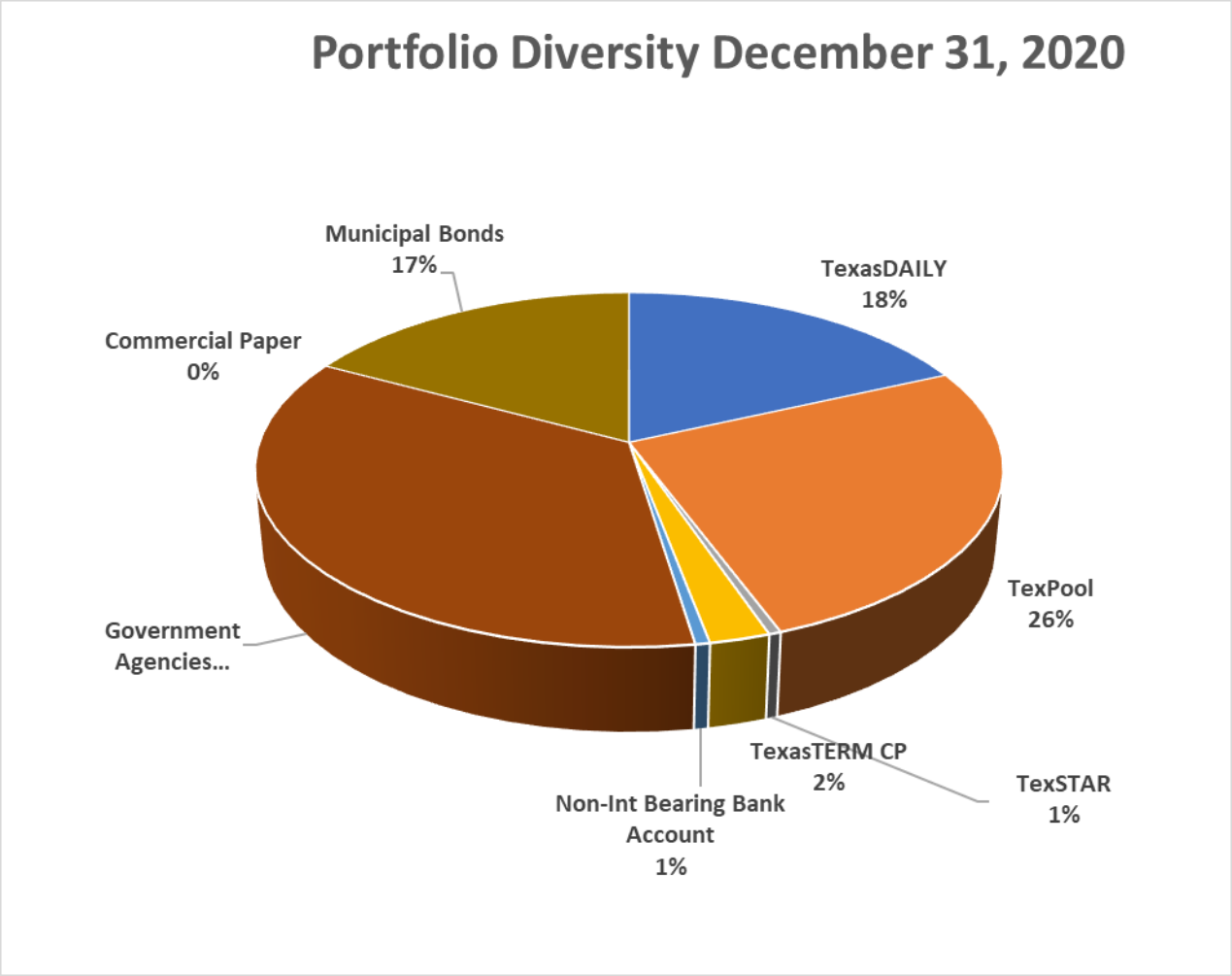
Data	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Hi	0.09	0.11	0.12	0.13	0.17	0.22	0.39	0.93
Lo	0.08	0.09	0.09	0.10	0.13	0.16	0.27	0.68
Avg	0.09	0.10	0.11	0.12	0.15	0.19	0.35	0.82

Date	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	10 Year
Sep 2020	0.09	0.11	0.12	0.13	0.13	0.16	0.27	0.68
Oct 2020	0.09	0.10	0.11	0.13	0.15	0.19	0.34	0.79
Nov 2020	0.09	0.09	0.10	0.12	0.17	0.22	0.39	0.87
Dec 2020	0.08	0.09	0.09	0.10	0.14	0.19	0.39	0.93

INVESTMENT STRATEGY - NEXT QUARTER

Operating Portfolio

Up to this point in the quarter, only one agency was called. So far during the second quarter we have purchased eight agencies, four municipals and one piece of TexasTERM CP. The goal is to have investments that meet liquidity needs and when possible allowing the portfolio to earn a better yield than the LGIPs. Our first priority in investing is always the security of the principal of Central Health investments. In this incredibly low rate environment, it will continue to be difficult for the performance of the Central Health investments to contribute much to investment income.

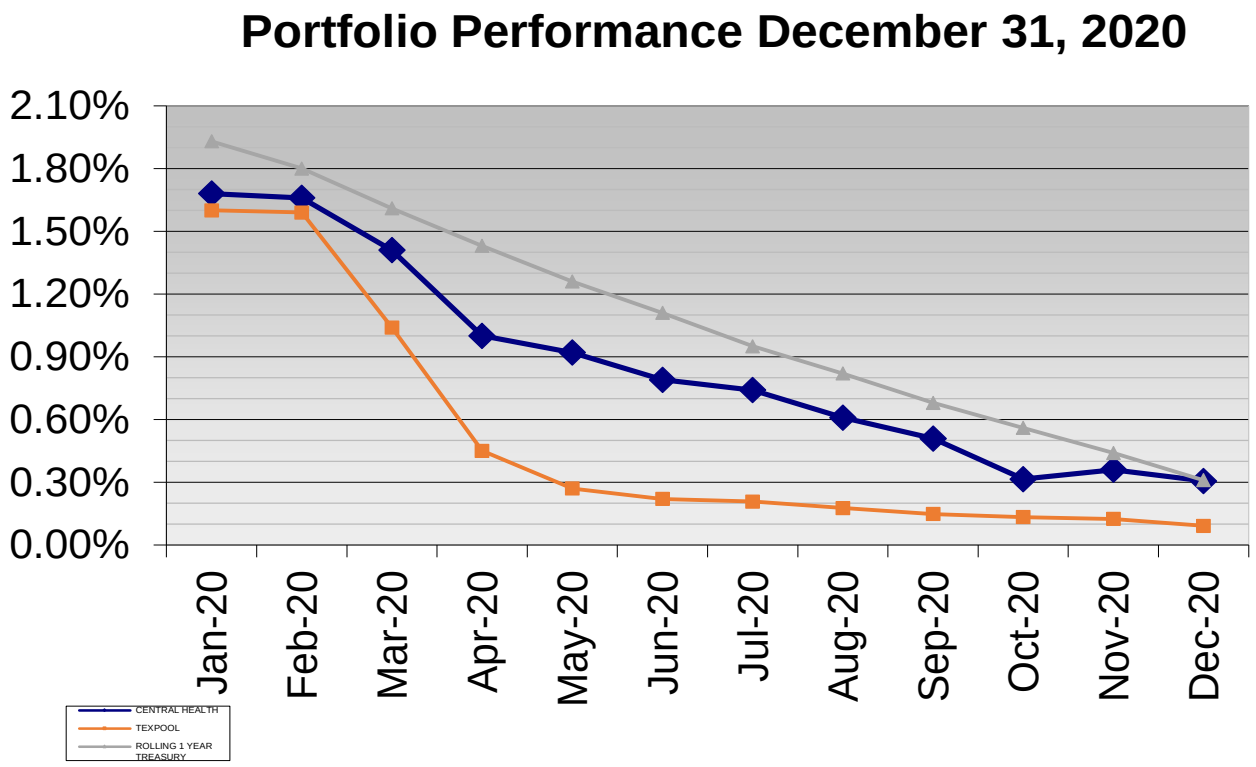


PORTFOLIO DIVERSITY

Safety of principal is the first priority of any public investing portfolio. An important way to maintain safety is to diversify by purchasing a variety of security types. Total investment in the overnight pools is at 45%. During the quarter, three securities matured and two securities were called. In addition, four Agency bonds, six municipal bonds and one piece of Texas TERM were purchased. These transactions resulted in a decrease in the percentage invested in the overnight pools from 48% at the end of September to 45% at the end of December.

	Actual Percent	Policy Limit
Government Agencies	35.28%	75%
TexasDAILY	18.22%	30%
TexPool	26.08%	50%
TexSTAR	0.46%	30%
Texas TERM CP	2.27%	30%
Treasury Securities	0.00%	100%
Non-Int Bearing Bank Acct	0.54%	--
Certificates of Deposits	0.00%	50%
Municipal Bonds	17.15%	20%
Commericial Paper	0.00%	20%
	100.00%	

Portfolio percentage limits are tested at least monthly and reported to the Board of Managers. All investments during this quarter were within the Policy Limits. As always, we will continue to monitor the needs of Central Health and choose appropriate short and long-term investments.



PERFORMANCE ANALYSIS

	October	November	December
Healthcare District	0.32%	0.36%	0.31%
Rolling 1 Year Treasury	0.56%	0.44%	0.31%
TexPool	0.13%	0.12%	0.09%

The Federal Funds rate continues at the range between 0.00% and 0.25%, after the last decrease of 25 bps made at the March 2020 FOMC meeting.

The weighted average maturity (WAM) of the Central Health portfolio (excluding the LPPF investments) increased from 475 days at the end of the fourth quarter on September 30, 2020, to 551 days at the end of the first quarter on December 31, 2020.

COLLATERAL ADEQUACY

Collateral coverage was more than the 105% of bank balances required by policy on every day during the first quarter except for one. On December 8th, the payroll amount was not moved from the bank and thus the collateral coverage fell to 99.07%. Once the payroll dollars were swept, the coverage was returned to the appropriate level.

Based on policy requirements, the highest collateral coverage during the first quarter was 209.07% on December 21, 2020, and the lowest was 99.07% on December 8, 2020.

This report was prepared jointly by Deborah Laudermilk, Travis County Chief Investment Officer, Reagan Grimes, Travis County Investment Manager, and Michael G'Benoba, Sr. Financial Analyst. The investment portfolio of Central Health complies with the investment parameters in the Public Funds Investment Act of Texas.

Deborah A. Laudermilk	*Reagan Grimes*	*Michael G'Benoba*
Deborah A. Laudermilk	Reagan Grimes	Michael Gbenoba
Chief Investment Officer	Investment Manager	Financial Analyst

SUMMARY OF MARKET VALUES FOR THE QUARTER ENDED 12/31/20

(Excludes funds in TexPool, TexasDAILY, and TexSTAR because the difference between book value and market value of Central Health shares is immaterial)

Operating Portfolio

	Cost Value	Market Value	Unrealized Gain/(Loss)	Accrued Interest
9/30/2020	$ 97,244,319.37	$ 97,489,955.60	$ 245,636.23	$ 233,273.22
Changes	$ 121,172,733.03	$ 121,061,111.65	$ (111,621.38)	$ 64,482.16
12/31/2020	$ 218,417,052.40	$ 218,551,067.25	$ 134,014.85	$ 297,755.38

The primary source of market values was JP Morgan Chase safekeeping.
This pricing was uploaded into our Tracker Investment Software.

CENTRAL HEALTH QUARTERLY INVESTMENT REPORT

PORTFOLIO STATISTICS

DATE: December 31, 2020

By Security Type				WAM in Days	December Yield to Maturity
Operating-					
TexasDAILY	$ 40,014,892.06	18.22%	1	0.09%	
TexPool	$ 57,264,104.95	26.08%	1	0.09%	
TexSTAR	$ 998,331.94	0.45%	1	0.07%	
Texas TERM CP	5,000,000.00	2.28%			
Non-Int Bearing Bank Account	1,190,000.00	0.54%	1	0.00%	
Certificates of Deposit	-	0.00%			
Treasury Securities	-	0.00%			
Government Agencies	77,483,600.00	35.28%	1242	0.43%	
Commercial Paper	-	0.00%	0	0.00%	
Municipal Bonds	37,656,123.45	17.15%	607	0.63%	
Total	$ 219,607,052.40	100.00%	551	0.31%	
LPPF					
TexasPool	$ 9,152,914.45	100.00%	1	0.09%	
	$ 9,152,914.45	100.00%	1	0.09%	
Total	$ 228,759,966.85	100.00%			

Compared to Policy Limits		Actual %	Guidelines
TexasDAILY	$ 40,014,892.06	17.58%	30.00%
TexPool	66,417,019.40	29.19%	50.00%
TexSTAR	998,331.94	0.44%	30.00%
Texas TERM CP	5,000,000.00	2.20%	30.00%
Total LGIPS	$ 112,430,243.40	49.40%	70.00%
Certificates of Deposit	0.00	0.00%	50.00%
Treasury Securities	0.00	0.00%	100.00%
Government Agencies	77,483,600.00	34.05%	75.00%
Commercial Paper	0.00	0.00%	20.00%
Municipal Bonds	37,656,123.45	16.55%	20.00%
	$ 227,569,966.85	100.00%	

Municipal Bonds by Entity as a Percentage of Portfolio

Alabama ST Pub Sch & Clg	$ 1,000,000.00	0.44%	5.00%
City of Hampton VA - GO	$ 1,157,199.00	0.51%	5.00%
Chippewa Valley School Go Bonds	$ 2,022,800.00	0.88%	5.00%
Florida St Board Admin Fin Corp Rev	$ 5,871,068.00	2.57%	5.00%
San Bernardino COPS	$ 2,027,420.00	0.89%	5.00%
Harris County TX Transit	$ 1,090,843.20	0.48%	5.00%
Oklahoma County OK ISD	$ 4,662,698.00	2.04%	5.00%
Alabama ST Pub Sch & Clg 2022	$ 1,000,000.00	0.44%	5.00%
Texas Tech Univ	$ 525,840.00	0.23%	5.00%
Commonwealth of Virginia - GO	$ 5,089,600.00	2.22%	5.00%
City of Dallas Waterworks	$ 5,154,300.00	2.25%	5.00%
Upper Occoquan VA - Rev	$ 3,110,000.00	1.36%	5.00%
WA DC INC Tax - Rev	$ 4,944,355.25	2.16%	5.00%
	$ 37,656,123.45	16.46%	25.00%

Investment Revenue & Accrued Interest	1st Quarter 2021	FY 2021
TexasDAILY	$ 5,388.63	$ 5,388.63
TexPool	16,727.62	16,727.62
TexSTAR	1,590.42	1,590.42
Texas TERM CP	6,328.77	6,328.77
Certificates of Deposit	0.00	-
Treasury Securities	0.00	-
Government Agencies	165,250.00	165,250.00
Commercial Paper	0.00	-
Municipal Bonds	105,758.60	105,758.60
	$ 301,044.04	$ 301,044.04
Discounts, Premiums, & Accrued Interest		
TexasTERM CP	$ 1,606.84	$ 1,606.84
-less previous accruals	(5,876.71)	(5,876.71)
Certificates of Deposit	0.00	-
-less previous accruals	0.00	-
Treasury Securities	0.00	-
-less previous accruals	0.00	-
Government Agencies	63,962.60	63,962.60
-less previous accruals	(138,333.34)	(138,333.34)
Commercial Paper	5,826.31	5,826.31
-less previous accruals	0.00	-
Municipal Bonds	102,915.38	102,915.38
-less previous accruals	(155,739.01)	(155,739.01)
	$ (125,637.93)	$ (125,637.93)
Total Investment Revenue & Accrued Interest	$ 175,406.11	$ 175,406.11

Portfolio Yield and WAM	Yield	Weighted Average Maturity
October 2020	0.32%	432 days
November 2020	0.36%	656 days
December 2020	0.31%	551 days

Central Health
Q1 - FY 2021 - Matured, Sold and Called Investments
9/30/2020 to 12/31/2020

Portfolio Name	Description	CUSIP/Ticker	Face Amount/Shares	Principal	Settlement Date	Maturity Date	Coupon Rate
Called							
Healthcare Operating	FHLMC 0.75 10/27/2023-20	3134GVMT2	10,000,000.00	10,000,000.00	10/27/2020	10/27/2023	0.750
Healthcare Operating	FFCB 1.93 10/30/2023-20	3133EK4A1	10,000,000.00	10,000,000.00	10/30/2020	10/30/2023	1.930
Sub Total / Average	**Called**		**20,000,000.00**	**20,000,000.00**			
Matured							
Healthcare Operating	Credit Suisse New York 0 10/9/2020	2254EAK93	6,000,000.00	6,000,000.00	10/09/2020	10/09/2020	0.000
Healthcare Operating	ING CP 0 10/13/2020	45685QKD0	5,000,000.00	5,000,000.00	10/13/2020	10/13/2020	0.000
Healthcare Operating	TexasTERM 0.3 12/11/2020	TERMCP121120	5,000,000.00	5,000,000.00	12/11/2020	12/11/2020	0.300
Sub Total / Average	**Matured**		**16,000,000.00**	**16,000,000.00**			

Purchases - Q U A R T E R L Y Report
Central Health
09-30-2020 to 12-31-2020

Description	CUSIP/Ticker	Broker/Dealer	Coupon Rate	Face Amount/Shares	Principal	Interest/ Dividends	Settlement Date	Maturity Date	YTM @ Cost
Healthcare Operating									
AL ST PUB SCH & COLL AUTH 0.253 9/1/2021	010609FV2	Wells Fargo	0.253	1,000,000.00	1,000,000.00	0.00	11/04/2020	09/01/2021	0.253
Texas TERM 0.21 9/13/2021	TXTERMCP091321	TexasTERM	0.210	5,000,000.00	5,000,000.00	0.00	12/18/2020	09/13/2021	0.210
Alabama St Public Sch & CLG Auth 0.353 9/1/202	010609FW0	Wells Fargo	0.353	1,000,000.00	1,000,000.00	0.00	11/04/2020	09/01/2022	0.353
WA DC INC TAX - Rev 0.451 12/1/2022	25477GTJ4	Wells Fargo	0.451	4,925,000.00	4,944,355.25	0.00	12/01/2020	12/01/2022	0.254
Commonwealth of VA- GO 1 6/1/2023	9281094A2	Wells Fargo	1.000	5,000,000.00	5,089,600.00	0.00	11/05/2020	06/01/2023	0.300
Upper Occoquan VA - REV 0.53 7/1/2023	916277PP5	Wells Fargo	0.530	3,110,000.00	3,110,000.00	0.00	11/12/2020	07/01/2023	0.530
FHLMC 0.27 8/23/2023-21	3134GXCY8	Wells Fargo	0.270	7,500,000.00	7,500,000.00	0.00	11/23/2020	08/23/2023	0.270
FNMA 0.25 11/27/2023	3135G06H1	MultiBank	0.250	10,000,000.00	9,988,600.00	0.00	11/25/2020	11/27/2023	0.288
City of Hampton VA - GO 0.7 9/1/2024	4095588J5	Vining Sparks	0.700	1,150,000.00	1,157,199.00	0.00	12/02/2020	09/01/2024	0.531
FFCB 0.43 10/15/2024-21	3133EMCY6	MultiBank	0.430	10,000,000.00	10,000,000.00	0.00	10/15/2020	10/15/2024	0.430
FNMA 0.42 11/18/2024-22	3135GA3E9	MultiBank	0.420	10,000,000.00	10,000,000.00	0.00	11/18/2020	11/18/2024	0.420

Central Health
Beg- End Balance Quarterly Report - Q1 - FY 2021
9/30/2020 - 12/31/2020

Description	CUSIP/Ticker	Beginning Face Amount/Shares	Coupon Rate	Beginning Cost Value	Maturity Date	Ending YTM @ Cost	Ending Cost Value	Total Buys	Total Sells	Ending MV	Ending Market Accrued Interest	Unrealized Gain/Loss-CV
Healthcare Operating												
Credit Suisse New York 0 10/9/2020	2254EAK93	6,000,000.00	0.000	5,920,600.17	10/09/2020		0.00	0.00	6,000,000.00	0.00	0.00	0.00
ING CP 0 10/13/2020	45685QKD0	5,000,000.00	0.000	4,973,750.00	10/13/2020		0.00	0.00	5,000,000.00	0.00	0.00	0.00
TexasTERM 0.3 12/11/2020	TERMCP121120	5,000,000.00	0.300	5,000,000.00	12/11/2020		0.00	0.00	5,000,000.00	0.00	0.00	0.00
Florida St Board Admin Fin Corp Rev 2.638 7/1/2021	341271AB0	5,760,000.00	2.638	5,871,068.00	07/01/2021	1.000	5,871,068.00	0.00	0.00	5,823,763.20	75,974.40	-47,304.80
AL ST PUB SCH & COLL AUTH 0.253 9/1/2021	010609FV2	0.00	0.253	0.00	09/01/2021	0.253	1,000,000.00	1,000,000.00	0.00	1,000,300.00	400.58	300.00
Texas TERM 0.21 9/13/2021	TXTERMCP091321	0.00	0.210	0.00	09/13/2021	0.210	5,000,000.00	5,000,000.00	0.00	5,000,000.00	373.97	0.00
San Bernardino Cty COPS 2.03 10/1/2021	796815ZF8	2,000,000.00	2.030	2,027,420.00	10/01/2021	1.000	2,027,420.00	0.00	0.00	2,022,680.00	10,150.00	-4,740.00
Harris County TX Transit 1.659 11/1/2021	41422EJX2	1,080,000.00	1.659	1,090,843.20	11/01/2021	0.951	1,090,843.20	0.00	0.00	1,090,033.20	2,986.20	-810.00
CHIPPEWA VALLEY SCHOOLS GO 2.98 5/1/2022	170016YZ6	2,000,000.00	2.980	2,022,800.00	05/01/2022	2.603	2,022,800.00	0.00	0.00	2,067,700.00	9,933.33	44,900.00
Alabama St Public Sch & CLG Auth 0.353 9/1/202	010609FW0	0.00	0.353	0.00	09/01/2022	0.353	1,000,000.00	1,000,000.00	0.00	1,001,300.00	558.92	1,300.00
Oklahoma County, OK 1 9/1/2022	678720KL6	4,600,000.00	1.000	4,662,698.00	09/01/2022	0.300	4,662,698.00	0.00	0.00	4,662,790.00	15,333.33	92.00
City of Dallas Waterworks Rev 1.868 10/1/2022	23542JBH7	5,000,000.00	1.868	5,154,300.00	10/01/2022	0.333	5,154,300.00	0.00	0.00	5,140,750.00	23,350.00	-13,550.00
WA DC INC TAX - Rev 0.451 12/1/2022	25477GTJ4	0.00	0.451	0.00	12/01/2022	0.254	4,944,355.25	4,944,355.25	0.00	4,949,723.50	1,850.98	5,368.25
Commonwealth of VA- GO 1 6/1/2023	9281094A2	0.00	1.000	0.00	06/01/2023	0.300	5,089,600.00	5,089,600.00	0.00	5,097,150.00	7,777.78	7,550.00
Upper Occoquan VA - REV 0.53 7/1/2023	916277PP5	0.00	0.530	0.00	07/01/2023	0.530	3,110,000.00	3,110,000.00	0.00	3,121,320.40	2,243.52	11,320.40
FHLMC 0.27 8/23/2023-21	3134GXCY8	0.00	0.270	0.00	08/23/2023	0.270	7,500,000.00	7,500,000.00	0.00	7,499,775.00	2,137.50	-225.00
FHLMC 0.75 10/27/2023-20	3134GVMT2	10,000,000.00	0.750	10,000,000.00	10/27/2023		0.00	0.00	10,000,000.00	0.00	0.00	0.00
FFCB 1.93 10/30/2023-20	3133EK4A1	10,000,000.00	1.930	10,000,000.00	10/30/2023		0.00	0.00	10,000,000.00	0.00	0.00	0.00
FHLMC 0.625 10/30/2023-21	3134GVPE2	10,000,000.00	0.625	10,000,000.00	10/30/2023	0.625	10,000,000.00	0.00	0.00	10,013,480.00	10,416.67	13,480.00
FNMA 0.25 11/27/2023	3135G06H1	0.00	0.250	0.00	11/27/2023	0.288	9,988,600.00	9,988,600.00	0.00	10,005,180.00	2,500.00	16,580.00
Texas Tech Unversity 2.939 2/15/2024	882806FP2	500,000.00	2.939	525,840.00	02/15/2024	1.524	525,840.00	0.00	0.00	537,030.00	5,551.44	11,190.00
FHLMC 0.5 8/12/2024-21	3134GWKB1	10,000,000.00	0.500	10,000,000.00	08/12/2024	0.500	10,000,000.00	0.00	0.00	10,002,980.00	19,305.56	2,980.00
FNMA 0.41 8/12/2024-22	3136G4H22	10,000,000.00	0.410	9,995,000.00	08/12/2024	0.423	9,995,000.00	0.00	0.00	10,025,830.00	15,830.56	30,830.00
City of Hampton VA - GO 0.7 9/1/2024	4095588J5	0.00	0.700	0.00	09/01/2024	0.531	1,157,199.00	1,157,199.00	0.00	1,160,603.00	648.47	3,404.00
FHLMC 0.44 9/24/2024-21	3134GWSR8	10,000,000.00	0.440	10,000,000.00	09/24/2024	0.440	10,000,000.00	0.00	0.00	10,009,390.00	11,855.56	9,390.00
FFCB 0.43 10/15/2024-21	3133EMCY6	0.00	0.430	0.00	10/15/2024	0.430	10,000,000.00	10,000,000.00	0.00	10,010,090.00	9,077.78	10,090.00
FNMA 0.42 11/18/2024-22	3135GA3E9	0.00	0.420	0.00	11/18/2024	0.420	10,000,000.00	10,000,000.00	0.00	10,031,870.00	5,016.67	31,870.00
Healthcare Operating		**96,940,000.00**		**97,244,319.37**		**0.484**	**120,139,723.45**	**58,789,754.25**	**36,000,000.00**	**120,273,738.30**	**233,273.22**	**134,014.85**

AGENDA ITEM #_____

STATE OF TEXAS

COUNTY OF TRAVIS

CENTRAL HEALTH

Whereas, it appears to the Board of Managers of the Central Health, Travis County, Texas that there are sufficient funds on hand over and above those of immediate need for operating demand,

Now, Therefore, the Board of Managers hereby orders

1.) that the County Treasurer of Travis County, Texas, acting on behalf of Central Health, execute the investment of these funds in the total amount of $124,289,104.84 in legally authorized securities as stipulated in the Travis County Healthcare District Investment and Collateral Policy for the periods as indicated in Attachment A, which consists of 25 pages.

2.) that the County Treasurer, acting on behalf of Central Health, take and hold in safekeeping all individual security investment instruments, relinquishing same only by order of the Board of Managers or for surrender at maturity.

Date: March 31, 2021

_____
CHAIR, BOARD OF MANAGERS

VICE CHAIR, BOARD OF MANAGERS	MANAGER
MANAGER	MANAGER
MANAGER	MANAGER
MANAGER	MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/1/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	7,545,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0553%
PRINCIPAL:	7,545,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	7,545,000.00	CUSIP #:	N/A
TRADE DATE:	2/1/2021	SETTLEMENT DATE:	2/1/2021

AUTHORIZED BY:

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/2/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	29,556,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0608%
PRINCIPAL:	29,556,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	29,556,000.00	CUSIP #:	N/A
TRADE DATE:	2/2/2021	SETTLEMENT DATE:	2/2/2021

AUTHORIZED BY Reagan James

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/3/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexPool	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	7,341,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0643%
PRINCIPAL:	7,341,000.00	PURCHASED THRU:	TexPool
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	7,341,000.00	CUSIP #:	N/A
TRADE DATE:	2/3/2021	SETTLEMENT DATE:	2/3/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/4/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION	TExPool	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	3,088,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE	N/A	PRICE:	100%
MATURITY DAT	N/A	BOND EQ. YIELD:	0.0692%
PRINCIPAL:	3,088,000.00	PURCHASED THRU:	TExPool
ACCRUED INT	N/A	BROKER:	N/A
TOTAL DUE:	3,088,000.00	CUSIP #:	N/A
TRADE DATE:	2/4/2021	SETTLEMENT DATE:	2/4/2021

AUTHORIZED BY: _____

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/5/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexPool	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	6,595,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0564%
PRINCIPAL:	6,595,000.00	PURCHASED THRU:	TexPool
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	6,595,000.00	CUSIP #:	N/A
TRADE DATE:	2/5/2021	SETTLEMENT DATE:	2/5/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/8/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	4,951,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE	N/A	PRICE:	100%
MATURITY DAT	N/A	BOND EQ. YIELD:	0.0500%
PRINCIPAL:	4,951,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT	N/A	BROKER:	N/A
TOTAL DUE:	4,951,000.00	CUSIP #:	N/A
TRADE DATE:	2/8/2021	SETTLEMENT DATE:	2/8/2021

AUTHORIZED BY: Reagan James

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/9/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	1,415,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0500%
PRINCIPAL:	1,415,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	1,415,000.00	CUSIP #:	N/A
TRADE DATE:	2/9/2021	SETTLEMENT DATE:	2/9/2021

AUTHORIZED BY:

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/10/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	1,205,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE	N/A	PRICE:	100%
MATURITY DAT	N/A	BOND EQ. YIELD:	0.0500%
PRINCIPAL:	1,205,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT	N/A	BROKER:	N/A
TOTAL DUE:	1,205,000.00	CUSIP #:	N/A
TRADE DATE:	2/10/2021	SETTLEMENT DATE:	2/10/2021

AUTHORIZED BY:

Deborah A. Laudermilk

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/11/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION	TexPool	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	1,225,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE	N/A	PRICE:	100%
MATURITY DAT	N/A	BOND EQ. YIELD:	0.0546%
PRINCIPAL:	1,225,000.00	PURCHASED THRU:	TexPool
ACCRUED INT	N/A	BROKER:	N/A
TOTAL DUE:	1,225,000.00	CUSIP #:	N/A
TRADE DATE:	2/11/2021	SETTLEMENT DATE:	2/11/2021

AUTHORIZED BY: Reagan James

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/12/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexPool	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	10,025,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0543%
PRINCIPAL:	10,025,000.00	PURCHASED THRU:	TexPool
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	10,025,000.00	CUSIP #:	N/A
TRADE DATE:	2/12/2021	SETTLEMENT DATE:	2/12/2021

AUTHORIZED BY: _____

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/12/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexPool	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	20,500.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0543%
PRINCIPAL:	20,500.00	PURCHASED THRU:	TexPool
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	20,500.00	CUSIP #:	N/A
TRADE DATE:	2/12/2021	SETTLEMENT DATE:	2/12/2021

AUTHORIZED BY: _____

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

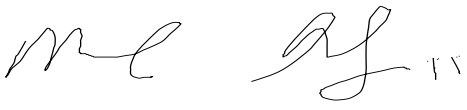
SECURITY TRANSACTION FORM

DATE: 2/16/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXAS DAILY	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	$7,347.50	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	YIELD	0.0500%
PRINCIPAL:	$7,347.50	PURCHASED THRU:	TEXAS DAILY
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	$7,347.50	CUSIP #:	N/A
TRADE DATE:	2/16/2021	SETTLEMENT DATE:	2/16/2021

AUTHORIZED BY: 

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/19/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION	TexPool	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	1,486,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE	N/A	PRICE:	100%
MATURITY DAT	N/A	BOND EQ. YIELD:	0.0444%
PRINCIPAL:	1,486,000.00	PURCHASED THRU:	TexPool
ACCRUED INT	N/A	BROKER:	N/A
TOTAL DUE:	1,486,000.00	CUSIP #:	N/A
TRADE DATE:	2/19/2021	SETTLEMENT DATE:	2/19/2021

AUTHORIZED BY: _____

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/23/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	39,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE	N/A	PRICE:	100%
MATURITY DAT	N/A	BOND EQ. YIELD:	0.0500%
PRINCIPAL:	39,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT	N/A	BROKER:	N/A
TOTAL DUE:	39,000.00	CUSIP #:	N/A
TRADE DATE:	2/23/2021	SETTLEMENT DATE:	2/23/2021

AUTHORIZED BY: _____

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/24/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	94,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE	N/A	PRICE:	100%
MATURITY DAT	N/A	BOND EQ. YIELD:	0.0500%
PRINCIPAL:	94,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT	N/A	BROKER:	N/A
TOTAL DUE:	94,000.00	CUSIP #:	N/A
TRADE DATE:	2/24/2021	SETTLEMENT DATE:	2/24/2021

AUTHORIZED BY:

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/25/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	561,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0500%
PRINCIPAL:	561,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	561,000.00	CUSIP #:	N/A
TRADE DATE:	2/25/2021	SETTLEMENT DATE:	2/25/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/26/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TexDaily	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	1,297,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0500%
PRINCIPAL:	1,297,000.00	PURCHASED THRU:	TexDaily
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	1,297,000.00	CUSIP #:	N/A
TRADE DATE:	2/26/2021	SETTLEMENT DATE:	2/26/2021

AUTHORIZED BY: _____

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

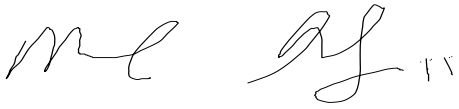
SECURITY TRANSACTION FORM

DATE: 2/16/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXAS DAILY	FUND NAME:	CENTRAL HEALTH
PAR VALUE:	$246,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	YIELD	0.0500%
PRINCIPAL:	$246,000.00	PURCHASED THRU:	TEXAS DAILY
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	$246,000.00	CUSIP #:	N/A
TRADE DATE:	2/16/2021	SETTLEMENT DATE:	2/16/2021

AUTHORIZED BY: 

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/2/2021

TIME: 10:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLMC Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 10,000,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.375%	PRICE:	100.1250000
MATURITY DATE:	4/8/2024	US TREASURY CONVENTION YLD	0.1911%
PRINCIPAL:	$ 10,012,500.00	PURCHASED THROUGH:	UBS FINANCIAL SERV
ACCRUED INT:	$ 11,979.17	BROKER:	MATT BYRNE
TOTAL DUE:	$ 10,024,479.17	CUSIP #:	3134GWYD2
TRADE DATE:	2/2/2021	SETTLEMENT DATE:	2/3/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/4/2021

TIME: 11:00 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	NYC TRANS FIN AUTH - REV	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 5,000,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.660%	PRICE:	100.0000000
MATURITY DATE:	2/1/2025	US TREASURY CONVENTION YLD	0.6600%
PRINCIPAL:	$ 5,000,000.00	PURCHASED THROUGH:	WELLS FARGO
ACCRUED INT:	$ 0.00	BROKER:	MIKE MINAHAN
TOTAL DUE:	$ 5,000,000.00	CUSIP #:	64971XWU8
TRADE DATE:	2/4/2021	SETTLEMENT DATE:	2/11/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/2/2021

TIME: 10:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 10,000,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.250%	PRICE:	100.0000000
MATURITY DATE:	8/16/2024	US TREASURY CONVENTION YLD	0.2500%
PRINCIPAL:	$ 10,000,000.00	PURCHASED THROUGH:	VINING SPARKS
ACCRUED INT:	$ 0.00	BROKER:	DARLYNE HABA
TOTAL DUE:	$ 10,000,000.00	CUSIP #:	3130AKY34
TRADE DATE:	2/2/2021	SETTLEMENT DATE:	2/16/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/12/2021

TIME: 9:00 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	SAN DIEGO PUB FACS FIN WTR - REV	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 1,040,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	1.327%	PRICE:	102.6120000
MATURITY DATE:	8/1/2023	US TREASURY CONVENTION YLD	0.2590%
PRINCIPAL:	$ 1,067,164.80	PURCHASED THROUGH:	WELLS FARGO
ACCRUED INT:	$ 613.37	BROKER:	MIKE MINAHAN
TOTAL DUE:	$ 1,067,778.17	CUSIP #:	79730CJG0
TRADE DATE:	2/12/2021	SETTLEMENT DATE:	2/17/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 1/13/2021

TIME: 11:00 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	CITY of YUMA, AZ REV - TAX	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 1,500,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.704%	PRICE:	100.0000000
MATURITY DATE:	7/15/2024	US TREASURY CONVENTION YLD	0.7040%
PRINCIPAL:	$ 1,500,000.00	PURCHASED THROUGH:	STIFEL
ACCRUED INT:	$ 0.00	BROKER:	MIKE BELL
TOTAL DUE:	$ 1,500,000.00	CUSIP #:	98851WAD5
TRADE DATE:	1/13/2021	SETTLEMENT DATE:	2/19/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/4/2021

TIME: 2:00 PM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 10,000,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.375%	PRICE:	100.0000000
MATURITY DATE:	2/25/2025	US TREASURY CONVENTION YLD	0.3750%
PRINCIPAL:	$ 10,000,000.00	PURCHASED THROUGH:	DAIWA CAP MKTS
ACCRUED INT:	$ 0.00	BROKER:	ANDY TAMAYO
TOTAL DUE:	$ 10,000,000.00	CUSIP #:	3130AL5E0
TRADE DATE:	2/4/2021	SETTLEMENT DATE:	2/25/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/10/2021

TIME: 12:00 PM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	$ 10,000,000.00	SAFEKEEPING NO:	P 31317
COUPON / DISCOUNT RATE	0.300%	PRICE:	100.0000000
MATURITY DATE:	8/26/2024	US TREASURY CONVENTION YLD	0.3000%
PRINCIPAL:	$ 10,000,000.00	PURCHASED THROUGH:	UBS FINANCIAL SERV
ACCRUED INT:	$ 0.00	BROKER:	MATT BYRNE
TOTAL DUE:	$ 10,000,000.00	CUSIP #:	3130ALB45
TRADE DATE:	2/10/2021	SETTLEMENT DATE:	2/26/2021

AUTHORIZED BY: *Deborah A. Laudermilk*

CENTRAL HEALTH MONTHLY INVESTMENT REPORT

PORTFOLIO STATISTICS

DATE: February 28, 2021

By Fund Type			
Operating	$	382,289,160.97	97.73%
LPPF		8,883,812.76	2.27%
Bond Proceeds		-	0.00%
Other		-	0.00%
Total Portfolio	$	391,172,973.73	100.00%

By Security Type			
Operating-			
TexasDAILY	$	76,541,568.69	20.02%
TexPool	$	133,429,619.19	34.90%
TexSTAR	$	3,408,584.84	0.89%
TexasTERM CP		15,000,000.00	3.92%
Non-Int Bearing Bank Account		1,190,000.00	0.31%
Certificates of Deposit		-	0.00%
Treasury Securities		-	0.00%
Government Agencies		107,496,100.00	28.12%
Commercial Paper		-	0.00%
Municipal Bonds		45,223,288.25	11.83%
Total	$	382,289,160.97	100.00%
LPPF-			
TexPool		8,883,812.76	100.00%
Total	$	8,883,812.76	100.00%
Bond Proceeds-			
TexPool	$	-	#DIV/0!
Total	$	-	#DIV/0!

Compared to Policy Limits			Actual %	Guidelines
TexasDAILY		76,541,568.69	19.63%	30.00%
TexPool		142,313,431.95	36.49%	50.00%
TexSTAR		3,408,584.84	0.87%	30.00%
TexasTERM CP		15,000,000.00	3.85%	30.00%
Total LGIPS	$	237,263,585.48	60.84%	70.00%
Certificates of Deposit		-	0.00%	50.00%
Treasury Securities		-	0.00%	100.00%
Government Agencies		107,496,100.00	27.56%	75.00%
Commercial Paper		-	0.00%	20.00%
Municipal Bonds		45,223,288.25	11.60%	20.00%
	$	389,982,973.73	100.00%	

Commercial Papter by Entity as a Percentage of Portfolio				
			0.00%	5.00%
	$	-	0.00%	20.00%

Municipal Bonds by Entity as a Percentage of Portfolio				
Alabama ST Pub Sch & Clg	$	1,000,000.00	0.26%	5.00%
City of Hampton VA - GO	$	1,157,199.00	0.30%	5.00%
Chippewa Valley School Go Bonds	$	2,022,800.00	0.53%	5.00%
Florida St Board Admin Fin Corp Rev	$	5,871,068.00	1.54%	5.00%
San Bernardino COPS	$	2,027,420.00	0.53%	5.00%
Harris County TX Transit	$	1,090,843.20	0.29%	5.00%
Oklahoma County OK ISD	$	4,662,698.00	1.22%	5.00%
Alabama ST Pub Sch & Clg 2022	$	1,000,000.00	0.26%	5.00%
Texas Tech Univ	$	525,840.00	0.14%	5.00%
Commonwealth of Virginia - GO	$	5,089,600.00	1.33%	5.00%
City of Dallas Waterworks	$	5,154,300.00	1.35%	5.00%
Upper Occoquan VA - Rev	$	3,110,000.00	0.81%	5.00%
San Diego CA Pub Facs - Rev	$	1,067,164.80	0.28%	5.00%
City of Yuma AZ - REV	$	1,500,000.00	0.39%	5.00%
NYC Tran Fin Tax - REV	$	5,000,000.00	1.31%	5.00%
WA DC INC Tax - Rev	$	4,944,355.25	1.29%	5.00%
	$	45,223,288.25	11.83%	25.00%

Investment Revenue & Accrued Interest	February-21	Fiscal YTD
Interest/Dividends-		
TexasDAILY	$ 2,865.74	$ 10,699.51
TexPool	5,138.20	$ 28,999.20
TexSTAR	88.90	$ 1,843.32
TexasTERM CP		$ 6,328.77
Certificates of Deposit		$ -
Treasury Securities		$ -
Government Agencies	45,500.00	$ 210,750.00
Commercial Paper		$ -
Municipal Bonds	7,347.50	$ 189,080.50
	$ 60,940.34	$ 447,701.30
Discounts, Premiums, & Accrued Interest		
TexasTERM CP	$ 2,230.48	$ 5,573.54
-less previous accruals	0.00	$ (5,876.71)
Certificates of Deposit	0.00	$ -
-less previous accruals	0.00	$ -
Treasury Securities	0.00	$ -
-less previous accruals	0.00	$ -
Government Agencies	34,212.49	$ 125,915.81
-less previous accruals	(53,145.79)	$ (191,479.13)
Commercial Paper	0.00	$ 5,826.31
-less previous accruals	0.00	$ -
Municipal Bonds	41,277.70	$ 175,444.50
-less previous accruals	(29,464.08)	$ (273,172.80)
	$ (4,889.20)	$ (157,768.48)
Total Investment Revenue & Accrued Interest	$ 56,051.14	$ 289,932.82

AGENDA ITEM #_____

STATE OF TEXAS

COUNTY OF TRAVIS

CENTRAL HEALTH - LPPF

Whereas, it appears to the Board of Managers of the Central Health, Travis County, Texas that there are sufficient funds on hand over and above those of immediate need for LPPF demand,

Now, Therefore, the Board of Managers hereby orders

1.) that the County Treasurer of Travis County, Texas, acting on behalf of Central Health LPPF, execute the investment of these funds in the total amount of $77,000.00 in legally authorized securities as stipulated in the Travis County Healthcare District Investment and Collateral Policy for the periods as indicated in Attachment A, which consists of 1 page(s).

2.) that the County Treasurer, acting on behalf of Central Health LPPF, take and hold in safekeeping all individual security investment instruments, relinquishing same only by order of the Board of Managers or for surrender at maturity.

Date: March 31, 2021

_____
CHAIR, BOARD OF MANAGERS

VICE CHAIR, BOARD OF MANAGERS	MANAGER
MANAGER	MANAGER
MANAGER	MANAGER
MANAGER	MANAGER

CENTRAL HEALTH

INVESTMENT DEPARTMENT

SECURITY TRANSACTION FORM

DATE: 2/9/2021

TIME: 10:30

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	TEXPOOL	FUND NAME:	CENTRAL HEALTH LPPF
PAR VALUE:	77,000.00	SAFEKEEPING NO:	N/A
CPN/DISC RATE:	N/A	PRICE:	100%
MATURITY DATE	N/A	BOND EQ. YIELD:	0.0354%
PRINCIPAL:	77,000.00	PURCHASED THRU:	TEXPOOL
ACCRUED INT:	N/A	BROKER:	N/A
TOTAL DUE:	77,000.00	CUSIP #:	N/A
TRADE DATE:	2/9/2021	SETTLEMENT DATE:	2/9/2021

AUTHORIZED BY:

CASH/INVESTMENT MANAGER

CENTRAL HEALTH

Our Vision
Central Texas is a model healthy community.

Our Mission
By caring for those who need it most, Central Health improves the health of our community.

Our Values
Central Health will achieve excellence through:
Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.
Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

March 31, 2021

AGENDA ITEM C2

Approve the minutes of the Central Health Board of Managers February 24, 2021 meeting.

MINUTES OF MEETING – FEBRUARY 24, 2021
CENTRAL HEALTH
BOARD OF MANAGERS

On Wednesday, February 24, 2021, a meeting of the Central Health Board of Managers convened in open session at 5:24 p.m. remotely by toll-free videoconference. Clerk for the meeting was Briana Yanes.

Committee members present via video and audio: Chairperson Greenberg, Vice Chairperson Bell, Secretary Valadez, Manager Brinson, Manager Motwani (5:28pm), Manager Museitif, Manager Zamora, and Manager Zuniga

Absent: Manager Jones

PUBLIC COMMUNICATION

Clerk's Notes: Public Communication began at 5:36 p.m. Ivan Davila introduced 4 speaker(s) for Public Communication.

Members of the Board heard from: Rachel Blair, Nicolas Sanchez Castro, Reenie Collins, Mike McKinnon, Camilla Rodriguez, and Ted Burton.

CONSENT AGENDA

C1. Receive a report on fiscal year-to-date healthcare service expenditures made by, and accept the preliminary January 2021 financial statements for, Central Health and the Community Care Collaborative including fiscal and related operational updates for CommUnityCare Health Centers and Sendero Health Plans, Inc.

Clerk's Notes: Item C1 was moved to the Regular Agenda.

C2. Receive and ratify Central Health Investments for January 2021.

C3. Approve the minutes of the Central Health Board of Managers January 27, 2021 meeting.

Clerk's Notes: Discussion on this item began at 5:28 p.m.

Manager Valadez moved that the Board approve Consent Agenda items C2 and C3.

Manager Bell seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	For
Manager Shannon Jones	Absent
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For
Manager Julie Zuniga	For

REGULAR AGENDA

C1. Receive a report on fiscal year-to-date healthcare service expenditures made by, and accept the preliminary January 2021 financial statements for, Central Health and the Community Care Collaborative including fiscal and related operational updates for CommUnityCare Health Centers and Sendero Health Plans, Inc.

Clerk's Notes: Discussion on this item began at 5:28 p.m., stopped at 5:36 to allow for Public Communication, and continued again at 5:56 p.m. Mr. Mike Geeslin, President & CEO, presented an operational update. Mr. Geeslin provided a recap of operation communications, including the following points:

- Over $500,000 to date has been invested in COVID & flu season,
- Central Health will continue to support CommUnityCare at mass vaccine sites,
- During weather disruption, the focus was on basic human needs and restoring basic functions,
- Staff provided water and basic supplies in the community post-storm, and
- CUC brought clinic and pharmacy operations online over the weekend.

Lastly, Mr. Geeslin presented recent and upcoming communications on operations.

Manager Valadez moved that the Board accept the preliminary January 2021 financial statements for Central Health and the Community Care Collaborative, including fiscal and related operational updates for CommUnityCare Health Centers and Sendero Health Plans, Inc.

Manager Bell seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	For
Manager Shannon Jones	Absent
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For
Manager Julie Zuniga	For

1. Accept nominations and elect for the position of Treasurer to fill the unexpired term which began January 1, 2020 and will end December 31, 2021.

Clerk's Notes: Discussion on this item began at 5:58 p.m.

Manager Greenberg nominated Manager Zuniga to the position of Treasurer to fill the unexpired term which began January 1, 2020 and will end December 31, 2021.

Manager Zamora moved to elect Manager Zuniga by acclamation.

There was no objection, and Chair Greenberg announced that Manager Zuniga is Board Treasurer.

2. Announce appointments to the Central Health Board committees.

Clerk's Notes: Discussion on this item began at 6:00 p.m. Chair Greenberg announced members of each Central Health Board committee.

3. Discuss and take appropriate action on Central Health owned or occupied real property and potential property for acquisition, lease, or development in Travis County, including

next steps in the redevelopment of the Central Health Downtown Campus, administrative offices of Central Health Enterprise partners, and new developments in Eastern Travis County.

Clerk's Notes: Discussion on this item began at 8:26 p.m. Mr. Jeff Knodel, Chief Financial Officer, briefly presented on this item in open session. Across the Central Health Enterprise, a substantial amount of costs is incurred from leasing facilities, both currently and in the future. As part of Central Health financial stewardship, staff has worked across the Enterprise to see if it makes sense to own the facilities rather than lease. Staff has also completed an analysis and determined that it makes sense for the Central Health Enterprise to consider consolidating administrative offices. It will achieve a long-term benefit, primarily financial savings that can be used to deliver additional healthcare services to patients. Staff feels it is financially prudent to recommend to the Board of Managers that Central Health move forward on an administrative consolidation option to achieve long-term savings and efficiencies for the organization and again to deliver savings that can result in additional healthcare services for those that need it most.

At 6:02 p.m. Chairperson Greenberg announced that the Board was convening in closed session to discuss agenda item 3 under Texas Government Code §551.072 Deliberation Regarding Real Property and Texas Government Code §551.071 Consultation with Attorney.

At 8:26 p.m. The Board returned to open session.

Manager Bell moved that the Board delegate authority to the Central Health President and CEO to negotiate an agreement to purchase property for a Central Health headquarters consolidation and additional clinic space, at an amount to not exceed fair market value.

Manager Zamora seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	For
Manager Shannon Jones	Absent
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For
Manager Julie Zuniga	For

4. Discuss and take appropriate action on a Board Manager request for reimbursement of legal fee pursuant to Central Health Bylaws Section 11.0.

Clerk's Notes: Discussion on this item began at 8:32 p.m.

At 6:02 p.m. Chairperson Greenberg announced that the Board was convening in closed session to discuss agenda item 4 under Texas Government Code §551.071 Consultation with Attorney.

At 8:26 p.m. The Board returned to open session.

Manager Motwani moved that Board approve the reimbursement of legal fees incurred by Manager Museitif as a result of her service on the Board in the amount of $6,656.35 and further authorize the President and CEO to pay any future fees incurred by Manager Museitif on the same matter up to an additional $3,000.

Manager Valadez seconded the motion.

Chairperson Sherri Greenberg	For

Vice Chairperson Charles Bell	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	For
Manager Shannon Jones	Absent
Manager Amit Motwani	For
Manager Maram Museitif	Abstain
Manager Guadalupe Zamora	For
Manager Julie Zuniga	For

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

At 8:34 p.m. Manager Valadez moved that meeting adjourn.

Manager Brinson seconded the motion.

Chairperson Sherri Greenberg	For
Vice Chairperson Charles Bell	For
Secretary Cynthia Valadez	For
Manager Cynthia Brinson	For
Manager Shannon Jones	Absent
Manager Amit Motwani	For
Manager Maram Museitif	For
Manager Guadalupe Zamora	For
Manager Julie Zuniga	For

The meeting was adjourned at 8:34 p.m.

_____
Sherri Greenberg, Chairperson
Central Health Board of Managers

ATTESTED TO BY:

_____
Cynthia Valadez, Secretary
Central Health Board of Managers

CENTRAL HEALTH

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Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 1

Receive an update from the CEO of Episcopal Health Foundation about a potential grant to support Central Health's Fiscal Year (FY) 2021 Board priority objective to develop an equity focused strategic system of care plan.

CENTRAL HEALTH

AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	March 31, 2021 (They have requested to go first if possible)
Who will present the agenda item? (Name, Title)	Elena Marks, President & CEO
General Item Description	Episcopal Health Foundation Grant to support next phase in Strategic System of Care Planning
Is this an informational or action item?	Informational
Fiscal Impact	Plus $600,000 to Central Health
Recommended Motion (if needed – action item)	

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

1) The EHF board has conditionally approved a grant of NTE $600,000 to Central Health to support the next phase of our board priority - equity focused strategic system of care planning
2) This support and next phase of the work was briefly described during the next steps slide in the attached presentation to the Strategic Planning Committee in January of 2021
3) Contingent upon CH board accepting the grant and retaining a consultant to support the work
4) Anticipate the work period to be from June 2021 – January 2022 when CH board is anticipated to adopt an equity focused, strategic system of care plan
5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Verbal update
Estimated time needed for presentation & questions?	15 minutes
Is closed session recommended? (Consult with attorneys.)	N/A
Form Prepared By/Date Submitted:	Monica Crowley/March 4, 2021

Systems Planning: Update No. 3
Strategic Planning Committee
January 13, 2021

Sarah Cook, Sr. Director of Strategy & Planning

Monica Crowley, Chief Strategy & Planning Officer & Sr. Counsel

Jonathan Morgan, Chief Operating Officer

Alan Schalscha, Acting Chief Medical Officer & Chief Medical Officer

It’s All About the Patients

“Central Health was created to give Travis County residents with low income—including many like my patients—access to the best possible health care.

The reality is critical parts of Travis County’s health care system remain fragmented and disjointed—and it’s the patients who suffer—patients who’ve been marginalized and disenfranchised by systems across our community their entire lives. We owe it to them to develop a high-functioning, integrated health care system so they can live their healthiest lives. Isn’t that what everyone wants? It’s up to us to make it happen.”

—Dr. Guadalupe “Pete” Zamora

What is Systems Planning?

- **Recognizes how structures create the conditions we face;**
- **To build a system of care that delivers measurable, timely access and high quality care for patients no matter who the payer or provider is**
  - Assures priorities and decision-making are informed by relevant data
  - Expands choices to solve persistent issues
  - Creates more satisfying, long and short-term solutions to chronic problems
  - Supports equity by improving quality across the framework of an entire continuum (eg. system) of care

Why Central Health?

- **Central Health is the local healthcare district that connects one in 8 Travis county residents with low income to quality health care.**
- **CH Board is committed to provide quality health care to those at or below 200% Federal Poverty Level**
- **Approximately 50,000 people on average covered each month by MAP or MAP-B**
  Additional patients and enrollees are served by CUC and Sendero
  - Engage through outreach and enroll people in MAP, MAP-B or Sendero and generally promote ACA plans
  - Provide care management for post acute patients or those with chronic conditions
  - Contract for primary, specialty, hospital and other care services, and
  - Develop, plan, and expand access through capital investments and to implement performance and quality improvements with contracted providers

Central Health Responsibilities

Healthcare District created by vote under Texas law

- Central Health must coordinate the delivery of basic health care services and provide health care assistance
- *"Beginning on date taxes are collected for the district, the district assumes **full responsibility for furnishing medical and hospital care** for indigent and needy persons residing in the district."*
- *"County or municipality located in the district may not levy taxes for medical care or hospital purposes."*
- Central Health must retain sufficient control over funds expended to comply with state Constitutional limitations
  - Documented by showing that the expenditure supports CH's mission and
  - Meets Central Health's obligations and responsibilities to the population it serves

Systems Planning Timeline

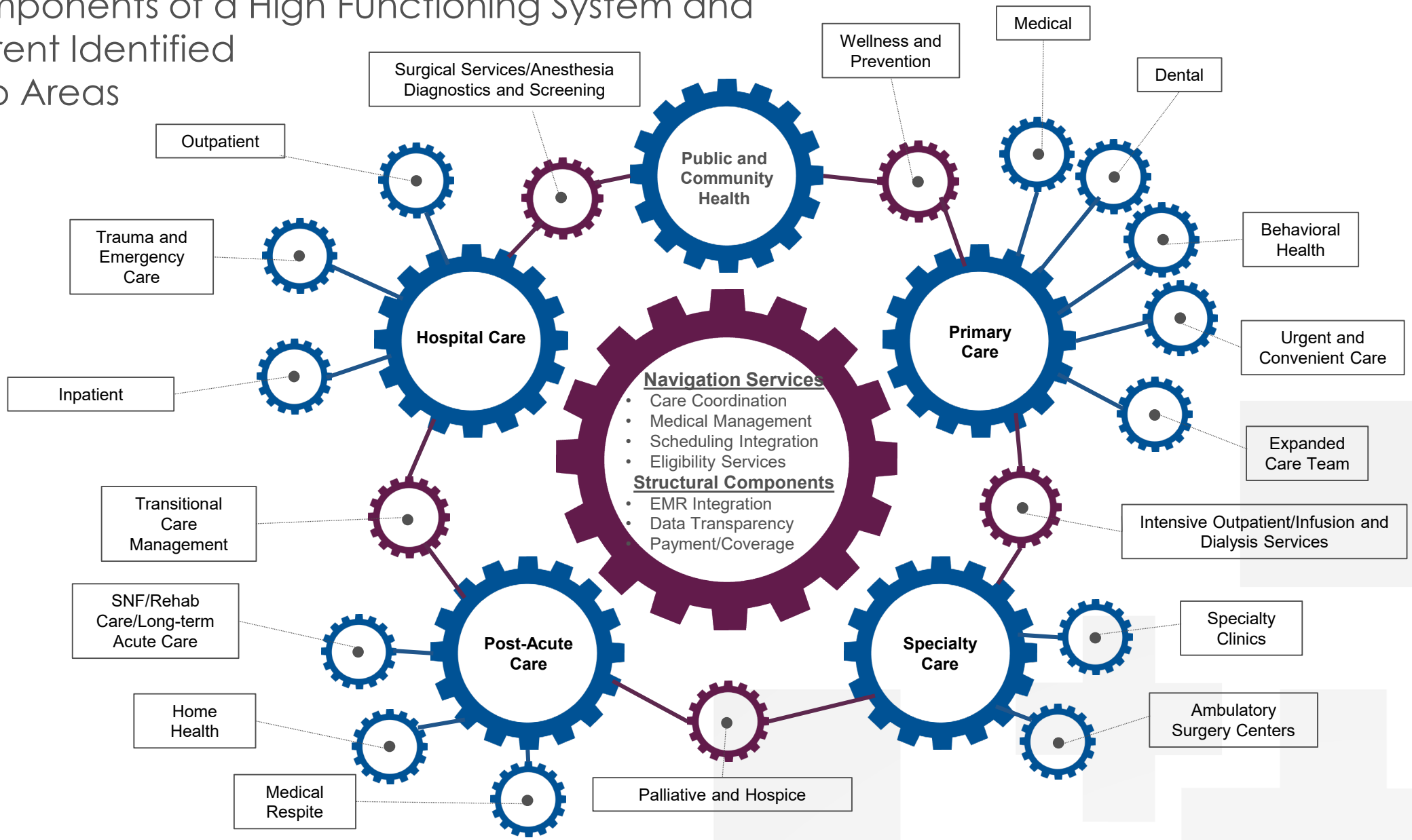
- **Phase I: June 2020 – January 2021**
  - Performed in-depth review of other systems
  - Refined systems planning goal
  - Mapped high functioning health care systems' components and integrators
  - Assessed existing system including service gaps and opportunities
  - Prioritized gaps within each component based upon:
    - Cross-cutting, financial, operational, and clinical criteria that most improve overall health and well-being
    - Initial review of disparities in our population
- **Phase II: January 2021 – September 2021**
- **Phase III: October 2021 -**

Central Health Systems Planning: Goal

Central Health will take the lead in designing a high-functioning health care system that:

- Focuses on the needs of **low-income** Travis County residents;
- Improves health **equity** and reduces **disparities;**
- Improves clinical **outcomes;**
- **Reduces** morbidity and mortality;
- Improves the **quality of life** of those it serves.

Components of a High Functioning System and Current Identified Gap Areas



System Components and Service Area Prioritization

Wellness and Prevention	Primary Care Medical	Dental	Primary Care Behavioral Health	Urgent and Convenient Care	Pharmacy	Specialty Care	Post-Acute	Hospital	Integrators
Patient communication and education	Access to timely services with care team	Primary care access, including dentures	Treatment for substance use disorders	Access to virtual care options	Copays	Kidney care: dialysis, nephrology	Respite for homeless	General surgery	Eligibility and enrollment services
Disease prevention and screening	Connection to social services		Treatment for serious mental illness	Access in primary care home	Pharmacy benefit	Pain management	Home health	Ambulatory specialty clinic access	Data transparency and integration
Diet, nutrition and exercise support	Quality care		Access to therapy, including psychiatry			Bariatrics and weight management		Hospital transitions and navigation	Care coordination, medical management, navigation
Short term projects (1-2 years) include: • Increase dental capacity by 10% annually • Expand pharmacy benefit to MAP patients seen at Integral Care • Launch pilots to reduce health disparities in prioritized chronic condition areas • Expand existing FQHC-based specialty service lines and add FQHC-based neurology services						Podiatry		Specialty care, diagnostics, infusion	
Medium term projects (3-6 years) include: • Add same-day home visits for medically complex MAP members • Add access points for diagnostic and imaging services						Oncology		ER services	
Long term projects (7-10 years) include: • Comprehensive weight loss and obesity programming across the care continuum • Introduce limited transplant procedures including commitment to lifelong continuing care						Other specialty clinic access			

Data Used in Prioritization

- CUC clinical directorship and strategy
- Provider feedback
- Enrollee feedback via annual CAHPS and PROMIS survey
- Claims and data analysis
- Demographic report
- External data reports

Prioritization Factors

Overarching		
• Size of impact • Impact on health disparities and health equity • Aligned with mission of Central Health		
Clinical	**Operational**	**Financial**

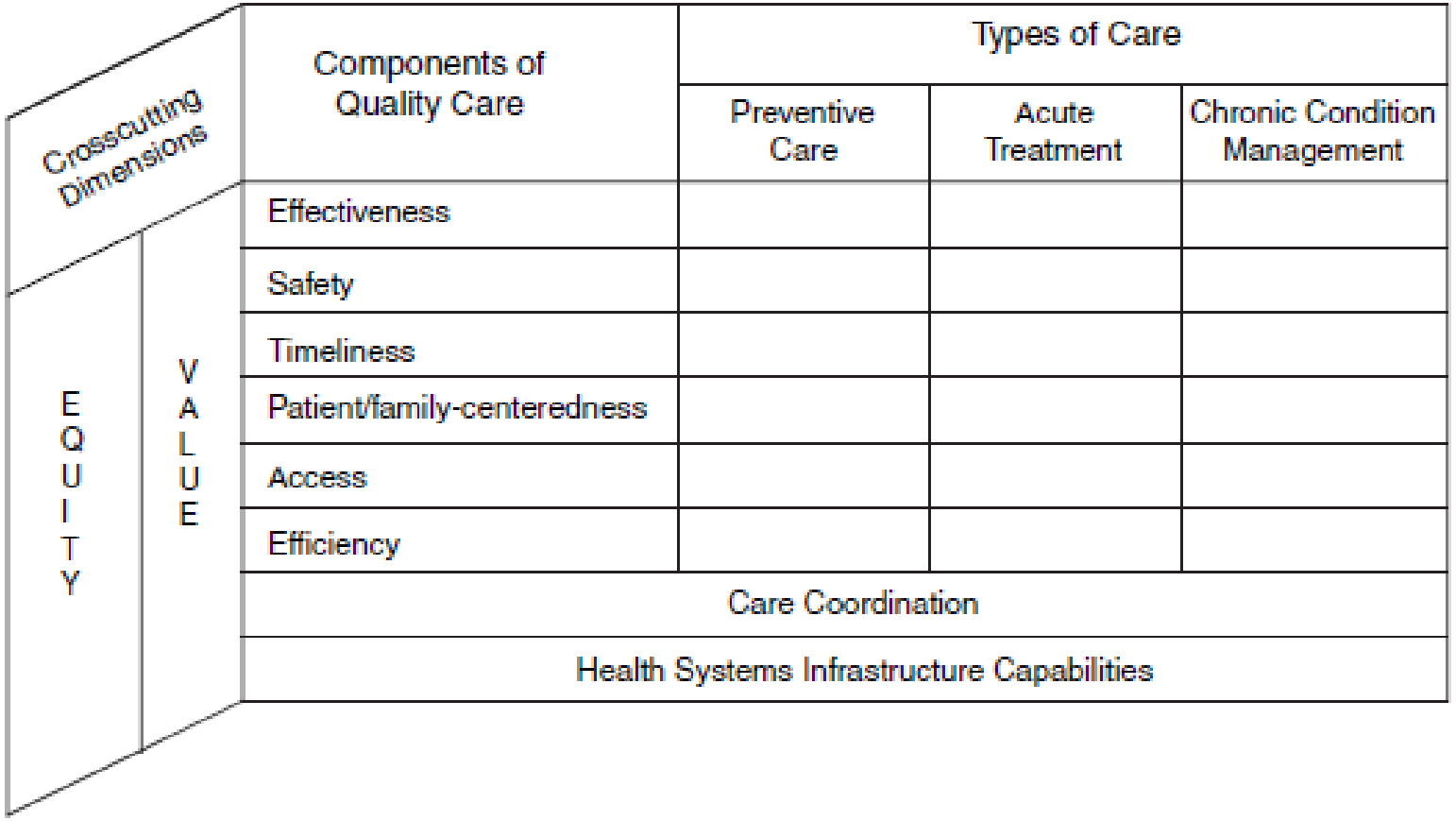
Improve health outcomes
• Mortality
• Quality of life
• Patient satisfaction
• Impact on subsequent conditions (multiplier effect)
	Capacity
	• Internal ability to manage
	  • Expertise/identifiable best practice
	  • Burden of work
	• External ability to provide
	  • Partner/Stakeholder
	  • Other public orgs
		Cost of undertaking
		• Overall
		• Per patient
		Cost of maintaining status quo

Need • Number of patients affected • Complications if unaddressed	Community Advocacy • Identified need	System value • System savings/cost efficiency • Cost/benefit
	Timeframe	

Next Steps

- **Launch Phase II: January 2021 - September 2021**
  - Engage broad set of partners and other organizations to contribute expertise and resources
    - Discuss community and partner needs, projects and priorities
  - Present information regarding disparities and more detail on priorities to Board
  - Develop interventions, measures, cost analysis, businesses cases and timelines for FY2022 budget
  - Board approves short-term projects/initiatives for FY2022 budget
  - Board approves long-term strategic and services blueprint to address system gaps based on prioritization that reflects the Central Health commitment to work with partners and the community to build a high functioning system
- **Phase III: October 2021 - September 2022**
  - Central Health short term (1-2 year) projects continue or begin
  - Continue engagement of community and partners in facilitated discussions to align efforts to achieve high functioning system
  - Identify appropriate roles and extract commitments to best use community assets to achieve goals and vision in medium and long-term

Health Care Quality Model, IOM



Components of Quality Care	Types of Care		
	Preventive Care	Acute Treatment	Chronic Condition Management
Effectiveness			
Safety			
Timeliness			
Patient/family-centeredness			
Access			
Efficiency			
Care Coordination			
Health Systems Infrastructure Capabilities			

Future Directions for the National Health Care Quality and Disparities Report, IOM, 2010

CENTRAL HEALTH

Our Vision
Central Texas is a model healthy community.

Our Mission
By caring for those who need it most, Central Health improves the health of our community.

Our Values
Central Health will achieve excellence through:
Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.
Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 2

Receive a report on fiscal year-to-date healthcare service expenditures made by, and accept the preliminary February 2020 financial statements for Central Health and the Community Care Collaborative including fiscal and related operational updates for CommUnityCare Health Centers and Sendero Health Plans, Inc.

Central Health

Financial Statement Presentation

FY 2021 – as of Feb 28, 2021 (Preliminary)

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Central Health Board of Managers

March 18, 2020

Lisa Owens, Deputy CFO

Slide 2 Index

Slide 3 Highlights

Slide 4 Balance Sheet - Assets

Slide 5 Balance Sheet - Liabilities & Net Assets

Slide 6 Sources & Uses

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Slide 9 HCD - IGT & HCD Services

Slide 10 HCD - Operating Cost

Slide 11 HCD - Primary Care

Slide 12 HCD - Specialty Care

Note: HCD = Health Care Delivery

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- Year-to-date through February, collected net property tax revenue is $233 million compared to $211 million as of February 2020.

- Anticipated Tax Revenue for FY21 is $5.6 million favorable to budget due to a $5.2 billion increase in TCAD tax valuations from July certified roll to October final certified roll.

- Tax collected through February 2021 is 96% of the adjusted tax levy compared to 97% as of February 2020.

- Healthcare Delivery is $39 million for the five months ending 2/28/2021.

- GAAP reporting Net Assets increased $110 million year-over-year.

- TCHD LPPF total restricted balance of LPPF as of 2/28/2021 is $9 million.

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the

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Assets	Preliminary as of 02/28/2021	as of 2/29/2020
Current Assets		
Cash and cash equivalents	917,601	1,116,876
Short-term investments	374,921,562	261,360,606
Ad valorem taxes receivable	10,550,191	6,719,568
Other receivables	1,802,074	5,672,140
Prepaid expenses	270,143	345,456
Total Current Assets	388,461,570	275,214,646
Restricted Cash and Investments or Noncurrent		
Restricted for capital acquisition	6,440,892	8,232,091
Sendero paid-in-capital	71,000,000	71,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	37,083,000	37,083,000
Restricted TCHD LPPF Cash & Investments	8,942,189	19,606,709
Total Restricted Cash and Investments or Noncurrent	127,466,081	139,921,800
Capital Assets		
Land	13,425,967	12,546,211
Buildings and improvements	132,881,024	130,395,330
Equipment and furniture	10,030,421	9,581,124
Capital Projects in progress	5,002,965	2,163,189
Less accumulated depreciation	(49,331,359)	(44,928,989)
Total Capital Assets	112,009,018	109,756,865
Total Assets	627,936,669	524,893,312

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Liabilities	Preliminary as of 02/28/2021	as of 2/29/2020
Current Liabilities		
Accounts payable	8,873,535	8,549,332
Salaries and benefits payable	2,384,744	1,812,420
Other Payables	-	77,700
Debt service payable, short-term	1,225,896	0
Deferred tax revenue	8,745,159	5,681,453
Other deferred revenue	610,000	610,000
Total Current Liabilities	21,839,334	16,730,905
Restricted or Noncurrent Liabilities		
Funds held for TCHD LPPF	8,942,189	19,606,709
Debt service payable, long-term	6,105,000	7,285,000
Deferred Revenue	-	610,000
Total Restricted of Noncurrent Liabilities	15,047,189	27,501,709
Total Liabilities	36,886,523	44,232,614
Net Assets		
Unrestricted	479,041,128	370,903,832
Investment in Capital Assets	112,009,018	109,756,865
Total Net Assets	591,050,146	480,660,697
Liabilities and Net Assets	627,936,669	524,893,312

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Sources / Uses	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Sources					
Property Tax Revenue	29,601,534	233,105,225	234,057,519	100%	211,238,832
Lease Revenue	862,753	4,312,734	12,909,866	33%	4,289,205
Other Revenue	56,054	299,086	1,720,000	17%	1,106,415
Tobacco Settlement Revenue	-	-	2,800,000	0%	-
Contingency Reserve (Carryforward)	-	136,179,266	115,856,728	118%	64,898,396
Total Sources	**30,520,341**	**373,896,311**	**367,344,113**	**102%**	**281,532,848**
Uses of Funds					
Healthcare Delivery	**7,701,590**	**38,543,902**	**353,858,894**	**11%**	**47,147,848**
Administrative Program					
Salaries and benefits	278,622	1,820,568	5,561,651	33%	1,836,144
Consulting Fees	9,750	56,926	1,259,570	5%	251,424
Legal Fees	22,273	309,347	1,497,136	21%	414,410
Other Purchase Goods and Services	145,601	619,326	3,081,046	20%	444,390
Total Administrative Program	**456,246**	**2,806,167**	**11,399,403**	**25%**	**2,946,368**
Tax Collection Expenses	**145,692**	**1,235,833**	**2,085,816**	**59%**	**1,203,206**
Total Uses	**8,303,528**	**42,585,902**	**367,344,113**	**12%**	**51,297,422**
Excess Sources / (Uses)	**22,216,813**	**331,310,409**			**230,235,426**

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Healthcare Delivery Summary	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Inter-Governmental Transfers (IGTs)	**-**	**-**	**23,528,575**	**0%**	**8,773,729**
Healthcare Services					
Primary Care - (see detail on Slide 11)	3,547,442	18,768,680	56,935,000	33%	19,507,736
Specialty Care, incld Dental & Behavioral Health	513,785	2,523,599	14,448,856	17%	2,876,010
Pharmacy	829,999	4,165,699	13,250,000	31%	4,584,878
Post Acute Care	-	-	5,400,000	0%	-
All Other Healthcare Services	52,737	433,036	4,469,990	10%	521,616
Community Healthcare Initiatives Fund	-	-	875,000	0%	-
Hospital and Specialty Services & Incentives	-	-	59,700,000	0%	-
Subtotal Healthcare Services	**4,943,963**	**25,891,014**	**155,078,846**	**17%**	**27,490,240**
ACA Premium Assist, Education, Enrollment	**1,025,629**	**4,889,937**	**12,160,674**	**40%**	**3,463,523**
Healthcare Facilities and Campus Redevelopment	**453,080**	**1,122,370**	**6,097,472**	**18%**	**1,969,767**
Healthcare Delivery Operating Costs	**1,271,269**	**6,602,335**	**29,473,028**	**22%**	**5,314,572**
Debt, Reserves and Transfers	**7,649**	**38,246**	**127,520,299**	**0%**	**136,017**
Total Healthcare Delivery	**7,701,590**	**38,543,902**	**353,858,894**	**11%**	**47,147,848**

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Details for Health Care Delivery on the following slides.

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Healthcare Delivery - Detail	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Intergovernmental Transfers (IGTs)					
DSH - Disproportionate Share	-	-	-	0%	8,773,729
DSRIP - CCC	-	-	23,528,575	0%	-
Subtotal Intergovernmental Transfers (IGTs)	**-**	**-**	**23,528,575**	**0%**	**8,773,729**
Healthcare Services					
Primary Care - (see detail on Slide 11)	3,547,442	18,768,680	56,935,000	33%	19,507,736
Specialty Care, incld Dental - (see detail on Slide 12)	453,922	2,259,408	12,565,000	18%	2,601,981
Specialty Care, Behavioral Health	59,863	264,191	1,883,856	14%	274,029
Pharmacy	829,999	4,165,699	13,250,000	31%	4,584,878
Post Acute Care	-	-	5,400,000	0%	-
Reproductive and Sexual Health	(4,316)	146,571	1,150,000	13%	211,918
Healthcare services, Pay for Success	-	-	600,000	0%	-
Medical Administration / ICC payment	57,053	286,465	719,990	40%	257,198
Primary & Specialty Care Reserves	-	-	2,000,000	0%	52,500
Community Health Care Initiatives	-	-	875,000	0%	-
Hospital and Specialty Services	-	-	57,000,000	0%	-
Hospital Performance Incentives	-	-	2,700,000	0%	-
Subtotal Healthcare Services	**4,943,963**	**25,891,014**	**155,078,846**	**17%**	**27,490,240**

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Healthcare Delivery Detail (continued)	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Healthcare Operations and Support					
ACA and Premium Assistance Programs					
High Risk Premium Programs	747,881	3,360,443	8,600,000	39%	2,108,459
CHAP Program	264,709	1,042,785	2,959,354	35%	833,884
ACA Enrollment and Education Services	13,039	486,709	601,320	81%	521,180
Subtotal ACA & Premium Assist Program	**1,025,629**	**4,889,937**	**12,160,674**	**40%**	**3,463,523**
Healthcare Facilities and Campus					
Salaries and benefits	8,554	40,689	368,579	11%	147,206
Consulting Services	37,148	102,329	1,730,000	6%	-
Legal Fees	34,102	147,132	174,500	84%	74,256
Other Goods & Svc incl. UT Ground Lease	373,276	832,220	3,824,393	22%	1,748,305
Subtotal Healthcare Facilities and Campus	**453,080**	**1,122,370**	**6,097,472**	18%	**1,969,767**
Healthcare Delivery Operating Costs					
Salaries and benefits	1,016,221	4,658,975	15,021,176	31%	3,857,320
Consulting Services	2,988	13,847	1,085,500	1%	22,160
Legal Fees	9,765	46,363	332,000	14%	67,847
Other Services and Purchased Goods	242,295	1,883,150	13,034,352	14%	1,367,245
Subtotal HCD Operating Cost	**1,271,269**	**6,602,335**	**29,473,028**	**22%**	**5,314,572**
Debt Service, Reserves and Transfers					
Debt Service	7,649	38,246	1,264,357	3%	136,017
Healthcare Capital Line of Credit	-	-	1,091,773		-
FY2021 Capital reserve	-	-	34,100,000		-
FY2021 Hospital Services Reserve	-	-	4,000,000		-
FY2021 Contingency reserve appropriation			87,064,169		-
Subtotal Debt, Reserves and Transfers	**7,649**	**38,246**	**127,520,299**	**0%**	**136,017**
Total Healthcare Delivery	**7,701,590**	**38,543,902**	**353,858,894**	**11%**	**47,147,848**

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Healthcare Delivery - Primary Care	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD
Primary Care					
CommUnity Care	3,047,697	15,864,740	44,885,000	35%	16,004,158
Lone Star Circle of Care	447,314	2,088,084	6,555,000	32%	2,490,434
People's Community Clinic	151,244	752,838	2,600,000	29%	757,038
Other Primary Care	(98,813)	63,020	2,895,000	2%	256,106
Subtotal Primary Care Services	**3,547,442**	**18,768,682**	**56,935,000**	**33%**	**19,507,736**

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Healthcare Delivery - Specialty	Feb 2021	FY21 YTD	FY21 Budget	Percent of Budget Used	FY20 YTD	YOY Percent Change	Comments
Specialty Care							
Ancillary Services	10,800	23,472	610,000	4%	25,090	-6%	
Cardiology	6,481	57,407	265,000	22%	62,147	-8%	
Consultation Services	0	0	500,000	0%	31,250	-100%	Contract Pending
Dental Specialty	3,519	253,314	1,000,000	25%	394,519	-36%	Transition of denture provider
Dermatology	30,774	158,927	550,000	29%	176,689	-10%	
Durable Medical Equipmen	335	6,369	115,000	6%	24,744	-74%	Medical Management
Ear, Nose & Throat ENT	31,661	127,297	350,000	36%	160,937	-21%	Lower volume related to COVID
Endocrinology	21,455	107,274	575,000	19%	116,133	-8%	
Gastroenterology	110,273	515,704	2,100,000	25%	469,446	10%	
General Surgery	2,435	16,218	300,000	5%	103,913	-84%	Lower volume related to COVID
Gynecology IPU	(2,000)	0	600,000	0%	24,021	-100%	Contract Pending
Nephrology	1,308	6,540	200,000	3%	0	0%	New service in FY21
Oncology	18,647	106,251	700,000	15%	158,478	-33%	Lower volume related to COVID
Ophthalmology	162,785	494,598	1,575,000	31%	470,005	5%	
Orthotics & Prosthetics	17,427	41,057	200,000	21%	39,324	4%	
Podiatry	24,150	120,750	350,000	35%	52,289	131%	New service in FY20
Pulmonology	28,485	142,427	375,000	38%	162,522	-12%	
Rheumatology	11,736	58,678	250,000	23%	63,524	-8%	
Specialty Care	0	0	0	0%	0	0%	
Musculoskeletal	0	0	1,700,000	0%	0	0%	
Neurology	0	0	100,000	0%	0	0%	
Wound Care	(26,350)	23,125	150,000	15%	66,951	-65%	Lower volume related to COVID & change in IBNR Methodology
Total Specialty Care	**453,921**	**2,259,408**	**12,565,000**	**18%**	**2,601,982**	**-13%**	

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Questions ? Comments ?

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Balance Sheet (Assets) – Slide 4

Current Assets

Cash and Cash Equivalents – $918K compared to $1.1M February 2020

Short-term Investments – Short-term investments were $375M at month-end and restricted investments of $6.4M for capital acquisitions.

Ad Valorem Taxes Receivable – $10.6M balance is composed of:

Gross Tax Receivables	$ 13.5M
Taxable Assessed Valuation Adjustment	(171)K
Est. Allowance for Doubtful collections	(2.7)M
Total Taxes Receivable	$ 10.6M

Other Receivables – Other receivables total $1.8M and includes intercompany balances:

- CommUnityCare - $614K
- Sendero - $597K
- Community Care Collaborative - $321K
- Accrued Interest - $262K
- Miscellaneous Receivables – $9K

Prepaid Expenses – $270K balance composed of:

- TCAD Appraisal Fees - $80K
- ICC Dues - $57K
- Software - $66K
- Prepaid Tax Collection Fees - $11K
- Memberships - $28K
- Prepaid Insurance - $7K
- Deposits - $21K

Total Current Assets – $388M

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Balance Sheet (Assets) – Slide 4 (continued)

Restricted Cash & Investments or Noncurrent

Investments Restricted for Capital Acquisition – $6.4M in short-term securities restricted for capital acquisition.

Sendero Paid-in-Capital – $71.0M (unchanged)

Working Capital Advance to CommUnityCare – $4.0M (unchanged)

Sendero Surplus Debenture – $37.1M (unchanged)

Restricted TCHD LPPF Cash & Investments - $9M

Capital Assets – $112M, net of accumulated depreciation

Total Assets – $628M

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Current Liabilities – Slide 5

Accounts Payable – Major components of the $8.9M balance are:

- $4.4M estimated IBNR for healthcare services.
- $815K estimated month-end vendor invoices due.
- $3.7M month-end vendor invoices due.

Salaries and Benefits Payable – $2.4M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off and various fringe benefit amounts withheld and not yet paid.

Debt Service Payable, Short-Term – $1.2M in Certificates of Obligation Payable, due 03/01/21.

Deferred Tax Revenue - $8.7M pending collection

Other Deferred Revenue - $610K is the lease revenue for Block 164 Yr3 (FY21) from 2033 LLP

Total Current Liabilities – $22M

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Restricted or Noncurrent Liabilities – Slide 5 (continued)

Funds held for TCHD LPPF - $9M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – $6.1M balance of the $7.285M in General Obligation Bonds, Series 2020. This debt was originally issued in 2011 for the North Central clinic and refunded May 2020. Due annually on 3/1.

Total Restricted or Noncurrent Liabilities – $15M

Total Liabilities – $37M

Net Assets

Unrestricted Net Assets – $479M

Investment in Capital Assets – $112M

Total Net Assets – $591M

Total Liabilities and Net Assets – $628M

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Sources and Uses Report – Slide 6

February financials → five months, 42% of the fiscal year.

Sources – Total $30.5M for the month

Property Tax Revenue – Net property tax revenue for the month was $29.6M. Net revenue includes $29.5M current month's collections; $194k Penalties and Interest; ($111)K in adjustments for prior year delinquent taxes.

Lease Revenue – $863K recorded for Seton lease payment and the UT ground lease.

Other Revenue – $56K investment income for the month, $299K YTD, compared to $1.1M YTD last year.

Uses of Funds – Total $8.3M for the month

Total Healthcare Delivery Program – Total healthcare delivery expenses were $7.7M for the month and $38.5M YTD compared to $47M YTD thru February 2020.

Healthcare Delivery Budget includes funds for service expansion in Post-Acute Care $5.4M, Primary & Specialty Care $3.8M (Musculoskeletal $1.7M, Neurology $100k, and Reserves $2M), Community Health Care Initiatives Fund $875k, and Hospital and Specialty Services $59.7M.

Administration Program – $456K in expense for the month, which includes:

- Personnel costs – $279K
- Consulting services – $10K
- Legal fees – $22K
- Other general and administrative – $145K

Tax Collection Expenses – $146K for the month.
Excess Sources/(Uses) – $22M in February. Current YTD is $331M compared to prior year FY20 YTD of $230M.

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Healthcare Delivery Expense – Slide 7

Healthcare Delivery Expense – Total $7.7M January; $39M YTD compared to $47M February FY20 YTD.

Intergovernmental Transfers ("IGT's") – YTD $0 compared to $8.8M YTD last year for DSH.

Healthcare Services – Healthcare delivery providers' expense for February totaled $4.9M, which includes:

- Primary care – $3.5M
- Specialty Care (including Dental and Behavioral Health) – $514K
- Pharmacy - $830K
- All Other Healthcare Services - $53K

ACA Premium Assist, Education, Enrollment – $1M in expenses for the month; $4.9M YTD compared to $3.5M FY20 YTD

Healthcare Facilities and Campus Redevelopment - $453K in expense for the month and $1M YTD.

Healthcare Delivery Operating Cost – $1.3M in expenses for the month and includes:

- Personnel costs – $1M
- Consulting Services – $3K
- Legal Fees - $10K
- Other services and purchased goods – $242K

Debt, Reserves and Transfer – $8K in Debt Service expense for the month

Total Healthcare Delivery - for the month of February was $7.7M.

DRAFT

Community Care Collaborative

Financial Statement Presentation

FY 2021 – as of February 28, 2021 (Preliminary)

DRAFT

Central Health Board of Managers
Board of Managers Meeting
March 18, 2021

Jeff Knodel, Chief Financial Officer
Lisa Owens, Deputy Chief Financial Officer

Community Care COLLABORATIVE

a partnership of Central Health and Seton Healthcare Family

Highlights Community Care Collaborative

February 2021

* Cash is at $19.3 million compared to $16.5 million last year.

* Total Liabilities are at $10.7 million as of the end of February 2021.

* Net Assets at the end of February are $8.8 million. This includes the emergency reserve carry forward of $5 million.

DRAFT

Balance Sheet Community Care Collaborative

As of February 2021

Community Care Collaborative

	as of 2/28/2021	as of 2/29/2020
Assets		
Cash and Cash Equivalents	19,318,988	16,454,427
Other Receivables	43,988	292,880
Prepaid and Other	61,607	36,503
Total Assets	19,424,583	16,783,810
Liabilities		
AP and Accrued Liabilities	6,024,314	8,994,040
Deferred Revenue	4,350,228	1,961,042
Other Liabilities	193,502	240,338
Accrued Payroll	101,661	103,102
Total Liabilities	10,669,704	11,298,521
Net Assets	8,754,879	5,485,289
Liabilities and Net Assets	19,424,583	16,783,810

DRAFT

Sources and Uses Report, Budget vs Actual
Fiscal Year-to-Date through February 2021

Sources of Funds	Budget	YTD Actual	YTD % of Budget	Prior YTD Actual
DSRIP Revenue	61,168,472	0	0%	0
Operations Contingency Carryforward	5,362,495	11,316,128	211%	10,731,787
Other Sources	100,000	9,528	10%	103,856
Total Sources of Funds	**66,630,967**	**11,325,656**	**17%**	**10,835,643**
Uses - Programs				
Healthcare Delivery	19,630,967	5,239,290	27%	6,869,602
UT Services Agreement	35,000,000	0	0%	0
DSRIP Project Costs	12,000,000	2,331,488	19%	3,480,753
Total Uses	**66,630,967**	**7,570,778**	**11%**	**10,350,354**
Net Sources (Uses)	**-**	**3,754,879**		**485,289**
Net Assets		**8,754,879**		**5,485,289**

DRAFT

(1) Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending upon a variety of factors.

Healthcare Delivery Costs - Summary

Fiscal Year-to-Date through February 2021

	Budget	YTD Actual	YTD % of Budget	Prior YTD Actual
Healthcare Delivery				
Primary Care & Emergency Transport	921,822	394,334	43%	139,637
Specialty Care	3,908,000	964,159	25%	1,073,482
Specialty Behavioral Health	8,000,000	2,301,000	29%	3,333,333
Post-Acute Care	2,675,000	679,297	25%	1,093,120
Urgent and Convenient Care	475,000	52,281	11%	81,442
Healthcare Delivery - Operations	2,849,742	848,218	30%	1,148,587
Operations Contingency Reserve	801,403	0	0%	0
Total Healthcare Delivery	19,630,967	5,239,290	27%	6,869,602

Thank You

www.ccc-ids.org

DRAFT

Community Care COLLABORATIVE

a partnership of Central Health and Seton Healthcare Family

Balance Sheet

Current Assets

Cash and Cash Equivalents – $19.3M

Other Receivables – $44K

Prepaid and Other – $62K – Atrium Security deposit, Insurance, and software license

Total Assets – $19.4M

Liabilities

Accounts Payable and Accrued Liabilities – $6.0M, which includes:

- $5.2M estimated IBNR (Incurred But Not Received) for healthcare provider services
- $487K non-provider accruals (HHSC DSRIP recoupment)
- $341K due to Central Health for July 2020 -January 2021

Deferred Revenue – $4.4M deferred revenue related to DSRIP projects

Other Liabilities – $194K; includes leasehold improvement allowance liability of $69K and Deferred Rent of $124K

Payroll Liabilities – $102K; includes PTO liability

Total Liabilities – $10.7M

DRAFT

Net Assets

Unrestricted Net Assets – $8.8M

Total Net Assets – $8.8M

Total Liabilities and Net Assets – $19.4M

Sources and Uses Report

January financials → five months, 42% of the fiscal year

Sources of Funds, Year-to-Date

DSRIP Revenue - $0M, anticipated receipt is July 2021

Operations Contingency - $11.3M from FY2020 (This excludes emergency reserves of $5M)

Other Sources – $10K for interest income

DRAFT

Uses of Funds, Year-to-Date

Operating Expenses
Healthcare Delivery
(Excluding DSRIP)

	Budget	YTD Actual	YTD % of Budget	Prior YTD Actual
Healthcare Delivery				
Primary Care & Emergency Transport	921,822	394,334	43%	139,637
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Total Healthcare Delivery	19,630,967	5,239,290	27%	6,869,602

UT Services Agreement – Year-to-date $0M

DSRIP Project Costs – Year-to-date $2.3M, primarily made up of provider earnings to date of:

- CommUnity Care - $1.2M
- Lone Star Circle of Care – $934K
- Hospice Austin – $58K
- DSRIP Operating Expenses - $99K

DRAFT

SENDERO HEALTH PLANS

CENTRAL HEALTH BOARD OF MANAGERS

March 31st, 2021

BOARD MEETING

CONFIDENTIAL

Sendero Updates

i. Financial

Membership has increased in the successful CHAP Expansion program that provides coverage to high risk, formerly uninsureds. This creates an increase in the risk adjustment receivable due to Sendero and a corresponding interim cash flow shortfall. Sendero will have to secure credit lending soon to meet this need. Sendero will return in April to present suggested course of action and seek necessary approval.

Overall, and in line with NovaRest Memorandum review of 2020 and projections, Sendero is expected to have sufficient surplus capital to continue operations through at least 2023.

ii. Operational

1. Conducting live outreach to seniors and the CHAP Expansion members to facilitate COVID-19 vaccinations. As of March 19th, approximately 45% of seniors and 60% of the CHAP members have either received or are scheduled for vaccination.
2. Working to share CHAP Expansion Model to other regions through a limited risk affiliate HMO model. This will require reallocation of existing Sendero assets to support that separate HMO license.
3. Planning the follow-up Community Conversation to the successful March 10th 'Equity Gaps in COVID-19 Vaccine Uptake' public discussion forum with community partners.

Sendero will return in April to present suggested course of action and seek necessary approvals on credit line solution and the affiliate HMO model.

CONFIDENTIAL

COVID-19 Vaccine Update

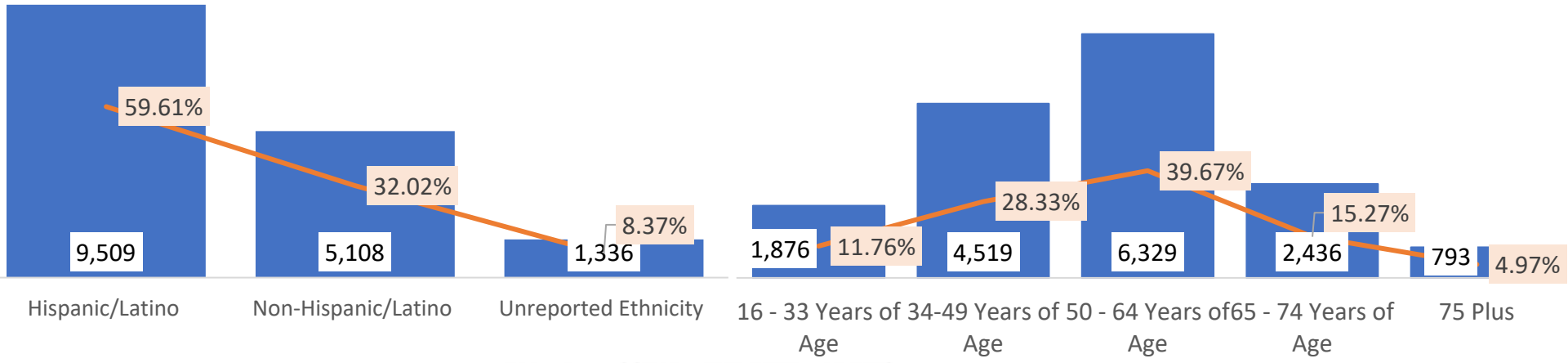
CommUnityCare (CUC) has provided over 42,000 COVID-19 vaccines through March 25, 2021 including:

i. 10,459 first dose SARS-CoV-2 Moderna vaccine provided to our patients at a CUC facility with 1,407 of these individuals already receiving their 2nd dose.

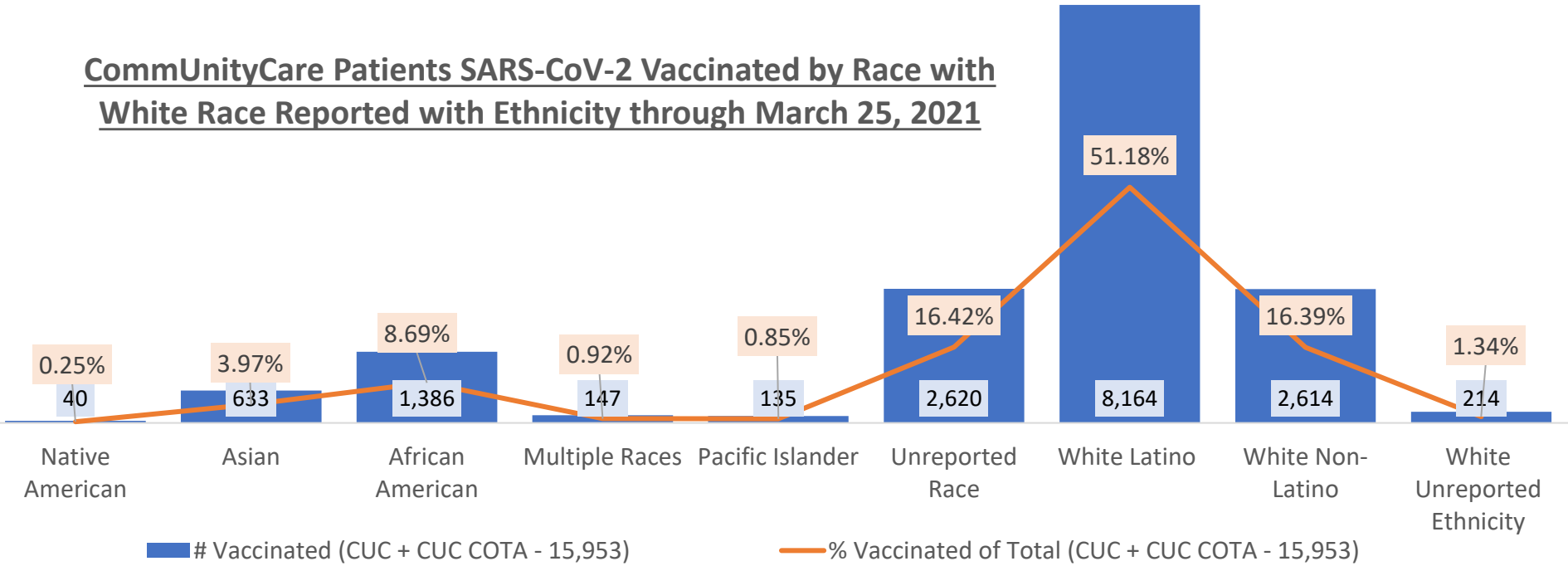
ii. 5,494 first dose Moderna or Pfizer SARS-CoV-2 vaccine to our patients at the Circuit of the Americas mass immunization clinics (herein COTA).

- ❖ Note: COTA is a collaboration between the Counties of Bastrop, Caldwell, Hays, and Travis, Ascension Seton, and CommUnityCare known as the Central Texas COVID-19 Vaccine Collaborative.
- ❖ CommUnityCare has served as the "vaccinator of record" for an additional almost 26.5k Central Texans as a participant in the collaborative.

CommUnityCare Patients SARS-CoV-2 Vaccinated by Ethnicity and by Age Group – Through March 25, 2021



COVID-19 Vaccine Update Cont'd



Other Updates

- After significant planning, training and a high level of staff participation and engagement CommUnityCare went live with its new Electronic Health Records system (Epic with the patient at the heart) on March 27, 2021.
- During the first full week in April, the Health Resources and Services Administration (HRSA) will conduct an assessment of regulatory and statutory compliance with the federal Health Center Program. Every Health Center grantee is assessed at least once every 3 years by HRSA.

A

SUMMARY OF STATEMENT OF REVENUE AND EXPENSES - COMMUNITYCARE BASE OPERATIONS						
	February 2021			February 2021 FYTD (5 Months)		
Consolidated Operations	Actual	Budget	Variance	Actual	Budget	Variance
Total Revenue	$10,351,418	$11,937,400	-$1,585,982	$60,921,496	$60,760,051	$161,445
Total Expenditures	$11,159,729	$12,127,038	$967,309	$58,349,358	$63,738,519	$5,389,161
Operating Income (Loss)	**-$808,311**	**-$189,638**	**-$618,673**	**$2,572,138**	**-$2,978,468**	**$5,550,606**
Non-Operating Income (Exp)	**-$971**	**$0**	**-$971**	**$26,361**	**$0**	**$26,361**
Excess (Deficit)	**-$809,282**	**-$189,638**	**-$619,644**	**$2,598,499**	**-$2,978,468**	**$5,576,967**
Operating Margin	**-7.81%**	**-1.59%**		**4.22%**	**-4.90%**	
Total Encounters	25,849	32,248	(6,399)	170,059	167,353	2,706
Gross Cost per Encounter	$431.73	$376.06	$55.67	$343.11	$380.86	-$37.75

B

KEY PERFORMANCE DRIVERS					
	February 2021 FYTD (5 months)				
ENCOUNTERS	Actual	Budget	Variance%	Prior Year	Variance%
Medical	112,105	107,790	4.0%	130,328	-14.0%
Behavioral Health	3,730	6,506	-42.7%	6,756	-44.8%
Dental	15,942	15,052	5.9%	21,893	-27.2%
TOTAL ENCOUNTERS	**131,777**	**129,348**	**1.9%**	**158,977**	**-17.1%**
UNDUPLICATED PATIENTS	**57,262**			**68,172**	**-16.0%**
Carousel Medical Encounters	**29,112**	**29,002**	**0.4%**	**35,612**	**-18.3%**
Carousel Dental Encounters	**4,377**	**4,997**	**-12.4%**	**5,277**	**-17.1%**
Carousel Therapy Encounters	**4,793**	**4,006**	**19.6%**	**5,777**	**-17.0%**
Carousel Total Encounters	**38,282**	**38,005**	**0.7%**	**46,666**	**-18.0%**

C

KEY FINANCIAL INDICATORS					
Description	Current Month	Last Month	Prior Year	Prior Year End	"Better" Outcome
Days Cash on Hand	68	76	66	77	Higher
Cash Balance	$26,374,038	$29,070,451	$23,570,816	$29,126,461	Higher
Net Days in Patient A/R	14	16	41	22	Lower
Current Due CH	$2,415,929	$1,731,581	$2,788,301	$900,745	Lower
Current Ratio	2.42	2.21	2.09	2.30	Higher
DSRIP Performance	55.1%	55.1%	69.0%	58.6%	Higher
CH Contract Performance	92.9%	92.9%	91.1%	93.8%	Higher

D

ACCOUNTS RECEIVABLE BREAKDOWN				
Service Type	Gross A/R Outstanding	Less: Reserves	Net A/R Outstanding	Net Days in A/R
Patient Accounts Receivable	$9,962,783	-$7,435,067	$2,527,716	14
Grants Receivable	$4,499,821		$4,499,821	
Pharmacy Receivable	$3,587,937		$3,587,937	
Non Patient AR	$4,361,454		$4,361,454	
DSRIP Accounts Receivable	$2,410,471		$2,410,471	
TOTAL ACCOUNTS RECEIVABLE			$17,387,399	

SUMMARY:

The results for FEBRUARY **2021** show an operating loss of $628,942, which is $440,276 worse than the budgeted operating loss of $189,638. Year to date, there is an operating gain of $2,777,658 , which is $5,756,336 better than the budgeted operating loss of $2,978,468. Patient revenues (including Pharmacy revenue) were $1,237,235 (-22.31%) worse than the budget and $347,653 (1.21%) better than budget year to date. Grant revenues were $129,672 (6.49%) over budget for the month and $834,172 (8.35%) over budget year to date. Other revenue was $238,786 (-10.33%) under budget for the month and $1,777,902 (-15.39%) under budget year to date. Total revenue is $1,406,613 (11.78%) under budget for the month and $340,814 (0.56%) over budget year to date.

Operating expenses were $960,699 (-7.93%) under budget for the month and $5,356,112 (-8.41%) under budget for the year. Most of the positive variance in expenses continues to be in Salaries and Benefits, which were $1,128,289 (-13.52%) under budget for February and $5,048,767 (-11.46%) under budget year to date.

The change in net assets/ bottom line is -$629,914 for the month and $2,777,868 for the fiscal year.

DEFINITIONS:
Encounter: Face to face encounter between an FQHC client and a physician, physician assistant, nurse practitioner, nurse-midwife, visiting nurse, qualified clinical psychologist, clinical social worker, other health-care professional for mental health services, dentist, dental hygienist, or optometrist.

Unduplicated patients: An actual count of eligible individuals who are receiving or have received services. When initially served, each new individual is counted one time, by service, in each year.

Days Cash on Hand: Current month cash balance divided by average daily expense. It is the number of days that an organization can continue to pay its operating expenses, given the amount of cash available.

Cash Balance: Total amount of cash held in bank accounts. The amounts of money in the form of cash after all costs are paid.

Net Days in AR: Gross patient accounts receivable less allowances for uncollectible accounts divided by average daily revenue.

Current Ratio: Current assets/current liabilities. This measures liquidity or the ability to pay short term debt.

DSRIP Performance: Percentage of contract items performed compared to the annual fiscal year budget for DSRIP.

Central Health Primary Care Agreement Performance: Percentage of contract dollars compared to annual contract amount.

Patient Accounts Receivable: Amounts due from Medicare, Medicaid, Managed Care Plans, CHIP, commercial insurance, patient deductibles and co-insurance, State Family Planning, and Central Health Fee For Service payments for MAP and MAP Basic medical, behavioral health, dental and specialty encounters.

Account Receivable Reserves: Amounts reducing the accounts receivable to actual expected collections.

Non Patient AR: Amounts earned and due from Central Health for Community Benefit, Per Member Per Month (PMPM), Alternative visits, Pay for Reporting, and other components of the Central Health Primary Care agreement.

DSRIP Accounts Receivable: Amounts earned and due from Central Health for Delivery System Reform Incentive Payment (DSRIP) contracts.

Operating Income (Loss): The difference between all revenue earned and all expenses. Investment income and donations would not be included.

Operating Margin %: The amount of operating income (loss) divided by net revenue.

Change in Net Assets: The equivalent of the net profit figure on the income statement. The measure reveals the change in assets from the revenue, expenses, and releases on the restrictions of assets during the period.

CENTRAL HEALTH

Our Vision
Central Texas is a model healthy community.

Our Mission
By caring for those who need it most, Central Health improves the health of our community.

Our Values
Central Health will achieve excellence through:
Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.
Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 3

Receive and discuss a report on Historically Underutilized Business (HUB) spending performance for Fiscal Year 2020.

FY20 Historically Underutilized Business Report

Balena Bunch, Procurement Manager

Lisa Owens, Deputy CFO

DRAFT

Central Health's Current General Purchasing Policy

The Board of Managers approved Central Health's Purchasing Policy, which states that a "good faith effort" must be made to assist certified Historically Underutilized Businesses (HUB) vendors and contractors in its award of contracts and subcontracts.

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Eligible and Ineligible Expenditures

Expense Categories Include: Heavy Construction, Building Construction, Special Trade, Commodities, Professional Services, and other Services.

Expenditure (Object) Code Categories Not Included: benefits, claims and judgments, interfund transfers, interagency payments, investments, payment of interest, payment of principal, public assistance payments, rental and leases, utilities, salaries, wages, travel grants, scholarships, real estate purchases, right-of way, emergency abatement response, healthcare services, and other expenses as determined by the State of Texas Disparity Study.

DRAFT

FY2020 Formal Solicitations Summary

- 11 Requests for Proposals (RFP)
  - ~47,000 emails notified and 27.2% of notified were HUB or Small Business (SB)
  - 617 reviewed the proposals and 42.3% viewers were HUB/SB
  - 80 proposals submitted and 32.5% proposers were HUB or Subcontractor HUB
- Solicitations included the following commodities:
  - 1 Construction
  - 4 Professional or consulting services
  - 1 Software (with implementation services)
  - 5 Employee benefit plans
- 10 contracts awarded; 1 solicitation still active
  - Three contracts (30%) awarded with Subcontractor HUB opportunities
- Outreach Activities:
  - Two small business/HUB events and one virtual HUB expo attended
  - Community Conversation – "Doing Business with Central Health" focus on construction projects Jan 2020
  - Social media plan development for disparity study and active solicitations
  - Review and update of website in process

DRAFT

FY2020 Informal Solicitations Summary

- 8 Informal Solicitations
  - 81 emails notified and 1% of notified were HUB or Small Business (SB)
  - 17 proposals submitted and 1 proposer was a HUB

- Informal Solicitations included the following Categories:
  - 2 Construction (existing facilities improvement and Downtown Campus)
  - 4 Professional or Consulting Services (IT & Health Equity Training)
  - 2 Medical Equipment (Hornsby Bend Clinic)

- All 8 Solicitations awarded in FY20
  - One contract (12.5%) awarded to HUB Vendor (Woman Owned)

DRAFT

FY20 HUB Operating and Capital Improvement Project Expenditures

Total Eligible Operating Expense	$10,345,209.91
Total HUB Operating Expenditure	$2,101,811.45
Percentage of HUB Operating Expenditure	20.32%

Total Eligible CIP Expense	$3,723,297.33
Total HUB CIP Expenditure	$535,332.73
Percentage of HUB CIP Expenditure	14.38%

FY20 HUB Eligible Expenditures Totals

Grand Total Eligible Expenditure	$14,068,507.24
Grand Total HUB Expenditure	$2,637,144.18
HUB as a Percentage of Total Eligible Expenditure	18.75%

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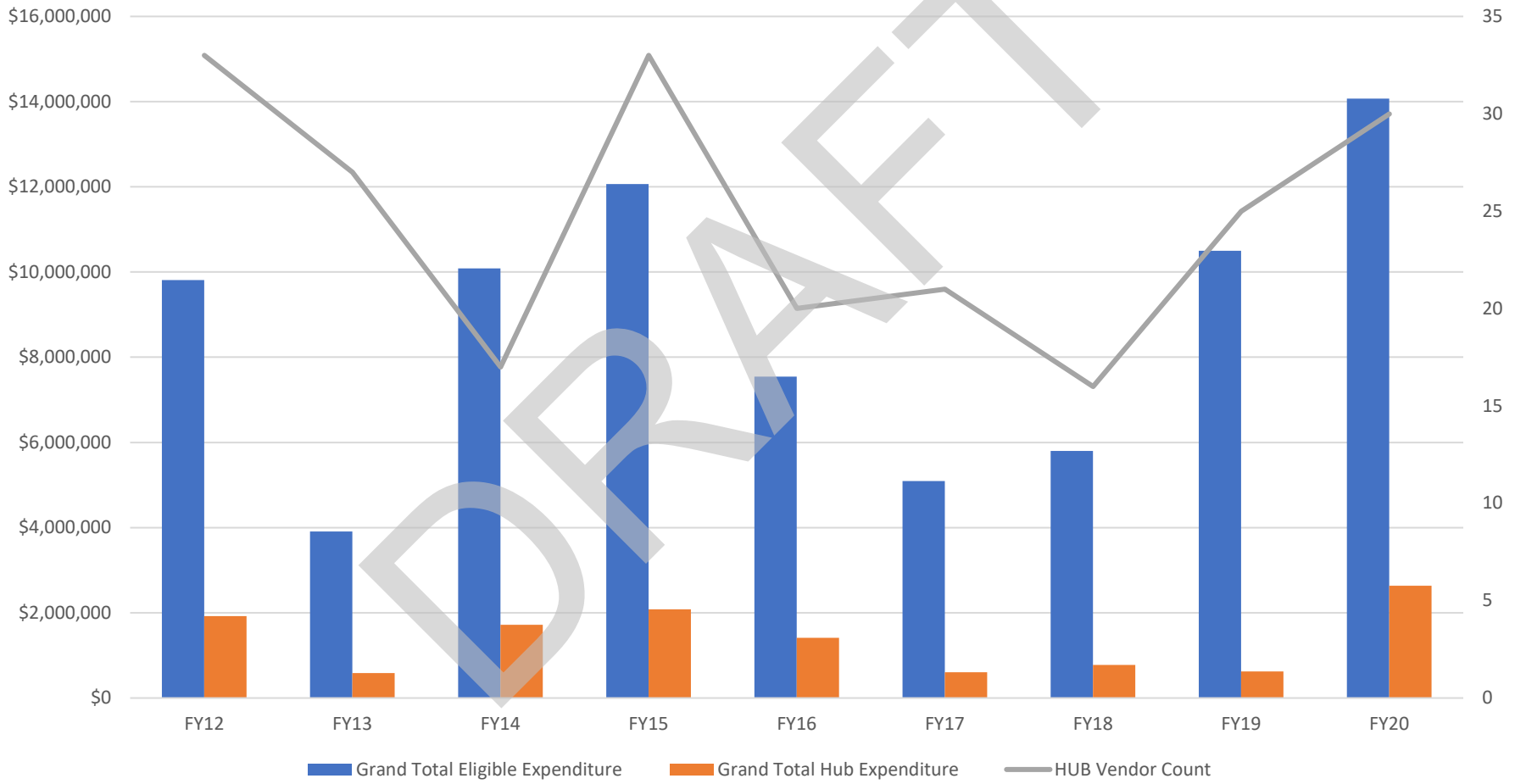
Eligible HUB Expenditures Historical Comparison



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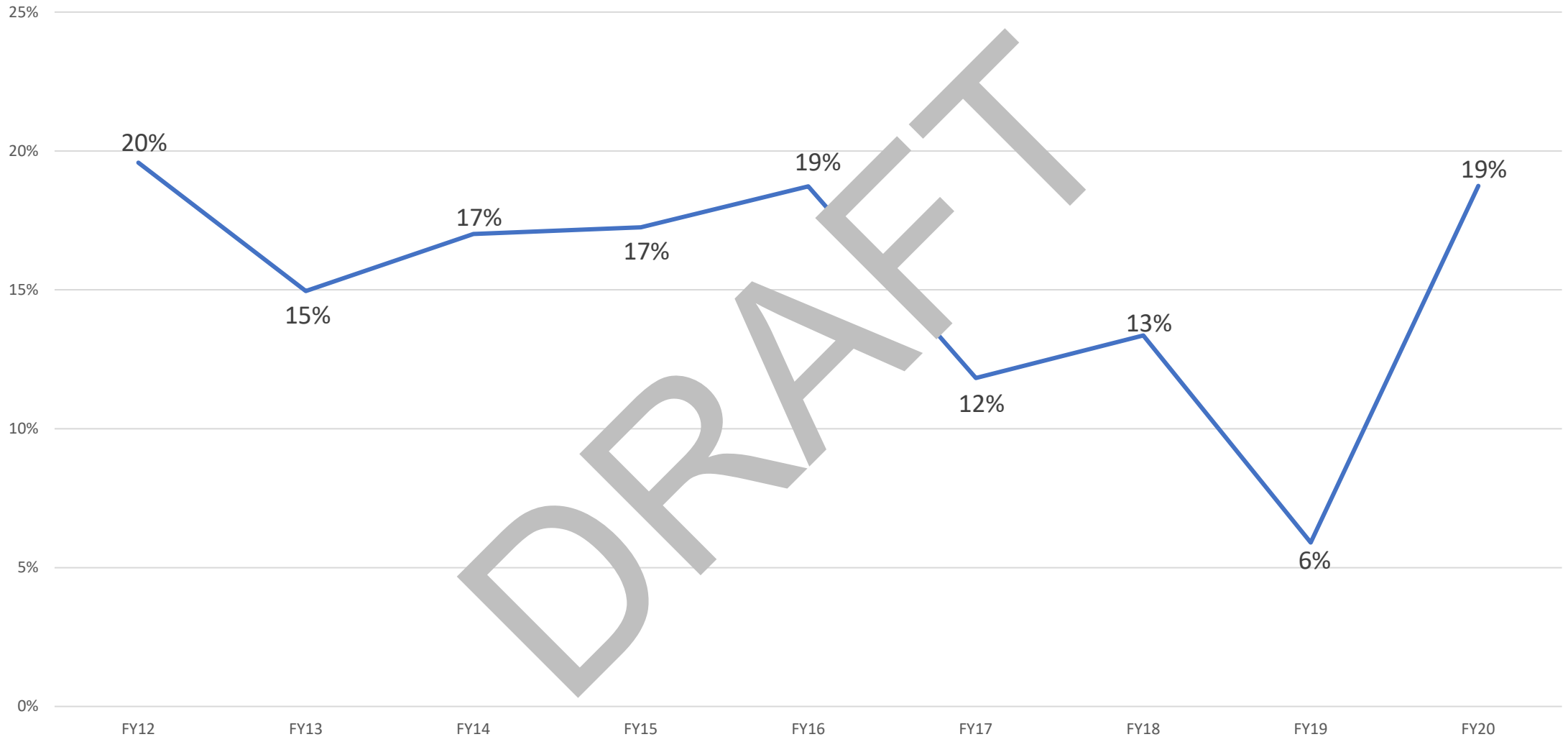
Historical Percentage of HUB Expenditures



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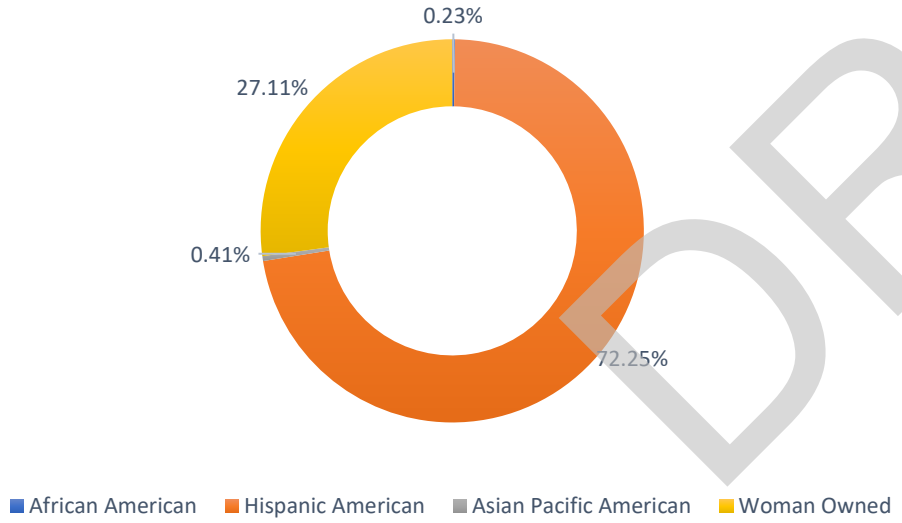
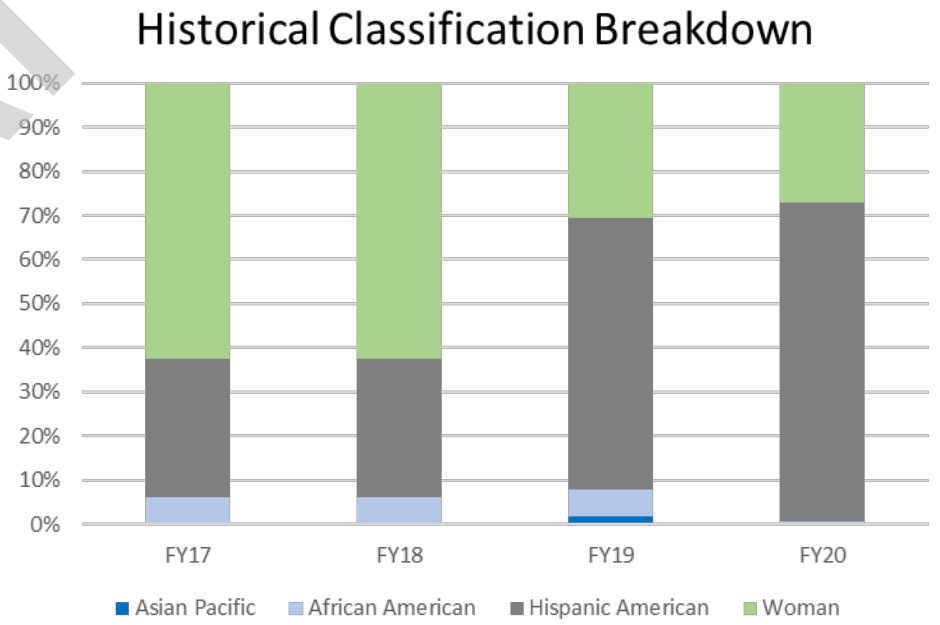
FY20 HUB Comparison and Classification Breakdown

	Central Health	State of Texas	Travis County	City of Austin
Total Eligible Expenditure	$ 14,068,507	$ 25,040,821,627	$ 170,807,804	$ 1,414,636,438
Total HUB Expenditure	$ 2,637,144	$ 2,940,956,359	$ 31,736,211	$ 94,490,874
HUB Expenditures %	18.75%	11.74%	18.58%	6.68%





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Looking Forward

- Continued improvements to reporting and data collection
- Increased outreach and awareness on how to do business with Central Health
- Disparity Study results and program development

http://centralhealth.disparity-study.com/

Central Health
HUB Outreach Expansion and Reporting
Workplan and Draft Timeline

DRAFT

Goal / Activity	Q4 July-Sept	Q1 Oct-Dec	Q2 Jan-Mar	Q3 Apr - June
Develop specific HUB good faith outreach efforts for formal solicitations and contracts				
Incorporate process for targeted outreach plan development for each formal solicitation posted				
Create data collection process for informal solicitations to gather information on HUB status consistently				
Identify practices for increasing the number of HUB quotes for informal solicitations with specific targets				
Track data that measures and reports good faith effort				
Develop mechanism for reporting on both formal and informal solicitation outreach to HUB vendors				
Collect and report on key data points for each solicitation: - Number of HUBs alerted to opportunities - Number of HUBs proposing and - Award HUB status				
Identify solicitations with HUB sub-contracting opportunities and require prime contractors to provide additional specific plans				
Enhace process for tracking subcontractor participation and HUB status				
Identify opportunities to refer vendors to City of Austin or Travis County business development, training and certifications and work				
Enhance the HUB vendor database through partnership with City of Austin and Travis County	*Ongoing*			
Develop social media program for procurement department to promote upcoming solicitations				
Use existing community engagement team, advisory committees and social media to promote solicitations				
Develop a social media strategy, program and operational plan for Procurement Department				
Host specific events to raise awareness of large upcoming projects, that have high participation opportunities				
Create community events specific to large construction projects and opportunities for significant HUB participation	*As opportunities arise*			
Develop Reporting Structure and Calendar				
Identify and implement new reporting tools from contract management and purchase order software investments				
Update the annual reporting to the Board of Managers and enhance with additional features				

DRAFT

(512) 978-8000

www.centralhealth.net@centralhealthtx

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CENTRAL HEALTH

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Central Texas is a model healthy community.

Our Mission
By caring for those who need it most, Central Health improves the health of our community.

Our Values
Central Health will achieve excellence through:
Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.
Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 4

Discuss and take appropriate action on an amended Cafeteria Plan Resolution outlining employee benefits.

CENTRAL HEALTH

AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	3/31/2021
Who will present the agenda item? (Name, Title)	Lori Oliphant, Legal Counsel with Winstead & Susan Lara Willars, Enterprise VP of HR
General Item Description	Cafeteria Plan section 125 of the IRS Code
Is this an informational or action item?	Action Item
Fiscal Impact	None
Recommended Motion (if needed – action item)	I move that the Board approve the Cafeteria Plan as presented by staff.

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

1) The Cafeteria Plan allows Central Health to offer certain benefits on a pretax basis.
2) The Cafeteria Plan is a written document maintained by Central Health that meets the regulations of section 125 of the IRS code.
3)
4)
5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Cafeteria Plan Document
Estimated time needed for presentation & questions?	10 minutes
Is closed session recommended? (Consult with attorneys.)	NO
Form Prepared By/Date Submitted:	Susan Lara Willars / 3-25-21

CENTRAL HEALTH

RESOLUTION OF THE TRAVIS COUNTY HEALTHCARE DISTRICT D/B/A CENTRAL HEALTH BOARD OF MANAGERS AUTHORIZING THE AMENDMENT AND RESTATEMENT OF THE CAFETERIA PLAN

WHEREAS, the Travis County Health District d/b/a Central Health ("Central Health") is a hospital district created under Chapter 281 of the Texas Health and Safety Code; and

WHEREAS, the Central Health Board of Managers previously approved the establishment of the Travis County Healthcare District Cafeteria Plan for the benefit of eligible employees; and

WHEREAS, Central Health desires to amend and restate the Plan effective March 1, 2019 to reflect the applicable terms of the Plan;

WHEREAS, the Board is authorized to amend the Plan at any time and from time to time; and

NOW, THEREFORE, BE IT RESOLVED, that Travis County Healthcare District Cafeteria Plan, effective as of March 1, 2019, a copy of which is attached as Exhibit A hereto, is hereby approved and adopted; and

BE IT FURTHER RESOLVED, that the Central Health President and CEO is authorized to take the necessary steps to effect the foregoing.

Date: _____

_____
Sherri Greenberg, Chair
Central Health Board of Managers

Date: _____

_____
Cynthia Valadez, Secretary
Central Health Board of Managers

TRAVIS COUNTY HEALTHCARE DISTRICT
CAFETERIA PLAN

Amended and Restated
Effective March 1, 2019

TRAVIS COUNTY HEALTHCARE DISTRICT
CAFETERIA PLAN

Table of Contents

Page

ARTICLE I INTRODUCTION 1

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TRAVIS COUNTY HEALTHCARE DISTRICT
CAFETERIA PLAN

ARTICLE I
INTRODUCTION

1.1 Purpose of Cafeteria Plan. The purpose of this Cafeteria Plan is to provide eligible Employees of the District with a choice to receive, in lieu of taxable benefits (including cash compensation), one or more benefits under the Optional Benefit Programs available from year to year. The Cafeteria Plan is hereby amended and restated, as set forth herein, effective March 1, 2019.

1.2 Cafeteria Plan Status. This Cafeteria Plan is intended to qualify as a "cafeteria plan" under Section 125 of the Code and is to be interpreted in a manner consistent with the requirements thereof.

ARTICLE II
DEFINITIONS

Wherever used in the text of this document, the following capitalized terms shall have the following meanings, unless the context clearly requires a different meaning.

2.1 Beneficiary. An individual, other than an Employee, Former Employee or Dependent, who meets the requirements for coverage under an Optional Benefit Program.

2.2 Board. The Board of Trustees of the District, or its authorized delegate.

2.3 Cafeteria Plan. The Travis County Healthcare District Cafeteria Plan, as amended and restated effective March 1, 2019, and as may thereafter be amended from time to time.

2.4 COBRA. The Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time.

2.5 Code. The Internal Revenue Code of 1986, as amended from time to time.

2.6 District. Travis County Healthcare District d/b/a Central Health, or its successor or successors.

2.7 Dependent.

(a) Except as otherwise provided below, the term "Dependent" means a Spouse or other individual who is a "dependent" (as defined in Section 152 of the Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B)) of the Participant.

(b) For purposes of the Health Care Spending Account Plan, the term "Dependent" means an individual who is a Spouse or "dependent" (as defined in Section

152 of the Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B)) of the Participant, and any child of the Participant who has not attained age twenty-six (26).

(c) For purposes of the Dependent Care Spending Account Plan, the term "Dependent" means an individual who is (i) a dependent (as defined in Section 152(a)(1) of the Code) of the Participant who is under the age of thirteen (13), (ii) a dependent (as defined in Section 152 of the Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B)) of the Participant who is physically or mentally incapable of caring for himself or herself and who has the same principal place of abode as the Participant for more than one-half of the Participant's taxable year, or (iii) a Spouse who is physically or mentally incapable of caring for himself or herself and who has the same principal place of abode as the Participant for more than one-half of the Participant's taxable year.

(d) Notwithstanding the foregoing, the term "Dependent", as defined in any other Optional Benefit Program shall have the meaning set forth therein, which shall be controlling for all purposes thereunder.

2.8 Dependent Care Expenses. Expenses incurred by a Participant during a Plan Year that (a) are incurred for the care of a Dependent or for related household services, (b) are paid or payable to a Dependent Care Service Provider, and (c) are incurred to enable the Participant (and, if married, the Spouse) to be gainfully employed or attend school full time for any period for which there are one or more Dependents with respect to the Participant, but shall not include (x) expenses incurred for services outside the Participant's household for the care of a Dependent, unless such Dependent is described in Section 2.7(c)(i) or is described in Section 2.7(c)(ii) or (iii) and regularly spends at least eight (8) hours each day in the Participant's household; or (y) any amount paid for services outside the Participant's household at a camp where the Dependent stays overnight. Dependent Care Expenses shall be deemed to be incurred at the time the services to which the expenses relate are rendered. Furthermore, expenses incurred prior to the beginning of the first pay period for which a Participant's compensation reduction agreement with respect to the Dependent Care Spending Account Plan is in effect shall not be treated as Dependent Care Expenses.

2.9 Dependent Care Spending Account. The account established and maintained by the Plan Administrator on its books with respect to each Participant who has elected under the Dependent Care Spending Account Plan to receive reimbursement of Dependent Care Expenses for the Plan Year (in an amount not less than the minimum election amount and not more than the maximum election amount set by the Plan Administrator with respect to such Plan Year).

2.10 Dependent Care Spending Account Plan. The Optional Benefit Program established by the District, the provisions of which are set forth in Article VI hereof, and elsewhere within this Cafeteria Plan, as applicable, to provide reimbursement (including direct payment, if applicable) of Dependent Care Expenses.

2.11 Dependent Care Service Provider. A person who provides care or other services described in Section 2.8(a) above, but shall not include (i) a dependent care center (as defined in Section 21(b)(2)(D) of the Code), unless the requirements of Section 21(b)(2)(C) of

the Code are satisfied, (ii) an individual with respect to whom a deduction is allowable under Section 151(c) of the Code to the Participant or his Spouse or (iii) an individual who is a child (within the meaning of Section 152(f)(1) of the Code) of such Participant under the age of 19 at the close of the Participant's taxable year.

2.12 Effective Date. March 1, 2019.

2.13 Employee. For purposes of this Cafeteria Plan, an individual employed by the District who is regularly scheduled to work at least 20 hours each calendar week, as defined by the District's personnel policies and procedures. Employee shall not include (i) an individual who is a nonresident alien and who receives no U.S. source income from the District; (ii) an individual covered by a collective bargaining agreement between representatives of a bargaining unit and the District, provided that welfare benefits were the subject of good faith bargaining between employee representatives and the District, unless the collective bargaining agreement expressly provides for participation herein; (iii) an individual classified on the District's records as an independent contractor, regardless of whether such individual is retroactively classified otherwise; (iv) an individual classified on the District's records as a "leased employee" as defined in Code Section 414(n)(2); and (v) an individual employed by the District on a temporary, short-term, interim or seasonal basis. Members of the Board shall not be deemed Employees solely because of such trusteeship. The term "Employee," as defined in any Optional Benefit Program, shall have the meaning set forth therein, which shall be controlling for all purposes thereunder.

2.14 FMLA. The Family Medical Leave Act of 1993, as amended.

2.15 Family Member Plan. A cafeteria plan or other plan providing qualified benefits (as defined under Section 125(f) of the Code) sponsored by the employer of an Employee's or Participant's Dependent.

2.16 Former Employee. An Employee whose employment with the District has been terminated.

2.17 Former Participant. An Employee to the extent his participation in the Plan has ceased pursuant to Section 3.3 hereof with respect to any election for Optional Benefits hereunder.

2.18 Health Care Spending Account. The account established and maintained by the Plan Administrator on its books with respect to each Participant who has elected to receive reimbursement of Qualifying Health Care Expenses under the Health Care Spending Account Plan for the Plan Year (which shall be in an amount not less than the minimum election amount and not more than the maximum election amount set by the Plan Administrator with respect to such Plan Year).

2.19 Health Care Spending Account Plan. The Optional Benefit Program established by the District, the provisions of which are set forth in Article V hereof, and elsewhere within this Cafeteria Plan, as applicable, to provide reimbursement (including direct payment, if applicable) of Qualifying Health Care Expenses.

2.20 Highly Compensated Individual. Any individual who is (a) an officer of the District or (b) highly compensated, based on the surrounding facts and circumstances. A Dependent of any Highly Compensated Individual will be treated as a Highly Compensated Individual for purposes hereunder.

2.21 Highly Compensated Participant. Any Participant (or a Dependent of a Participant) who is a Highly Compensated Individual.

2.22 Highly Compensated Employee. For purposes of eligibility to participate under the Cafeteria Plan, a Highly Compensated Individual or, for purposes of contributions and benefits under the Cafeteria Plan, a Highly Compensated Participant.

2.23 Key Employee. Any person who is a key employee as defined in Section 416(i)(1) of the Code.

2.24 Maximum Available Amount. The total amount elected by a Participant for reimbursement of Qualifying Health Care Expenses incurred for such Plan Year (which amount may not exceed the maximum reimbursement amount by the Plan Administrator for such Plan Year), less claims previously paid with respect to such Plan Year.

2.25 Minimum Threshold Amount. For purposes of Article V and Article VI, the minimum aggregate amount of Qualifying Health Care Expenses and Dependent Care Expenses that a Participant must incur during the Plan Year before becoming eligible to submit a claim for reimbursement prior to the end of the Plan Year, such amount to be determined by the Plan Administrator, in its sole and absolute discretion, on an annual basis and communicated to the Participants prior to the beginning of the Plan Year for which such threshold amount is in effect.

2.26 Optional Benefit. The coverage available under an Optional Benefit Program, which may be elected by the Participant under this Cafeteria Plan in lieu of cash compensation or other taxable benefits.

2.27 Optional Benefit Program. A Fringe Benefit Program (other than this Cafeteria Plan) or Welfare Benefit Program sponsored by the District that provides an Optional Benefit, as set forth in a separate plan document, summary plan description, summary document and/or insurance contract, as amended from time to time, the terms of which are incorporated herein by reference.

2.28 Participant. An Employee who elects (or is deemed to elect) to participate in the Cafeteria Plan in accordance with Article III, and, to the extent applicable, any Former Participant who elects to continue coverage under the Cafeteria Plan in accordance with Section 3.6. Except to the extent otherwise provided herein, a Participant who takes an approved, unpaid leave of absence or unpaid FMLA leave, or a Former Participant who elects to continue coverage under this Cafeteria Plan, shall be subject to all Cafeteria Plan provisions herein to the same extent as a Participant who is an active Employee; provided, however, that, notwithstanding the foregoing, any such provisions that require an individual to agree to a reduction in his current compensation for the Plan Year in which the Optional Benefits are elected shall not apply.

2.29 Plan Administrator. The District, or its authorized delegate.

2.30 Plan Year. The 12 consecutive month period beginning on March 1 and ending on February 28 or February 29, as applicable, inclusive of such dates.

2.31 Qualifying Health Care Expense. An expense incurred during the Plan Year by a Participant, or by the Spouse or Dependent of such Participant, for "medical care," as such term is defined in Section 213(d) of the Code (which shall include an amount paid for medicine or a drug only if such medicine or drug is a prescribed drug, determined without regard to whether such drug is available without a prescription, or is insulin).

An expense shall qualify under this Section only to the extent that the Participant or other person incurring the expense is not reimbursed for the expense through insurance or otherwise. Furthermore, an expense shall not qualify under this Section to the extent the expense is includable in the Participant's taxable income under Code Section 106(c) or does not constitute a "qualifying benefit" under Code Section 125(f), or as otherwise provided under applicable provisions of the Code and the guidance promulgated thereunder. Except to the extent otherwise permitted under applicable guidance and approved by the Administrator, expenses described in subsections (a) and (b) shall be deemed to be incurred when the individual is provided with the care that gives rise to the expenses, and not when the individual is formally billed, or charged for, or pays for the care. Furthermore, expenses described in subsections (a) and (b) which are incurred prior to the beginning of the first pay period for which a Participant's compensation reduction agreement is in effect shall not be treated as Qualifying Health Care Expenses.

2.32 Similar Coverage. Coverage for the same category of benefits for the same individuals (e.g., family to family or single to single coverage).

2.33 Spouse. An individual who qualifies as a spouse for purposes of Section 105(b) of the Code, as amended from time to time.

ARTICLE III
PARTICIPATION

3.1 Eligibility to Participate. Each Employee who was a Participant in the cafeteria plan maintained by the District immediately prior to the Effective Date will be a Participant in this Cafeteria Plan on the Effective Date, unless his participation has terminated pursuant to Section 3.3 or Section 3.6 below. Each other Employee will become eligible for participation in this Cafeteria Plan upon his or her date of hire.

3.2 Commencement of Participation. An eligible Employee may commence participation in the Cafeteria Plan by submitting his election to participate in the Cafeteria Plan in the time and manner prescribed by the Plan Administrator. Such Employee's participation shall commence as of the first day of the month following the Plan Administrator's receipt of such election or the date set forth in the Employee's election, if later. Except to the extent otherwise provided hereunder and under Article IV, a Participant's election shall be irrevocable during the Plan Year for which it was made.

3.3 Cessation of Participation. A Participant shall become a Former Participant with respect to one or more elections made hereunder, as applicable, as of the earliest of:

(a) except as otherwise specifically provided in Section 3.6 hereof, the date on which his employment with the District ceases (including the failure to return from an approved leave of absence);

(b) except as otherwise specifically permitted under Section 4.3(c), the last day of the period with respect to which he made the contribution required under his election(s);

(c) the date on which he ceases to be eligible to participate in the Cafeteria Plan;

(d) the date on which the Cafeteria Plan terminates; and

(e) the date on which his election(s) to receive Optional Benefits under the Cafeteria Plan is revoked, expires or is terminated

To the extent a Participant ceases participation in the Cafeteria Plan for any reason, his election(s) to receive such Optional Benefits and his related compensation reduction agreement made pursuant to the applicable provisions of Article IV hereof shall thereupon terminate. Except to the extent otherwise provided under Section 3.6 below, a Participant shall not be eligible to elect coverage under an Optional Benefit Program for any period during which he is a Former Participant with respect to such program.

3.4 Reinstatement of Former Participant. A Former Participant will become eligible for participation again if and when he again meets the eligibility requirements of Section 3.1. Such Participant's elections to participate in the Cafeteria Plan following reinstatement will be governed by Section 4.9 herein.

3.5 Compliance with FMLA and USERRA. Notwithstanding anything herein to the contrary, the Cafeteria Plan shall be administered in accordance with the FMLA and the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

3.6 Continuation Coverage. Notwithstanding the provisions of Section 3.3 above, a Former Participant and/or a "qualified beneficiary" (as defined by COBRA or similar applicable law) may continue receiving Optional Benefits under the group health pan, dental plan, vision plan and, if applicable, the Health Care Spending Account Plan, in accordance with the provisions of COBRA (or similar applicable law), if and to the extent the Former Participant pays the required premiums prescribed by the District. If the Former Participant fails to pay the required premiums in a timely manner, continued coverage under such plans shall cease in accordance with Section 3.3(b) above.

ARTICLE IV
OPTIONAL BENEFITS

4.1 Benefit Options. A Participant who is not a Former Employee may choose under this Cafeteria Plan to receive his full compensation for any Plan Year in cash (or other taxable benefits), or to have his compensation reduced and to have the amount of such compensation reduction applied by the District toward the cost of one or more Optional Benefits provided that

such election is irrevocable and is made before the earlier of (i) the date when the cash compensation (or other taxable benefits) becomes currently available to the Participant or (ii) the first day of the period of coverage for the Optional Benefit, except as otherwise permitted under this Article IV. In the case of (i) a Former Participant who remains employed and who elects continuation coverage under Section 3.6 for which coverage is made on an after-tax basis, (ii) a Participant who elects coverage for a Beneficiary, or (iii) a Participant who is not a Former Employee and who elects, pursuant to this Cafeteria Plan, to receive coverage on an after-tax basis, such individuals shall be deemed, for all purposes under the Code (including, for example, reporting and withholding purposes) to have received cash compensation equal to the value of such elections made and then purchasing such coverage with after-tax contributions. In the case of (i) a Former Employee who is not described in the preceding sentence and who elects continuation coverage under Section 3.6 or (ii) a Participant who makes contributions during an approved, unpaid leave of absence or unpaid FMLA leave on a pay-as-you-go basis, such coverage shall be purchased with after-tax contributions (except to the extent otherwise permitted under FMLA).

4.2 Description of Benefits Other than Cash. While the election to receive one or more of the Optional Benefits may be made under this Cafeteria Plan, the benefits will be provided not under this Cafeteria Plan but under the applicable Optional Benefit Program. The types and amounts of benefits available under each such program, the requirements for participating in such program, and the other terms and conditions of coverage and benefits under such program are as set forth from time to time in the Optional Benefit Program, the terms of which are incorporated herein by reference. Except as otherwise provided under this Article IV, the period of coverage for each Optional Benefit Program shall be the Plan Year.

4.3 Election of Optional Benefits. A Participant who elects (or is deemed to elect) under this Cafeteria Plan to receive one or more of the Optional Benefits will have his compensation reduced, except as otherwise provided in Section 4.1 hereof, in accordance with the terms of the Participant's election and this Section 4.3. Except to the extent otherwise permitted by the Plan Administrator, all elections under this Cafeteria Plan for Optional Benefits shall be made on a pre-tax basis; provided, however, an election for any Optional Benefit that does not constitute a "qualified benefit" under Section 125(f) of the Code shall be made on an after-tax basis and shall be treated as being made outside of this Cafeteria Plan for purposes of complying with Section 125 of the Code.

(a) Participants Other Than Former Employees. Except to the extent otherwise provided in subsections (b) and (c) below, elections (including deemed elections) of Participants other than Former Employees shall be governed by this subsection (a).

(1) Election of Health, Dental or Vision Benefits. If a Participant other than a Former Employee elects an Optional Benefit under the group health plan, dental plan or vision plan, the Participant's cash compensation will be reduced, on a pre-tax basis, for the amount of the Participant's share of the cost of each such Optional Benefit, and an amount equal to the compensation reduction will be contributed by the District under the applicable Optional Benefit Program to cover the Participant's share of the cost of such Optional Benefit as determined

by the District. The balance of the cost of such Optional Benefit shall be paid by the District.

(2) Election of Disability Benefits. If a Participant other than a Former Employee elects an Optional Benefit under the LTD Plan or the STD Plan, the Participant's cash compensation will be reduced, on an after-tax basis, for the amount of the Participant's share of the cost of each such Optional Benefit, and an amount equal to the compensation reduction will be contributed by the District under the applicable Optional Benefit Program to cover the Participant's share of the cost of such Optional Benefit as determined by the District. The balance of the cost of such Optional Benefit shall be paid by the District.

(3) Election of Life & AD&D Benefits. If a Participant other than a Former Employee elects an Optional Benefit under the Life & AD&D Plan, the Participant's cash compensation will be reduced, on an after tax-basis, for the amount of the Participant's share of the cost of such Optional Benefit, and an amount equal to the compensation reduction will be contributed by the District under the Optional Benefit Program to cover the Participant's share of the cost of such Optional Benefit as determined by the District. The balance of the cost of such Optional Benefit shall be paid by the District.

(4) Election of Health Care Spending Account Plan Benefits. If a Participant other than a Former Employee elects coverage under the Health Care Spending Account Plan, the Participant's cash compensation will be reduced, on a pre-tax basis, by the amount elected by the Participant (subject to the limitations in Article V hereof), and an amount equal to the compensation reduction will be credited by the Plan Administrator to a Health Care Spending Account in accordance with Article V herein.

(5) Election of Dependent Care Spending Account Plan Benefits. If a Participant other than a Former Employee elects coverage under the Dependent Care Spending Account Plan, the Participant's cash compensation will be reduced, on a pre-tax basis, by the amount elected by the Participant (subject to the limitations in Article VI hereof), and an amount equal to the compensation reduction will be credited by the Plan Administrator to a Dependent Care Spending Account in accordance with Article VI herein.

(b) Participants Electing Continuation Coverage. In the case of an Employee or Former Employee electing continuation coverage under an Optional Benefit Program pursuant to Section 3.6, payment for the cost of continuing coverage and benefits shall be made as set forth in Section 4.1 hereof.

(c) Employees on Approved Unpaid Leave. In the case of a Participant who takes an approved, unpaid leave of absence or unpaid FMLA leave, the costs of the Optional Benefits with respect to which the Participant's election has not terminated pursuant to Section 3.3 hereof shall be paid on a "pre-pay basis" before the Participant takes such leave (provided that such costs for a succeeding Plan Year may not be paid on

a "pre-pay basis"), on a "catch-up basis" after the Participant takes such leave, or an a "pay-as-you-go basis" while the Participant takes such leave, as approved by the Plan Administrator.

4.4 Election Procedure. Elections for Optional Benefits shall be evidenced by a compensation reduction agreement, which must be submitted by the Participant in the manner (which may be written or electronic) prescribed by the Plan Administrator.

(a) Open Enrollment. At least thirty (30) days prior to the commencement of each Plan Year, the Plan Administrator shall designate an annual open enrollment period during which each Participant may submit benefit elections, in the time and manner prescribed by the Plan Administrator, to elect one or more Optional Benefits for the immediately following Plan Year. Procedures for the annual open enrollment in the Optional Benefit Programs will be published each year prior to the annual open enrollment period. Such elections shall be effective as of the first day of the immediately succeeding Plan Year, subject to the conditions and limitations set forth in each Optional Benefit Program. Each Participant who desires to elect any Optional Benefit for the Plan Year shall so specify during the annual open enrollment period and shall agree to a corresponding reduction in his compensation for the immediately succeeding Plan Year. Each election must be submitted to the Plan Administrator on or before such date as the Plan Administrator shall specify, which date shall be no later than the day before the first day of the Plan Year to which the compensation reduction agreement applies. Notwithstanding the foregoing, the Plan Administrator may designate additional open enrollment periods and, upon prior notice, may cancel or suspend future open enrollment periods, subject to the requirements set forth in Section 125 of the Code and the regulations promulgated thereunder.

(b) Mid-Year Election Changes. If a Participant becomes eligible to submit, change or revoke his benefit elections during the Plan Year, such Participant may submit a benefit election in the time and manner prescribed by the Plan Administrator, to modify existing elections of, or elect one or more, Optional Benefits for the remainder of the Plan Year in which such change or modification is permitted and shall agree to a corresponding reduction in his compensation, as determined under Section 4.3 hereof. The Participant's election must be submitted on or before such date as the Plan Administrator shall specify. Except as otherwise permitted under applicable law, such elections shall be effective as of the first day of the calendar month immediately following the Plan Administrator's receipt of the election.

4.5 New Participants. As soon as practicable following an Employee's satisfaction of the eligibility requirements, the Plan Administrator shall allow the Employee to submit an election and compensation reduction agreement, in which the Employee may elect one or more Optional Benefits for the remainder of the Plan Year in which he initially becomes eligible to participate and agree to a corresponding reduction in his compensation, in accordance with the provisions of Section 4.3. The Employee's election must be submitted in the manner prescribed by the Plan Administrator on or before such date as the Plan Administrator shall specify. Such election shall be effective as of the first day of the calendar month immediately following the Plan Administrator's receipt of the election.

4.6 Failure to Elect.

(a) Initial Year of Participation. Except as specifically provided herein, an eligible Employee who fails to comply with published procedures and schedules with respect to an annual enrollment period or fails to submit an election and compensation reduction agreement to the Plan Administrator in the time and manner prescribed by the Plan Administrator shall be deemed to have been given the opportunity to choose among cash compensation or other taxable benefits and Optional Benefits under this Cafeteria Plan, and to have waived participation in all other Optional Benefit Programs.

(b) Subsequent Years of Participation. A Participant who fails to comply with published procedures and schedules with respect to an annual enrollment period or fails to submit an election and compensation reduction agreement to the Plan Administrator with respect to any subsequent Plan Year in the time and manner prescribed by the Plan Administrator shall be deemed to have made the same election(s) he or she made, or was deemed to have made, for the preceding Plan Year.

4.7 Changes by Plan Administrator. If the Plan Administrator determines, before or during any Plan Year, that the Cafeteria Plan may fail to satisfy any nondiscrimination requirement imposed by the Code or any limitation on benefits provided to Highly Compensated Employees or Key Employees for such Plan Year, the Plan Administrator shall take such action as the Plan Administrator deems appropriate, under rules uniformly applicable to similarly situated Participants, to assure compliance with such requirement or limitation. Such action may include, without limitation, a modification of elections by Highly Compensated Employees or Key Employees, with or without the consent of such individuals.

4.8 Irrevocability of Election by the Participant During the Plan Year. Elections and compensation reduction agreements made under the Cafeteria Plan (or deemed to be made under Section 4.6) shall be irrevocable by the Participant during the Plan Year, except as otherwise provided in this Section 4.8, Section 4.9 and Section 4.10.

(a) Revocation and Modification of Election Based on Change in Status. A Participant may revoke a benefit election and file a new benefit election for the balance of the Plan Year if both the revocation and new election are on account of a "Change in Status," as described under subparagraph 4.8(a)(1) below and are consistent with such "Change in Status," as described under subparagraph 4.8(a)(2) below.

(1) Change in Status. "Change in Status" shall have the meaning set forth in Treasury Regulation Section 1.125-4, which includes a change in the Participant's:

(i) *Legal Marital Status*: events that change a Participant's legal marital status, including marriage, death of Spouse, divorce or legal separation from a Spouse, and annulment of a marriage;

(ii) *Number of Dependents*: events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, death of a Dependent, or an event that causes a Dependent to satisfy or

cease to satisfy the eligibility requirements (e.g., on account of attainment of age);

(iii) *Employment Status*: events that change the employment status of the Participant, Spouse or a Dependent, including a termination or commencement of employment, a strike or lockout, a commencement of or return from an unpaid leave of absence, a change in worksite, and any other change in employment status that causes the individual to become eligible or cease to be eligible for such Optional Benefit Program;

(iv) *Residence*: a change in the place of residence of the Participant, Spouse, or a Dependent.

(2) Consistency Requirement.

(i) General Rule. A Participant may revoke a benefit election for the balance of a Plan Year and file a new election on account of a Change in Status, if such new election is on account of and corresponds with a Change in Status that affects eligibility for coverage under an Optional Benefit Program, which, with respect to accident or health coverage (including the Health Care Spending Account Plan) and group-term life insurance coverage, includes an increase or decrease in the number of a Participant's family members or Dependents who may benefit from coverage under such Optional Benefit Program and, with respect to the Dependent Care Spending Account Plan, includes an election change made on account of and corresponding with a Change in Status that affects the amount of Dependent Care Expenses incurred with respect to a Dependent.

(ii) Application of Rule. If the Change in Status is a Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, such Participant's election to cancel accident or health coverage for any individual other than the Spouse involved in the divorce, annulment or legal separation, the deceased Spouse or Dependent, or the Dependent that ceased to satisfy the eligibility requirements for coverage, respectively, fails to correspond with such Change in Status. In addition, if a Participant, Spouse or Dependent, as a result of a change in the Participant's legal marital status or a change in the Participant's employment status, as such events are described above, gains eligibility for coverage under a Family Member Plan, a Participant's election to cease or decrease coverage for that individual under this Cafeteria Plan corresponds with that Change in Status only if coverage for such individual becomes applicable or is increased under such Family Member Plan. However, with respect to group term life insurance and disability coverage, an election to increase or decrease coverage in

response to a Change in Status shall be deemed to correspond with such Change in Status.

(b) Social Security Coverage. If a Participant, Spouse, or other Dependent who is enrolled in an Optional Benefit Program that constitutes an accident or health plan, becomes entitled to coverage (i.e., becomes enrolled) under Part A or Part B of Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines), the Participant may make a prospective election change to cancel or reduce coverage of the Participant, Spouse, or other Dependent, as applicable, under such Optional Benefit Program. In addition, if a Participant, Spouse, or other Dependent who has been entitled to such coverage under Medicare or Medicaid loses eligibility for such coverage, the Participant may make a prospective election change to commence or increase coverage for that Participant, Spouse, or other Dependent under such Optional Benefit Program that constitutes an accident or health plan.

(c) Judgment or Decree. If the Plan Administrator receives a judgment, decree, or order resulting from divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order as defined in Section 609 of ERISA) that requires accident or health coverage for a Participant's child, or for a foster child who is a Dependent of the Participant, the Plan Administrator or the Participant may change the Participant's election under this Cafeteria Plan to provide such coverage for the child if the judgment, decree or order requires coverage under an Optional Benefit Program. Likewise, the Participant may change his election under this Cafeteria Plan to cancel coverage for the child if the judgment, decree or order requires the Participant's former Spouse to provide such coverage for the child, and that coverage is, in fact, provided.

(d) Special Enrollment Rights. A Participant may make an election that corresponds with the special enrollment rights provided in Section 9801(f) of the Code. Except to the extent otherwise permitted under HIPAA, such election shall be effective on a prospective basis.

(e) Cost Changes.

(1) Automatic Changes. With respect to Optional Benefits (other than under the Health Care Spending Account Plan), in the event that the cost of such Optional Benefit increases or decreases (in a manner consistent with Treasury Regulation Section 1.125-4(f)(2)(i)), and, under the terms of the applicable Optional Benefit Program(s), Participants are required to make a corresponding change in their payments, an automatic prospective corresponding change shall be made to the Participant's election.

(2) Significant Cost Changes. In the event that the cost of an Optional Benefit, other than an Optional Benefit under the Health Care Spending Account Plan, significantly increases, a Participant may either (i) elect a corresponding

prospective increase in his payments or (ii) revoke his election for the remainder of the Plan Year and, in lieu thereof, elect to become covered on a prospective basis under another Optional Benefit providing Similar Coverage, or elect no coverage for the remainder of the Plan Year if no other Optional Benefit providing Similar Coverage is available under the Optional Benefit Program. In the event that the cost of an Optional Benefit, other than an Optional Benefit under the Health Care Spending Account Plan, significantly decreases, an eligible Employee may commence participation in the Cafeteria Plan and elect such Optional Benefit. This subparagraph shall apply to an increase in the cost of an Optional Benefit under the Dependent Care Spending Account Plan only if the cost change is imposed by a Dependent Care Service Provider who is not a relative of the Participant within the meaning of Sections 152(d)(2)(A) through 152(d)(2)(G) of the Code, incorporating the rules of Section 152(f)(1)(B) and Section 152(f)(4) of the Code.

For purposes of this paragraph (e), a cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Cafeteria Plan, whether that increase or decrease results from an action taken by the Participant or from an action taken by the District (such as reducing the amount of employer contributions for a class of Employees). Notwithstanding the foregoing, a Participant shall not be entitled to make a change in election under this Section 4.8 merely because the Participant satisfies the conditions for a decrease in the cost charged by the District for Dependent coverage under an Optional Benefit Program.

(f) Coverage Changes.

(1) Significant Curtailment Without Loss in Coverage. If a Participant, Spouse, or other Dependent has a significant curtailment of coverage under an Optional Benefit Program that is not a loss of coverage as described in paragraph (f)(2) of this Section (e.g., there is a significant increase in the deductible, the copay, or the out-of-pocket cost sharing limit under the Optional Benefit Program), a Participant may revoke his election for the remainder of the Plan Year and, in lieu thereof, elect, on a prospective basis, coverage under another Optional Benefit Program providing Similar Coverage. Coverage under an Optional Benefit Program is significantly curtailed only if there is an overall reduction in coverage provided under the Optional Benefit Program so as to constitute reduced coverage generally. Thus, as an example, the loss of one particular physician in a network will not generally constitute a significant curtailment.

(2) Significant Curtailment With Loss in Coverage. If a Participant, Spouse, or other Dependent has a significant curtailment of coverage under an Optional Benefit Program that constitutes a loss of coverage, a Participant may revoke his election under the Cafeteria Plan for the remainder of the Plan Year and, in lieu thereof, elect, on a prospective basis, (i) an Optional Benefit or coverage under another Optional Benefit Program providing Similar Coverage, or (ii) no coverage for the remainder of the Plan Year if no other Optional Benefit or

Optional Benefit Program providing Similar Coverage is available under the Cafeteria Plan. For purposes of this subparagraph (f)(2), a loss of coverage means a complete loss of coverage under the Optional Benefit Program (e.g., the elimination of a benefits package option, an HMO ceasing to be available in the area where the Participant resides, or the individual losing all coverage under the Optional Benefit Program by reason of an overall lifetime or annual limitation). In addition, the Plan Administrator may, in its discretion, treat the following as a loss of coverage:

(i) A substantial decrease in the medical care providers available under the Optional Benefit (e.g., a major hospital ceasing to be a member of a preferred provider network or a substantial decrease in the physicians participating in a preferred provider network or an HMO);

(ii) A reduction in the benefits for a specific type of medical condition or treatment with respect to which the Participant, Spouse, or other Dependent is currently in a course of treatment; or

(iii) Any other similar fundamental loss of coverage.

(3) Addition or Significant Improvement in Optional Benefit. If an Optional Benefit Program is modified to provide one or more additional benefit(s), or if coverage under an existing Optional Benefit Program is significantly improved during a Plan Year, an eligible Employee or a Participant (whether or not he has previously made an election under the Cafeteria Plan or has previously elected an Optional Benefit) may revoke his election under the Cafeteria Plan and, in lieu thereof, make an election, on a prospective basis, for coverage under the new or improved Optional Benefit.

(4) Change in Coverage Under Other Cafeteria Plan. A Participant may revoke a benefit election for the remainder of a Plan Year and file, on a prospective basis, a new election that is on account of and corresponds with a change made under another employer cafeteria plan (including a cafeteria plan of the District or of another employer) if such other cafeteria plan permits participants therein to make an election change that would be permitted under paragraphs (a) – (i) hereof (disregarding this subparagraph (f)(4)), or if the period of coverage under this Cafeteria Plan is different from the period of coverage under such other cafeteria plan.

(g) Continuation Coverage. If a Former Participant, Spouse or other Dependent becomes eligible for COBRA or similar continuation coverage under an Optional Benefit Program, the Former Participant or, if applicable, the Participant to whom such coverage for the Spouse or other Dependent is attributable, may elect to increase payments under the Cafeteria Plan in order to pay for continuation coverage under such Optional Benefit Program, provided such coverage is excludible from taxable income under Code Section 106.

(h) Leave of Absence. A Participant who takes unpaid FMLA leave may revoke an existing election under the Cafeteria Plan for accident or health plan coverage and make such other election for the duration of the Participant's unpaid FMLA leave period as may be provided under FMLA.

(i) Coverage by Governmental or Educational Institution. A Participant may make an election on a prospective basis to add coverage under the Cafeteria Plan for the Participant, Spouse, or other Dependent if the Participant, Spouse, or other Dependent loses coverage under any group health coverage sponsored by a governmental or educational institution, including the following:

(1) A state's children's health insurance program (SCHIP) under Title XXI of the Social Security Act;

(2) A medical care program of an Indian Tribal government (as defined in Section 7701(a)(40)), the Indian Health Service, or a tribal organization;

(3) A state health benefits risk pool; or

(4) A foreign government group health plan.

Any change or revocation under this Section 4.8 shall be effective as of the date specified in each relevant Optional Benefit Program. An election under this Section 4.8 must be completed in the form and manner prescribed by the Plan Administrator within the time period set forth in each relevant Optional Benefit Program.

(j) Changes due to reduction in hours or enrollment in an Exchange Plan. A Participant may prospectively revoke coverage under the group health plan that provides "minimum essential coverage" (as defined in Code Section 5000A(f)(1)) provided the following conditions are met:

Conditions for revocation due to reduction in hours of service:

(1) The Participant has been reasonably expected to average at least 30 hours of service per week and there is a change in that Participant's status so that the Participant will reasonably be expected to average less than 30 hours of service per week after the change, even if that reduction does not result in the Participant ceasing to be eligible under the group health plan; and

(2) The revocation of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

The Plan Administrator may rely on the reasonable representation of the Participant that the Participant and related individuals have or intend to timely enroll in another plan that provides minimum essential coverage.

Conditions for revocation due to enrollment in a qualified health plan:

(1) The Participant is eligible for a special enrollment period to enroll in a qualified health plan through a Marketplace (Federal or state exchange) pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the Participant seeks to enroll in a qualified health plan through a Marketplace during the Marketplace's annual open enrollment period; and

(2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant and any related individuals who cease coverage due to the revocation in a qualified health plan through a Marketplace for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

The Plan Administrator may rely on the reasonable representation of a Participant that the Participant and related individuals have or intend to timely enroll in a qualified health plan.

4.9 Elections of Reinstated Former Participants. Notwithstanding any provision herein to the contrary, elections of a Former Participant who again becomes eligible to participate in the Cafeteria Plan in accordance with Section 3.4 above shall be subject to the rules of this Section 4.9.

(a) Termination of Employment.

(1) Reemployment Within Thirty Days. A Former Participant whose election with respect to the group health pan, dental plan, vision plan or the Health Care Spending Account Plan terminates during a Plan Year due to the Participant's termination of employment (including a failure to return from an approved leave of absence) will have such election(s) automatically reinstated as of his date of reemployment if he resumes employment within thirty (30) days of such termination of employment and his reemployment occurs within the same Plan Year without any other intervening event that would permit a change in election pursuant to Section 4.8 hereof, or may make a new benefit election if such Participant has an intervening event that would permit a change in election pursuant to Section 4.8 hereof.

(2) Reemployment Following Thirty Days. A Former Participant whose election with respect to the group health pan, dental plan, vision plan or the Health Care Spending Account Plan terminates during a Plan Year due to the Participant's termination of employment (including a failure to return from an

approved leave of absence) and who resumes employment later than thirty (30) days after such termination of employment or who resumes employment in a subsequent Plan Year may make a new benefit election or an election to have his prior election reinstated under the Cafeteria Plan with respect to such Optional Benefit, subject to satisfaction of the eligibility requirements under such Optional Benefit Program (including any applicable waiting periods), as if such Former Participant were a new Employee with respect to such Optional Benefit Program.

(3) No Reinstatement or New Election for Non-Health Benefits. A Former Participant whose election with respect to an Optional Benefit not described in the preceding paragraphs of Section 4.9(a), which terminated during a Plan Year due to the Participant's termination of employment during the Plan Year, may not make a new benefit election or reinstate a benefit election for such Optional Benefit with respect to the same Plan Year.

(b) Leaves of Absence. Notwithstanding the foregoing, a Former Participant who takes FMLA leave and whose coverage is terminated (either by revocation or due to nonpayment of premiums) may, upon returning from FMLA leave, reinstate such election (subject to any changes in benefit levels that may have occurred during such leave) or may make a new benefit election if such Participant has had an intervening event that would permit a change in election pursuant to Section 4.8 hereof.

(c) Failure to Make Contributions. A Former Participant whose election with respect to an Optional Benefit terminated during a Plan Year due to the Participant's failure to make required contribution or premium payments for such Optional Benefit may not make a new benefit election or reinstate a benefit election for such Optional Benefit with respect to the same Plan Year.

4.10 Automatic Termination of Election. Elections made under this Cafeteria Plan shall automatically terminate on the date set forth in Section 3.3 above, except as otherwise provided in Section 3.6 hereof; provided, however, that coverage or benefits under the Optional Benefit Programs may continue, as provided under the terms of such programs or applicable law.

4.11 Maximum Employer Contributions. Employer contributions under this Cafeteria Plan shall be comprised of amounts withheld pursuant to an election (or deemed election) under a Participant's compensation reduction agreement and, with respect to a Former Employee or Employee who is on an unpaid leave of absence, amounts paid to the District to continue coverage under an Optional Benefit Program. The maximum amount of employer contributions under the Cafeteria Plan for any Participant for a Plan Year shall be the sum of (a) the Maximum Available Amount under the Health Care Spending Account Plan, (b) the maximum reimbursement under the Dependent Care Spending Account Plan and (c) the Participant costs specified from time to time by the District for Optional Benefits selected by the Participant under any other Optional Benefit Programs.

4.12 Elections for After-Tax Coverage. Except as otherwise provided herein, an election for coverage under an Optional Benefit Program that is made (or treated as made) under the Cafeteria Plan on an after-tax basis shall be subject to the rules of this Article IV to the same

extent as an election for coverage under an Optional Benefit Program that is made under the Cafeteria Plan on a pre-tax basis. Solely for purposes of applying the rules of Sections 4.8 and 4.9 to elections under this Section 4.12, a Beneficiary shall be treated in the same manner as a Dependent. An election for coverage under any Optional Benefit Program that does not constitute a "qualified benefit" under Code Section 125(f) shall be made on an after-tax basis and shall be treated as made outside of that portion of this Plan that is intended to satisfy the requirements of Code Section 125 cafeteria plan for purposes of complying with Code Section 125.

ARTICLE V
HEALTH CARE SPENDING ACCOUNT PLAN

5.1 Introduction. Reimbursement provided pursuant to this Article V is intended to qualify as medical care reimbursement under Section 105(b) of the Code and is to be interpreted in a manner consistent with the requirements of Section 105(b) of the Code. Participants in the Health Care Spending Account Plan may elect to receive reimbursement of Qualifying Health Care Expenses if such Optional Benefit is selected by the Participant.

5.2 Election to Receive Health Care Reimbursement. Except as otherwise specifically provided under Section 3.6 above, a Participant, other than a Former Employee, may elect to receive reimbursements of his Qualifying Health Care Expenses under this Health Care Spending Account Plan by submitting an election and compensation reduction agreement in the manner prescribed by the Plan Administrator. Such elections, including any limitations on the Participant's ability to revoke and/or reinstate the election shall be governed by Article IV hereof. Except as otherwise specifically permitted under Section 4.8 and 4.9 above, an election to receive reimbursement of Qualifying Health Care Expenses under the Health Care Spending Account Plan shall be irrevocable during the Plan Year.

5.3 Maximum and Minimum Reimbursements. The maximum and minimum amounts that the Participant may elect to receive under this Health Care Spending Account Plan in the form of reimbursements for Qualifying Health Care Expenses incurred during any Plan Year shall be those amounts specified by the Plan Administrator with respect to such Plan Year. The Plan Administrator shall publish such amounts to the Participants prior to the beginning of the Plan Year in which such limitations are effective.

5.4 Crediting of Accounts. As of the first day of the Plan Year, the Plan Administrator shall credit to a Participant's Health Care Spending Account, an amount equal to the Maximum Available Amount for the Plan Year. All amounts credited to each such Health Care Spending Account shall be the property of the District until paid out pursuant to Section 5.9 hereof.

5.5 Debiting of Accounts. Upon each reimbursement of a Participant's Qualifying Health Care Expenses in accordance with Section 5.9, the Plan Administrator shall debit the Participant's Health Care Spending Account in the amount of such reimbursement(s).

5.6 Forfeiture of Accounts. The amount credited to a Participant's Health Care Spending Account for any Plan Year shall be used only to reimburse the Participant for

Qualifying Health Care Expenses incurred during the Plan Year, and only if the Participant applies for reimbursement in the time and manner prescribed by the Plan Administrator. In the event that the credit to the Participant's Health Care Spending Account for any Plan Year exceeds the Participant's aggregate claims for the Plan Year, an amount of the remaining balance of up to $500 shall be carried over to the subsequent Plan Year and will be available for payment or reimbursement of Qualifying Health Care Expenses incurred in such subsequent Plan Year. The Participant shall forfeit any remaining balance in his Health Care Spending Account and no additional amounts shall be carried over to reimburse the Participant for Qualifying Health Care Expenses incurred during a subsequent Plan Year. Any balance remaining in a Participant's Health Care Spending Account shall not be available to the Participant in any other form or manner, but shall remain the property of the District. Any forfeitures under this Section 5.6 may, unless otherwise restricted by applicable law, be applied toward the payment of reasonable administrative expenses of the Health Care Spending Account Plan, be allocated on a reasonable and uniform basis to Participants to reduce compensation reduction contributions under the Health Care Spending Account Plan for a subsequent Plan Year, or returned to Employees, as determined by the Plan Administrator, in its sole and absolute discretion.

5.7 Claims for Reimbursement of Qualifying Health Care Expenses. A Participant who has elected to participate in this Health Care Spending Account Plan for a Plan Year shall receive reimbursement of Qualifying Health Care Expenses in the manner prescribed by the Plan Administrator. In connection with the reimbursement of Qualifying Health Care Expenses, the Plan Administrator may require the Participant to submit information, including, but not limited to the following:

(a) A statement from an independent third party in such manner as the Plan Administrator may prescribe, stating the dates, nature and amounts of expenses incurred,

(b) A statement from the Participant certifying that the expense(s) for which reimbursement is required has not been reimbursed and is not reimbursable from any other source, and

(c) Such other information as the Plan Administrator may from time to time require, which may include but is not limited to (i) the name of the person or organization to which the expense was paid and (ii) the name of the person for whom the expense was incurred and such person's relationship to the Participant.

5.8 Additional Rules Applicable to Debit Cards. If claims for Qualifying Health Care Expenses are paid or reimbursed through a debit card, the debit card shall be credited and debited in the same manner as prescribed under Sections 5.4 and 5.5 above. In addition, the Participant shall be required to agree, in writing, and the debit card shall include a statement that such agreement is reaffirmed with each use, that (i) the amount credited under Section 5.4 will be used only to pay for Qualifying Health Care Expenses, (ii) the amount credited under Section 5.4 will not be used to pay or reimburse for a medical expense that has been previously paid or reimbursed, (iii) the Participant will not seek reimbursement or payment under any other health plan for expenses paid with such card and (iv) the Participant will acquire and retain sufficient documentation (including invoices and receipts) for any expenses paid with such card. The debit card shall be cancelled no later than the date the Participant's participation in the Health Care

Spending Account is terminated. The Plan Administrator shall be required to limit the use of the debit cards and substantiate claims for Qualifying Health Care Expenses paid or reimbursed with the debit cards in the manner required by the Code.

5.9 Reimbursement of Qualifying Health Care Expenses. Upon incurring Qualifying Health Care Expenses during a Plan Year which equal or exceed the Minimum Threshold Amount and with respect to which the Participant has submitted (or is treated under Section 5.8 as having submitted) a claim and documentation in accordance with Section 5.7 above, the Health Care Spending Account Plan shall reimburse the Participant from the Participant's Health Care Spending Account for Qualifying Health Care Expenses incurred during the Plan Year. Any claim that exists as of the end of the Plan Year shall be paid regardless of the Minimum Threshold Amount to the extent that the Participant is otherwise entitled to reimbursement hereunder. In no event shall reimbursement(s) of Qualifying Health Care Expenses incurred during any Plan Year be paid in excess of the Maximum Available Amount for such Plan Year.

5.10 Termination of Participation. In the event the Participant's participation in the Health Care Spending Account Plan terminates during the Plan Year, any contributions for coverage following the date on which such Participant's participation in the Health Care Spending Account Plan ends shall be refunded and reported as taxable wages to the Participant. In the event the Participant's participation in the Health Care Spending Account Plan terminates during the Plan Year, but prior to the date on which contributions for coverage through the date of such termination have been withheld, then such Participant's final paycheck will be reduced by the contribution necessary to pay for coverage through the date on which such Participant's participation in the Health Care Spending Account Plan is terminated.

ARTICLE VI
DEPENDENT CARE SPENDING ACCOUNT PLAN

6.1 Introduction. Reimbursement provided pursuant to this Article VI is intended to qualify as a dependent care assistance program under Section 129 of the Code and is to be interpreted in a manner consistent with the requirements of Section 129. Participants in the Dependent Care Spending Account Plan may elect to receive reimbursement of their Dependent Care Expenses if such Optional Benefit is selected by the Participant.

6.2 Election to Receive Dependent Care Expense Reimbursement. A Participant, other than a Former Employee, may elect to receive reimbursement(s) of his Dependent Care Expenses under this Dependent Care Spending Account Plan by submitting an election and compensation reduction agreement in the manner prescribed by the Plan Administrator. Such election, including any limitations on the Participant's ability to revoke and/or reinstate the election shall be governed by Article IV hereof. Except as otherwise permitted under Section 4.8 and 4.9 above, an election to receive reimbursement of Dependent Care Expenses under the Dependent Care Spending Account Plan shall be irrevocable during the Plan Year.

6.3 Maximum and Minimum Reimbursements. The maximum amount that the Participant may receive under this Dependent Care Spending Account Plan in the form of reimbursements of Dependent Care Expenses incurred during any Plan Year shall be the lesser of

(a) the maximum dollar amount permitted under Code Section 129(a)(2)(A), (b) the Participant's earned income for the taxable year commencing in or concurrent with the Plan Year (if the Participant is married on the last day of the taxable year for which the benefit is selected, the lesser of the Participant's earned income or the Spouse's earned income), or (c) the balance credited to the Participant's Dependent Care Spending Account pursuant to Section 6.4. In the case of a Spouse who is a full time student for at least five (5) calendar months of the Participant's taxable year at an educational institution as defined in Section 170(b)(1)(A)(ii) of the Code or is physically or mentally incapable of caring for himself or herself and who has the same principal place of abode as the Participant for more than one-half of the Participant's taxable year, such Spouse shall be deemed to have earned income of not less than the applicable amount described in Code Section 21(d)(2). The minimum amount that the Participant may elect to receive under this Dependent Care Spending Account Plan in the form of reimbursements for Dependent Care Expenses incurred during any Plan Year shall be that amount specified by the Plan Administrator with respect to such Plan Year. The Plan Administrator shall publish such amounts to the Participants prior to the beginning of the Plan Year in which such limitations are effective.

6.4 Crediting of Accounts. As of each payroll period, the Plan Administrator shall credit to a Participant's Dependent Care Spending Account, an amount equal to a pro rata reduction (based upon the applicable period of coverage) in such Participant's compensation in accordance with the Participant's compensation reduction agreement under the Dependent Care Spending Account Plan. All amounts credited to each such Dependent Care Spending Account shall be the property of the District until paid out pursuant to Section 6.9 hereof.

6.5 Debiting of Accounts. Upon each reimbursement of a Participant's Dependent Care Expenses in accordance with Section 6.9, the Plan Administrator shall debit the Participant's Dependent Care Spending Account in the amount of such reimbursement(s).

6.6 Forfeiture of Accounts. The amount credited to a Participant's Dependent Care Spending Account for any Plan Year shall be used only to reimburse the Participant for Dependent Care Expenses incurred during the Plan Year and only if the Participant applies for reimbursement in the time and manner prescribed by the Plan Administrator. In the event that credits to the Participant's Dependent Care Spending Account for any Plan Year exceed the Participant's aggregate claims for the Plan Year, the Participant shall forfeit the remaining balance in his Dependent Care Spending Account and no amounts shall be carried over to reimburse the Participant for Dependent Care Expenses incurred during a subsequent Plan Year. Any balance remaining in a Participant's Dependent Care Spending Account shall not be available to the Participant in any other form or manner, but shall remain the property of the District. Subject to applicable law and regulations, such forfeitures shall be retained by the District or applied toward the payment of reasonable administrative expenses of the Dependent Care Spending Account Plan, provided, however that the Plan Administrator, in its sole and absolute discretion, may, on a reasonable and uniform basis and in accordance with applicable law and regulations, allocate the forfeitures to Participants to reduce compensation reduction contributions under the Dependent Care Spending Account Plan for a subsequent Plan Year or return such amounts to Employees.

6.7 Claims for Reimbursement of Dependent Care Expenses. A Participant who has elected to participate in the Dependent Care Spending Account Plan under this Article VI for a Plan Year may apply to the Plan Administrator for reimbursement of Dependent Care Expenses incurred by the Participant during the Plan Year by submitting a request in the time and manner prescribed by the Plan Administrator, which includes the following documentation or information:

(a) a written statement from an independent third party in such manner as the Plan Administrator may prescribe stating the dates and amounts of expense incurred, and the name and federal taxpayer identification number of the Dependent Care Service Provider to whom the expense was paid; and

(b) such other information as the Plan Administrator may from time to time require, such as the relationship of the Dependent Care Service Provider to the individual on whose behalf the expense was incurred.

6.8 Additional Rules Applicable to Debit Cards. If claims for Dependent Care Expenses are to be paid or reimbursed through a debit card, the Participant shall be required to directly pay Dependent Care Expenses incurred before the date on which the services are provided and to submit to the Plan Administrator the documentation prescribed under Section 6.7 with respect to such Dependent Care Expenses. Following receipt of such information by the Plan Administrator (but in no event before the date the services are provided), the Plan Administrator shall credit the Participant's debit card with the lesser of the previously incurred and substantiated expense and the amount of the Participant's reduction in compensation in accordance with the Participant's election and compensation reduction agreement under this Dependent Care Spending Account Plan, and the amount credited under this Section 6.8 may be used to pay for Dependent Care Expenses incurred thereafter. The amount available for payment of Dependent Care Expenses through the debit card shall be increased in the amount of any additional Dependent Care Expenses (but not more than the amount of the Participant's reduction in compensation) only after the additional expenses have been incurred. The debit card shall be cancelled no later than the date the Participant's participation in the Dependent Care Spending Account is terminated. The Plan Administrator shall be required to limit the use of the debit cards and substantiate claims for Dependent Care Expenses paid or reimbursed with the debit cards in the manner required by the Code. For these purposes, to the extent that the Participant uses a debit card to pay a Dependent Care Service Provider for Dependent Care Expenses, the amount of which is the same or less than Dependent Care Expenses previously charged to the debit card by such Dependent Care Service Provider, the Participant will be deemed to have submitted a written claim and documentation for all subsequent transactions with such Dependent Care Service Provider.

6.9 Reimbursement of Dependent Care Expenses. Upon incurring Dependent Care Expenses during a Plan Year which equal or exceed the Minimum Threshold Amount, and with respect to which the Participant has submitted (or is treated under Section 6.8 to have submitted) a written claim and documentation in accordance with Section 6.7 above, the Dependent Care Spending Account Plan shall reimburse the Participant from the Participant's Dependent Care Spending Account for Dependent Care Expenses incurred during the Plan Year. Any claim that exists as of the end of the Plan Year shall be paid regardless of the Minimum Threshold Amount

to the extent that the Participant is otherwise entitled to reimbursement hereunder. In no event shall reimbursement(s) under this Section 6.9 of Dependent Care Expenses incurred during any Plan Year be paid in excess of the amount credited to the Participant's Dependent Care Spending Account at the time of the reimbursement.

6.10 Report to Participants. On or before January 31 of each year, the Plan Administrator shall furnish to each Participant who has received a benefit under this Dependent Care Spending Account Plan during the preceding calendar year a written tax statement showing the amount of such assistance paid during such year with respect to the Participant.

ARTICLE VII
ADMINISTRATION OF PLAN

7.1 Plan Administrator. The administration of the Cafeteria Plan shall be the responsibility of the Plan Administrator. It shall be a principal duty of the Plan Administrator to see that the Cafeteria Plan is carried out in accordance with its terms, for the exclusive benefit of persons entitled to participate in the Cafeteria Plan. The Plan Administrator will have full power and sole discretion to administer the Cafeteria Plan in all of its details, subject to applicable requirements of law. For this purpose, the Plan Administrator's powers will include, but will not be limited to, the following discretionary authority, in addition to all other powers provided by this Cafeteria Plan:

(a) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Cafeteria Plan, including the establishment of any claims procedures that may be required by applicable provisions of law;

(b) To interpret the Cafeteria Plan, in its sole discretion, its interpretation thereof in good faith, to be final and conclusive on all persons claiming benefits under the Cafeteria Plan;

(c) To decide, in its sole discretion, all questions concerning the Cafeteria Plan and the eligibility of any person to participate in the Cafeteria Plan;

(d) To appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Cafeteria Plan; and

(e) To allocate and delegate its responsibilities under the Cafeteria Plan and to designate other persons to carry out any of its responsibilities under the Cafeteria Plan, any such allocation, delegation or designation to be in writing and in accordance with applicable requirements of law.

The Plan Administrator shall have full and final power and sole and absolute discretion in the exercise of its authority hereunder, including the authority to resolve all issues concerning eligibility, status and entitlement to coverage and benefits under this Cafeteria Plan. Notwithstanding the foregoing, any claim that arises under an Optional Benefit Program shall not be subject to review under this Cafeteria Plan, and the Plan Administrator's authority under this Section 8.1 shall not extend to any matter as to which an administrator under any such other plan is empowered to make determinations under such plan.

7.2 Examination of Records. The Plan Administrator will make available to each Participant such of his records under the Cafeteria Plan as pertain to him, for examination at reasonable times during normal business hours of the District.

7.3 Reliance on Tables, Etc. In administering the Cafeteria Plan, the Plan Administrator will be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions and reports that are furnished by, or in accordance with the instructions of, the administrator of the applicable Optional Benefit Program, or by accountants, counsel or other experts employed or engaged by the Plan Administrator.

7.4 Claims and Review Procedures. All claims for Optional Benefits shall be resolved in accordance with the claims and review procedures prescribed under the applicable Optional Benefit Program.

7.5 Nondiscriminatory Exercise of Authority. Whenever, in the administration of the Cafeteria Plan, any discretionary action by the Plan Administrator is required, the Plan Administrator shall exercise its authority in a nondiscriminatory manner so that all persons similarly situated will receive substantially the same treatment.

7.6 Indemnification of Plan Administrator. The District agrees to indemnify and to defend, to the fullest extent permitted by law, any employee of the District serving as a member of a committee designated as Plan Administrator (including any employee who formerly served as a member of such committee) against all liabilities, damages, penalties, fines, costs and expenses (including attorneys' fees and amounts paid in settlement of any claims approved by the District) occasioned by any act or omission to act in connection with the Cafeteria Plan, if such act or omission is or was done or omitted to be done in good faith.

ARTICLE VIII
AMENDMENT AND TERMINATION

8.1 Amendment of Cafeteria Plan. The District reserves the power at any time, and from time to time, to amend the provisions of the Cafeteria Plan, including any Optional Benefit Program, provided herein, as it deems advisable. Such amendment shall be evidenced by a written instrument executed by the Board.

8.2 Termination of Cafeteria Plan. The District has established the Cafeteria Plan with the bona fide intention and expectation that it will be continued indefinitely, but the District shall have no obligation whatsoever to maintain the Cafeteria Plan for any given length of time and may discontinue or terminate the Cafeteria Plan at any time, without liability, by a written instrument executed by the Board. Upon termination or discontinuance of the Cafeteria Plan, all elections and reductions in compensation relating to the Cafeteria Plan shall cease.

ARTICLE IX
MISCELLANEOUS PROVISIONS

9.1 Limitation of Rights. Neither the establishment of the Cafeteria Plan nor any amendment thereof, nor the payment of any benefits, will be construed as giving to any Participant or other person any legal or equitable right against the District or the Plan

Administrator, except as expressly provided herein, and in no event will the terms of employment or service of any Participant be modified or in any way affected hereby.

9.2 Governing Law. THIS CAFETERIA PLAN SHALL BE CONSTRUED, ADMINISTERED, AND GOVERNED IN ALL RESPECTS UNDER APPLICABLE FEDERAL LAW, INCLUDING WITHOUT LIMITATION, THE PROVISIONS OF ERISA AND THE CODE AND RELEVANT INTERPRETATIONS THEREOF, AND TO THE EXTENT NOT PREEMPTED BY FEDERAL LAW, UNDER THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. EXCLUSIVE JURISDICTION AND VENUE OF ALL DISPUTES ARISING OUT OF OR RELATING TO THIS CAFETERIA PLAN SHALL BE IN ANY COURT OF APPROPRIATE JURISDICTION IN TRAVIS COUNTY, TEXAS. THE PROVISIONS OF THIS SECTION SHALL SURVIVE AND REMAIN IN EFFECT UNTIL ALL OBLIGATIONS ARE SATISFIED, NOTWITHSTANDING ANY TERMINATION OF THE CAFETERIA PLAN.

9.3 Benefits Solely from General Assets. The benefits provided hereunder will be paid as determined in the discretion of the Plan Administrator from the general assets of the District or from any trust(s) or insurance policies established in connection with any Optional Benefit Program(s). Nothing herein will be construed to require the District or the Plan Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the District from which any payment under the Cafeteria Plan may be made.

9.4 Nonassignability of Rights. The right of any Participant to receive any reimbursement under the Cafeteria Plan shall not be alienable by the Participant by assignment or any other method, and will not be subject to attachment by his creditors by any process whatsoever, and any attempt to cause such right to be so subjected will not be recognized, except to such extent as may be required by law.

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing, Travis County Healthcare District has caused these presents to be fully executed in its name and behalf by its proper officers to be effective as of March 1, 2019.

TRAVIS COUNTY HEALTHCARE DISTRICT

By:_____
Name:_____
Title:_____

CENTRAL HEALTH

Our Vision
Central Texas is a model healthy community.

Our Mission
By caring for those who need it most, Central Health improves the health of our community.

Our Values
Central Health will achieve excellence through:
Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.
Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 5

Discuss and take appropriate action on a request by CommUnityCare regarding compensation for certain new hires.

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BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 6

Receive an update on the findings of the 360° review of the President and CEO.[3]

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BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 7

Discuss and take appropriate action on Central Health owned or occupied real property and potential property for acquisition, lease, or development in Travis County, including next steps in the redevelopment of the Central Health Downtown Campus, administrative offices of Central Health and Enterprise partners, and new developments in Eastern Travis County.[3, 5]

CENTRAL HEALTH

AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	March 31, 2021
Who will present the agenda item? (Name, Title)	Jeff Knodel, CFO; Steven Lamp, Real Estate Consultant
General Item Description	Real Estate Purchase
Is this an informational or action item?	Action Item
Fiscal Impact	To be discussed in closed session
Recommended Motion (if needed – action item)	Approval for the Central Health CEO to negotiate and execute an Agreement to purchase a site for Enterprise Administrative Consolidation and Clinical space

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

1) Attributes of the site/facility
2) Long-term benefits
3) Financing Plan
4) Project costs
5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Powerpoint presentation
Estimated time needed for presentation & questions?	30 minutes
Is closed session recommended? (Consult with attorneys.)	Yes.

CENTRAL HEALTH

AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	March 31, 2021
Who will present the agenda item? (Name, Title)	Jeff Knodel, CFO
General Item Description	Approval of Reimbursement Resolution
Is this an informational or action item?	Action Item
Fiscal Impact	N/A
Recommended Motion (if needed – action item)	Approve a Reimbursement Resolution for Central Health to reimburse itself from debt proceeds of eligible expenditures for the purchase and renovation of an Administrative Building and Clinical Space, in addition to construction of clinics in Hornsby Bend and Del Valle

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

1) General information of Reimbursement Resolution
2) Purpose
3)
4)
5)

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Verbal
Estimated time needed for presentation & questions?	5 minutes
Is closed session recommended? (Consult with attorneys.)	No

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BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 8

Discuss and take appropriate action on approval of publication of notice of intention to authorize issuance of certificates of obligation to finance acquisition and construction or renovation of real property. [3, 5]

CENTRAL HEALTH

AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date	March 31, 2021
Who will present the agenda item? (Name, Title)	Jeff Knodel, CFO
General Item Description	Intent to issue Contractual Obligations for the purchase and renovation of an Administrative Building and Clinical Space, in addition to the construction of clinics in Hornsby Bend and Del Valle
Is this an informational or action item?	Action Item
Fiscal Impact	To be discussed in closed session
Recommended Motion (if needed – action item)	Approval of intention to issue Contractual Obligations for the purchase and renovation of an Administrative Building and Clinical Space; in addition to construction of clinics in Hornsby Bend and Del Valle

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

1) General information of debt issuance
2) Use of funds
3) Market information
4) Timeline
5) Next steps

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)	Powerpoint presentation
Estimated time needed for presentation & questions?	15 minutes
Is closed session recommended? (Consult with attorneys.)	No

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BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 9

Receive a briefing regarding Central Health Enterprise information security issues.[5, 6]

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BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 10

Receive and discuss an update regarding Sendero Health Plans, Inc., including 2021 ACA enrollment and financial updates.[4]

SENDERO HEALTH PLANS

CENTRAL HEALTH BOARD OF MANAGERS

March 23rd, 2021

BOARD MEETING

CONFIDENTIAL

Sendero Update Agenda

i. Fiscal Year 2020 Results

ii. 2021 Membership

iii. NovaRest Independent Actuarial Review and Projections

iv. Sendero Projections Summary

v. Business Model and Strategy *(transition to closed session)*

All informational items, no specific Action requested today.

CONFIDENTIAL

Sendero Updates

i. FY 2020 ending capital of $15.2m with 360% RBC* after Statutory Income of ($6.6M)

** RBC = Risk Based Capital ratio target of >300%*

ii. 2021 Membership: 7,650 projected average for the year

- 657 CHAP Expansion members
- 1,233 other premium assistance members (HAAM/SIMS & MAP)
- Special Enrollment Period (SEP) and new APTC (premium assistance) guidelines will favorably impact the community and Sendero
- Membership projected to stay level or increase in 2022 forward

iii. NovaRest Independent Actuarial Review:

"We were also asked to project financial impact through 2022. We ran a couple of scenarios based on Sendero's projected membership resulting from different rate increase assumptions. We found that under varying assumptions, statutory income was negative 2021 but ***risk-based capital is projected to be above concern levels****."*

"We note that the ratio of CHAP members is large enough that we project a risk adjustment receivable, which is not paid until the following year, which may cause cash flow issues."

Sendero is transitioning to care for a greater number of high risk members. These members' premiums do not cover the costs of care until risk adjustment funds are received in the following year. Sendero has identified the amounts needed to prevent cash flow issues, and options for remediation of these issues.

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Sendero Updates

iv. Financial Projections:

- Administrative Costs: Since 2017, the year of our greatest membership, risk adjusted premiums have declined 40% and admin costs have declined a corresponding 38%, stabilizing despite increased member acuity.

- 3 Year Projections: 2021 through 2023
  - Projection at current membership levels indicates manageable losses each year
  - Without mitigation, RBC may end 2023 below desired levels but remaining capital would be sufficient for wind-down in 2024
  - Because of the CHAP Expansion program and the related risk adjustment receivable that is not collected until the following year, cash borrowings will be required at the end of 2021

v. Business Model Discussion *(closed session)*

Sendero Public Health Research Publications

- "Using Health Insurance Network Provider Data and Public Data Sets to Identify SARS-CoV-2 Vaccinators in the USA" *Frontiers in Public Health* January 2021
- "A Cue-to-Action Pilot Project to Increase Screening Mammography" *American Journal of Managed Care* February 2021

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BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 11

Discuss and take appropriate action on 2021 ACA Special Open Enrollment period, including possible consideration of a request for funding from the Health Alliance for Austin Musicians (HAAM).

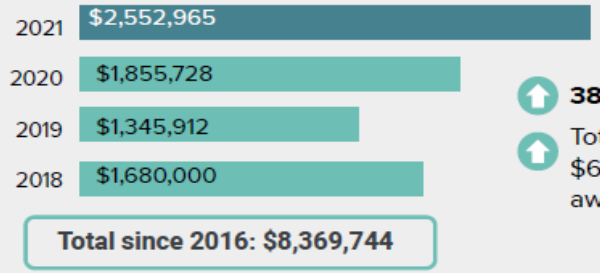
Central Health + HAAM

2021 PREMIUM ASSISTANCE REPORT

Data current during February 2021

ACA Open Enrollment and Central Health Premium Assistance Summary

CH Funding Paid to Sendero for 12 mos of Coverage

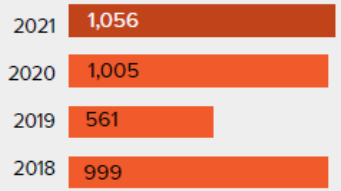


Total since 2016: $8,369,744

38% since 2020

Total includes $640,000 increase awarded 10/28

HAAM Musician Plans Covered

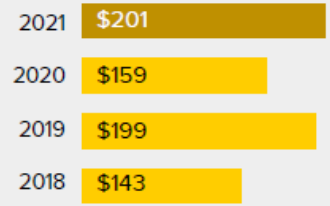


2,252 unique indiv covered since 2016

348 plans were covered with additional support

Increased funding compensated for increased plan costs, netting 63 more plans than covered in 2020

Avg Cost of Sendero Plan



26% since 2020

Increased burn rate for funding

Virtual Enrollment Flow

1. HAAM enrollment
2. ACA enrollment appointment
3. PAP appointment with HAAM

Central Health + HAAM

2021 PREMIUM ASSISTANCE REPORT

Outreach Efforts Summary

CH + HAAM Media Campaign Collaboration

Spanish + English TV
Care to Share Holiday Video Series
Spanish + English Radio
Marketplace OE Soundbites

Community Partnership

- Partnership development with local organizations rooted in communities including musicians of color
- Partner consultation to guide HAAM outreach efforts and organization development
- Traditional outreach to musicians of color through phone, text and email
- In- person outreach on hold due to Covid

Spokespeople

- Collaboration with over 20 musicians of color, community leaders, current or past recipients of HAAM benefits
- Advocating and endorsing HAAM + ACA Open Enrollment
- Producing video + social media content, representing HAAM
- Robocall voice messaging to over 3400 musicians

Outreach Toolkit for Partners

- Toolkit shared with over 55 local community organizations, offering ready-to-use outreach materials
- All toolkit materials and communication provided in both Spanish and English

665

direct outreach attempts to musicians of color from Aug-Dec over phone, email, text, social

55

community organizations engaged as outreach partners and ambassadors

Central Health + HAAM

2021 PREMIUM ASSISTANCE REPORT

Outreach Efforts Summary

Outreach Videos

- Collaborative efforts with partner organizations, featuring musicians of color, personal testimonials + OE
- Broad partner + HAAM sharing over social media, email and newsletters
- Bilingual Spanish and English videos

Interactive Information Session

- For and by musicians of color interested in HAAM and ACA enrollment
- Bilingual, live question and answer video session, led by bilingual HAAM staff and HAAM musicians
- Invitation through outreach partner channels and social media

1261

total individuals
(dependents included)
covered by CH PAP
plans for 2021

20k +

people reached
through social media
and traditional media
campaigns

Central Health + HAAM

2021 PREMIUM ASSISTANCE REPORT

Outreach Summary

New musicians brought into HAAM and Central Health PAP through Open Enrollment 2021 demonstrate the efforts of comprehensive outreach efforts.

2021 Musicians in Central Health PAP

31% of all musicians enrolled CH PAP for 2021 are musicians of color

Total CH PAP Total enrolled: 1101

	#	%
American Indian/Alaska Native	10	0.91%
Asia	31	2.82%
Black or African American	68	6.18%
Hispanic/Latinx	195	17.71%
Not Listed	31	2.82%
Pacific Islander	3	0.27%
White	763	69.30%
Total Musicians of Color	**338**	**30.71%**
Gender: Female	305	27.70%
Gender: Male	779	70.75%
Non-binary/other:	17	1.54%

2021 New Musicians in Central Health PAP

52% of all *new* CH PAP enrollees for 2021 are musicians of color

New CH PAP Total enrolled: 114

	#	%
American Indian/Alaska Native	2	1.75%
Asia	4	3.51%
Black or African American	14	12.28%
Hispanic/Latinx	29	25.44%
Not Listed	8	7.02%
Pacific Islander	2	1.75%
White	55	48.25%
Total Musicians of Color	**59**	**51.75%**
Gender: Female	30	26%
Gender: Male	79	69%
Non-binary/other:	5	4.36%

Central Health + HAAM

2021 SPECIAL ENROLLMENT REQUEST

Special Enrollment Period Feb 15 - May 15

Existing Investment

Prior to the American Rescue Plan Act of 2021, Central Health's PAP funding of $2,552,965 was leveraged by drawing down $6,133,817 in federal dollars. A **$8,686,782** investment in the local community for 2021

** Outstanding need based on data prior to the American Rescue Plan Act of 2021*

Outstanding Need*

With **further investment of $390,000** to the CH HAAM PAP Program HAAM could enroll an

additional 275 musicians

through the re-opening of the ACA Marketplace from the pool of 399 applicants deemed eligible during Open Enrollment, after funding was exhausted.

This additional funding would draw down $1,198,011 in federal dollars (PTCs), resulting in a further

additional community impact of $1,698,011

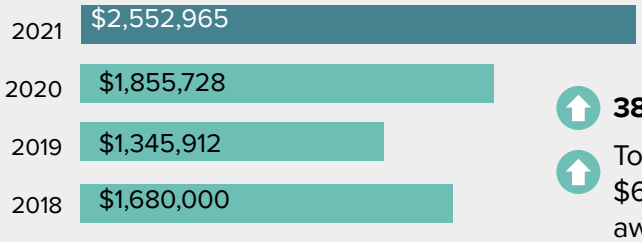
Central Health + HAAM

2021 PREMIUM ASSISTANCE REPORT

February 2021

ACA Open Enrollment and Central Health Premium Assistance Summary

CH Funding Paid to Sendero for 12 mos of Coverage



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- Total includes $640,000 increase awarded 10/28

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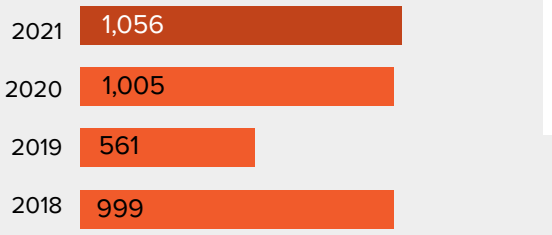

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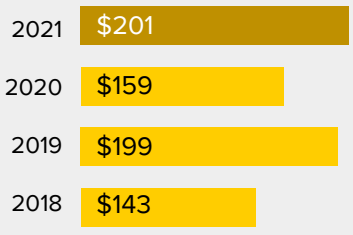

- **26%** since 2020
- Increased burn rate for funding

Virtual Enrollment Flow

1. HAAM enrollment →
2. ACA enrollment appointment →
3. PAP appointment with HAAM

2021 Open Enrollment Timeline

AUGUST

- Phone banking + email outreach
- 2021 new partner collaborations begin

SEPTEMBER

- Enrollment appt booking opens
- Outreach continues, partner collaboration builds, targeted inclusive messaging
- Translation of all OE materials

OCTOBER

- OE staff hired and trained
- $640K increase in funding awarded on 10/28
- 1390 appts scheduled by Nov 1
- HAAM, CH and community org outreach media campaigns launch

Nov 1- Dec 15 OE

NOVEMBER

- 11/1 OE begins
- Messaging campaigns continue
- Partner toolkit distributed
- Interactive information session

DECEMBER

- Concentrated outreach efforts final weeks
- 12/15 OE ends
- ACA plan troubleshooting begins
- PAP payments begin

JANUARY

- 1/1 ACA plans effectuate
- Effectuation troubleshooting continues
- Health navigation for insurance literacy
- Data/analytics on OE outcomes begins

Open Enrollment Successes & Challenges

Successes

55

community organizations engaged as outreach partners and ambassadors

665

direct outreach attempts to musicians of color from Aug-Dec over phone, email, text, social

1261

total individuals (dependents included) covered by CH PAP plans for 2021

20k +

people reached through social media and traditional media campaigns

- ✓ **HAAM outperformed years past** in **total enrollment** across the organization
- ✓ **20% increase in new musicians of color joining CH PAP**
- ✓ **34% of all *new* musicians enrolled in HAAM for 2021 are musicians of color,** rising throughout the year
- ✓ **Successful and valuable outreach** performed over the recent six months
- ✓ **High impact social media campaign** achieved broad reach to diverse populations
- ✓ **Central Health funding leveraged** to build an even broader base of support, including City of Austin funding

Challenges

- **461 musicians eligible but not enrolled** in CH PAP (limited by $1,111,932 funding gap)
- **Compact timeline** for matching CH PAP enrollment with outreach response
- **Extra PAP funding received** after efforts launched
- **COVID-19 restrictions:** all-virtual, limited access to musicians, financial devastation of music industry
- **Resources stretched** for Outreach Partnership Program
- **Increased premium costs**, limited the number of lives covered
- **Limited impact of PTCs** due to Sendero Health Plans premium price ranking within the Marketplace

New musicians brought into HAAM and Central Health PAP through Open Enrollment 2021 demonstrate the efforts of comprehensive outreach efforts.

2021 Musicians in Central Health PAP

31% of all musicians enrolled CH PAP for 2021 are musicians of color

- 31% of all 2021 CH PAP enrollees are musicians of color
- 338 of all CH PAP enrollees are musicians of color
- With SEP PAP funding we anticipate representation rise, underway outreach efforts continue to demonstrate impact

Total CH PAP Total enrolled: 1101

	#	%
American Indian/Alaska Native	10	0.91%
Asia	31	2.82%
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Gender: Female	305	27.70%
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Non-binary/other:	17	1.54%

2021 New Musicians in Central Health PAP

52% of all *new* CH PAP enrollees for 2021 are musicians of color

- Up from 32% in 2020, a 20% increase in musician of color representation
- 59 out of 114 musicians newly enrolled in CH PAP for 2021 are musicians of color

New CH PAP Total enrolled: 114

	#	%
American Indian/Alaska Native	2	1.75%
Asia	4	3.51%
Black or African American	14	12.28%
Hispanic/Latinx	29	25.44%
Not Listed	8	7.02%
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White	55	48.25%
Total Musicians of Color	**59**	**51.75%**
Gender: Female	30	26%
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Non-binary/other:	5	4.36%

Comparison Demographic Data

	Caucasian		Hispanic/ Latinx		Black/ African American		Asian		American Indian/ Alaska Native		Pacific Islander		other	
	%	#	%	#	%	#	%	#	%	#	%	#	%	#
Travis County Demographics	49%		34%		8%		7%		1%		0.10%		3%	
Austin Music Census Demographics	67%		10%		4%		2%		3%		0%		6%	
2016 HAAM Member Demographics	76%	1300	14%	240	4%	61	2%	30	1%	16	0.35%	6	10%	50
2017 HAAM Member Demographics	75%	1556	15%	313	4%	80	2%	38	1%	23	0.38%	8	10%	64
2018 HAAM Member Demographics	73%	1852	16%	405	4%	98	2%	51	1%	30	0.39%	10	10%	107
2019 HAAM Member Demographics	71%	1821	16%	403	4%	105	2%	57	1%	29	0.39%	10	10%	144
2020 HAAM Member Demographics	69%	1809	16%	424	5%	124	2%	58	1%	32	0.38%	10	7%	182
2021 HAAM Member Demographics	74%	1975	15%	430	5%	154	2%	67	1%	45	0.4%	11	2%	66
2021 CH PAP	69.30%	763	17.71%	195	6.18%	68	2.82%	31	0.91%	10	0.27%	3	0	0

	Male		Female		Non-Binary/Third Gender		Prefer to Self Describe	
	%	#	%	#	%	#	%	#
Travis County Demographics	50.50%		49.50%		Unavailable		Unavailable	
Austin Music Census Demographics	80%		20%		Unavailable		Unavailable	
2016 HAAM Member Demographics	76%	1447	24%	458	0.05%	1	0.00%	0
2017 HAAM Member Demographics	74%	1648	25%	562	0.18%	4	0.00%	0
2018 HAAM Member Demographics	74%	1979	26%	693	0.22%	6	0.00%	0
2019 HAAM Member Demographics	74%	1920	26%	680	0.42%	11	0.04%	1
2020 HAAM Member Demographics	72%	1998	27%	740	1.12%	28	0.00%	0
2021 HAAM Member Demographics	72%	1967	27%	741	1.39%	38	0.00%	0
2021 CH PAP	70.75%	779	27.70%	305	1.45%	16	0.09%	1

Outreach Efforts

As part of addressing long standing health inequities and disparities, HAAM outreach efforts are designed to reach Austin area musicians of color and amplify their access to marketplace insurance, Central Health premium assistance, and HAAM health resource offerings. Outreach programming aims to increase enrollment, engagement, cultural and linguistic competency and improve health outcomes all the while tracking the effectiveness of the outreach efforts.

CH + HAAM Media Campaign Collaboration

Spanish + English TV
Care to Share Holiday Video Series
Spanish + English Radio
Marketplace OE Soundbites

Community Partnership

- Partnership development with local organizations rooted in communities including musicians of color
- Partner consultation to guide HAAM outreach efforts and organization development
- Traditional outreach to musicians of color through phone, text and email
- In- person outreach on hold due to Covid

Spokespeople

- Collaboration with over 20 musicians of color, community leaders, current or past recipients of HAAM benefits
- Advocating and endorsing HAAM + ACA Open Enrollment
- Producing video + social media content, representing HAAM
- Robocall voice messaging to over 3400 musicians

Outreach Toolkit for Partners

- Toolkit shared with over 55 local community organizations, offering ready-to-use outreach materials
- All toolkit materials and communication provided in both Spanish and English

Outreach Videos

- Collaborative efforts with partner organizations, featuring musicians of color, personal testimonials + OE
- Broad partner + HAAM sharing over social media, email and newsletters
- Bilingual Spanish and English videos

Interactive Information Session

- For and by musicians of color interested in HAAM and ACA enrollment
- Bilingual, live question and answer video session, led by bilingual HAAM staff and HAAM musicians
- Invitation through outreach partner channels and social media

> *After having a stage 4 cancer diagnosis, without enrollment in the marketplace with premium assistance to cover the cost my choice would have been to forgo treatment and my children probably wouldn't have a mother right now."*
>
> - Sevylla del Mazo, musician and CH PAP recipient

HAAM is grateful for the strong collaboration with Central Health + Sendero and for the support that makes insurance coverage affordable for HAAM musicians. The Central Health Premium Assistance program in partnership with Sendero is an exceptionally high value, essential resource for HAAM musicians that has even more powerful impact during the difficult COVID-19 crisis. The 5 year partnership between Sendero, Central Health and HAAM has resulted in more than 2250 musicians securing stable health insurance coverage, profound health and financial outcomes for this low income, high needs population.

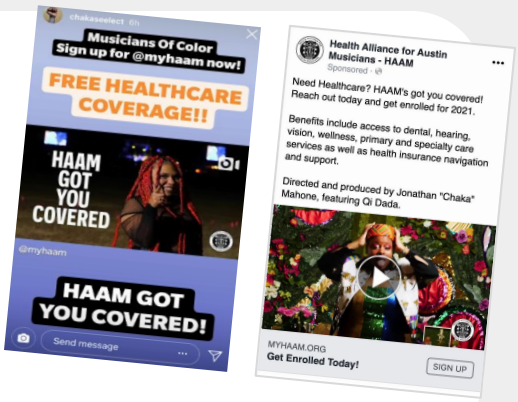
Highlights

HAAM's comprehensive efforts throughout the 2020 Open Enrollment season to reach Austin musicians used both traditional and innovative methods, now continuing into 2021. Each campaign was designed alongside the community with intentional focus on reaching musicians of color and inviting enrollment into HAAM + CH PAP.

Social Media Campaign

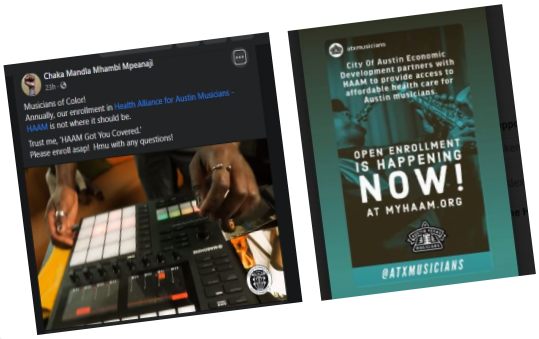
Organic posts, ads and stories, reaching over 16k people, engaging hundreds of users through Instagram and Facebook

Featuring outreach spokespeople: Chaka, Ladi Earth, Facade HQ, Sevylla Del Mazo, Qi Dada, Eimaral Sol, Alex Marrero and others



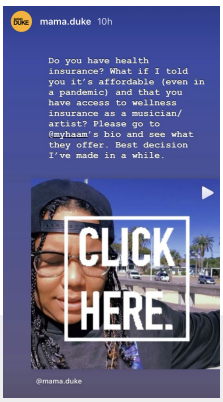
Central Health Media Campaign

Radio + TV interviews in English and Spanish, with Sevylla del Mazo



Partner organizations

55 community orgs spread the Outreach Toolkit messaging about ACA enrollment



Robocall phone messaging

to over 3400 eligible musicians from local rapper, Mama Duke

Existing Investment

Central Health's PAP funding of $2,552,965 was leveraged by drawing down $6,133,817 in federal dollars.

A **$8,686,782** investment in the local community for 2021

Funneling federal funds into local health systems

full fee payment to local providers

increasing all around access to care

Outstanding Need

With **further investment of $500,000** to the CH HAAM PAP Program HAAM could enroll an

additional 275 musicians

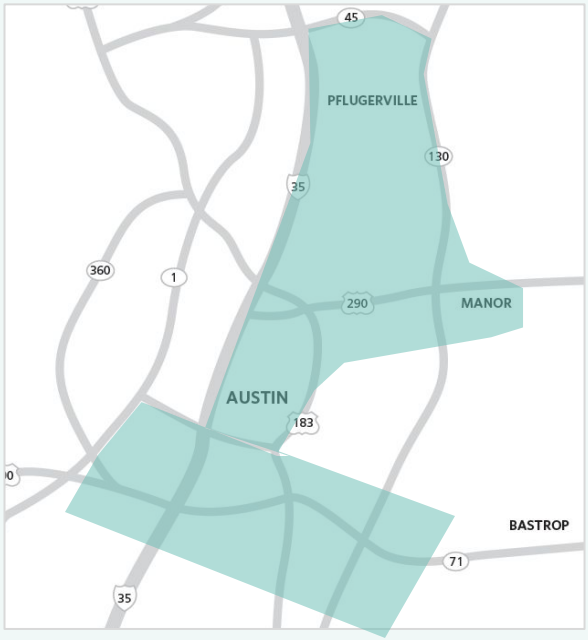
through the re-opening of the ACA Marketplace from the pool of 399 applicants deemed eligible during Open Enrollment, after funding was exhausted.

This additional funding would draw down $1,198,011 in federal dollars (PTCs), resulting in a further

additional community impact of $1,698,011

Focus Areas

Based on current data, **80% of all CH PAP-eligible HAAM musicians reside in regions overlapping with many CH focus areas:** South, Southeast, East Central, Northeast, North Central, Manor and Pflugerville



CENTRAL HEALTH

Our Vision
Central Texas is a model healthy community.

Our Mission
By caring for those who need it most, Central Health improves the health of our community.

Our Values
Central Health will achieve excellence through:
Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.
Innovation - We create solutions to improve healthcare access.
Respect - We honor our relationship with those we serve and those with whom we work.
Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

March 31, 2021

REGULAR AGENDA ITEM 12

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