

MINUTES OF MEETING – OCTOBER 21, 2025
CENTRAL HEALTH
AD HOC COMMUNITYCARE LIAISON COMMITTEE

On Tuesday, October 21, 2025, a meeting of the Central Health Ad Hoc CommUnityCare Liaison Committee convened in open session at 5:03 p.m. in person at the Central Health Administrative Offices and remotely by toll-free videoconference. Clerk for the meeting was Valerie Guerra.

Committee members present in person: Chair Kitchen, Manager May, and Manager Rodriguez

Board members present via audio and video or in person: Manager Jones, Manager Martin (arrived at 5:13 p.m.), and Manager Valadez

Absent: Manager Brinson

PUBLIC COMMUNICATION

Clerk's Notes: Valerie Guerra introduced no speakers for Public Communication.

COMMITTEE AGENDA

1. **Approve the minutes of the September 18, 2025 Ad hoc CommUnityCare Liaison Committee meeting.**

Clerk's Notes: Discussion on this item began at 5:22 p.m.

Chair Kitchen moved that the Committee approve the minutes of the September 18, 2025 Ad hoc CommUnityCare Liaison Committee meeting.

Manager Rodriguez seconded the motion.

Chairperson Kitchen	For
Manager Brinson	Absent
Manager May	For
Manager Rodriguez	For

2. **Review and take appropriate action on the Annual Joint Staff Planning and Budgeting Methodology Pertaining to Health Center Program Funding.**

Clerk's Notes: Discussion on this item began at 5:07 p.m. Dr. Lee, President and CEO, explained how the Annual Joint Staff Planning and Budgeting Methodology outlines the annual process in accordance with the Co-applicant agreement, whereby the CEOs of CommUnityCare Health Centers and Central Health will meet to develop the annual budget and service delivery objectives.

Manager May moved that the Committee recommend that the Board approve the document summarizing the annual joint staff planning and budgeting methodology pertaining to health center program funding.

Manager Martin seconded the motion.

Chairperson Kitchen	For
Manager Brinson	Absent
Manager May	For
Manager Rodriguez	For

3. Review and take appropriate action on key issues related to the Co-Applicant Agreement between Central Health and Central Texas Community Health Centers d/b/a CommUnityCare.

Clerk's Notes: Discussion on this item began at 5:26 p.m.

At 5:26 p.m. Chairperson Kitchen announced that the Committee was convening in closed session to discuss agenda item 3 under Texas Government Code §551.071 (Consultation with Attorney).

At 7:05 p.m. the Committee returned to open session.

4. Review and take appropriate action on the CommUnityCare CEO personnel policy.

Clerk's Notes: Discussion on this item began at 5:26 p.m.

At 5:26 p.m. Chairperson Kitchen announced that the Committee was convening in closed session to discuss agenda item 4 under Texas Government Code §551.071 (Consultation with Attorney).

At 7:08 p.m. the Committee returned to open session.

Manager May moved that the Committee recommend that the Board approve the CommUnityCare CEO Personnel Policy as discussed in closed session.

Manager Rodriguez seconded the motion.

Chairperson Kitchen	For
Manager Brinson	Absent
Manager May	For
Manager Rodriguez	For

5. Discuss follow-up items resulting from the Central Health and CommUnityCare Joint Board Retreat held on August 13, 2025.

Clerk's Notes This item was not taken up.

6. Confirm the next regular Ad Hoc Succession Committee meeting date, time, and location.

Manager Rodriguez moved that the Committee adjourn.

Manager May seconded the motion.

Chairperson Kitchen	For
Manager Brinson	Absent
Manager May	For
Manager Rodriguez	For

The meeting was adjourned at 7:09 p.m.

ATTESTED TO BY:

Ann Kitchen, Chairperson
Central Health Ad Hoc CommUnityCare Liaison
Committee

Manuel Martin, Secretary
Central Health Board of Managers

Annual Joint Staff Planning and Budgeting Methodology Pertaining to Health Center Program Funding

Annually, in accordance with the Co-applicant agreement, the CEOs of CommUnityCare Health Centers (CommUnityCare [CUC] or Health Center) and the Grantee (Central Health) will meet prior to development of the annual budget to develop budgetary guidelines and service delivery objectives.

Pursuant to the Co-applicant agreement between the Co-applicant Board of Directors (BOD) and Grantee and the Health Center HRSA-approved Scope of Project, CommUnityCare will provide healthcare delivery services, including but not limited to Medical, Dental, Behavioral Health, and Pharmacy Services.

It is the intent of the parties that:

- Subject to final approval of the annual budget in accordance with the Co-Applicant Agreement, Central Health will fund CUC \$98,800,000 on a cost-of-operations basis, the amount for which will be established every year during the budget development process. The amount for FY 2026 is \$98,800.00.
- Subject to final approval of the annual budget, and subject to CUC compliance with the requirements of the approved annual budget, Central Health will make 12 monthly payments to CUC over the course of the annual budget year, adjusted as necessary to sustain adequate operational cash levels to maintain 30-days+ cash on hand.
- CH and CUC staff will review actuals-to-budget and year-end projections on an agreed-upon frequency — no less than quarterly— and report the results to the Central Health Board. CH and CUC staff will also regularly discuss service line budget variances, progress on service delivery objectives and targeted outcomes and emerging opportunities and risks aligned with the Board established goals, and report the results to the CH Board.
- Throughout the budget year, Central Health and CUC will notify the other party of any proposed amendment to the budget and any such amendments must be approved by both parties, including approval by the Central Health Board of Managers in a duly called and noticed open meeting of the amounts specified in the bullet below.
- Substantial deviations from the approved annual Health Center budget or additional contemplated financial risks or obligations regarding the health center program and 330 grant, including those listed below, will be jointly evaluated and jointly approved, including approval by the Central Health Board of Managers in a duly called and noticed open meeting, to effectively plan for any anticipated financial impact to the health center program:
 - incurrence of debt of more than \$1,000,000
 - acquisition of another entity or line of business
 - divestiture of Health Center assets or lines of business that significantly alter service delivery

- payor contracts with greater than \$500,000 downside financial risk
 - purchases or new leases of real estate
 - capital or one-time expenses greater than \$500,000
- CH and CUC staff will jointly recommend, for final approval by the Co-Applicant BOD, any additions or material changes to CUC service lines, service locations and HRSA scope of services
- CUC will notify Central Health of its intent to establish activities or provide services outside of the HRSA approved scope of project; use of public health center resources (e.g. personnel, systems, facilities) for any out-of-scope activities must either be jointly approved by CUC and CH, including approval by the Central Health Board of Managers, or such activities must be solely funded with funds other than Health Center program income in a manner that is compliant with state and federal law.
- It is the intent of the parties that, in addition to the annual operating budget, Central Health and CUC will annually approve a reserve level equal to 30-days of cash on-hand based on the current year approved budget; each entity will equally share in the aggregate reserve level target; in FY26, this represents \$12 million of CUC reserves + additional \$12 million of designated CH reserves. Grant funds cannot be used as the source of reserve funding. Any use of reserves to meet cash flow needs will be reported to each respective board. CUC cash above and beyond \$12 million reserve will be applied to meet future cash flow and/or subsequent year budget needs. Actual approval of CH's reserve level may only be acted upon by the Central Health Board of Managers in a duly called and noticed open meeting.



Policy Title: Oversight of Co-Applicant CEO Performance
Policy #: HR2-XXX
Effective Date: April 2025
Revision Dates:
Review Dates:
Policy Owner: Chief People Officer
Executive Sponsor: Central Health President & CEO
Attachments:

I. PURPOSE

The purpose of this policy is to outline the process regarding the oversight of the CommUnityCare Project Director.

II. SCOPE

This policy applies to the Central Health Board of Managers, the Co-Applicant Board of Directors, the Grantee, and the CommUnityCare Project Director.

III. DEFINITIONS

- **Co-Applicant Board of Directors** refers to the CommUnityCare Board of Directors.
- **CommUnityCare Project Director** refers to the CommUnityCare Chief Executive Officer (CEO).
- **Grantee** refers to Travis County Healthcare District, dba Central Health as the recipient of federal health center funding.
- **HRSA** refers to the Health Resources and Services Administration of the U.S. Department of Health and Human Services, which administers the federal health center program.

IV. POLICY

It is the policy of Central Health to address performance or code of conduct concerns related to the CommUnityCare Project Director in a manner consistent with the terms of the current Co-Applicant Agreement, federal, local and state law, and all applicable Central Health personnel policies.

V. RELEVANT STATUTES, REGULATIONS OR GUIDANCE

- Co-Applicant Agreement Between Travis County Healthcare District and Central Texas Community Health Centers.
- Federal law, regulations, and guidance governing the health center program

VI. RELATED POLICIES AND PROCEDURES

- Not Applicable

VII. PROCESS

The Grantee and Co-Applicant Board agree to the following parameters and processes related to the oversight of the CommUnityCare Project Director. All bracketed "Section" references are to the Co-Applicant Agreement.

- a. The process for the Grantee to raise concerns regarding the behavior or performance of the CommUnityCare Project Director that Grantee believes requires formal investigation, disciplinary action, or any other change in employment status, including termination is as follows:
 - i. The Grantee will notify the Co-Applicant Board Chairperson in writing about the concerns regarding the CommUnityCare Project Director. If Grantee's administration has not notified Grantee's Board Chair previously, Grantee's Board Chair will be informed concurrently;
 - ii. The written notice to the Co-Applicant Board Chairperson will state the concern, any personnel policy Grantee believes was or may have been violated, and any proposed disciplinary action (if applicable);
 - iii. Grantee may request to meet with representatives of the Co-Applicant Board to discuss the concerns, which will be scheduled as soon as possible;
 - iv. The Co-Applicant Board will review the information provided and determine whether any action is necessary or appropriate, and if so, what action should be taken within ninety (90) days. If the incident is deemed "urgent" by the Grantee, the Grantee will explain its reasoning to the Co-Applicant Board Chairperson and indicate what harm may be suffered to either the Grantee, CommUnityCare, or the public regarding the incident or issue and why the urgency exists. Then, the Co-Applicant Board may place the CommUnityCare Project Director on paid administrative leave for a period of no more than 90 days while the issue is being investigated.
 - v. The Co-Applicant Board is responsible for determining appropriate disciplinary action, if any, and will follow the Co-Applicant Agreement and applicable Grantee personnel policies that are consistent with the Co-Applicant Agreement. The Co-Applicant Board will be responsible for determining disciplinary action and implementing same.
 - vi. If the Co-Applicant Board fails to act or takes action the Grantee does not agree with within the timeframes referenced herein, the Grantee's Board of Managers can authorize disciplinary action, up to and including termination of the CommUnityCare Project Director, provided that such possible action may only be taken or ratified by the Grantee Board of Managers if it is specifically noticed as an agenda item at a public meeting, with specific written notice to the Co-Applicant Board Chairperson and provision for reasonable input of no less than one hour from the Co-Applicant Board members at such meeting, whether in open or closed session (subject to any appropriate Open Meetings Act exceptions for closed deliberations).