



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.

Right by All - By being open, anti-racist, equity-minded, and respectful in discourse, we honor those around us and do right by all people.

Collaboration - We partner with others to improve the health of our community.

BOARD OF MANAGERS MEETING Wednesday, April 22, 2026, 4:00 p.m. Or immediately following the Budget and Finance meeting

Videoconference meeting¹

A quorum of the Board and the presiding officer will be present at:

Central Health Administrative Offices
1111 E. Cesar Chavez St.
Austin, Texas 78702
Board Room

Link to livestream video is available at the URL below (copy and paste into your web browser):

<https://www.youtube.com/@tchealthdistrict/streams>

The Board may meet via videoconference with a quorum present in person and will allow public participation via videoconference and telephone as allowed under the Open Meetings Act. Although a quorum of the Central Health Board will be physically present at the location posted in the meeting notice, all members of the public are free to observe the meeting through the YouTube link provided above and to participate in public comment, if desired, according to the instructions below.

A member of the public who wishes to make comments virtually during the Public Communication portion of the meeting must properly register with Central Health **no later than 2:30 p.m. on April 22, 2026**. Registration can be completed in one of three ways:

- Complete the virtual sign-in form at <https://www.centralhealth.net/meeting-sign-up/>;
- Call 512-978-9190. Please leave a voice message with your full name and your request to comment via telephone at the meeting; with the name of the meeting at which you wish to speak; or
- Sign-in at the front desk on the day of the meeting, prior to the start of the meeting.

Individuals who register to speak on the website or by telephone will receive a confirmation email and/or phone call by staff with instructions on how to join the meeting and participate in the public hearing or public communication.

PUBLIC COMMUNICATION

Public Communication rules for Central Health Board and Committee meetings include setting a fixed amount of time per person to speak and limiting Board and Committee responses to public inquiries, if any, to statements of specific factual information or existing policy. The Public Communication portion of the meeting will begin at approximately 5:30 p.m.

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. Approve the minutes of the Board of Managers March 25, 2026 meeting.
- C2. Receive and ratify Central Health investments for March 2026.
- C3. Receive the February and March 2026 financial statements for Central Health.
- C4. Ratify the Community Health Needs Assessment (CHNA) agreement.
- C5. Ratify the CommUnityCare CEO employment agreement.
- C6. Approve action on the Contracting with Community Based Organizations Policy as recommended by the Budget and Finance Committee.

REGULAR AGENDA²

1. Receive and discuss a report from the Board Chair including:
 - a. Board meeting mechanics and governance updates; and
 - b. A May 2nd Board Retreat update. (*Informational Item*)
2. Receive and discuss a report from the President & CEO including:
 - a. Strategic Board Alignment;
 - b. Clinical Excellence;
 - c. Financial Sustainability; and
 - d. People and Community. (*Informational Item*)
3. Receive, discuss, and take appropriate action on proposed objectives and key results for Fiscal Year 2027 (FY27). (*Action Item*)
4. Review and take appropriate action on the policies necessary for FY27 budget development process including:
 - a. Annual Planning,
 - b. Annual Budget, and
 - c. Financial Reserves. (*Possible Action Item*)
5. Receive and discuss an update on the Central Health Hancock Center building project. (*Informational Item*)
6. Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Lee*, Cause No. D-1-GN-17-005824 in the 345th District Court of

Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.³ (*Informational Item*)

7. Receive and discuss a briefing regarding *Travis County Healthcare District d/b/a Central Health v. Ascension Texas f/k/a Seton Healthcare Family*, Cause No. D-1-GN-23-000398.³ (*Informational Item*)
8. Receive briefing from staff and legal counsel, consider any settlement offers, and take appropriate action regarding possible negotiation and settlement of potential litigation claims involving the District.³ (*Action Item*)
9. Approve the President & CEO's goals for Fiscal Year 2026.⁴ (*Action Item*)
10. Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.^{3,4} (*Action Item*)
11. Confirm the next regular Board meeting date, time, and location. (*Informational Item*)

Notes:

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- 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 §551.071 (Consultation with Attorney).
- ⁴ Possible closed session discussion under Texas Government Code §551.074 (Personnel Matters).

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Cualquier persona con una discapacidad que planea 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.

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**CENTRAL HEALTH****STAYS IN FILE****Our Vision**

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Came to hand and posted on a Bulletin Board in the
County Recording Office, Austin, Travis County, Texas on this the
15th day of April 2024

Dyana Limon-Mercado
County Clerk, Travis County, Texas
By [Signature] Deputy



A. MACEDO

**FILED AND RECORDED
OFFICIAL PUBLIC RECORDS**



[Signature]
Dyana Limon-Mercado, County Clerk
Travis County, Texas

202680607

Apr 15, 2026 12:54 PM

Fee: \$0.00

MACEDOS

Central Health Board of Managers Shared Commitments **Agreed adopted on June 30, 2021**

Whereas, the Board of Managers of Central Health has come together as a governing body to ensure the Vision of Central Health: Central Texas is a model health Community;

Whereas, the Board of Managers of Central Health bring this vision into reality by enacting the mission of caring for those who need it most and thereby improving the health of our community;

Whereas, the Board of Managers of Central Health achieves excellence toward this vision and mission through the stated values of Stewardship, Innovation, Respect, and Collaboration;

Whereas, the Board of Managers of Central Health further known as we in this document understand that systemic racism is the root of health inequities that emerge from a history of racism in Texas including Travis County that contributes to the social determinants of health that play a primary role in producing inequitable health outcomes;

Whereas, as an organization, Central Health is anti-racist and committed to a diverse and inclusive culture that seeks equity and social justice in the pursuit of its mission:

1. We Commit to informing all of our actions as Board Managers with the understanding that we are accountable to recognizing and to interrupting systems of oppression. This includes understanding the power structure in the United States, and Texas, and Travis County, that advantages certain community members and has historically disadvantaged other community members based on the color of their skin, race, ethnicity, language, and/or other characteristics. We further understand that to disrupt this power structure and the health inequities it produces, we must collaborate to collectively respond to the lived realities of all ethnicities, races, and identities disadvantaged within this system and all historically oppressed identities and communities disadvantaged within this system. We Commit to understanding that when disadvantaged communities compete against each other, we all lose in this system, and the only way forward is to work together for the benefit of all oppressed communities collectively.
2. We Commit to a model of Generative Leadership which requires us to understand and practice collaboration and accountability demonstrated by following our agreed upon meeting procedures and ensuring all members have the opportunity for comparable speaking time. We further Commit to intentionality prior to speaking including: considering: what is the goal of what I

want to share; is this the right time to share it; and is this in keeping with our collective goal for this particular moment within this particular meeting?

3. We Commit to Generative Conflict which includes engaging in disagreements and differences in perspective in a way that deepens relationships and trust by expanding knowledge and understanding of each other, including expecting our ideas to be expanded and enriched by learning and engaging with other Board Manager ideas, choosing curiosity over competition of ideas, and anchoring our conversations in our common purpose.
4. We Commit to practicing emotional intelligence as leaders which includes being aware of our own emotions and reactions and managing them, as well as being aware of our impact on others and managing this impact for the collective good when we are in our role as Board Managers.
5. We Commit to being aware of our own privileges and advantages in the sociopolitical and economic structure of the United States, Texas, and Travis County to use these for the benefit of interrupting inequities across historically disadvantaged identities.
6. We Commit to preventing the commission of microaggressions through the awareness of the history and oppression of diverse identities and communities. To this end, we Commit to strive to learn the historical context informing the lived realities of all historically oppressed identities and communities, and to use this to prevent use of language and commission of actions that can be harmful given these histories.
7. If we inadvertently commit a microaggression, we strive to immediately become aware on our own of the harm we have caused. If another Board Manager generously helps us become aware of a microaggression we have committed we welcome the support in our learning and growing process as a leader and immediately express appreciation for having made us aware, own the mistake we have made, acknowledge the impact of the harm we have caused, and engage repair through apology and the articulation of what we will do to avoid the repetition of such harm in the future.
8. If we observe one of our fellow Board Managers commit a microaggression, we Commit to calling them in by letting them know in a respectful and kind manner of the mistake that has been made.
9. We understand that many of us, as survivors of historically oppressed identities and communities, carry internalized narratives of oppression, and we can inadvertently express these oppressions against others in ways that cause harm and we Commit to the same process identified in 7 and 8 to engage repair and return to generative collaborative processes.
10. We understand that even without the history of oppression potentiating the weight of harm, expressions of prejudice and rudeness can also cause harm to our shared aims, and we Commit to the same process identified in 7 and 8 to engage repair and return to generative collaborative processes.

11. We Commit to using our Racial and Social Justice Framework (next page) for decision-making as we work together for the collective good of our communities as we eradicate health inequities and create a model healthy community.
12. We understand that we are entrusted with a vital responsibility for our communities and are accountable stewards for the time and resources available to our Board of Managers. We understand that these commitments are entered into to ensure responsible stewardship of this time and resources through generative collaborative processes to reach our vision and mission and we agree that if we do not follow any one of these commitments we welcome our Board Manager colleagues to bring this to our attention through the agreed upon process reflected here and when this occurs, we commit to immediately acknowledging the mistake and engaging in a repair and correction process as indicated in these commitments so that our work to dismantle systemic racism and resulting barriers and achieve health equity can move forward.

Be it adopted that the above agreements will be honored and acted upon by each Board Manager as of 6/30/2021 and henceforth forward as indicated by signature below.

Board Manager Signature

Date

Board Manager Printed Name

Calling In and Repairing Harm

Calling In after Harm in Groups with Shared Values and Aims Stance

Hey, this thing you said/did hurt some folks or could hurt some folks.

A) Here's why that can be hurtful or,

B) Please do some research to learn the history of why that's hurtful.

Implied message: I know you are good and are on this journey with us and we are all going to make mistakes as we unlearn things.

Calling In after Harm in Groups with Shared Values and Aims Sample Language

- I know it wasn't your intention, but what you just said minimizes the horror of _____ e.g. the history of racism, enslavement, the holocaust, etc.
- I know it wasn't your intention but what you just said has the impact of implying that _____ are not competent or as intelligent as others.
- What you just said suggests that _____ people don't belong.
- That phrase has been identified as being disrespectful and painful to _____ people and it's important that we not use it.
- Oh, I have also used that term, but I have now learned that when we use it we are leaving out people who _____ or we are implying that _____ and the word people are learning to use now is _____.
- The term used now by people living with that identity is _____.

Repairing Harm after Microaggressions, Mistakes, and expressions of Prejudice

- Own / Name it
- Recognize the Impact
- Apologize (Do not share context or explanations)
- Make any amends that are possible
- State what you are going to do to learn and do better in the future.

Sample Language: Thank you so much for letting me know. You are right, I used this term or said that phrase and realize that it has the impact of minimizing the experience of _____ or implying that _____. I am deeply sorry and will practice learning the correct language and will research and learn more about this to ensure that I do not make this mistake and cause this harm in the future.

RACIAL and SOCIAL JUSTICE FRAMEWORK

Values and Anti-Racism/Anti-Oppression

- Is this consistent with our values?
- Are we taking steps so we cannot predict outcomes by race and other systemically disadvantaged characteristics?

Intentional and Accountable Storytelling

- What data are we using and has it been disaggregated by race? What is the source of the data? Who is it making visible and invisible? Whose experience is being centralized and whose is being marginalized in the data? Does the way we are using the data reflect the complexity of the issues and reflect the issues accurately?
- What are the stories and narratives we are telling? What is the purpose? Who is interpreting the meaning? Who's it meant for? Who's impacted and how?
- Are we refusing to be ahistorical? Are we fully considering history and the impacts of the historical context?

Power Analysis

- What are the power dynamics in this situation? What are the intersecting spheres of oppression at work in this situation?
- What are the cultural norms of white supremacy at work in this situation?
- Who would benefit and who would be harmed by this action/decision?
- Does this interrupt/disrupt or collude with/reinforce oppressive systems/power structures?
- If this is attempting a solution, where are we locating the problem?
- Does the solution/strategy we are proposing change the system or the individual?
- Who are we asking to change and why?

Relationships

- Who is in the room and who isn't and why? Who is sharing and who is not and why?
- Whose perspective is represented/who is left out? And who is doing the representing? Who do we believe, who do we find credible? Why? Why not?
- Whose experience is being centralized and whose experience is being marginalized? Who is gazing and who is being gazed upon?
- Are we boldly leading toward our racial justice aim by building a broad coalition of support?
- Are we operating from a similar/shared understanding of anti-racism work? Do we have a shared anti-racist understanding of where the problem is located and a shared anti-racist theory of change to generate a solution? Have we agreed upon a shared goal?



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BOARD MEETING

April 22, 2026

AGENDA ITEM C1

Approve the minutes of the Board of Managers March 25, 2026 meeting.

MINUTES OF MEETING – MARCH 25, 2026
CENTRAL HEALTH
BOARD OF MANAGERS

On Wednesday, March 25, 2026, a meeting of the Central Health Board of Managers convened in open session at 4:09 p.m. remotely by toll-free videoconference and in person at the Central Health Administrative Offices. Clerk for the meeting was Valerie Guerra.

Board members present at Central Health: Chairperson Rodriguez, Vice Chairperson May, Treasurer Museitif (arrived at 4:10 p.m.), Secretary Martin, Manager Kitchen, Manager Jefferson, Manager Motwani (arrived at 4:10 p.m., departed 9:08), and Manager Valadez.

Board members present via video and audio: Manager Brinson (departed at 9:10 p.m.)

PUBLIC COMMUNICATION

Clerk’s Notes: Public Communication began at 5:34 p.m. Yesenia Ramos introduced 2 speakers for Public Communication.

Members of the Board heard from:

- Shannon Taylor
- Yesenia Ramos from Central Health

CONSENT AGENDA

- C1. Approve the minutes of the Board of Managers February 25, 2026 meeting.**
- C2. Receive and ratify Central Health investments for February 2026.**
- C3. Approve a resolution authorizing Central Health to join the Equalis Group Purchasing Program.**
- C4. Approve the Annual Joint Staff Planning and Budgeting Methodology Pertaining to Health Center Program Funding.**
- C5. Approve the President & CEO’s goals for Fiscal Year 2026 as recommended by the Executive Committee.**
- C6. Approve outside counsel for human resources legal services as recommended by the Executive Committee.**

Manager Valadez moved that the Board approve Consent Agenda Items C1 through C4 and C6. Agenda Item C5 was moved to regular agenda.

Manager Jefferson seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For

Manager Cynthia Valadez

For

REGULAR AGENDA

C5. Approve the President & CEO's goals for Fiscal Year 2026 as recommended by the Executive Committee.

Clerks Notes: Discussion on this item began at 6:25 p.m. The Board held a brief discussion regarding the President & CEO's goals for Fiscal Year 2026.

Manager Kitchen moved to ratify and approve the President & CEO's goals for Fiscal Year 2026 as recommended by the Executive Committee and requested that it be put in backup.

Manager Valadez seconded the motion.

Without objection, the motion was tabled.

- 1. Receive and discuss a report from the Board Chair including:**
 - a. Board meeting mechanics and governance updates.**
 - b. Update on a contract with outside counsel for human resources and governance legal services.**

Clerk's Notes: Discussion on this item began at 4:11 p.m. Chair Rodriguez gave updates on the items listed above.

- 2. Receive and discuss a report from the President & CEO including:**
 - a. Strategic Board Alignment;**
 - b. Clinical Excellence;**
 - c. Financial Sustainability; and**
 - d. People and Community.**

Clerk's Notes: Discussion on this item began at 4:16 p.m. Dr. Pat Lee, President and CEO, and Tara Trower, CUC Deputy CEO, provided updates on Clinical Facilities, Workforce and Organizational Culture, Shareholder and Community Engagement, and Access Improvement.

- 3. Receive, discuss, and take appropriate action on proposed driving forces impacting the Fiscal Year 2027 strategic initiatives.**

Clerk's Notes: Discussion on this item began at 4:34 p.m. Dr. Pat Lee, President and CEO, and Monica Crowley, Chief Strategy Officer, shared a summary of the Driving Forces for Fiscal Year (FY) 2027, FY27 Budget Timeline, FY27 SWOT Analysis, and provided the Driving Forces for the prior year.

Manager Kitchen moved that the Board approve the Fiscal Year 2027 driving forces as amended by the Board and as written in the packet on pg. 94.

ManagerMay seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For
Manager Cynthia Valadez	For

4. Receive and discuss a Central Health System integration progress update.

Clerk's Notes: Discussion on this item began at 5:05 p.m. Dr. Nick Yagoda, CommUnityCare CEO, and Dr. Pat Lee, President and CEO, presented achievements from the past year and explained their current ongoing work and plans to advance system integration.

5. Review, discuss and take appropriate action on the compliance plan as recommended by the Chief Compliance Officer.

Clerk's Notes: Discussion on this item began at 5:59 p.m. Nakia Smith, Chief Compliance Officer, shared updates to the compliance plan after implementing edits received from the Board.

Manager Jefferson moved to adopt the compliance plan as modified during discussion, incorporating revisions by Managers Kitchen and Jefferson.

Manager Museitif seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	For
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For
Manager Cynthia Valadez	Abstain

6. Receive a presentation on, review, and take appropriate action on the Central Health Fiscal Year 2025 financial audit and receive a presentation on the audit results of Central Health's component units (Central Texas Community Health Centers dba CommUnityCare and Sendero Health Plans Inc.).

Clerk's Notes: Discussion on this item began at 9:06 p.m.

Manager Museitif moved that the Board accept the Central Health Fiscal Year 2025 financial audit.

Manager Valadez seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	Absent
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	For
Manager Cynthia Valadez	For

7. Discuss and take appropriate action on the required documentation of closed sessions of Central Health Board of Managers and committee meetings.

Clerk's Notes: Discussion on this item began at 6:34 p.m.

At 6:34 p.m. Chairperson Rodriguez announced that the Board was convening in closed session to discuss agenda item 7 under Texas Government Code §551.071 (Consultation with Attorney).

At 9:05 p.m. the Board returned to open session.

Manager Kitchen moved that the Board approve the policy on the recording of Central Health closed sessions as presented by staff and as recommended by the Ad Hoc Policy and Bylaws Committee with the edit that the policy owner is the Chief Compliance Officer.

Manager Valadez seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	Against
Secretary Manuel Martin	Against
Manager Cynthia Brinson	Against
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	Against
Manager Cynthia Valadez	For

8. **Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Lee*, Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.**

Clerk's Notes: Item not was presented.

9. **Receive and discuss a briefing regarding *Travis County Healthcare District d/b/a Central Health v. Ascension Texas f/k/a Seton Healthcare Family*, Cause No. D-1-GN-23-000398.**

Clerk's Notes: Discussion on this item began at 6:34p.m.

At 6:34 p.m. Chairperson Kitchen announced that the Board was convening in closed session to discuss agenda item 9 under Texas Government Code §551.071 (Consultation with Attorney).

At 9:05 p.m. the Board returned to open session.

10. **Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.**

Clerk's Notes: Item not was presented.

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

Manager Museitif moved that the meeting adjourn.

Manager Martin seconded the motion.

Chairperson Geronimo Rodriguez	For
Vice Chairperson Eliza May	For
Treasurer Maram Museitif	For
Secretary Manuel Martin	For
Manager Cynthia Brinson	Absent
Manager Sedora Jefferson	For
Manager Ann Kitchen	For
Manager Amit Motwani	Absent
Manager Cynthia Valadez	For

The meeting was adjourned at 9:28 p.m.

ATTESTED TO BY:

Geronimo Rodriguez, Chairperson
Central Health Board of Managers

Manuel Martin, Secretary
Central Health Board of Managers

Pat's Top Goals - FY26 (proposed)

GOAL – (Threshold / Target / Stretch) – % weight for CEO eval

1. **Board / CEO relationship** – 40%
2. **Strategic Board Alignment** – (3 / 4 / 5) – 15%
 - a. System Transformation Resolution (*Board approval*)
 - b. System Benchmarks for Access, Quality, & Equity (*Board approval*)
 - c. Comprehensive Facilities Plan (*Board approval – Downtown & Northview*)
 - d. Updated Strategic Plan (build on HCEP & 2026 joint CHNA) (*on track – FY27 Q1*)
 - e. Co-Applicant Agreement (*Board approval*)
 - f. “Policy of policies” (Board / CEO linkage) (*Board approval*)
3. **Clinical Excellence** – (4 / 5 / 6) – 15%
 - a. Significant improvement in appointment wait times < 2 weeks (*>50% improvement*)
 - b. Substantially resolve litigation (*on track – FY26/27 milestones*)
 - c. Hancock 2.0 (*on track – David Powell FY26 Q3; All others FY27 Q2*)
 - d. Improve access through facility acquisition & expansion (*close on Northview, Prom. Point*)
 - e. Increase unique patients with coverage across CH system (*net increase FY26*)
 - f. Increase diversity and depth of specialty and post-acute services (*>80% FY26 budget*)
 - g. Increase complex life-saving care (CHAP) through leveraged financing (*net increase FY26*)
4. **Financial Sustainability** – (3 / 4 / 5) – 15%
 - a. Manage system resources through “Year of Access” within approved budget limits while maintaining reserve levels within projected range (*FY26 budget & reserve policy*)
 - b. Maintain bond rating (*AA+ / Aa2*)
 - c. Resolve 10 areas of system duplication (*# areas resolved*)
 - d. Execute Medicare, Medicaid and ACA payer contracts (*# contracts executed*)
 - e. Develop philanthropic structure to increase non-tax revenue (*Board approval*)
 - f. Develop and implement unified system budget approach (*integrate Sendero view FY27*)
5. **People & Community** – (3 / 4 / 5) – 15%
 - a. Lead & demonstrate GUIDE with Love cultural transformation through measurable actions, leadership behaviors, and system-wide integration (*>75% participation, GUIDE scorecard*)
 - b. Operationalize lean management system that strengthens leadership effectiveness, accountability, collaboration, and system-wide performance (*>75% OKR participation*)
 - c. Drive measurable improvement in team member engagement and organizational health across the system (*>5 data-driven departmental improvement plans*)
 - d. Build measurable public trust in the CH system (e.g. awareness, favorability, annual brand perception study) (*net improvement in awareness & favorability FY26 vs FY25*)
 - e. Convert community engagement into visible public support (e.g. community events, CEO roundtables, leadership networks (e.g., AARO), and donor-related activities) (*net increase*)
 - f. Ensure stakeholder and civic confidence in CH system (e.g., maintain strong support from TCCC, Austin Mayor, key city council members) (*FY27 budget – 4 or more ‘yes’ votes*)

FY27 Driving Forces

Central Health Mission: By caring for those who need it most, Central Health improves the health of the entire community

Board Approved on: 3/25/26

ADVANTAGES

VULNERABILITIES

INTERNAL FACTORS

Includes Organizational Capabilities, Culture, and Current Infrastructure

STRENGTHS

1. Initial Board direction and internal alignment (system transformation resolution)
 2. Mission-driven workforce
 3. Healthy financial position
- FQHC at center, integrated ambulatory care continuum, providing "#1 favorability" primary and specialty services
 - Relationships with community, CBOs, partners, Commissioners
 - Unified brand demonstrating value to community
 - "Promises kept" re Healthcare Equity Plan (33 new services lines established), serving 1 in 6 Travis County residents
 - Strong early results in complex care populations (e.g. TOC, homeless, jail/mental health)
 - Progress on system unification (OKRs; major areas de-duplicated)
 - Footprint that can support future growth, pending Comprehensive Facilities and organizational growth plans
 - Uniquely differentiated as a local payer-provider public system
 - Emerging Data-Capabilities to support Board-Approved system KPIs

WEAKNESSES

1. Organizational growth outpacing system maturity
 2. Fragmented data systems, and data reporting dashboards across the system
 3. Change management strategies and communication on system transformation
- Lack of Formal Organizational and Workforce Growth Plan
 - Absence of Finalized Comprehensive Facilities Plan and Updated Enterprise Strategic Plan
 - Delineation of Board governance policies vs operational procedures not established
 - Benchmarking for infrastructure and support functions
 - Capacity strain on internal resources system expansion
 - Competing priorities impacts focus, efficiency and effectiveness
 - Underleveraging funding sources (e.g. 340B and IGT Programs)
 - Misalignment on perceived community needs and timing of planning
 - Gaps in clinical services and unmet needs remain (e.g. cancer, post acute, GI, Derm)
 - Limited capacity in other clinical areas (e.g. lab, diagnostics)
 - Strategic governance alignment across CH system

EXTERNAL FACTORS

Includes Community Need, Policy, Funding, Workforce, and Market Conditions

OPPORTUNITIES

1. Maturing partnerships in diversion, mental health, SUD, homelessness services
 2. Maximizing community value and taxpayer savings through optimal leveraging of state and federal funds, including affordable coverage
 3. Emerging coalition for mental health continuum
- Community supports healthcare as a right
 - Integrate planning assessments to align data, capacity, resources and gain efficiencies
 - Enhance affordable coverage and access
 - Federal funding for high-impact clinical services (e.g. cancer care)
 - Proactive positioning in state and federal policy environments
 - Bridge remaining gaps in care/learning continuum (e.g., Pedi, GME, OB, cancer care)
 - Innovative approaches to care delivery models, potentially using AI
 - Strengthen healthcare workforce pipeline through higher ed partnerships (e.g. ACC, UT, St. E's, Huston-Tillotson, Concordia and Central Texas Healthcare Partnership)
 - Connect students at an early age to diverse healthcare career pathways
 - Preparedness for public health emergencies
 - Maximizing FQHC partnership model
 - Clarify and strengthen Central Health's collaborative role in mental health services in Travis County
 - Utilize appropriate AI to enhance clinical services and patient experience

THREATS

1. Local, state and federal funding volatility (public/grants/legislature)
 2. Workforce competition and retention
 3. Funding and capacity impact on mental health continuum
- Local marketplace dynamics
 - Taxpayer burden, property cost pressures, healthcare, and food
 - Funding for CBOs, pressure to fund activities outside of CH scope and mission
 - Health equity and DEI scrutiny
 - Medicaid and ACA contractions
 - Immigration policies and other state/federal services for safety net-population
 - Reduced public support for social services
 - Need for clearer communication of value and outcomes to taxpayers

Note: The top three items reflect prioritization, remaining items are not rank ordered

Note: This is the THIRD YEAR using Driving Forces to guide the annual budget process.



COMPLIANCE PLAN

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THE COMPLIANCE PLAN OF CENTRAL HEALTH

I. COMPLIANCE PLAN OVERVIEW

This document sets forth the Compliance Plan of Central Health. The purpose of this Compliance Plan is to define Central Health's policy and commitment to conducting its operations in accordance with applicable federal, state, and local regulatory requirements, as well as to uphold the highest standards of legal and ethical conduct. The Compliance Plan supports the detection, prevention, and correction of potential violations of law, regulation, or internal standards, and fosters a culture of compliance and accountability throughout Central Health.

Central Health is subject to legal, regulatory, and ethical requirements and considerations. It is the policy of Central Health that all its business and other practices be conducted at all times in compliance with all applicable laws and regulations of the United States, the State of Texas, all other applicable laws and ordinances, and the ethical standards/practices of the industry. In alignment with guidance from the U.S. Department of Health and Human Services Office of Inspector General (OIG), Central Health adopted a Compliance Plan that incorporates the OIG's Seven Elements of an effective Compliance Program. The seven core elements include: (1) compliance oversight, including the designation of a compliance officer and compliance committee; (2) implementing written policies and standards of conduct; (3) conducting effective training and education; (4) developing effective lines of communication; (5) conducting internal monitoring and auditing; (6) publicizing disciplinary guidelines, and (7) responding promptly to detected offenses and undertaking corrective action (***Policy Reference - Compliance Program (CMP-001P) Policy***).

This document serves as a guide to help implement a policy of compliance with all applicable standards. The Compliance Plan's focus is on promoting a culture of compliance including detecting, correcting, and preventing non-compliance, fraud, waste, and abuse, and Code of Conduct violations, and incorporating principles of continuous quality improvement into our methods.

Central Health is committed to conducting its business ethically and maintaining and promoting a system wide culture that emphasizes integrity; individual and institutional acceptance of responsibility; effective self-policing; and transparency in the relationships between Central Health and its key stakeholders, including government officials and agencies.

The Compliance Plan governs all activities conducted by Central Health. As the Hospital District for Travis County, Central Health is responsible for providing medical and hospital services to eligible people in Travis County including delivering direct healthcare services, working through our affiliates CommUnityCare and Sendero Health Plans and through

administering the Medical Assistance Program (MAP) and MAP Basic programs. The Compliance Plan is holistically applicable across all departments, functions, and service lines of Central Health. To ensure effective oversight, annual Compliance Work Plans are developed based on identified risk areas and outline targeted auditing and monitoring strategies tailored to specific operational and programmatic needs.

The Board of Managers will approve the Compliance Plan. By adopting this Compliance Plan, Central Health seeks to promote a working environment that fosters and expands these standards. All team members, contractors, and agents of Central Health are expected to comply with all laws and regulations, report non-compliance, cooperate in compliance investigations and implement corrective actions in accordance with the highest standards of ethical and professional conduct.

Central Health embraces the benefits associated with the implementation of this Compliance Plan to promote the following goals:

- Improve quality of health care services;
- Reduce the overall cost of health care services;
- Enhance health care operations;
- Demonstrate Central Health’s commitment to honest and responsible corporate conduct;
- Prevent fraud, waste and abuse;
- Increase the likelihood of preventing, identifying, and correcting unlawful and unethical behavior at an early stage;
- Encourage employees to report potential problems to allow for appropriate internal inquiry and corrective actions; and
- Through early detection and reporting, minimize financial loss to Central Health.

II. APPLICATION

A. Mission and Guiding Principle

The mission of Central Health is “by caring for those who need it most, Central Health improves the health of our community.” Central Health, Travis County's hospital district, is building a comprehensive, high-functioning healthcare system for residents with low incomes who need it most.

B. Code of Conduct

Central Health maintains and annually updates a written Code of Conduct that articulates its commitment to ethical behavior. The Code of Conduct is a key element of the Compliance Program and details the fundamental principles, values, and framework that guide everyday practice (**EXHIBIT E** *Code of Conduct and Ethics for Employees and Code*

of Conduct and Ethics for Board of Managers).

The Code of Conduct establishes the ethical standards team members must uphold in critical areas and aspects of Central Health's operations. The Code of Conduct explains our commitment to ethical standards and sets expectations for all employees in achieving and maintaining these standards.

The Code of Conduct applies to all business operations and all team members of Central Health. Representatives that are not directly employed by, but represent Central Health, such as contractors, consultants, and students, are directed to conduct themselves in a manner consistent with this Code of Conduct when they are acting on behalf of Central Health.

Central Health team members are trained on the Code of Conduct within 45 days of hire and, at a minimum, annually thereafter. Training includes a review of the Code of Conduct and the Compliance Plan. At the conclusion of training, team members are required to attest that they read and understand the Code of Conduct, agree to abide by its principles, and to report any suspected or possible violations.

Compliance with the Code of Conduct and all applicable policies and procedures is a condition of employment and an element in evaluating the performance of all team members, contractors, consultants, and students **(Policy Reference - Standards of Conduct (HR2-008P) Policy)**. Due to the nature of Central Health's business, and responsibility for the appropriate use of taxpayer funds, conduct relating to billing, reimbursement, referrals, and the provision of health care services is of particular importance.

The following examples are brief descriptions of **prohibited conduct**:

- No Central Health team member or contractor shall knowingly submit any claims based on the provision of a health care provider's services when the person providing the service is not properly licensed.
- No Central Health team member or contractor shall submit any claims for services that the individual has reason to believe were not medically necessary, not properly documented or not payable by the program or payor to which the claim is submitted.
- No Central Health team member or contractor shall pay or offer to pay for referrals of items or services.
- No Central Health team member or contractor shall receive or solicit any payment for referrals of items or services.
- No Central Health team member or contractor shall knowingly make any false statement on behalf of Central Health in any claim or application for benefits for a patient.
- No Central Health team member shall retain funds from any governmental agency or other payor on behalf of Central Health, which the employee believes were not properly due to Central Health.

In addition to the above, the Central Health policy relating to health care fraud, waste, and abuse and related issues may be found in Central Health's online policy manager (***Policy Reference - Compliance with Fraud, Waste, and Abuse Laws and Regulations (FWA - 001P) Policy***).

C. Specific Laws and Regulations

Central Health's team members, physicians, officers, directors, and contractors shall act with the highest level of integrity in all Central Health activities and comply with applicable laws and standards. Such representatives are expected to learn about, understand and follow Central Health's policies and Federal and State laws and regulations that govern their activities.

Central Health's team members, physicians, officers, directors and contractors are not expected to have expert knowledge of all legal and regulatory requirements that may apply to their responsibilities. However, it is expected that the Central Health Board of Managers and team members will be sensitive to legal and ethical issues, and the goal of this Compliance Plan is to give them the foundation to know enough to ask questions if they are uncertain about any given situation and the method of seeking advice.

Team members are expected to consult the Chief Compliance Officer (CCO) regarding potential compliance issues and the applicability of legal and regulatory requirements.

D. Distribution of the Compliance Plan and Compliance Requirements

Central Health will provide a copy of this Compliance Plan to all Board Members, team members, and independent contractors to inform them of Central Health's policy and their obligations for complying with the Compliance Plan. The term "contractor" means an individual who works within the Central Health's environment or who is contracted to provide clinical, billing, or administrative services for Central Health.

As part of the new team member onboarding process, all new Central Health employees will receive information for reporting compliance concerns.

E. Adherence to the Compliance Plan and Compliance Requirements

Central Health is committed to compliance with the law. Compliance with the law is desirable for its own sake to fulfill Central Health's role as a special purpose taxing district that upholds the highest standards and meets our obligations laid out in the Constitution and laws and regulations of Texas and the people of Travis County. Compliance is also important to avoid legal penalties, imprisonment of individuals, fines and/or exclusion of both individuals and Central Health from participation in government health care programs. *Any person who violates these laws will be subject to disciplinary action, up to and including immediate termination of their employment or affiliation with Central Health.*

III. RESPONSIBILITIES AND OVERSIGHT

A. Board of Managers Oversight

The Board of Managers is responsible for oversight of Central Health's Compliance Program to ensure that the organization conducts its operations in compliance with applicable federal, state, and local laws and regulations, and in accordance with the highest standards of ethical conduct.

The Board fulfills its oversight responsibilities through approval of the Compliance Plan; review of Compliance Program effectiveness, adoption of policies; and receipt of regular compliance reporting regarding identified risks, investigations, corrective actions, and program performance. The Board's role is one of oversight and accountability and does not include day-to-day management or operational execution of compliance activities.

The Board of Managers has appointed a CCO to design, implement, and oversee Central Health's Compliance Program. The CCO serves as the Board's primary resource and advisor on compliance, ethics, and regulatory risk matters. The authority, responsibilities, reporting relationships, and independence of the CCO are set forth in Section B of this Compliance Plan.

Consistent with the District's Bylaws and Board approved policies, the CCO maintains direct, regular, and unrestricted access to the Board of Managers. The CCO will ~~may~~ report regularly and directly to the Board in accordance with the Compliance Governance and Reporting structure outlined in Section III.D of this Compliance Plan.

By resolution, the Board of Managers empowers the CCO to carry out the responsibilities described in this Compliance Plan and to support the Board in fulfilling its compliance oversight obligations. The Board Resolution Regarding the Compliance Program is attached as *Exhibit A*.

B. Chief Compliance Officer

This Compliance Plan shall be implemented under the guidance and supervision of Central Health's CCO.

It is the duty of the CCO to oversee the implementation of this Compliance Plan; measure and assess its effectiveness; assure that team members and contractors are notified of compliance standards; coordinate education and training of employees; ensure a method for reporting issues of noncompliance; review and respond to reports of compliance issues;

coordinate internal investigations; and report, as applicable and consistent with the approved compliance reporting policy, to the Board on the status Central Health's compliance efforts.

The CCO reports to the President and Chief Executive Officer to ensure access to executive leadership and effective integration of the Compliance Program across the organization.

The CCO is a member of the Executive Leadership Team, which supports direct engagement with senior leadership and integration of compliance oversight across Central Health.

This reporting relationship does not limit the CCO's independence or authority. The CCO maintains direct and unrestricted access to the Board of Managers. The CCO will report to the Board in accordance with the Compliance Governance and Reporting structure outlined in Section III.D of this Compliance Plan.

The CCO shall carry out duties independently of operational management and without interference, delay, or retaliation.

All questions and concerns regarding compliance with the standards set forth in this Compliance Plan shall be directed to the CCO. All Board Members and Central Health team members must cooperate fully and assist the CCO as required in the exercise of their duties. If a Board Member or team member is uncertain whether specified conduct is prohibited, they must contact the CCO for guidance prior to engaging in such conduct.

C. Responsibilities

The President and CEO, and Board of Managers are responsible for:

- i. Exemplifying a culture of compliance and ethics throughout Central Health.
- ii. Setting the expectation for compliance and ethics as a core responsibility for all team members.
- iii. Ensuring that the CCO and Compliance Department have sufficient staffing, resources, and financial support to perform their responsibilities.
- iv. Consulting with the CCO on compliance matters and supporting the effective operation of a robust and dynamic Compliance Program.
- v. Coordinating with the CCO and Compliance Department to periodically evaluate the Compliance Program to ensure that it (i) functions as intended, (ii) serves the purposes for which it has been designed, and (iii) enables Central Health to meet its high standards and commitment to compliance and ethics.
- vi. Promoting and maintaining a work environment where concerns can be raised, openly discussed, and reported without fear of retaliation, and
- vii. Complying with all the requirements set forth in the Compliance Plan and Compliance policies and procedures as organizational leaders.

The Compliance Officer is responsible for:

- i. Designing, implementing, and overseeing an effective Compliance Program that meets the expectations set forth in United States Sentencing Guidelines and Office of Inspector General's Compliance Program Guidance.
- ii. Staffing and leading a Compliance Department responsible for ensuring performance of the Compliance Program components described herein.
- iii. Keeping informed of developments and trends in healthcare compliance and using such information to enhance the Compliance Program.
- iv. Keeping the CEO, the members of the Central Health Compliance Committee and the Board regularly informed of Compliance Program developments, as well as industry best practices and government enforcement actions related to the Compliance Program; and
- v. Periodically assessing the effectiveness of the Compliance Program to determine that it (i) functions as intended; (ii) serves the purposes for which it has been designed; (iii) is reflective of current laws, developments, and industry best practices; and (iv) enables Central Health to meet its high standards and commitment to compliance.

Team members are responsible for:

- i. Acting in compliance with the performance of their duties and in their conduct.
- ii. Supporting the Compliance Program (leaders have a heightened responsibility to do so).
- iii. Reading, understanding, and complying with the Code of Conduct and all other compliance and privacy policies and procedures.
- iv. Completing all required compliance and ethics training in a timely manner.
- v. Reporting potential compliance issues to their leader, another member of the management team, the People Department, the CCO, or the Compliance and Ethics Hotline; and
- vi. Cooperating with the Compliance Department in the performance of compliance investigations and auditing and monitoring activities.

Leaders have additional responsibilities to:

- i. Demonstrate and emphasize the importance of compliance and ethics.
- ii. Model behaviors in support of compliance and ethics.
- iii. Assess compliance and ethics as part of performance measurement for all team members.
- iv. Maintain an environment where individuals can comfortably ask questions or raise compliance concerns without fear of retaliation.
- v. Provide appropriate and timely responses to questions or concerns, in consultation with the Compliance Department, as needed.
- vi. Maintain communication with the Compliance Department about potential compliance and ethics concerns.
- vii. Shall set an example of a strong commitment to compliance; and
- viii. Shall encourage open communication among team members concerning compliance matters.

D. Compliance Governance and Reporting

Central Health has appointed a CCO responsible for overseeing and monitoring the Compliance Program. The CCO reports directly to the Chief Executive Officer and maintains direct, independent and unrestricted access to the Board of Managers. The CCO will report directly to the Board of Managers on a regular basis and as needed regarding significant compliance risks, regulatory matters, and issues involving senior leadership.

The CCO is a member of the Central Health Executive Leadership Team and maintains direct line of communication with Compliance Leadership for CommUnityCare and Sendero Health Plans, and the Central Health Chief Legal Officer. This enables the CCO to learn and know about areas of needed collaboration, best practices and current fraud trends from across the country. The CCO regularly informs the Chief Executive Officer, the Compliance Committee, the Executive Committee of the Board, and the Board of Managers of material compliance risks, program updates, investigations, or issues requiring governance attention.

The CCO has the authority to access information and records relevant to compliance oversight, including, but not limited to policies, contracts, billing and claims data, documentation, workforce records, and records related to arrangements with vendors, contractors, suppliers, agents, and physicians, consistent with applicable law. The CCO is authorized to review contracts and financial arrangements that may implicate referral, payment, or inducement risks and to seek the advice of legal counsel where appropriate.

E. Compliance Committee

Central Health maintains a Compliance Committee composed of executive-level leadership, including the President and Chief Executive Officer. The CCO serves as Chair of the Compliance Committee. A formal Compliance Committee Charter outlining the Committee's purpose, authority, and responsibilities is submitted to the Board of Managers for approval. The Compliance Committee documents its decisions and action items and ensures timely follow-up on recommendations to support the effectiveness of the Compliance Program. The Compliance Committee reports to the Chief Executive Officer and provides regular compliance reporting to the Executive Committee of the Board, consistent with the Board's bylaws. The Executive Committee reviews compliance activities, compliance program documentation, and matters requiring escalation and makes recommendations to the Board of Managers, as appropriate.

The Compliance Plan and Compliance Work Plan are reviewed and updated at least annually by the Compliance Committee and presented to the Executive Committee and Board of Managers, as appropriate. The Compliance Committee receives regular reporting on progress against the Compliance Work Plan.

Compliance Committee Responsibilities

The Compliance Committee's functions related to the Compliance Plan include:

- i. Analyzing Central Health's legal, regulatory, and contractual compliance requirements and evaluating associated risk areas
- ii. Assessing existing policies and procedures addressing identified risk areas for alignment with the Compliance Plan
- iii. Recommending and overseeing, in coordination with department leadership, the effectiveness of internal controls, auditing, and monitoring activities designed to support compliance with applicable standards, policies, and procedures
- iv. Determining strategies to promote adherence to the Compliance Plan and to support the detection and reporting of potential violations
- v. Defining and reviewing compliance performance metrics, including issues reviewed, audit follow-up completion, training compliance rates, and reporting activity
- vi. Addressing other functions where compliance impacts operating structure and daily routine of Central Health's delivery of services.
- vii. Establishing sub-committees, as appropriate to support the effective implementation of the Compliance Program..

The Compliance Committee shall meet on a quarterly basis. All Compliance Committee discussions, findings, decisions, etc. shall be documented via the formal minutes taken at each Compliance Committee meeting.

IV. COMPLIANCE REQUIREMENTS

A. Risk Assessment, Auditing, and Monitoring

Central Health maintains an organization-wide, risk-based compliance program designed to prevent, detect, and correct noncompliance across all operational and service areas. A formal compliance risk assessment is conducted to identify and prioritize compliance risks and to inform the development of the annual Compliance Work Plan, auditing, and monitoring activities. The compliance risk assessment includes:

- Identification of key compliance risk areas including but not limited to billing, coding, environment of care, privacy and security, and referral arrangements.
- Integration of input from leadership employees, and prior audit and monitoring results, regulatory guidance, and enforcement trends.
- Documentation of risk prioritization decisions mitigation plans, and corrective action plans.
- Reporting of Risk Assessment findings and mitigation strategies to the Compliance Committee, Executive Committee and the Board of Managers, as appropriate.

Work Plans will be developed for operational and service areas based on risk and will differentiate the monitoring and auditing efforts, respectively.

Annually thereafter, a compliance risk assessment will be completed to evaluate the ongoing compliance-related risks that have the potential for legal, financial, and/or operational implications and appropriate mitigation strategies will be implemented as warranted.

Auditing and monitoring activities will be calibrated based on the results of the annual compliance risk assessment, previous auditing and monitoring activities, and compliance investigations. Auditing may be conducted by Central Health team members or by third party contractors. When activities are conducted outside of the Compliance Department, Compliance maintains oversight responsibility to ensure independence, consistency, and appropriate escalation of findings.

The CCO and the Compliance Department will oversee the compliance audits of various business areas within Central Health in a manner consistent with applicable audit standards. Audits may be conducted by Central Health team members or through contracted third parties. As examples, these audits may be used to determine whether:

- i. The policies and procedures mentioned in this Compliance Plan are current and complete.
- ii. Bills are accurately coded and accurately reflect the services provided (as documented in the medical record).
- iii. Documentation is being completed correctly and timely (***Documentation in the Medical Health Record SOP HCD-ADM-002SOP***).
- iv. Services or items provided are reasonable and necessary.
- v. Any incentives for unnecessary services exist.
- vi. Privacy and security standards are being met.

As vendors and third parties can pose significant compliance risks to Central Health, Central Health will implement a comprehensive oversight program that aligns with best practices and guidance from the Office of Inspector General Compliance Program Guidance (GCPG). Central Health will enhance its oversight of external parties by implementing structured onboarding and compliance training requirements, requiring documented attestations of policy adherence, and expanding screening procedures beyond basic exclusion checks. Additionally, high-risk vendors—particularly those involved in billing, referrals, or access to protected health information—should be subject to ongoing monitoring and performance audits. Contracts should include clear compliance obligations, audit rights, and provisions for corrective actions. These enhancements will strengthen accountability, mitigate regulatory risk, and reinforce Central Health’s commitment to ethical and lawful business practices.

Results of compliance audits and monitoring activities are reviewed by the Compliance Committee and escalated to the Executive Committee and the Board of Managers when findings present material risk, require governance action, or involve senior leadership.

B. Reporting

Central Health maintains open and effective lines of communication to encourage the reporting of potential compliance concerns. All team members shall promptly report any information regarding noncompliance with or any other known or suspected violation of applicable laws, regulations, ethical standards or Central Health policy. Failure to report a known compliance issue is a violation of Central Health policy and will subject a team member to disciplinary action, including termination.

Reporting issues of noncompliance may be accomplished in a variety of ways. The team member may report the incident directly to the CCO either verbally or in writing. If reporting through the Compliance and Ethics Hotline, the team member may choose to identify themselves or to remain anonymous. The CCO will strive to shield the identity of reporting individuals wanting to remain anonymous. However, it is recognized that there may be situations in which the investigation may lead to the disclosure of the reporter's identity. Anonymity is not guaranteed.

Team members may also utilize the following mechanisms to report compliance issues in accordance with Central Health policies:

- Compliance Department's email at CHCompliance@centralhealth.net
- Hotline Website: www.lighthouse-services.com/centralhealth
- Toll-Free Telephone: (833) 770-0080 (English)
- Toll-Free Telephone: (800) 216-1288 (Spanish)
- Email to Hotline Vendor: reports@lighthouse-services.com (must reference Central Health with the report)
- Fax: (215) 689-3885 (must reference Central Health with the report)

No team member who reports a compliance issue in good faith will be subject to disciplinary action or punished in any way for making a report. However, submission of a report by a team member that the team member knows is false or misleading will subject the team member to disciplinary action, including termination.

An individual whose report of misconduct contains admissions of personal wrongdoing will not be guaranteed protection from disciplinary action simply because they made the report. In determining what disciplinary action may be taken against a reporting individual, Central Health may consider an individual's own admissions of wrongdoing, provided, however, that their involvement was not previously known to Central Health, its discovery was not imminent, and the admission was complete and truthful. The weight to be given the self-reporting will depend on all the facts known at the time Central Health makes its disciplinary decision (***Policy Reference - Reporting and Non-Retaliation (CMP-006P) Policy***).

C. Incident / Noncompliance Investigation

Upon receipt of a report, other information suggesting a possible compliance issue or finding from audit results, the CCO will conduct a brief review of the issue to determine if the report constitutes a potential compliance violation. If it is determined that the report

constitutes a potential or actual violation, the CCO will make a record of the information and confer with the Chief Legal Officer. The CCO, along with the Chief Legal Officer and/or outside hired legal counsel, may decide who should conduct the investigation: the CCO alone or with the assistance of other team members, legal counsel, or an outside expert retained by legal counsel. In matters involving the Chief Executive Officer, members of the Board, or other senior leadership, the CCO will consult with the Board Chair to ensure appropriate oversight and independence of the investigation. Investigations will commence as soon as reasonably possible following the receipt of information suggesting a possible compliance issue. Investigation activities may include, but are not limited to, the following:

- Interviews of the complainant and others.
- A review of relevant documents.
- A review of applicable laws/regulations.

Team members are expected to cooperate fully with any investigation conducted in response to a report concerning compliance issues.

D. Corrective Action

If, upon conclusion of an investigation, it appears there is a substantiated compliance concern, the CCO shall ensure a corrective action plan is formulated and implemented. The CCO may obtain the advice and guidance of legal counsel, and others as appropriate in ensuring a corrective action plan is formulated and implemented. The corrective action plan will be designed to ensure the specific issue is addressed and, to the extent possible, similar problems do not occur in other departments or areas. Examples of corrective actions include but are not limited to: 1) adopting new policies and procedures to prevent recurrence of the problem, 2) imposing restrictions on duties certain individuals are allowed to perform, 3) specific education and training for the team member, 4) education and training for all team members, 5) discipline of the employee, and/or 6) disclosure to appropriate oversight authorities.

If the investigation reveals possible non-compliant conduct, Central Health shall proceed as follows:

- If the problem relates to billing, cease any questioned billing until the problem is corrected or clarified.
- Initiate appropriate disciplinary action if needed in accordance with the Corrective Discipline Policy.
- If determined necessary after consultation with the Chief Legal Officer, notify appropriate State or Federal officials.
- Repay improper payments received and provide education on appropriate billing procedure. The CCO, the CEO, and the Chief Legal Officer, as necessary, shall determine at what level any necessary repayment will be made, and whether any particular disclosures should be made.

Due to the importance of monitoring efforts, any issue for which a corrective action plan is implemented may be targeted for future monitoring. These issues shall be tracked by the CCO. All pertinent information learned during investigations will be incorporated into Board

Members and Central Health team members' education and training to prevent recurrence of the non-compliant activity.

On a periodic basis, the CCO will report to the Compliance Committee any investigation undertaken and the results of that investigation. The Compliance Committee may report this information to the Central Health Board of Managers as determined by the Chair of the Compliance Committee, the CCO (***Policy Reference - Compliance Investigations (CMP-008P) Policy***).

E. Enforcement and Discipline

A team member's commitment to compliance and ethical conduct may be noted for purposes of the team member's performance evaluation.

Disciplinary action against any team member involved in dishonest conduct, including, but not limited to, suspension or termination, may be taken under any of the following circumstances (these circumstances do not constitute an exhaustive list):

- If the team member authorizes or participates in any action which constitutes a violation of applicable laws, regulations, or ethical standards/policies of Central Health
- If the team member fails to promptly report a known or suspected violation of applicable laws, regulations, or ethical standards/policies of Central Health, or if the team member withholds information from the CCO concerning a violation about which they are aware.
- If the team member attempts to retaliate or participate in retaliation against a team member who reports a compliance issue in good faith.
- If the team member makes a report of a compliance issue which the team member knows to be false or misleading, or
- If the team member interferes or fails to cooperate fully with Central Health's efforts to investigate or address any compliance report.

Central Health intends to be consistent in its enforcement of compliance; however, Central Health reserves the right to exercise discretion in penalizing those who violate these standards including team members, contractors and vendors. Disciplinary actions may extend to individuals responsible for the failure to prevent, detect, or report an offense.

All disciplinary actions will be consistent with Central Health's applicable policies and procedures. All disciplinary actions and all documentation will be sent to the People Department for proper filing. Department leaders are expected to keep the appropriate copy of the disciplinary actions for their records in a secure location (***Policy Reference - Standards of Conduct (HR2-008P) Policy***).

V. TRAINING, AWARENESS AND COMPETENCE

Within three (3) months after the Compliance Plan is adopted by Central Health, all Central Health team members shall be required to acknowledge the Compliance Plan within the Central Health Learning Management System and must attend an introductory training session regarding the contents of this Compliance Plan. Some team members may receive additional specialized training appropriate to the areas in which they work, such as claims development and billing practices and procedures training. New Central Health team members will be educated regarding the contents of the Compliance Plan during their onboarding.

At the time a team member is educated about the Compliance Plan, the team member must sign the acknowledgment attached to this Compliance Plan as **Exhibit B** and saved within the team member's Learning Management System profile. Reading this Compliance Plan and signing the acknowledgment will be a condition to employment with Central Health.

A. New Employee and Annual Trainings

All new Central Health team members are required to complete the new team member Compliance training within 45 days of employment and then again annually during the designated annual training (**Policy Reference - Orientation, Annual Training, & Department Onboarding Policy HR2-007P**).

B. Periodic Training

All Central Health team members are required to receive periodic training on the Central Health's Compliance Plan and pertinent policies and topics.

C. Specialized Training

Specific Central Health team members may receive specialized training because of the areas in which they work. This specialized training may focus on complex or high-risk operational areas. As new developments or concerns arise, the CCO may require additional training sessions for some or all Central Health team members. Such training shall utilize in-house subject-matter experts whenever possible. However, if deemed necessary, the services of outside experts may be enlisted to conduct specialized or highly technical training.

The CCO or a designee will also be available to create and deliver location and department specific compliance, contractual and plan integrity training.

The CCO or a designee will ensure there is a record of attendance at each session or documentation of completion of each course is retained.

VI. POLICY AND PROCEDURES

Central Health maintains policies and procedures that reflect its commitment to compliance and effectively address applicable legal, regulatory, and ethical obligations. These policies and procedures account for specific areas of compliance and ethics risks

relevant to healthcare organizations. The Central Health Board approves policies as outlined in the Bylaws.

These policies and procedures ensure that officers, directors, and team members understand what is required to maintain high standards of ethical conduct in business and operational practices. Policies and procedures are reviewed at least annually, and more frequently as needed based on regulatory changes, operational risk, or identified compliance issues, and are made accessible to employees to guide operational processes and compliance related activities.

Policies supporting the Compliance Program address, at a minimum, the following areas:

- Compliance Program governance and oversight
- Reporting mechanisms and non-retaliation
- Fraud, waste, and abuse prevention
- Privacy and security of protected health information
- Compliance training and education
- Conflict of interest
- Audit, monitoring, and corrective action
- Anonymous compliance reporting

A current inventory of Compliance Program policies is maintained by the Compliance Office and is included as **Exhibit D** Compliance Policy Inventory to this Plan.

VII. ACCOUNTABILITY, RESPONSIBILITY, AND SCREENING PROGRAM

Central Health will not contract with, employ, or bill for services rendered by an individual or entity that (A) is or has been sanctioned, excluded or ineligible to participate in state or Federal government health care programs; (B) is suspended or debarred from state or Federal government health care contracts; or (C) has been convicted of a criminal offense related to the provision of health care items or services.

Central Health shall have appropriate procedures in place to ensure it does not employ or utilize Board Members, Central Health team members, agents, vendors or contractors whom the organization knew, or should have known, to have engaged in illegal activities or other conduct inconsistent with the Compliance Plan.

VIII. PLAN MODIFICATION

The Compliance Plan is the foundation for a dynamic program that provides a flexible framework for adapting to the changing healthcare environment in which Central Health operates within. It is reviewed at least annually by the CCO, and the Central Health Compliance Committee to ensure that it functions as intended, serves the purpose for which it has been designed, and enables Central Health to meet its high standards and commitment to compliance.

Maintaining organizational compliance is something that is not done once, nor is the effort complete once the program has been implemented. Central Health's leadership, and the CCO, with the Board's assurance, will continually strive to improve the Compliance Plan and ensure it is tailored to issues relevant to Central Health's operations and the needs of Central Health's patients. When violations of Central Health's standards occur, they will be evaluated to determine how they could be prevented in the future and, if needed, the Compliance Plan and related policies and procedures will be modified accordingly. Central Health's team members will be educated as needed regarding any changes in the Compliance Plan or policies.

The CCO is responsible for assessing the overall effectiveness of Central Health's Compliance Program. To strengthen this process and align with guidance from the Office of Inspector General (OIG) and the Department of Justice (DOJ), the Compliance Plan tracks metrics including training completion rates and comprehension scores, analyzes hotline usage and the nature of reported concerns, monitors the timeliness of investigations and corrective actions, and administers employee surveys to assess awareness and culture of compliance. In addition, Central Health will consider periodic benchmarking against peer organizations and industry standards and engage external evaluators periodically for independent assessment.

IX. OVERVIEW OF RELEVANT LAWS

There are many federal and state laws that govern Central Health. A general overview of some of the healthcare fraud and abuse laws that might apply is attached as **Exhibit C**. This overview is accurate as of the time this Compliance Plan was adopted. There may be changes to these laws periodically which are not reflected in Exhibit C. The reader should seek further guidance as necessary from the CCO.

X. REPORTING

The following contact information shall be used to report fraud, waste and abuse:

Chief Compliance & Risk Officer

Central Health
Austin, TX 78702

Email: CHCompliance@centralhealth.net

Compliance Department

Email: CHCompliance@centralhealth.net

Compliance and Ethics Hotline (Anonymous Reporting option)

Hotline Website: www.lighthouse-services.com/centralhealth

Toll-Free Telephone: (833) 770-0080 (English)

Toll-Free Telephone: (800) 216-1288 (Spanish)

Email: reports@lighthouse-services.com*

Fax: (215) 689-3885*

*Must reference Central Health with the report

XI. SUMMARY

The Central Health Compliance Plan confirms the establishment of a Compliance Officer, a Compliance Committee, and a program for effective training and education; auditing and monitoring; and the prevention, detection and resolution of fraud, waste and abuse. Effective and clear lines of communication have been established and internal investigation and disciplinary processes developed. Specific controls have been set in place to prevent and detect compliance issues, and procedures are in place for the reporting of non-compliance with applicable healthcare laws and regulations.

Central Health has established a clear commitment to compliance and program integrity.

EXHIBIT A

RESOLUTION OF THE TRAVIS COUNTY HEALTHCARE DISTRICT D/B/A CENTRAL HEALTH BOARD OF MANAGERS REGARDING THE COMPLIANCE PROGRAM

WHEREAS, the policy of Central Health has been always to conduct its business in compliance with applicable federal, state and local laws and regulations, and to adhere to the highest ethical standards; and

WHEREAS, Central Health recognizes that even unknowing violations of laws and regulations by Central Health employees, contractors and agents can subject the organization to civil and criminal penalties, tarnish its reputation for professionalism, and lead to unfavorable publicity; and

WHEREAS, Central Health recognizes that the federal agencies responsible for enforcement of laws and regulations applicable to healthcare providers have encouraged the development and implementation of formal compliance programs by healthcare providers; and

WHEREAS, Central Health believes that the development and implementation of a formal compliance program is consistent with the organization’s efforts to improve quality and performance, and further reflects the organization’s long-standing commitment to conduct its business in compliance with applicable Federal laws and regulations and applicable State laws and regulations and the highest ethical standards; and

WHEREAS, Central Health wishes to ensure that the Compliance Program is effective in identifying and correcting practices and policies that are not in compliance with applicable laws and regulations, including, where necessary, by providing for disciplinary action against those employees, contractors and agents that fail to comply with such laws and regulations; and

WHEREAS, Central Health further wishes the Compliance Program to formalize, and reflect specific standards of conduct and policies for educating and training employees, contractors and agents with respect to those standards, review and continually enhance internal controls and monitoring systems, and foster effective communication and responsiveness to address compliance issues.

NOW, THEREFORE, BE IT RESOLVED that the Board of Managers of this organization adopts the attached Compliance Plan. The Board of Managers shall receive periodic progress reports on the development, implementation, and ongoing operation of this Compliance Program.

ADOPTED this __ day of _____, 2026 by the Central Health Board of Managers.

Chairperson
Central Health Board of Managers

EXHIBIT B

ACKNOWLEDGMENT ATTESTATION

I, _____ the undersigned team member, contractor or agent of Central Health, do hereby acknowledge that I have read and reviewed Central Health’s Compliance Plan.

I understand the content of the Compliance Plan and am fully aware that I must comply with these standards or face disciplinary measures.

I will cooperate fully with the CCO in the ongoing implementation of the Compliance Plan.

In addition, I will fully offer the CCO my assistance during all auditing, monitoring, and investigational activities related to my position at Central Health.

Signature

Date

Print/Type Name

Position

Note: This acknowledgement form will be signed and stored electronically as a part of the onboarding process, annually, and as needed periodically.

EXHIBIT C

HEALTH CARE FRAUD AND ABUSE LAWS

Federal False Claims Act

The federal False Claims Act (31 U.S.C. § 3729-3733) is a federal law that imposes penalties on any person or organization that knowingly makes a false record or files a false claim regarding any federal health care program, which includes any plan or program that provides health benefits, whether directly, through insurance, or otherwise, which is funded directly,

in whole or in part, by the United States Government or any state health care program. “Knowingly” includes having actual knowledge that a claim is false or acting with “reckless disregard” as to whether a claim is false. Examples of potential false claims include knowingly billing Medicare for services that were not provided, submitting inaccurate or misleading claims for actual services provided, or making false statements to obtain payment for services.

The federal False Claims Act contains provisions that allow private parties, also known as “qui tam relators,” with original information concerning fraud involving government health care programs to file a lawsuit on behalf of the government and, if the lawsuit is successful, to receive a portion of recoveries received by the government. The federal False Claims Act protects anyone who files a lawsuit under the Act from being fired, demoted, threatened or harassed by his or her employer as a result of filing a False Claims Act lawsuit. Remedies for retaliation include reinstatement with comparable seniority as the qui tam relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorney fees.

There are significant penalties for violating the federal False Claims Act. Financial penalties to an organization that submits a false claim can total as much as three times the amount of the claim plus fines. In addition to fines and penalties, the courts can impose criminal penalties against individuals and organizations for willful violations of the False Claims Act.

Program Fraud Civil Remedies Act

In addition to the remedies available under the False Claims Act, the Program Fraud Civil Remedies Act (“PFCRA”) (31 U.S.C. § 3801 - 3812) provides an administrative remedy for false claims or statements submitted to certain federal agencies, including the U.S. Department of Health and Human Services. Generally, the PFCRA imposes civil monetary penalties on any person who makes, presents, or submits, or causes to be made, presented, or submitted, claims or statements that the person knows or has reason to know are false, fictitious or fraudulent. Persons violating the PFCRA are subject to civil monetary penalties of up to \$5,500 per false claim or statement and up to twice the amount claimed in lieu of damages. The PFCRA is generally limited to claims amounting to \$150,000 or less.

Federal Anti-Kickback Statute

The federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)) makes it a criminal offense to knowingly and willfully offer, pay, solicit, or receive any remuneration to induce or reward referrals of items or services reimbursable by a federal health care program. Remuneration includes the transfer of anything of value, directly or indirectly, overtly or covertly, in cash or in kind.

If a transaction falls within a statutory exception or a regulatory “safe harbor” to the Anti-Kickback Statute, it is not treated as a violation. The safe harbor regulations were enacted to cover practices unlikely to result in fraud or abuse. For a safe harbor to apply, each and every requirement set forth in the regulation must be satisfied. However, even where a transaction does not fall within a safe harbor, it does not necessarily mean it is illegal; the

transaction will be subject to scrutiny, and the more safe harbor conditions satisfied, the more likely it will be found not to violate the Anti-Kickback Statute.

Penalties for violation of the federal Anti-Kickback Statute include:

- Fines up to \$25,000;
- Imprisonment for up to five years;
- Exclusion from participation, regardless of whether a criminal conviction is obtained; and/or
- Civil monetary penalty equal to triple the amount of damages to the government, plus \$50,000 for each violation.

Federal Physician Self-Referral Law (“Stark Law”)

The federal Stark Law (42 U.S.C. § 1395nn) prohibits physicians from referring patients who participate in Medicare for certain “designated health services” to an entity in which the physician (or an immediate family member) has a financial relationship, unless an exception is met. The statute also prohibits an entity furnishing the services pursuant to a prohibited referral from presenting a claim or bill to Medicare. Allegations of Stark Law violations are often coupled with federal False Claims Act allegations.

A financial relationship includes an ownership or investment interest in the entity providing the service, or an ownership or investment interest in a separate entity which holds an ownership or investment interest in the entity providing the service. It also includes a compensation arrangement between the physician (or an immediate family member) and the entity.

“Designated health services” covered by the Stark Law includes the following:

- Clinical laboratory services;
- Physical therapy services;
- Occupational therapy services;
- Radiology services, including magnetic resonance imaging, computerized axial tomography scans, and ultrasound services;
- Radiation therapy services and supplies;
- Durable medical equipment and supplies;
- Parenteral and enteral nutrients, equipment, and supplies;
- Prosthetics, orthotics, and prosthetic devices and supplies;
- Home health services;
- Outpatient prescription drugs;
- Inpatient and outpatient hospital services; and
- Outpatient speech-language pathology services.

If a physician or entity violates this statute, significant civil sanctions may be imposed, including:

- Mandatory denial of payment;
- Recoupment of amounts collected in violation of the statute;
- Exclusion from participation in Federal health care programs;
- Civil monetary penalty of up to \$15,000 for each bill or claim the person knew or should have known was for a service for which payment may not be made, plus treble damages; and/or
- Civil monetary penalty of up to \$100,000 for each arrangement or scheme which the physician or entity knew or should have known has a principal purpose of assuring referrals which would be in violation of the Stark Law.

The Stark Law also requires that any entity providing designated health services report to the government information concerning the entity's ownership, investment, and compensation arrangements. Failure to meet this reporting requirement would subject the entity to a civil monetary penalty of up to \$10,000 for each day the reporting requirement was to have been met.

Numerous exceptions apply to the Stark Law. However, unlike the safe harbors for the Anti-Kickback statute, if one of these exceptions is not satisfied, the relationship is automatically illegal, and the physician and entity are subject to sanctions.

EXHIBIT D

COMPLIANCE POLICY AND PROCEDURES

Compliance Policy	Reference Code
Compliance Plan	
Compliance Committee Charter	
Code of Conduct and Ethics for Board Members	CMP-010P
Code of Conduct and Ethics for Employees	CMP-002P
Compliance Investigations	CMP-008P
Compliance Program	CMP-001P
Compliance Training and Education	CMP-012P
Duality and Conflict of Interest	CMP-009P
Fraud, Waste, and Abuse	CMP-015P
Policies and Standard Operating Procedure Management	CMP-011P
Prohibition of Patient Inducement	CMP-014P
Reporting and Non-Retaliation	CMP-006P

**Additional compliance-related policies and procedures may be developed or updated as part of the Compliance Program's ongoing maturation and risk-based work plan.*

EXHIBIT E

**CODE OF CONDUCT AND ETHICS FOR EMPLOYEES
CODE OF CONDUCT AND ETHICS FOR BOARD MEMBERS**



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.

Right by All - By being open, anti-racist, equity-minded, and respectful in discourse, we honor those around us and do right by all people.

Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

April 22, 2026

AGENDA ITEM C2

Receive and ratify Central Health investments for March 2026.

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 \$112,032,128.01 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 12 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: April 22, 2026

CENTRAL HEALTH
INVESTMENT DEPARTMENT
SECURITY TRANSACTION FORM

DATE: 2/27/2026

TIME: 9:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FNMA Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 12,000,000.00	SAFEKEEPING NO:	P 31317
CUPON / DISCOUNT RATE	3.875%	PRICE:	100.0000000
MATURITY DATE:	2/26/2029 US TREASURY CONVENTION YLD		3.8725%
PRINCIPAL:	\$ 12,000,000.00	PURCHASED THROUGH:	RBC Capital
ACCRUED INT:	\$ 7,750.00	BROKER:	Eric Ajlouny
TOTAL DUE:	\$ 12,007,750.00	CUSIP #:	3136GCP66
TRADE DATE:	2/27/2026	SETTLEMENT DATE:	3/2/2026

AUTHORIZED BY:



CENTRAL HEALTH
INVESTMENT DEPARTMENT
SECURITY TRANSACTION FORM

DATE: 3/4/2026

TIME: 9:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	City of Frisco TX - GO	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 1,925,000.00	SAFEKEEPING NO:	P 31317
CUPON / DISCOUNT RATE	1.600%	PRICE:	96.1280000
MATURITY DATE:	2/15/2028 US TREASURY CONVENTION YLD		3.6810%
PRINCIPAL:	\$ 1,850,464.00	PURCHASED THROUGH:	Stifel
ACCRUED INT:	\$ 1,711.11	BROKER:	Mike Bell
TOTAL DUE:	\$ 1,852,175.11	CUSIP #:	358776L91
TRADE DATE:	3/4/2026	SETTLEMENT DATE:	3/5/2026

AUTHORIZED BY:



CENTRAL HEALTH
INVESTMENT DEPARTMENT
SECURITY TRANSACTION FORM

DATE: 3/5/2026

TIME: 9:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	Tx TERM Sept 26	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 12,000,000.00	SAFEKEEPING NO:	N/A
CUPON / DISCOUNT RATE	3.810%	PRICE:	100.0000000
MATURITY DATE:	9/4/2026 US TREASURY CONVENTION YLD		3.8100%
PRINCIPAL:	\$ 12,000,000.00	PURCHASED THROUGH:	TexasDAILY
ACCRUED INT:	\$ 0.00	BROKER:	N/A
TOTAL DUE:	\$ 12,000,000.00	CUSIP #:	TXTERM090426
TRADE DATE:	3/5/2026	SETTLEMENT DATE:	3/6/2026

AUTHORIZED BY:

Reagan James



Central Health
Investment Department
Security Transaction Form

Date: 3/9/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description: TexPool

Fund Name: Central Health

Par Value: \$196,000.00

Safekeeping No.: N/A

CPN/DISC Rate: N/A

Price: 100%

Maturity Date: N/A

Bond Eq Yield: 3.6740%

Principal: \$196,000.00

Purchased Thru: TexPool

Accured Int: N/A

Broker: N/A

Total Due: \$196,000.00

CUSIP #: N/A

Trade Date: 3/9/2026

Settlement Date: 3/9/2026

Authorized by: *Reagan Lewis*
Cash / Investment Manager



Central Health
Investment Department
Security Transaction Form

Date: 3/18/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description: Texas Daily Select

Fund Name: Central Health

Par Value: \$12,229,000.00

Safekeeping No.: N/A

CPN/DISC Rate: N/A

Price: 100%

Maturity Date: N/A

Bond Eq Yield: 3.8000%

Principal: \$12,229,000.00

Purchased Thru: Texas Daily Select

Accrued Int: N/A

Broker: N/A

Total Due: \$12,229,000.00

CUSIP #: N/A

Trade Date: 3/18/2026

Settlement Date: 3/18/2026

Authorized by: *James D Matlock*
Cash / Investment Manager



Central Health
Investment Department
Security Transaction Form

Date: 3/19/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description: Texas Daily Select

Fund Name: Central Health

Par Value: \$12,279,000.00

Safekeeping No.: N/A

CPN/DISC Rate: N/A

Price: 100%

Maturity Date: N/A

Bond Eq Yield: 3.7900%

Principal: \$12,279,000.00

Purchased Thru: Texas Daily Select

Accrued Int: N/A

Broker: N/A

Total Due: \$12,279,000.00

CUSIP #: N/A

Trade Date: 3/19/2026

Settlement Date: 3/19/2026

Authorized by: *James D Matlock*
Cash / Investment Manager

CENTRAL HEALTH
INVESTMENT DEPARTMENT
SECURITY TRANSACTION FORM

DATE: 3/19/2026

TIME: 10:00 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	Texas TERM	FUND NAME/NUMBER:	CENTRAL HEALTH OP
PAR VALUE:	\$ 12,000,000.00	SAFEKEEPING NO:	N/A
COUPON RATE:	3.990%	PRICE:	100.0000000
MATURITY DATE:	9/18/2026	US TREASURY CONVENTION YLD	3.9900%
PRINCIPAL:	\$ 12,000,000.00	PURCHASED THROUGH:	Texas TERM
ACCRUED INT:	\$ 0.00	BROKER:	N/A
TOTAL DUE:	\$ 12,000,000.00	CUSIP #:	TXTERM091826
TRADE DATE:	3/19/2026	SETTLEMENT DATE:	3/20/2026

AUTHORIZED BY:



CENTRAL HEALTH
INVESTMENT DEPARTMENT
SECURITY TRANSACTION FORM

DATE: 3/18/2026

TIME: 1:00 PM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FHLB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 12,000,000.00	SAFEKEEPING NO:	P 31317
CUPON / DISCOUNT RATE	3.830%	PRICE:	100.0000000
MATURITY DATE:	3/23/2028 US TREASURY CONVENTION YLD		3.8300%
PRINCIPAL:	\$ 12,000,000.00	PURCHASED THROUGH:	Keybanc
ACCRUED INT:	\$ 0.00	BROKER:	Ken Kaufheil
TOTAL DUE:	\$ 12,000,000.00	CUSIP #:	3130B9Y61
TRADE DATE:	3/18/2026	SETTLEMENT DATE:	3/23/2026

AUTHORIZED BY:



CENTRAL HEALTH
INVESTMENT DEPARTMENT
SECURITY TRANSACTION FORM

DATE: 3/19/2026

TIME: 11:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FFCB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 12,000,000.00	SAFEKEEPING NO:	P 31317
CUPON / DISCOUNT RATE	4.320%	PRICE:	100.0000000
MATURITY DATE:	3/25/2030 US TREASURY CONVENTION YLD		4.3200%
PRINCIPAL:	\$ 12,000,000.00	PURCHASED THROUGH:	Stone X Financial
ACCRUED INT:	\$ 0.00	BROKER:	John Tarpey
TOTAL DUE:	\$ 12,000,000.00	CUSIP #:	3133EWJJ0
TRADE DATE:	3/19/2026	SETTLEMENT DATE:	3/25/2026

AUTHORIZED BY:



CENTRAL HEALTH
INVESTMENT DEPARTMENT
SECURITY TRANSACTION FORM

DATE: 3/20/2026

TIME: 11:30 AM

The following transaction was executed on behalf of Central Health:

DESCRIPTION:	FFCB Callable	FUND NAME:	CENTRAL HEALTH OPERATING
PAR VALUE:	\$ 12,000,000.00	SAFEKEEPING NO:	P 31317
CUPON / DISCOUNT RATE	4.390%	PRICE:	100.0000000
MATURITY DATE:	3/27/2029 US TREASURY CONVENTION YLD		4.3900%
PRINCIPAL:	\$ 12,000,000.00	PURCHASED THROUGH:	RBC Capital
ACCRUED INT:	\$ 0.00	BROKER:	Eric Ajlouny
TOTAL DUE:	\$ 12,000,000.00	CUSIP #:	3133EWJQ4
TRADE DATE:	3/20/2026	SETTLEMENT DATE:	3/27/2026

AUTHORIZED BY:





Central Health
Investment Department
Security Transaction Form

Date: 3/27/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description:	<u>TexPool Bond Proceeds to Operating</u>	Fund Name:	<u>Central Health</u>
Par Value:	<u>\$13,077,202.90</u>	Safekeeping No.:	<u>N/A</u>
CPN/DISC Rate:	<u>N/A</u>	Price:	<u>100%</u>
Maturity Date:	<u>N/A</u>	Bond Eq Yield:	<u>3.6767%</u>
Principal:	<u>\$13,077,202.90</u>	Purchased Thru:	<u>TexPool Bond Proceeds to Operating</u>
Accured Int:	<u>N/A</u>	Broker:	<u>N/A</u>
Total Due:	<u>\$13,077,202.90</u>	CUSIP #:	<u>N/A</u>
Trade Date:	<u>3/27/2026</u>	Settlement Date:	<u>3/27/2026</u>

Authorized by:

Reagan Lewis
Cash / Investment Manager



Central Health
Investment Department
Security Transaction Form

Date: 3/31/2026

Time: 10:30

The following transaction was executed on behalf of Central Health:

Description: Texas Daily Select

Fund Name: Central Health

Par Value: \$391,000.00

Safekeeping No.: N/A

CPN/DISC Rate: N/A

Price: 100%

Maturity Date: N/A

Bond Eq Yield: 3.7900%

Principal: \$391,000.00

Purchased Thru: Texas Daily Select

Accrued Int: N/A

Broker: N/A

Total Due: \$391,000.00

CUSIP #: N/A

Trade Date: 3/31/2026

Settlement Date: 3/31/2026

Authorized by: _____


Cash / Investment Manager

CENTRAL HEALTH MONTHLY INVESTMENT REPORT
 PORTFOLIO STATISTICS

DATE: March 31, 2026

By Fund Type

Operating	\$ 851,175,766.05	74.19%
LPPF	16,572,153.58	1.44%
Bond Proceeds	279,496,590.24	24.36%
Other	-	0.00%
Total Portfolio	<u>\$ 1,147,244,509.87</u>	<u>100.00%</u>

By Security Type

Operating-

TexasDAILY	\$ 12,838,304.61	1.51%
TexasDAILY Select	\$ 243,516,627.57	28.61%
TexPool	\$ 111,793,560.17	13.13%
TexSTAR	\$ 186,743.73	0.02%
TexasTERM CP	36,000,000.00	4.23%
Non-Int Bearing Bank Account	438,284.01	0.05%
Certificates of Deposit	-	0.00%
Treasury Securities	11,885,625.00	1.40%
Government Agencies	404,431,204.36	47.51%
Commercial Paper	-	0.00%
Municipal Bonds	30,085,416.60	3.53%
Total	<u>\$ 851,175,766.05</u>	<u>100.00%</u>

LPPF-

TexPool	16,572,153.58	100.00%
Total	<u>\$ 16,572,153.58</u>	<u>100.00%</u>

Bond Proceeds-

TexPool	\$ 279,496,590.24	100.00%
Total	<u>\$ 279,496,590.24</u>	<u>100.00%</u>

Compared to Policy Limits

		Actual %	Guidelines
TexasDAILY	12,838,304.61	1.12%	30.00%
TexasDAILY Select	243,516,627.57	21.23%	30.00%
TexPool	407,862,303.99	35.57%	50.00%
TexSTAR	186,743.73	0.02%	30.00%
TexasTERM CP	36,000,000.00	3.14%	30.00%
Total LGIPS	<u>\$ 700,403,979.90</u>	<u>39.84%</u>	<u>70.00%</u>
Certificates of Deposit	-	0.00%	50.00%
Treasury Securities	11,885,625.00	1.04%	100.00%
Government Agencies	404,431,204.36	35.27%	75.00%
Commercial Paper	-	0.00%	20.00%
Municipal Bonds	30,085,416.60	2.62%	20.00%
	<u>\$ 1,146,806,225.86</u>	<u>78.77%</u>	

Municipal Bonds by Entity as a Percentage of Portfolio

City of Frisco, TX - GO	\$ 1,850,464.00	6.15%	5.00%
CO HSG & FIN Rev - TAX	\$ 500,000.00	1.66%	5.00%
LA Unified SD - GO	\$ 6,039,360.00	20.07%	5.00%
St of Washington - GO	\$ 8,840,872.60	29.39%	5.00%
State of Hawaii - GO	\$ 2,812,170.00	9.35%	5.00%
Tulsa OK ISD - GO	\$ 5,000,000.00	16.62%	5.00%
TX Pub Fin Auth	\$ 5,042,550.00	16.76%	5.00%
	<u>\$ 30,085,416.60</u>	<u>100.00%</u>	<u>25.00%</u>

<u>Investment Revenue & Accrued Interest</u>	<u>March-26</u>	<u>Fiscal YTD</u>
Interest/Dividends-		
TexasDAILY	\$ 40,170.31	\$ 106,819.71
TexasDAILY Select	\$ 812,182.98	\$ 4,016,654.53
TexPool	1,360,612.63	\$ 6,229,431.33
TexSTAR	577.26	\$ 4,214.21
TexasTERM CP	0.00	\$ -
Certificates of Deposit	0.00	\$ -
Treasury Securities	0.00	\$ -
Government Agencies	1,061,400.00	\$ 7,621,436.11
Commercial Paper	0.00	\$ -
Municipal Bonds	0.00	\$ 660,509.56
	<u>\$ 3,274,943.18</u>	<u>\$ 18,639,065.45</u>
Discounts, Premiums, & Accrued Interest		
TexasTERM CP	\$ 83,556.17	\$ 94,533.70
-less previous accruals	0.00	\$ -
Certificates of Deposit	0.00	\$ -
-less previous accruals	0.00	\$ -
Treasury Securities	39,224.46	\$ 112,031.68
-less previous accruals	0.00	\$ (34,848.07)
Government Agencies	1,334,396.22	\$ 7,108,339.56
-less previous accruals	(910,493.33)	\$ (6,795,051.53)
Commercial Paper	0.00	\$ -
-less previous accruals	0.00	\$ -
Municipal Bonds	115,793.78	\$ 520,075.59
-less previous accruals	(2,716.95)	\$ (578,864.82)
	<u>\$ 659,760.35</u>	<u>\$ 426,216.11</u>
Total Investment Revenue & Accrued Interest	<u>\$ 3,934,703.53</u>	<u>\$ 19,065,281.56</u>



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.

Right by All - By being open, anti-racist, equity-minded, and respectful in discourse, we honor those around us and do right by all people.

Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

April 22, 2026

AGENDA ITEM C3

Receive the February and March 2026 financial statements for Central Health.



CENTRAL HEALTH
TRAVIS COUNTY HOSPITAL DISTRICT

Central Health

Financial Statement Presentation

YTD March 2026

Unaudited

**Central Health Board of Managers
Budget and Finance Committee**

Jeff Knodel, CFO

Nicki Riley, Deputy CFO



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Slide 3 - Highlights

Slide 4 & 5 - Balance Sheet

Slide 6 - Sources & Uses

Slide 7 - Healthcare Delivery

Slide 8 & 9 - Direct Services

Slide 10 - Specialty Care

Slide 11 - FTE Utilization

Highlights

1. Fiscal year-to-date collected net property tax revenue is \$371.5M, which is 96.7% of the levy versus 96.9% this time last year.
2. Direct Services is \$26.8M year-to-date, representing 33% of the annual budget.
The highest budget utilizations are:
 - a. Patient Navigation Center - 51% (Patient transportation highly utilized)
 - b. Bridge Program - 39% (Under budget, but expecting increase)
 - c. Cardiology - 37% (Goods and services less than anticipated)
The lowest budget utilizations are:
 - a. Neurology - 1% (No provider hired yet)
 - b. Psychiatry - 17% (Currently only 2 employees)
 - c. Rheumatology - 17% (One provider FTE)
3. Specialty Services is \$13.2M year-to-date, representing 35% of the annual budget.
The highest budget utilizations are:
 - a. Physical Medication & Rehab - 53% (In line with budget)
 - b. Podiatry - 50% (Very high demand)
 - c. Rheumatology - 50% (CUC activity is the sole contributor)
The lowest budget utilizations are:
 - a. Ophthalmology - 17% (Optometry services have no spend yet)
 - b. General Surgery - 22% (In-house services are in process)
 - c. Sexual & reproductive Services - 29% (Service ending at year end)
4. Opioid Abatement Expenses were \$173.2K this month, \$488.5K year-to-date.
5. Grant expenses were \$63.7K this month, \$302.5K year-to-date.

BALANCE SHEET
3/31/2026
3/31/2025
CURRENT ASSETS

CASH AND CASH EQUIVALENTS	9,280,759	7,064,593
SHORT TERM INVESTMENTS	741,370,529	740,669,303
LEASE RECEIVABLE SHORT TERM	15,149,899	10,948,341
ACCOUNTS RECEIVABLE TAX	11,759,916	10,751,789
OTHER RECEIVABLES	25,515,281	37,351,697
TOTAL UNRESTRICTED CURRENT ASSETS	803,076,384	806,785,723

RESTRICTED CASH & INVESTMENTS

RESTRICTED TCHD LPPF CASH & INVESTMENTS	16,597,316	98,025,124
RESTRICTED OPIOID FUNDS	1,845,058	4,050,620
RESTRICTED FOR GRANTS	1,364,124	-
RESTRICTED FOR CAPITAL ACQUISITION	386,637,515	203,680,649
TOTAL RESTRICTED CASH & INVESTMENTS	406,444,013	305,756,393

TOTAL CURRENT ASSETS
1,209,520,397
1,112,542,116
LONG TERM ASSETS

SENDERO PAID-IN CAPITAL	91,000,000	83,000,000
SENDERO SURPLUS DEBENTURE	37,083,000	37,083,000
ADVANCE RECEIVABLE	4,000,000	4,000,000
LEASE RECEIVABLE LONG TERM*	442,623,359	237,666,739
TOTAL LONG TERM ASSETS	574,706,359	361,749,739

TOTAL CAPITAL ASSETS, NET OF DEPRECIATION
297,635,961
192,415,948
TOTAL ASSETS
2,081,862,717
1,666,707,803

LIABILITIES	3/31/2026	3/31/2025
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	26,005,501	29,066,449
SALARIES & BENEFITS PAYABLE	16,423,255	11,761,795
SHORT-TERM LEASE & SUBSCRIPTION LIABILITIES*	4,234,302	4,493,775
SHORT-TERM DEBT SERVICE PAYABLE	12,798,791	8,843,712
SHORT-TERM DEFERRED REVENUE	1,364,124	-
SHORT-TERM DEFERRED TAX REVENUE	9,971,963	8,641,874
TOTAL CURRENT LIABILITIES	70,797,936	62,807,605
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	16,597,316	98,025,124
LONG-TERM DEBT SERVICE PAYABLE	407,806,686	151,821,910
LONG-TERM LEASE & SUBSCRIPTION LIABILITIES*	49,194,420	50,524,313
LONG-TERM DEFERRED REVENUE*	427,969,721	226,395,022
TOTAL RESTRICTED OR NONCURRENT LIABILITES	901,568,143	526,766,369
TOTAL LIABILITIES	972,366,079	589,573,974
NET ASSETS		
RESTRICTED FOR CAPITAL ASSETS	215,048,838	248,986,228
RESTRICTED FOR OPIOID SETTLEMENT	1,845,058	4,050,620
RESTRICTED FOR EMERGENCY RESERVE	70,165,232	60,120,090
RESTRICTED FOR GRANTS	1,364,124	-
RESTRICTED FOR HEALTH CENTER	12,000,000	-
UNRESTRICTED	809,073,386	763,976,891
TOTAL NET ASSETS	1,109,496,638	1,077,133,829
LIABILITIES AND NET ASSETS	\$ 2,081,862,717	\$ 1,666,707,803

* GASB87 & GASB96 reporting requirement for leases and Subscription-Based Information Technology Arrangements.

SOURCES AND USES	Actuals Mar 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
SOURCES					
PROPERTY TAX REVENUE	2,224,094	371,478,106	378,061,940	98%	340,392,094
LEASE REVENUE	710,192	4,703,461	10,424,005	45%	7,680,693
GRANT REVENUE	63,716	302,542	1,666,667	18%	-
OTHER REVENUE	3,996,248	18,899,420	24,233,333	78%	43,208,579
NET TOBACCO SETTLEMENT REVENUE	-	-	5,000,000	0%	0
PATIENT REVENUE	57,678	236,911	1,000,000	24%	87,141
TOTAL SOURCES	7,051,928	395,620,441	420,385,945	94%	391,368,507
USES OF FUNDS					
HEALTHCARE DELIVERY PROGRAM	29,762,459	182,684,360	433,984,684	42%	122,085,562
ADMINISTRATIVE PROGRAM	3,514,265	18,527,010	46,369,507	40%	15,735,861
UT AFFILIATION AGREEMENT	-	-	35,000,000	0%	-
OTHER FINANCING USES	-	22,045,142	37,045,142	60%	61,381,015
OPIOID ABATEMENT EXPENSE	173,154	488,546	1,873,501	26%	614,214
GRANT EXPENSES	63,716	302,542	1,666,667	18%	-
TOTAL USES	33,513,594	224,047,600	555,939,500	40%	199,816,652
EXCESS SOURCES / (USES)	\$ (26,461,666)	\$ 171,572,841	\$ (135,553,555)		\$ 191,551,855

	Actuals Mar 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
HEALTHCARE DELIVERY					
PURCHASED HEALTHCARE SERVICES					
PRIMARY CARE	8,646,409	49,937,406	103,446,258	48%	37,650,140
SPECIALTY CARE	2,159,759	13,207,940	37,348,000	35%	12,506,256
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	786,672	14,857,911	40,274,000	37%	9,414,609
PHARMACY	1,291,798	7,813,103	19,500,000	40%	6,918,414
POST ACUTE CARE	767,527	3,487,917	9,350,000	37%	2,891,167
COMMUNITY HEALTHCARE INITIATIVES FUND	135,137	214,239	1,000,000	21%	149,125
PURCHASED HEALTHCARE SERVICES	13,787,301	89,518,516	210,918,258	42%	69,529,710
DIRECT SERVICES	4,984,278	26,842,330	81,599,137	33%	16,564,963
SUBTOTAL HEALTHCARE SERVICES	18,771,579	116,360,846	292,517,395	40%	86,094,673
HEALTHCARE OPERATIONS & SUPPORT					
HEALTHCARE SERVICES MANAGEMENT	1,331,897	7,854,895	22,937,604	34%	8,711,849
ELIGIBILITY & ENROLLMENT	891,644	5,853,247	14,382,578	41%	8,944,750
AFFORDABLE CARE ACT SUBSIDY	1,379,172	8,565,285	19,671,820	44%	(780,779)
TECH SUPPORT	4,191,503	19,072,989	35,053,003	54%	10,711,474
FACILITIES SUPPORT	1,638,050	8,528,564	26,959,958	32%	5,144,758
SENDERO RISK-BASED CAPITAL TRANSFER	-	8,000,000	8,000,000	100%	-
DEBT SERVICE	1,558,615	8,448,534	14,462,326	58%	3,258,837
HEALTHCARE OPERATIONS & SUPPORT	10,990,880	66,323,514	141,467,289	47%	35,990,890
TOTAL HEALTHCARE DELIVERY	\$ 29,762,459	\$ 182,684,360	\$ 433,984,684	42%	\$ 122,085,562

DIRECT SERVICES	Actuals Mar 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
Multidisciplinary, Diagnostics and Other	496,689	2,750,041	8,545,939	32%	1,062,204
Clinical Support	1,098,512	5,707,489	17,898,272	32%	4,608,625
Endocrinology	56,976	279,740	883,764	32%	0
Rheumatology	59,507	352,816	2,041,389	17%	14,402
Cardiology	160,925	892,929	2,442,156	37%	731,578
Gastroenterology	237,875	1,255,461	4,266,275	29%	722,226
Nephrology	72,908	421,137	1,449,087	29%	339,389
Neurology	-	5,000	354,559	1%	(0)
Podiatry	90,664	582,016	2,364,183	25%	729,208
Pulmonology	104,822	550,402	1,915,923	29%	480,294
Palliative Care	61,275	388,725	1,027,374	38%	309,373
Pharmacy	101,018	662,086	2,980,011	22%	379,490
Behaviorial Health	177,582	835,981	2,115,947	40%	408,063
Patient Navigation Center	732,865	3,885,895	7,563,164	51%	2,967,027
Physical Medication & Rehab	91,035	301,609	270,771	111%	-
Psychiatry	102,533	560,642	3,221,828	17%	130,130
Medical Respite	431,702	2,255,639	7,424,291	30%	599,736
Bridge Program	210,006	1,245,790	3,235,245	39%	511,137
Transition of Care	649,020	3,746,110	11,598,960	32%	2,572,080
In Kind Expenses - Naloxone	48,363	162,822	-	-	-
Total Direct Services	\$ 4,984,278	\$ 26,842,330	\$ 81,599,137	33%	\$ 16,564,963

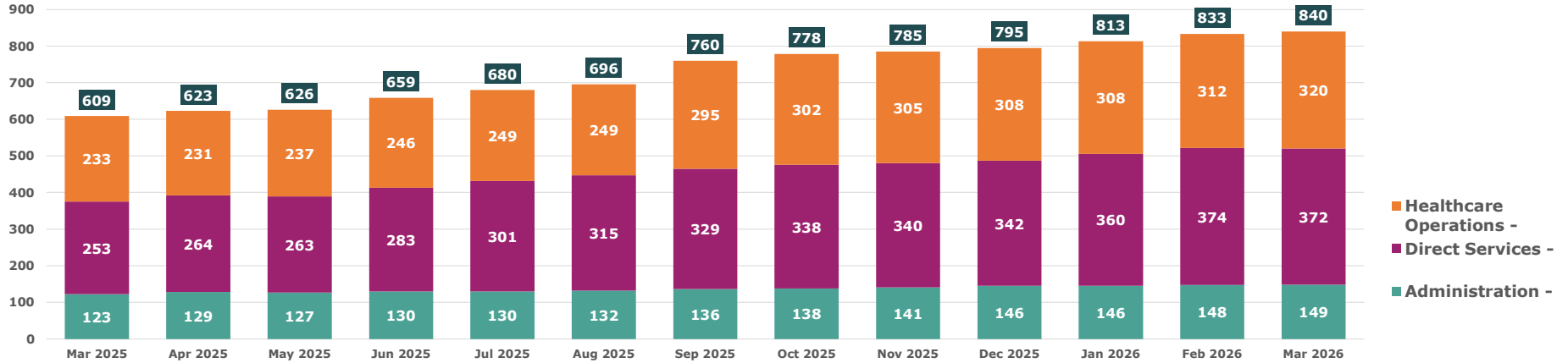
Note: Patient Counts may be adjusted
in prior months.

DIRECT SERVICES	Actual FTEs	Budget FTEs	Co Hires	Mar 2026 Unique Patient Count	FY 2026 Unique Patient Count	Mar 2026 Encounter Patient Count	FY 2026 Encounter Patient Count	Service Line Start Date
Multidisciplinary, Diagnostics and Other	28	40	0.7	925	3,043	1,005	4,821	Various
Clinical Support	89	122	0.0	-	-	-	-	N/A
Endocrinology	4	6	0.0	110	270	128	608	7/21/2025
Rheumatology	4	7	0.8	116	335	117	621	6/16/2025
Cardiology	10	11	0.0	202	635	228	1,129	9/30/2024
Gastroenterology	10	14	1.7	328	1,170	343	1,790	10/2/2023
Nephrology	6	8	0.2	110	486	138	930	2/1/2024
Neurology	0	3	0.0	-	-	-	-	Not Started
Podiatry	9	11	0.0	169	606	261	1,403	10/23/2023
Pulmonology	8	10	0.0	139	526	146	773	10/2/2023
Palliative Care	6	7	0.0	79	204	94	533	2/5/2024
Pharmacy	10	12	0.0	173	531	209	1,116	4/3/2024
Behavioral Health	12	19	0.0	118	309	220	1,167	3/20/2024
Patient Navigation Center	59	66	0.0	-	-	16,294	87,318	N/A
Physical Medication & Rehab	2	4	0.5	188	391	259	961	9/15/2025
Psychiatry	5	14	0.0	81	172	94	536	10/3/2024
Medical Respite	40	51	0.0	53	87	484	1,965	8/23/2023
Bridge Program	16	32	0.5	248	709	381	1,794	9/25/2024
Transition of Care	55	80	0.0	565	1,693	727	2,417	11/15/2023
In Kind Expenses - Naloxone	0	0	0.0	-	-	-	-	N/A
Total Direct Services	372	515	4.4	3,604	11,167	21,128	109,882	

Note: Patient Counts may be adjusted in prior months.

SPECIALTY CARE	Actuals Mar 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
Ancillary Services	221,981	1,456,831	4,633,000	31%	640,216
Cardiology	37,913	352,474	800,000	44%	579,442
Dental	231,683	1,651,831	4,000,000	41%	1,516,788
Dermatology	87,065	512,969	1,100,000	47%	476,748
Durable Medical Equipment	102,393	433,394	1,410,000	31%	585,157
Endocrinology	66,667	400,000	800,000	50%	407,508
Ear, Nose & Throat	44,337	440,829	1,525,000	29%	728,826
Gastroenterology	356,353	1,409,881	2,950,000	48%	1,284,253
General Surgery	2,502	55,456	250,000	22%	104,675
Gynecology	145,479	871,049	2,200,000	40%	1,101,731
Musculoskeletal	207,350	1,239,850	2,525,000	49%	999,060
Neurology	8,333	50,000	100,000	50%	23,888
Nephrology/Dialysis	88,414	707,826	1,850,000	38%	703,712
Oncology	93,854	795,106	2,850,000	28%	857,007
Ophthalmology	154,829	922,041	5,370,000	17%	967,126
Physical Medication & Rehab	18,395	79,395	150,000	53%	58,715
Podiatry	70,833	425,000	850,000	50%	382,312
Pulmonology	76,056	434,813	1,050,000	41%	392,228
Referral Management	16,507	106,840	275,000	39%	22,560
Rheumatology	33,333	200,000	400,000	50%	167,700
Sexual & Reproductive Service	95,479	662,355	2,260,000	29%	506,601
Total Specialty Care	\$ 2,159,759	\$ 13,207,940	\$ 37,348,000	35%	\$ 12,506,256

Total Assigned FTE for a 12 Month Period



Administration		Direct Services		Healthcare Operations	
Office of CEO	Communications	All Service Lines	Electronic Health Records	Clinical Executive Team	Tech Support
Executives - BOM	Government Affairs	Navigation		Provider Reimbursement & Network Services	Facility Support
Finance/Procurement	Compliance	Clinical Management		Quality Assess & Performance (QAP)	Eligibility
People Department	Legal	Revenue Cycle		Community Engagement	
Strategy		Clinical Education and Trainees		Healthcare Planning	
March 2026					



CENTRAL HEALTH
TRAVIS COUNTY HOSPITAL DISTRICT

Central Health

Financial Statement Presentation

YTD February 2026

Unaudited

Central Health Board of Managers Budget and Finance Committee

Jeff Knodel, CFO

Nicki Riley, Deputy CFO



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Slide 3 - Highlights

Slide 4 & 5 - Balance Sheet

Slide 6 - Sources & Uses

Slide 7 - Healthcare Delivery

Slide 8 & 9 - Direct Services

Slide 10 - Specialty Care

Slide 11 - FTE Utilization

Highlights

1. Fiscal year-to-date collected net property tax revenue is \$369.2M, which is 96.1% of the adjusted levy versus 96.2% this time last year.
2. Direct Services is \$21.9M year-to-date, representing 27% of the annual budget.
The highest budget utilizations are:
 - a. Physical Medication & Rehab - 83%
 - b. Patient Navigation Center - 42%
 - c. Palliative Care & Bridge Program - 32%The lowest budget utilizations are:
 - c. Neurology - 1% (Provider job offer extended)
 - a. Psychiatry - 14%
 - b. Rheumatology - 14%
3. Specialty Services is \$11.0M year-to-date, representing 30% of the annual budget.
The highest budget utilizations are:
 - a. Endocrinology - 42%
 - b. Neurology - 42%
 - c. Rheumatology - 42%The lowest budget utilizations are:
 - a. Ophthalmology - 14%
 - b. General Surgery - 21%
 - c. Sexual & reproductive Services - 25%
4. Opioid Abatement Expenses were \$167.6K this month, \$315.4K year-to-date.
5. Permanent Supportive Housing expenses were \$74.6K this month, \$238.8K year-to-date.
6. Debt was paid in the amount of \$8.3M in principal and \$4.2M in interest.

BALANCE SHEET
2/28/2026
2/28/2025
CURRENT ASSETS

CASH AND CASH EQUIVALENTS	8,297,974	5,981,572
SHORT TERM INVESTMENTS	765,782,848	758,253,547
LEASE RECEIVABLE SHORT TERM	15,425,755	11,223,963
ACCOUNTS RECEIVABLE TAX	15,279,780	14,308,938
OTHER RECEIVABLES	24,568,620	37,357,679

TOTAL UNRESTRICTED CURRENT ASSETS

829,354,977 827,125,699

RESTRICTED CASH & INVESTMENTS

RESTRICTED TCHD LPPF CASH & INVESTMENTS	16,545,788	42,721,686
RESTRICTED OPIOID FUNDS	2,018,212	4,664,833
RESTRICTED FOR CAPITAL ACQUISITION	399,232,614	207,239,328

TOTAL RESTRICTED CASH & INVESTMENTS

417,796,614 254,625,847

TOTAL CURRENT ASSETS

1,247,151,591 1,081,751,546

LONG TERM ASSETS

SENDERO PAID-IN CAPITAL	91,000,000	83,000,000
SENDERO SURPLUS DEBENTURE	37,083,000	37,083,000
ADVANCE RECEIVABLE	4,000,000	4,000,000
LEASE RECEIVABLE LONG TERM*	442,714,616	237,695,007

TOTAL LONG TERM ASSETS

574,797,616 361,778,007

TOTAL CAPITAL ASSETS, NET OF DEPRECIATION

293,776,917 188,236,086

TOTAL ASSETS

2,115,726,124 1,631,765,639

LIABILITIES	2/28/2026	2/28/2025
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	31,394,357	25,718,563
SALARIES & BENEFITS PAYABLE	15,169,695	9,640,905
SHORT-TERM DEBT SERVICE PAYABLE	-	-
DEFERRED TAX REVENUE	13,284,553	11,824,623
TOTAL CURRENT LIABILITIES	59,848,605	47,184,091
RESTRICTED OR NONCURRENT LIABILITIES		
FUNDS HELD FOR TCHD LPPF	16,545,788	42,721,686
LONG-TERM DEBT SERVICE PAYABLE	419,066,908	160,153,690
LEASE & SUBSCRIPTION LIABILITIES*	53,696,628	55,459,235
DEFERRED REVENUE*	430,631,242	226,728,071
TOTAL RESTRICTED OR NONCURRENT LIABILITES	919,940,566	485,062,682
TOTAL LIABILITIES	979,789,171	532,246,773
NET ASSETS		
RESTRICTED FOR CAPITAL ASSETS	222,114,214	249,377,403
RESTRICTED FOR OPIOID SETTLEMENT	2,018,212	4,664,833
RESTRICTED FOR EMERGENCY RESERVE	70,165,232	60,120,090
RESTRICTED FOR PERMANENT SUPPORTIVE HOUSING	1,427,841	-
RESTRICTED FOR HEALTH CENTER	12,000,000	-
UNRESTRICTED	828,211,454	785,356,540
TOTAL NET ASSETS	1,135,936,953	1,099,518,866
LIABILITIES AND NET ASSETS	\$ 2,115,726,124	\$ 1,631,765,639

* GASB87 & GASB96 reporting requirement for leases and Subscription-Based Information Technology Arrangements.

SOURCES AND USES	Actuals Feb 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
SOURCES					
PROPERTY TAX REVENUE	40,718,358	369,254,012	378,061,940	98%	338,327,597
LEASE REVENUE	966,488	3,993,270	10,424,005	38%	6,401,605
OTHER REVENUE	3,792,770	15,141,998	25,900,000	58%	39,469,635
NET TOBACCO SETTLEMENT REVENUE	-	-	5,000,000	0%	0
PATIENT REVENUE	26,094	179,233	1,000,000	18%	67,801
TOTAL SOURCES	45,503,710	388,568,513	420,385,945	92%	384,266,637
USES OF FUNDS					
HEALTHCARE DELIVERY PROGRAM	28,557,320	152,921,901	433,984,684	35%	96,810,317
ADMINISTRATIVE PROGRAM	2,918,086	15,012,745	46,369,507	32%	12,868,964
UT AFFILIATION AGREEMENT	-	-	35,000,000	0%	-
OTHER FINANCING USES	-	22,045,142	37,045,142	60%	61,381,015
OPIOID ABATEMENT EXPENSE	167,596	315,392	1,873,501	17%	-
PERMANENT SUPPORTIVE HOUSING	74,597	238,826	1,666,667	14%	-
TOTAL USES	31,717,598	190,534,006	555,939,500	34%	171,060,296
EXCESS SOURCES / (USES)	\$ 13,786,112	\$ 198,034,507	\$ (135,553,555)		\$ 213,206,342

	Actuals Feb 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
HEALTHCARE DELIVERY					
PURCHASED HEALTHCARE SERVICES					
PRIMARY CARE	4,109,792	41,290,997	103,446,258	40%	27,787,304
SPECIALTY CARE	4,548,682	11,048,182	37,348,000	30%	11,035,948
SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE	4,612,102	14,071,240	40,274,000	35%	7,703,890
PHARMACY	371,866	6,521,305	19,500,000	33%	5,624,364
POST ACUTE CARE	834,996	2,720,390	9,350,000	29%	2,289,559
COMMUNITY HEALTHCARE INITIATIVES FUND	75,071	79,102	1,000,000	8%	149,125
PURCHASED HEALTHCARE SERVICES	14,552,509	75,731,215	210,918,258	36%	54,590,189
DIRECT SERVICES	4,659,680	21,858,052	81,599,137	27%	13,189,945
SUBTOTAL HEALTHCARE SERVICES	19,212,189	97,589,267	292,517,395	33%	67,780,134
HEALTHCARE OPERATIONS & SUPPORT					
HEALTHCARE OPERATIONS & SUPPORT	1,575,037	6,522,999	22,937,604	28%	7,307,127
ELIGIBILITY & ENROLLMENT	937,462	4,961,603	14,382,578	34%	6,253,676
AFFORDABLE CARE ACT SUBSIDY	1,504,801	7,186,114	19,671,820	37%	(780,779)
TECH SUPPORT	2,242,595	14,881,486	35,053,003	42%	9,470,339
FACILITIES SUPPORT	1,502,961	6,890,514	26,959,958	26%	4,044,695
SENDERO RISK-BASED CAPITAL TRANSFER	-	8,000,000	8,000,000	100%	-
DEBT SERVICE	1,582,274	6,889,919	14,462,326	48%	2,735,126
HEALTHCARE OPERATIONS & SUPPORT	9,345,131	55,332,634	141,467,289	39%	29,030,183
TOTAL HEALTHCARE DELIVERY	\$ 28,557,320	\$ 152,921,901	\$ 433,984,684	35%	\$ 96,810,317

DIRECT SERVICES	Actuals Feb 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
Multidisciplinary, Diagnostics and Other	405,827	2,240,211	8,545,939	26%	598,043
Clinical Support	950,061	4,608,976	17,898,272	26%	3,719,796
Endocrinology	40,025	222,764	883,764	25%	15,419
Rheumatology	52,025	293,308	2,041,389	14%	3,540
Cardiology	111,938	732,005	2,442,156	30%	641,377
Gastroenterology	375,317	1,017,587	4,266,275	24%	531,326
Nephrology	9,925	348,229	1,449,087	24%	261,376
Neurology	-	5,000	354,559	1%	192,841
Podiatry	89,689	491,352	2,364,183	21%	593,535
Pulmonology	75,547	445,580	1,915,923	23%	380,701
Palliative Care	66,447	327,450	1,027,374	32%	242,347
Pharmacy	105,067	561,068	2,980,011	19%	316,935
Behavioral Health	124,478	658,399	2,115,947	31%	322,275
Patient Navigation Center	874,716	3,153,030	7,563,164	42%	2,369,691
Physical Medication & Rehab	66,221	223,715	270,771	83%	-
Psychiatry	92,213	458,109	3,221,828	14%	81,380
Medical Respite	407,805	1,823,937	7,424,291	25%	439,513
Bridge Program	194,301	1,035,784	3,235,245	32%	377,057
Transition of Care	618,078	3,097,090	11,598,960	27%	2,102,791
In Kind Expenses - Naloxone	-	114,459	-	-	-
Total Direct Services	\$ 4,659,680	\$ 21,858,052	\$ 81,599,137	27%	\$ 13,189,945

Note: Patient Counts may be adjusted in prior months.

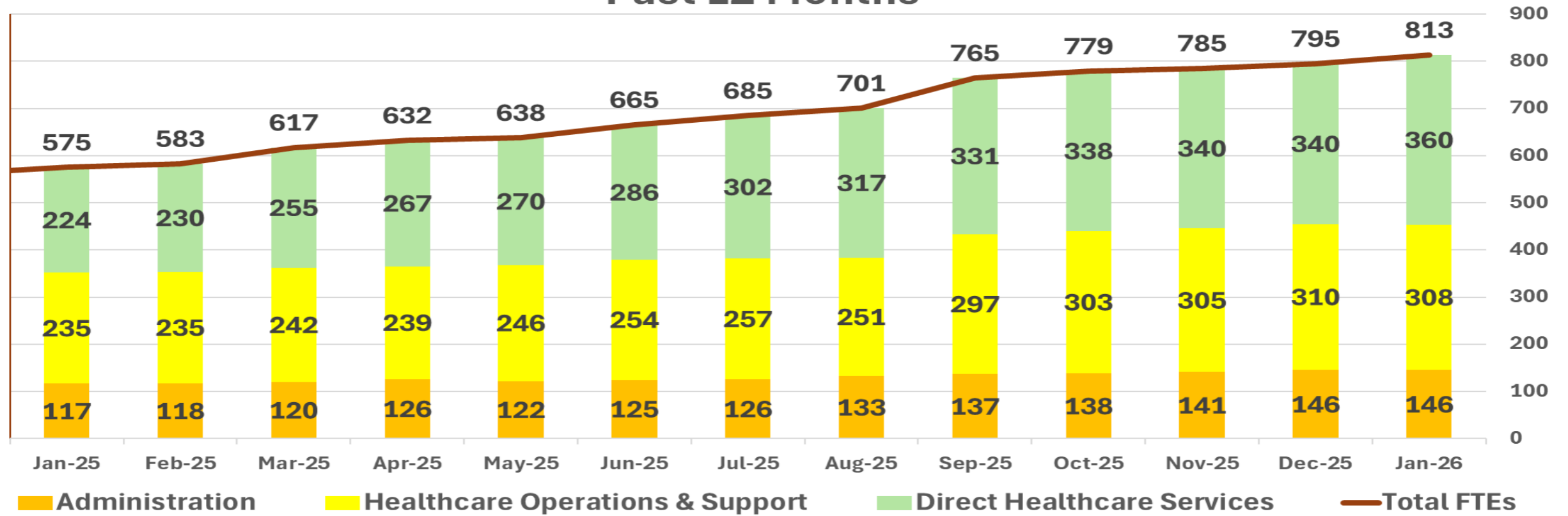


DIRECT SERVICES	Actual FTEs	Budget FTEs	Co Hires	Feb 2026 Unique Patient Count	FY 2026 Unique Patient Count	Feb 2026 Encounter Patient Count	FY 2026 Encounter Patient Count	Service Line Start Date
Multidisciplinary, Diagnostics and Other	28	40	0.7	745	2,369	823	3,759	Various
Clinical Support	93	122	0.0	-	-	-	-	N/A
Endocrinology	4	6	0.0	95	223	109	480	N/A
Rheumatology	4	7	0.8	106	295	110	504	N/A
Cardiology	9	11	0.0	190	547	207	901	9/30/2024
Gastroenterology	10	14	1.7	309	953	325	1,447	10/2/2023
Nephrology	7	8	0.2	146	451	172	792	2/1/2024
Neurology	0	3	0.0	-	-	-	-	N/A
Podiatry	8	11	0.0	103	520	168	1,142	10/23/2023
Pulmonology	8	10	0.0	83	464	88	627	10/2/2023
Palliative Care	6	7	0.0	81	188	92	439	2/5/2024
Pharmacy	9	12	0.0	181	452	229	907	4/3/2024
Behavioral Health	12	20	0.0	129	276	199	947	3/20/2024
Patient Navigation Center	58	66	0.0	-	-	15,014	71,024	N/A
Physical Medication & Rehab	2	4	0.5	125	309	167	702	N/A
Psychiatry	5	13	0.0	86	157	103	442	10/3/2024
Medical Respite	38	51	0.0	42	76	396	1,505	8/23/2023
Bridge Program	19	32	0.5	264	592	387	1,413	N/A
Transition of Care	56	80	0.0	330	1,314	449	1,822	11/15/2023
In Kind Expenses - Naloxone	0	0	0.0	-	-	-	-	N/A
Total Direct Services	374	515	4.4	3,015	9,186	19,038	88,853	

Note: Patient Counts may be adjusted in prior months.

SPECIALTY CARE	Actuals Feb 2026	Actuals FY 2026 YTD	Budget FY 2026	Percent of Budget Used	Actuals FY 2025 YTD
Ancillary Services	272,542	1,234,850	4,633,000	27%	731,823
Cardiology	185,436	314,561	800,000	39%	494,218
Dental	118,538	1,420,147	4,000,000	36%	1,426,191
Dermatology	418,467	425,905	1,100,000	39%	406,400
Durable Medical Equipment	104,995	331,001	1,410,000	23%	401,123
Endocrinology	333,333	333,333	800,000	42%	327,863
Ear, Nose & Throat	30,062	396,492	1,525,000	26%	623,134
Gastroenterology	625,754	1,053,527	2,950,000	36%	1,078,969
General Surgery	(2,046)	52,954	250,000	21%	86,353
Gynecology	625,569	725,570	2,200,000	33%	881,792
Musculoskeletal	215,090	1,032,500	2,525,000	41%	500,000
Neurology	41,667	41,667	100,000	42%	17,875
Nephrology/Dialysis	206,313	619,412	1,850,000	33%	756,926
Oncology	309,507	701,252	2,850,000	25%	798,292
Ophthalmology	30,145	767,212	5,370,000	14%	883,012
Physical Medication & Rehab	27,000	61,000	150,000	41%	354,750
Podiatry	354,167	354,167	850,000	42%	320,586
Pulmonology	175,127	358,757	1,050,000	34%	352,081
Referral Management	82,713	90,333	275,000	33%	18,000
Rheumatology	166,667	166,667	400,000	42%	139,750
Sexual & Reproductive Service	227,637	566,876	2,260,000	25%	436,809
Total Specialty Care	\$ 4,548,682	\$ 11,048,182	\$ 37,348,000	30%	\$ 11,035,948

Number of FTEs by Program Past 12 Months





Our Vision

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BOARD MEETING

April 22, 2026

AGENDA ITEM C4

Ratify the Community Health Needs Assessment (CHNA) agreement.



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 April 22, 2026

Who will present the agenda item? (Name, Title) Consent item

Notetaker (Name, Title) _____

General Item Description Ratify the Community Health Needs Assessment (CHNA) agreement.

Is this an informational or action item? Consent

Fiscal Impact \$347,000

Recommended Motion (if needed – action item) N/A

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

- 1) Below is the information that was shared at the April 8 Strategic Planning Committee meeting.
Central Health and CommUnityCare have agreed to develop a joint Community Health Needs
- 2) Assessment (CHNA).
- 3) A Request for Proposals (RFP) from prospective vendors was released in January.
- 4) The top scoring vendor was chosen from 12 proposals
- 5) The project timeline remains on track for February 2027 completion.

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? 0 minutes- consent item

Is closed session recommended? (Consult with attorneys.) No



Form Prepared By/Date
Submitted:

JP Eichmiller/March 31, 2026



Joint Community Health Needs Assessment Update

Central Health Strategic Planning Committee

April 8, 2026

JP Eichmiller, Vice President of Strategy – Central Health

Monica Crowley, Chief Strategy and Planning Officer, Senior Counsel – Central Health

Tara Trower, Deputy CEO and Chief Strategy Officer – CommUnityCare

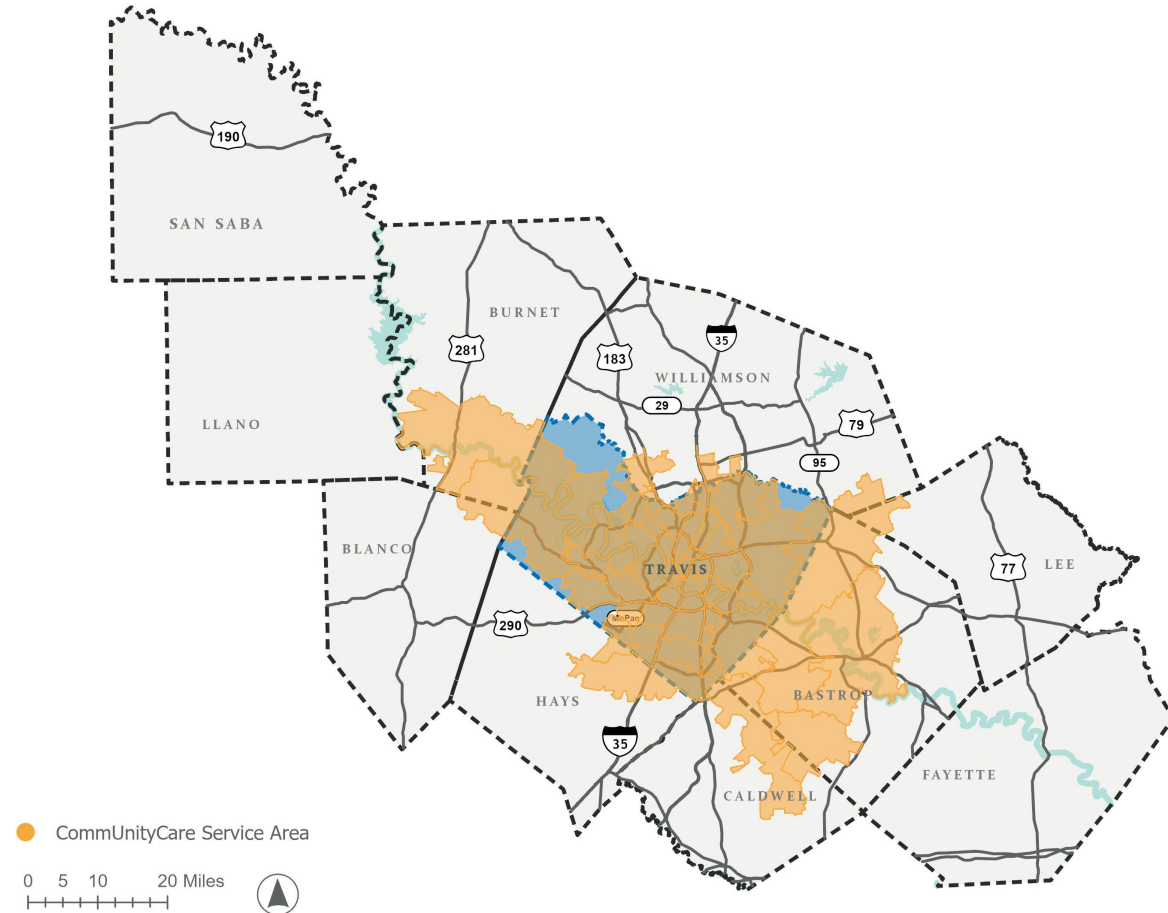
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Scope

- Joint Central Health/CommUnityCare Community Health Needs Assessment (CHNA) – **New**
- 11-county Level 1 catchment area - **New**
- Population <200% FPL
- Additional analysis of Travis County, CUC service area
- Used to inform updated Strategic Plan, Comprehensive Facilities Planning per board-approved System Transformation Strategic Plan Resolution – **New**

11-County Level 1 Trauma Catchment Area and CommUnityCare Federally Approved Service Area



How We Got Here

July – September 2025

- Board reviews/approves development of joint CHNA as part of FY 2026 budget

November 2025 – January 2026

- Board approves Central Health System Transformation Strategic Plan Resolution
- Core working group created (Central Health + CUC)
- Scope of Work developed
- Request for Proposal released
- CommUnityCare board endorses project

February 2026

- Board of Managers CHNA update (Scope/Deliverables/Timeline)
- Vendor proposals received

Where We Are Now – Vendor Selected







- Selection process followed all procurement rules in accordance with board-approved policies
- Kulik Strategic Advisers (KSA)
 - Female-owned strategic consulting firm
 - National firm with Texas-based office
- Relevant experience:
 - 2018 Central Health Performance Review with Germain Solutions
 - Needs assessments for public agencies serving safety-net
 - Background with FQHCs
 - Quantitative and qualitative assessments



Next Steps

- In-person kick-off meeting with KSA
- Coordinate qualitative data gathering/community feedback
- Synthesize community voices into strategic, facilities planning
- Begin quantitative research in collaboration with Central Health/CUC data and analytics teams

Timeline – Phase 1: Qualitative Assessment

		Calendar Year (CY) 2026											CY 2027	
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
Phase 2: Qualitative Phase	Qualitative data gathering (community engagement/facilitated discussions)		X	X	X	X	X	X						
	Data analysis and synthesis		x	x	x	x	X	X	X					
	Assessment Report/ Narrative								X	X	X			
	Phase 1 presentation/ publication										X	X	X	
Board Updates														







 Staff Update

 Consultant Update

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Timeline – Phase 2: Quantitative Assessment

		Calendar Year (CY) 2026										CY 2027	
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Staging	Data needs assessment and data collection tool development	X	X										
	Phase 2: Quantitative Phase												
	Quantitative data gathering and analysis		X	X	X								
	Data analysis and synthesis				X	X	X						
	Assessment Report/ Narrative						X	X					
	Phase 2 presentation/ publication							X	X				
Board Updates													

 Staff Update

 Consultant Update

Timeline – Phase 3: Capabilities and Gap Assessment

		Calendar Year (CY) 2026											CY 2027	
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
Phase 3: Capabilities and Gap Assessment	Data gathering		X	X	X	X	X	X						
	Data analysis and synthesis						X	X	X					
	Assessment Report/ Narrative								X	X	X			
	Phase 3 presentation/ publication										X	X	X	
Board Updates														

 Staff Update

 Consultant Update



Thank You

Deliverables

Qualitative Assessment

- Structured bilingual community engagement
- Focus groups
- Key informant interviews

Quantitative Assessment

- Population health status
- Social and structural determinants of health
- Utilization patterns, coverage status and access to care

Capabilities and Gap Assessment

- Evaluation of current system capabilities
- Highlight of access gaps and strategic opportunities
- Connects progress to past strategic planning work



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BOARD MEETING

April 22, 2026

AGENDA ITEM C5

Ratify the CommUnityCare CEO employment agreement.



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BOARD MEETING

April 22, 2026

AGENDA ITEM C6

Approve action on the Contracting with Community Based Organizations Policy as recommended by the Budget and Finance Committee.



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 April 22, 2026

Who will present the agenda item? (Name, Title) Nakia Smith, Chief Compliance Officer

General Item Description Review Board Policy for Contracting with Community Based Organizations (CBO)

Is this an informational or action item? Action

Fiscal Impact N/A

Recommended Motion (if needed – action item) Review and recommend approval of the Contracting with Community Based Organizations (CBO) Policy to the full Board of Managers.

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

- 1) The policy establishes a standardized governance framework for contracting with Community-Based Organizations, promoting consistency, transparency and accountability.

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Contracting with Community Based Organizations Policy

Estimated time needed for presentation & questions? 10

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Nakia Smith, April 15, 2026



NEW — DRAFT

BOARD OF MANAGERS POLICY

Policy Title: Contracting with Community Based Organizations_DRAFT		
Policy #: BD-###P		
Effective Date:		
Board Review and Revision Date:		
Board Initial Approval Date:		
Administration Policy Owner: Deputy Chief Financial Officer		
Administration Executive Sponsor: Chief Financial Officer		
Administration Standard Operation Procedure(s):		
Attachments: None		
<input checked="" type="checkbox"/> Central Health	<input type="checkbox"/> Sendero	<input type="checkbox"/> CommUnityCare

I. PURPOSE

To establish a policy framework for the Board of Managers’ consideration of contracts with community-based organizations to perform services on behalf of the District that the District could otherwise provide, in furtherance of the District’s statutory mission. This policy does not include services that are contracted for pursuant to The Community Healthcare Investment Fund (CHIF) program.

II. DEFINITIONS

Community Based Organizations: For the purposes of this policy, a Community Based Organization ("CBO") is an organization that provides social or related support services that may benefit the health of eligible Central Health patients or enrollees and whose primary purpose is not the provision of clinical, medical or behavioral health care services.

The Community Healthcare Investment Fund (CHIF): This program was established in 2023 as Central Health’s primary mechanism for piloting community-based programs that address clinically defined social needs among MAP and MAP-eligible populations that improve specific health-care related outcomes.

III. POLICY STATEMENT

It is the policy of the Central Health Board of Managers to consider entering into contracts with community-based organizations when such contracts:

1. Are authorized under the Texas Constitution and Chapters 61 and 281 of the Texas Health and Safety Code;
2. Advance the Board of Managers’ adopted goals in the Strategic Plan, Annual Objectives Key Results, and Key Performance Metrics to improve access to health care services and health outcomes for eligible Travis County residents;

3. Support the District’s statutory obligation to provide basic and expanded hospital, medical, and health care services;
4. Are financially feasible and consistent with the District’s approved budget, fiscal policies, and long-term financial sustainability;
5. Do not exceed the approved funding sources and amounts identified through the annual budget process in any fiscal year for cumulative CBO funding allocations

Commented [SN1]: Board discussion: Remove the \$5 million adding the amounts approved through the annual budget process.

6. Do not exceed a term of more than one year unless specified in the procurement and agreement that the term is for two years and subject to a funding out clause if the Board does not choose to approve the funding for the following year;
7. Include specified performance criteria based upon Central Health Board-adopted priority objectives which must be measured to be considered eligible to apply for ongoing or future Central Health contracts; and
5. Are procured in accordance with applicable law and the District’s adopted procurement and contracting policies.

The Board shall exercise its discretion in approving such contracts in accordance with applicable law, sound governance practices, and the best interests of the District and the community it serves.

IV. AUTHORITY

The Central Health Board of Managers may approve contracts with community-based organizations to provide services on behalf of the District in furtherance of its statutory mission when such contracts are authorized by the Texas Constitution and Chapters 61 and 281 of the Texas Health and Safety Code; advance the Board of Managers’ adopted goals to improve access to health care services and health outcomes for eligible Travis County residents; support the District’s statutory obligation to provide basic and expanded hospital, medical, and health care services; are financially feasible and consistent with the District’s budget, fiscal policies, and long-term financial sustainability; and are procured in accordance with applicable law and the District’s procurement and contracting policies.

V. DELEGATION OF AUTHORITY

Consistent with law and the direction of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the authority to carry out this policy.

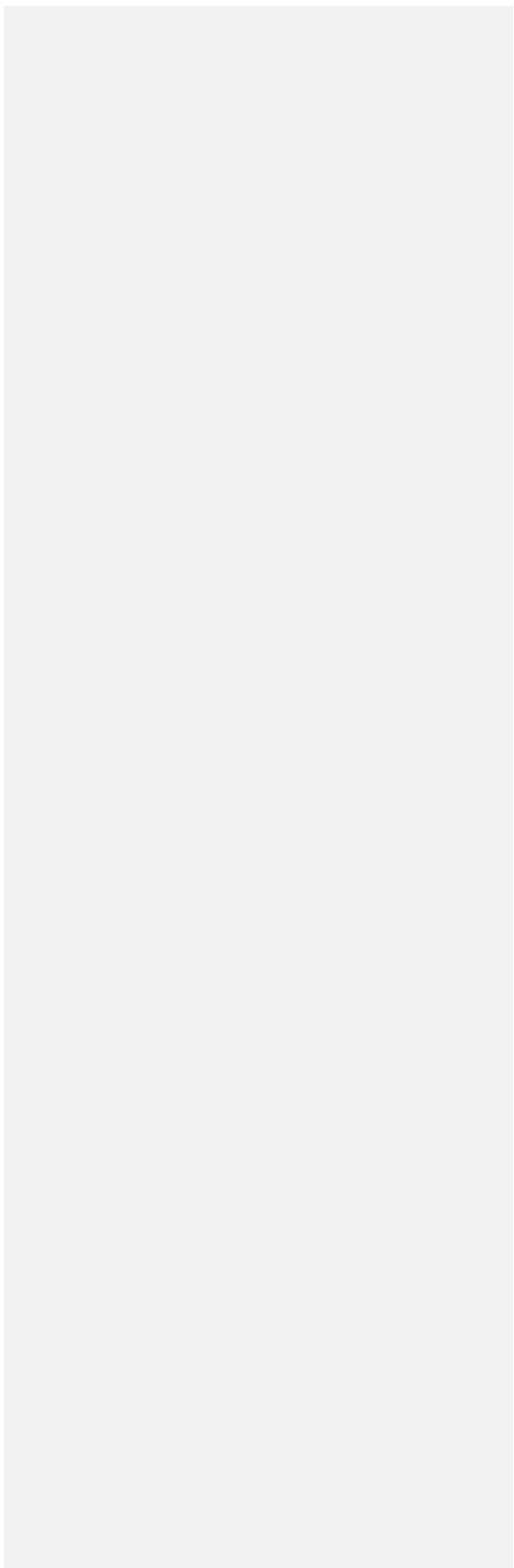
VI. REVIEW CYCLE

This policy shall be reviewed at least every two (2) years, or more frequently if required by law, regulation, or governance need.

VI. RELEVANT STATUTES, REGULATIONS OR GUIDANCE

VII. RELATED POLICIES AND PROCEDURE

DRAFT





NEW — DRAFT

BOARD OF MANAGERS POLICY

Policy Title: Contracting with Community Based Benefit Organizations_DRAFT		
Policy #: BD-###P		
Effective Date:		
Board Review and Revision Date:		
Board Initial Approval Date:		
Administration Policy Owner: <u>Deputy Chief Financial Officer</u>		
Administration Executive Sponsor: <u>Chief Financial Officer</u>		
Administration Standard Operation Procedure(s):		
Attachments: None		
<input checked="" type="checkbox"/> Central Health	<input type="checkbox"/> Sendero	<input type="checkbox"/> CommUnityCare

I. PURPOSE

To establish a policy framework for the Board of Managers’ consideration of contracts with community-based organizations to perform services on behalf of the District that the District could otherwise provide, in furtherance of the District’s statutory mission. [This policy does not include services that are contracted for pursuant to The Community Healthcare Investment Fund the \(CHIF\) program.](#)

II. DEFINITIONS

Community Based Organizations: For the purposes of this policy, a Community Based Organization ("CBO") is an organization that provides social or related support services that may benefit the health of eligible Central Health patients or enrollees and whose primary purpose is not the provision of clinical, medical or behavioral health care services.

[CHIF: The Community Health Investment Fund was established in XXX for the purpose of](#)

[The Community Healthcare Investment Fund \(CHIF\): This program was established in 2023 as Central Health’s primary mechanism for piloting community-based programs that address clinically defined social needs among MAP and MAP-eligible populations that improve specific health-care related outcomes.](#)

III. POLICY STATEMENT

It is the policy of the Central Health Board of Managers to consider entering into contracts with community-based organizations when such contracts:

1. Are authorized under the Texas Constitution and Chapters 61 and 281 of the Texas Health and Safety Code;

2. Advance the Board of Managers' adopted goals in the Strategic Plan, Annual Objectives Key Results, and Key Performance Metrics to improve access to health care services and health outcomes for eligible Travis County residents;
3. Support the District's statutory obligation to provide basic and expanded hospital, medical, and health care services;
4. Are financially feasible and consistent with the District's approved budget, fiscal policies, and long-term financial sustainability;
5. Do not exceed the approved funding sources and amounts identified through the annual budget process ~~a total amount of \$5 million~~ in any fiscal year for cumulative CBO funding allocations

Commented [SN1]: Board discussion: Remove the \$5 million adding the amounts approved through the annual budget process.

~~5-6.~~ _____;

~~6-7.~~ _____ Do not exceed a term of more than one year unless specified in the procurement and agreement that the term is for two years and subject to a funding out clause if the Board does not choose to approve the funding for the following year;

~~7-8.~~ _____ Include specified performance criteria based upon Central Health Board-adopted priority objectives which must be measured to be considered eligible to apply for ongoing or future Central Health contracts; and

5. Are procured in accordance with applicable law and the District's adopted procurement and contracting policies.

The Board shall exercise its discretion in approving such contracts in accordance with applicable law, sound governance practices, and the best interests of the District and the community it serves.

IV. AUTHORITY

The Central Health Board of Managers may approve contracts with community-based organizations to provide services on behalf of the District in furtherance of its statutory mission when such contracts are authorized by the Texas Constitution and Chapters 61 and 281 of the Texas Health and Safety Code; advance the Board of Managers' adopted goals to improve access to health care services and health outcomes for eligible Travis County residents; support the District's statutory obligation to provide basic and expanded hospital, medical, and health care services; are financially feasible and consistent with the District's budget, fiscal policies, and long-term financial sustainability; and are procured in accordance with applicable law and the District's procurement and contracting policies.

V. DELEGATION OF AUTHORITY

Consistent with law and the direction of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the authority ~~and responsibility to develop, implement, and maintain board-approved administrative policies, as well as related administrative procedures, and standard operating procedures, necessary to carry out this policy, including the establishment of evaluation criteria, approval thresholds, financial review, reporting, and procurement requirements, consistent with applicable law and Board direction. The CEO delegation includes the negotiation and execution of agreements pursuant to the delegation policy.~~

Commented [NS2]: Delegation of Authority updated: Removed this additional language as requested during the 4/8 Executive Committee meeting. Language recommended per Manager Jefferson.

VI. REVIEW CYCLE

This policy shall be reviewed at least every two (2) years, or more frequently if required by law, regulation, or governance need.

VI. RELEVANT STATUTES, REGULATIONS OR GUIDANCE

VII. RELATED POLICIES AND PROCEDURE

DRAFT



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.

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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 1

Receive and discuss a report from the Board Chair including:

- a. Board meeting mechanics and governance updates; and
- b. A May 2nd Board Retreat update. (*Informational Item*)



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 April 22, 2026

Who will present the agenda item? (Name, Title) Chair Rodriguez

General Item Description Receive and discuss a report from the Board Chair including: Board meeting mechanics and governance updates; and A May 2nd Board Retreat update.

Is this an informational or action item? Informational Item

Fiscal Impact _____

Recommended Motion (if needed – action item)

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

- 1) Chair Rodriguez will give a verbal update.
- 2) _____
- 3) _____

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? 20 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Briana Harris, April 15, 2026



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 2

Receive and discuss a report from the President & CEO including:

- a. Strategic Board Alignment;
- b. Clinical Excellence;
- c. Financial Sustainability; and
- d. People and Community. (*Informational Item*)



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 April 22, 2026

Who will present the agenda item? (Name, Title) Dr. Pat Lee, President & CEO

General Item Description CEO Monthly Update

Is this an informational or action item? Informational

Fiscal Impact None

Recommended Motion (if needed – action item) None

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

- 1) Clinical & Facilities Update
- 2) Financial, Operational & Workforce Update
- 3) Stakeholder & Community Engagement Update
- 4) Year of Access Growth Update

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Verbal report-out – Year of Access data slides, one-pager attached

Estimated time needed for presentation & questions? 15 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Katie Pastor 4/13/2026



APRIL 2026

CEO Monthly Update: Major Milestones Across the Central Health System

Clinical & Facilities Updates

- ❖ Weekend Clinic Activities at CommUnityCare to Address Waitlist Backlog
- ❖ Phase I Opening & Stakeholder Tour at Hancock Facility – First Patient Visit Friday, April 24
- ❖ Official Start of Construction at Colony Park Facility – Groundbreaking Coming Soon!
- ❖ Celebrating One Full Year of Services at Dell Valle Clinic
- ❖ Informational Mental Health Diversion Center Visit to Salt Lake County with Integral Care & Judge Brown

Financial, Operational & Workforce Updates

- ❖ Clean, Unmodified Opinion on FY 2025 Financial Audit
- ❖ Reducing Systems Duplication with Phaseout of RingCentral Text Function & Microsoft Teams Integration
- ❖ GUIDE with Love Curriculum: 79% of System Leaders Trained

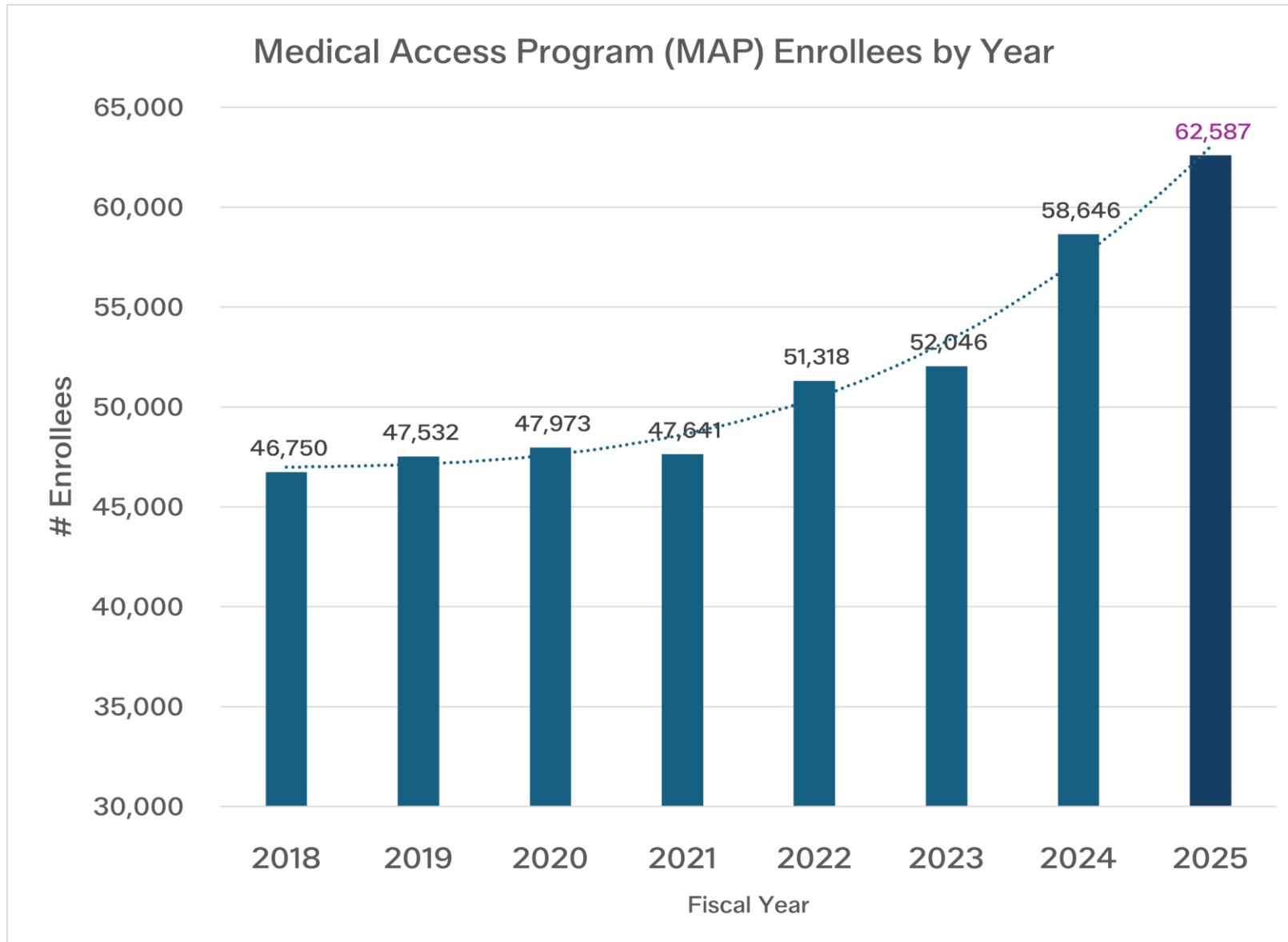
Stakeholder & Community Engagement Updates

- ❖ Second Community Conversation of 2026 in Precinct 1 on April 16
- ❖ Keynote at Opportunity Austin Economic Development Council Luncheon
- ❖ Q2 Travis County Commissioners Court Presentation on March 31
- ❖ Connecting with Councilmembers Fuentes & Duchon on Central Health Education & Key Community Needs



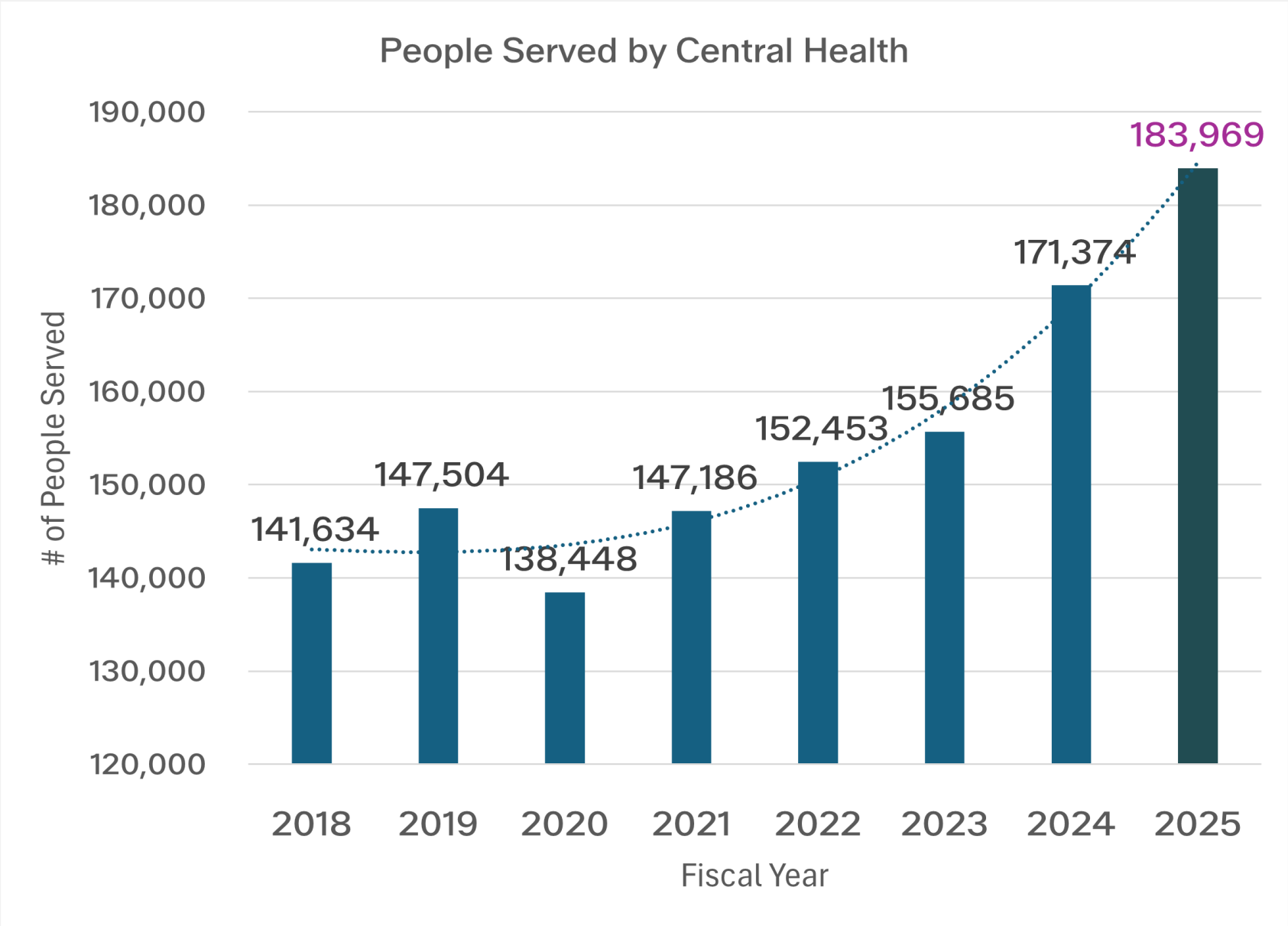
Year of Access Update

Medical Access Program (MAP) Enrollees By Year

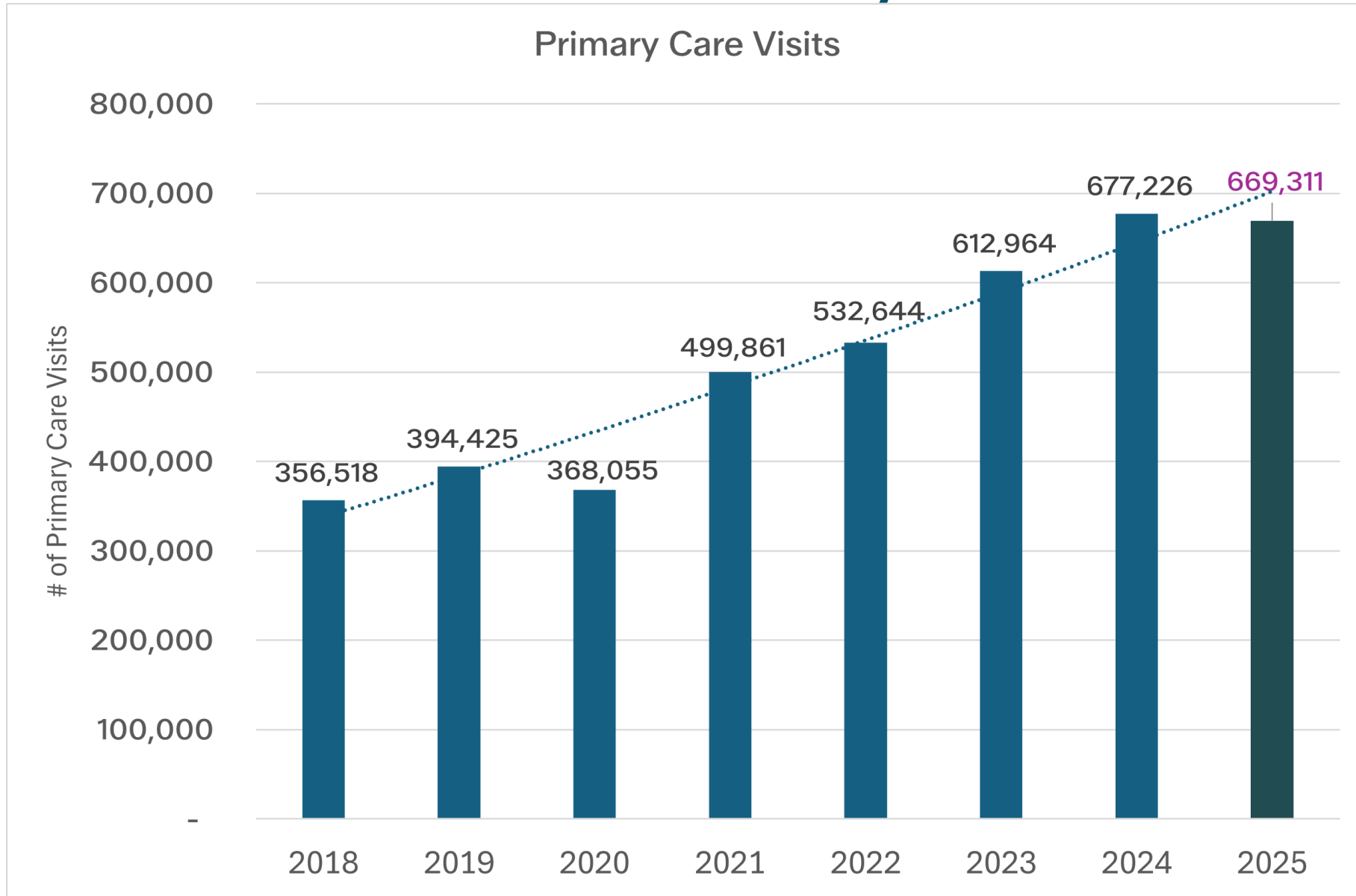


***34% growth
since 2021**

Patients Served by Central Health By Year



Primary Care Visits Delivered in the Central Health Network By Year



***34% growth since 2021**

April 2026

Below is a summary of Community Engagement and Outreach initiatives within the Central Health Communications Department. It is not an exhaustive list.

Community Health Champions: Rundberg (March 24 and 31)

The neighborhood-based Community Health Champions program graduated 11 participants in the Rundberg area. In partnership with Austin Voices for Education and Youth, the two-workshop event was held at Dobie Middle School and was presented in fully in Spanish. New this year, CommUnityCare's engagement team is presenting on their FindHelp platform – a great tool to help connect community members to resources.

Community Health Champions: Vietnamese (April 6)

Central Health and Asian Austin Community Health Initiative (AACHI) collaborated on the first Community Health Champions program in fully in Vietnamese. In an effort to expand engagement into the Vietnamese community, the event was an overview of the Central Health system, the Medical Access Program, and an invitation to share their experiences and give their feedback. Fifteen participants joined us for the event hosted at AACHI's office.

Vivir Con Ganas – Community Member Advisory Committee Meeting (April 7)

The 13 members of the Community Member Advisory Committee met to discuss planning of the annual Vivir Con Ganas Community Health Expo. Committee members shared their experiences, motivations, and suggestions, highlighting the importance of culture, education, and identity pride within the Hispanic community. Some themes that arose were connecting financial health to mental health, pride in cultural identity, and reducing stigma around chronic illnesses.

Community Health Champions Alumni Health Equity Coffee Club (April 14)

The Health Equity Coffee Club monthly meetup brought together five members this month. We shared updates about Central Health events and initiatives and exchanged ideas for future collaborations.

Community Conversation – Precinct 1 with Commissioner Jeff Travillion (April 16)

The second community conversation of the fiscal year took place at the Asian American Resource Center from 5:30 – 7:30 p.m. in collaboration with Commissioner Travillion.

Hancock Phase One Stakeholder Tour (April 17)

To commemorate the completion of phase one of the Hancock Center, Central Health hosted a tour to showcase the new space with stakeholders and partners who have been deeply involved in this phase of the project.

Community Meetings Attended

These community meetings are an opportunity for the Communications Department's Engagement and Outreach team members to share information and receive feedback from residents and organizations. *Other departments across the system may be meeting with other organizations.*

- Colony Park Neighborhood Association
- Austin Voices for Education and Youth Block Leaders / Promotoras
- Colony Park Neighborhood Association
- Equity Austin Team
- Rundberg Alliance
- Texas Anti-Poverty Project (TAPP)
- Vietnamese American Community of Austin Texas (VACAT)

Grassroots Outreach

The outreach team has been connecting residents directly to care and coverage, in addition to raising awareness about Central Health programs. Monthly, they visit sites that offer meals to the unhoused and resources to new arrivals to assist them in getting enrolled into the Medical Access Program. They will soon be trained to use Epic to better connect residents to care teams, and they will also become certified notaries to assist residents with documentation needs. Locations they visit regularly include: Camp Esperanza, University Presbyterian Church, the Mexican Consulate, and Gus Garcia Recreation Center, among others.

Upcoming community engagement activity

Vivir Con Ganas – Community Member Advisory Committee Meeting (April 23)

This committee meeting will discuss the planning, agenda, and presentations for the Vivir Con Ganas Community Health Expo.

Community Conversation – Precinct 4 with Commissioner Margaret Gomez (May 14)

The third community conversation of the fiscal year will take place at the Montopolis Recreation Center from 5:30 – 7:30 p.m. in collaboration with Commissioner Gomez.

Community Celebration & Groundbreaking Colony Park (May 16)

We're excited to celebrate a major milestone: breaking ground on the new Colony Park Health & Wellness Center! Join us as we mark the start of construction with a community celebration at Colony Park District Park on Saturday, May 16 from 11 a.m. to 1 p.m.

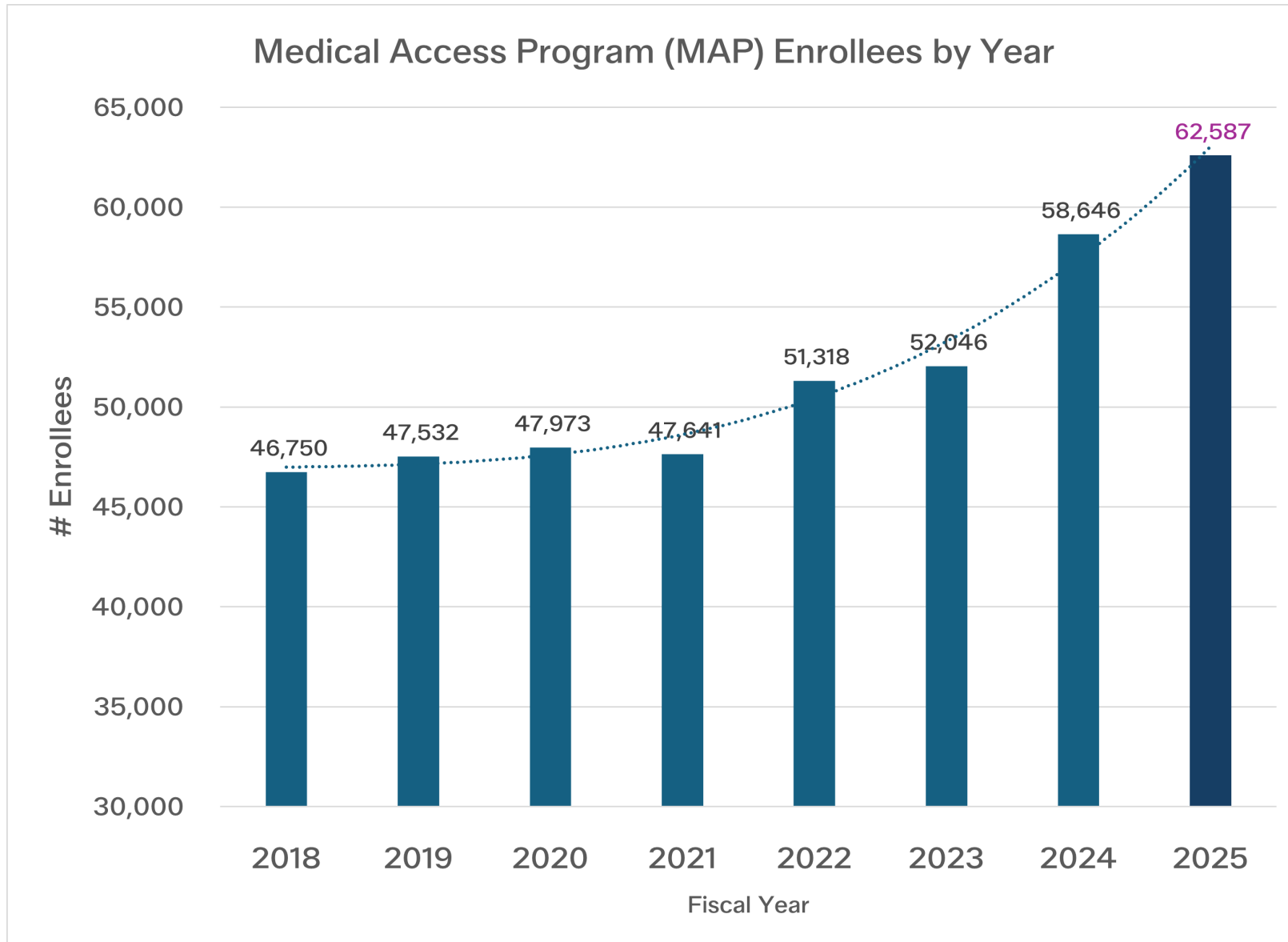
For safety reasons, the official groundbreaking ceremony will take place earlier from 10 to 11 a.m. with invited stakeholders, as the construction site is not open to the public.





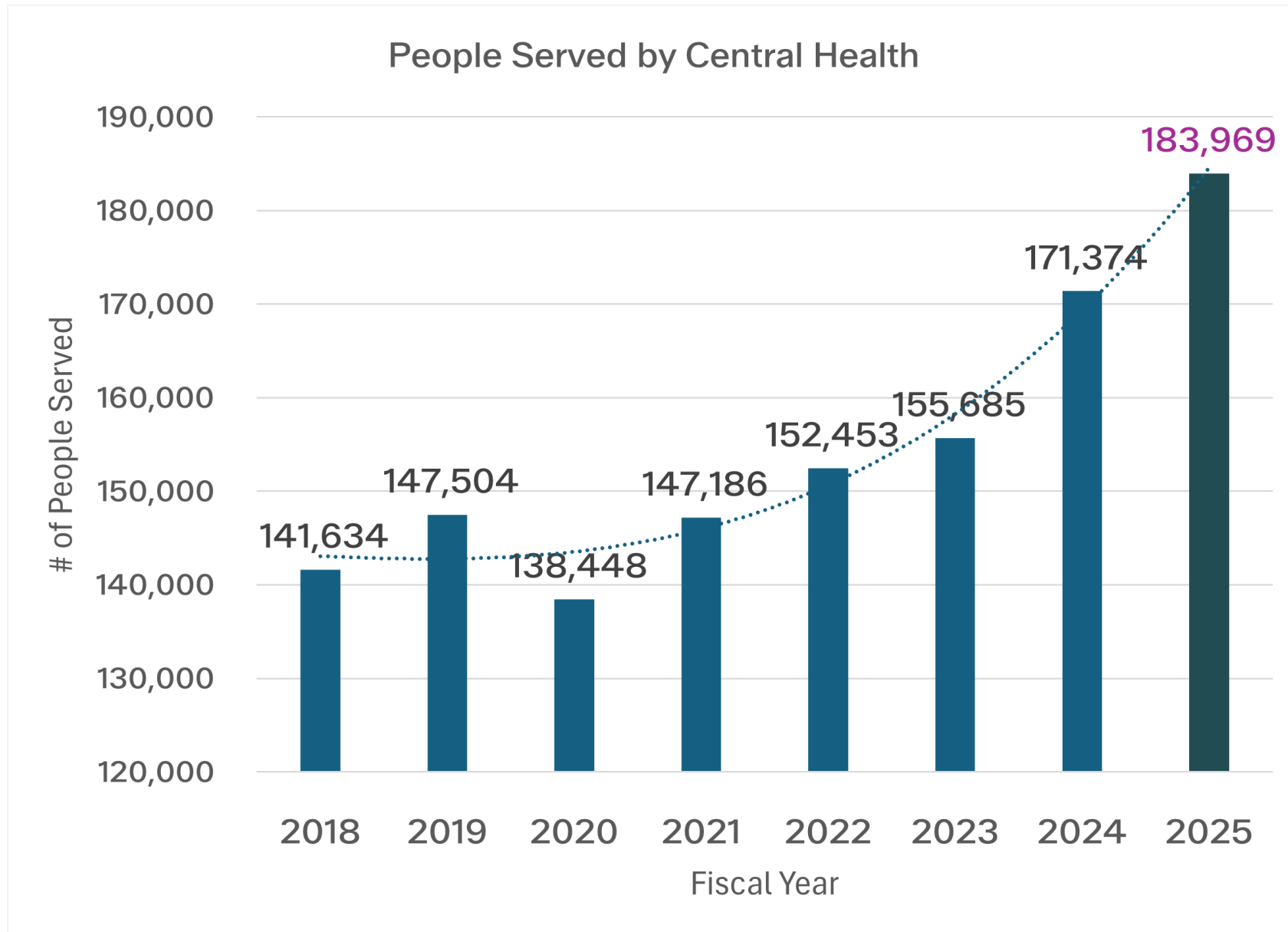
CEO Monthly Update: Year of Access Update

Medical Access Program (MAP) Enrollees By Year



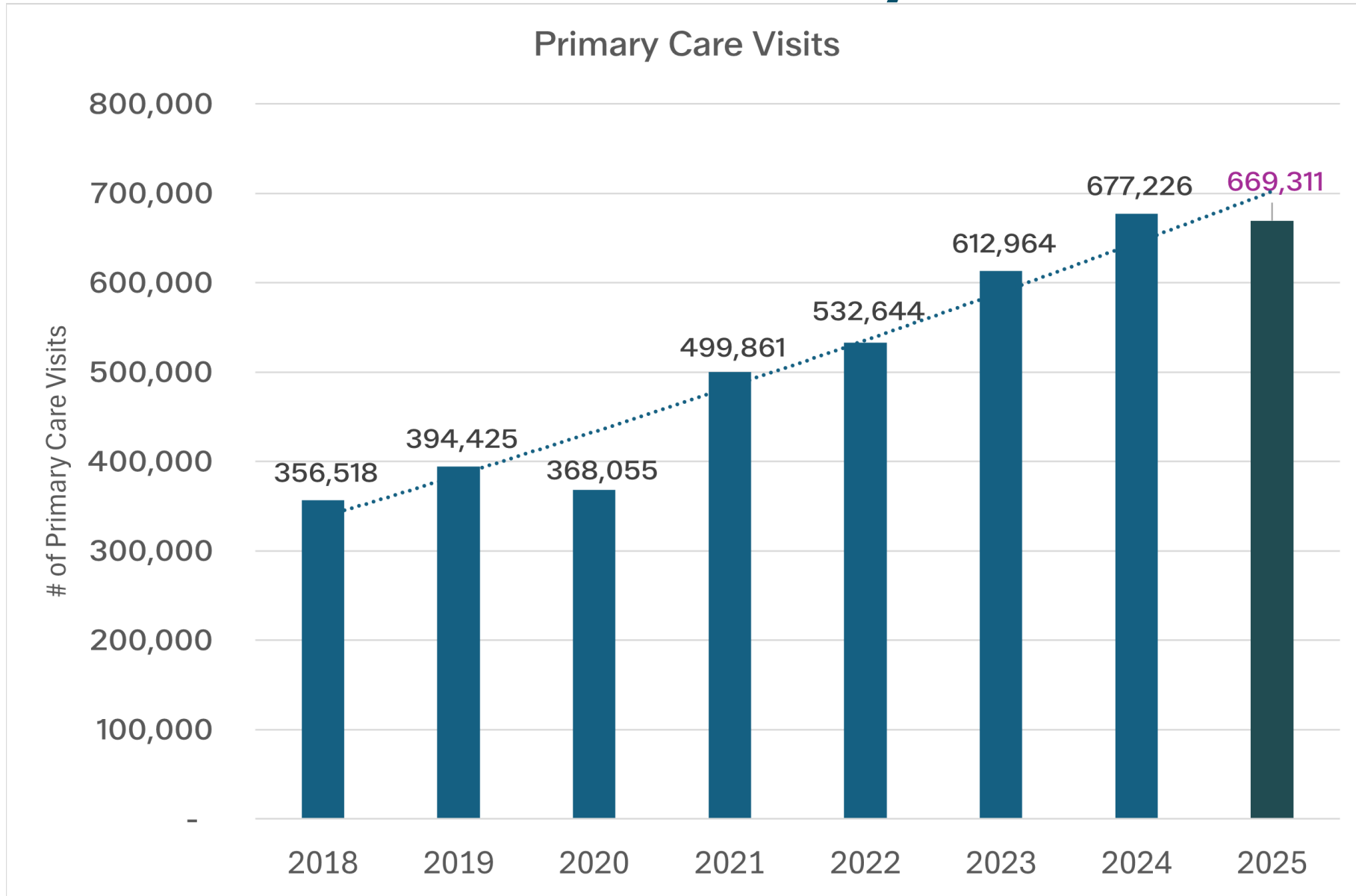
***34% growth
since 2021**

Patients Served by Central Health By Year



***25% growth
since 2021**

Primary Care Visits Delivered in the Central Health Network By Year



***34% growth since 2021**



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 3

Receive, discuss, and take appropriate action on proposed objectives and key results for Fiscal Year 2027 (FY27). (*Action Item*)



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 April 22, 2026

Who will present the agenda item? (Name, Title) Dr. Pat Lee, CEO

General Item Description FY2027 System Objectives and Key Results

Is this an informational or action item? Action

Fiscal Impact None

Recommended Motion (if needed – action item) Approval

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

- 1) Presentation on our FY27 System Objectives and Key Results.
- 2) Including how we are Caring for: Patients, Caregivers, Community, and Central Health
All Key Results are pending Benchmarking but included are the staff proposed measurements as
- 3) to how each will be objectively measured
- 4) _____

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) FY27 Memo, FY27 Slides

Estimated time needed for presentation & questions? 30

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Lucas Bustelo 4/15/2026



CENTRAL HEALTH

MEMORANDUM

To: Central Health Board of Managers
From: Dr. Pat Lee, President & CEO, Central Health
Date: April 15, 2026
Re: Developing System-Wide FY27 Objectives & Key Results

Purpose: Central Health's mission is to ensure Travis County residents with low income have access to high-quality, whole-person care while serving as strong stewards of the public resources entrusted to us. The Board of Managers has the statutory and fiduciary responsibility to set the strategic direction and policy necessary to deliver on that mission. Annual Objectives and Key Results (OKRs) are a key element of that Board direction, translating broader strategic priorities into a focused set of annual improvement goals for the organization. Through staff's execution and implementation of those priorities across our entire system, the OKRs help align budget development, operational planning, and accountability around what matters most. This memo provides a more detailed overview of the proposed Fiscal Year 2027 OKRs – and the measurements that staff will use to track each – for the Board of Managers' review and approval at the April 22, 2026, Board of Managers meeting.

Context: Central Health's OKRs are one of the Board of Managers' primary tools for setting annual direction for the system's budget priorities and workplan – specifically, identifying what the Board wants the system to improve in the upcoming fiscal year. These OKRs build on the broader direction already established by the Board through the system transformation resolution and the driving forces it has reviewed and approved. Once the Board sets and approves the OKRs for the upcoming year, staff will use that guidance to develop a corresponding set of Key Performance Indicators (KPIs) across the system to support execution of these goals, maintain accountability, and help ensure successful implementation of the Board's priorities.

Developing annual OKRs is one core way governance and management work together to outline Central Health's vision and workplan for the year ahead - with the Board of Managers establishing the overarching goals, and staff cascading these objectives through layers of linked key results throughout the Central Health system to advance the Board's direction. In Fiscal Year 2026, as of February, at least 122 staff members (74 at the director level or above) across the system have been engaged in our OKR tracking process, reflecting meaningful uptake in this process across the organization. Teams such as Communications, People Department, Infrastructure and Support Operations, Joint Tech, the People Department, Health Care Delivery, and Strategy have been among the most active in building out and tracking their Key Results. The framework has also been put to work in support of specific organizational improvement and de-duplication efforts.



CENTRAL HEALTH

In Fiscal Year 2026, the Board approved our OKRs that established four major objectives to guide our work:

- 1) Create seamless patient journeys
- 2) Develop a comprehensive, equitable health care system
- 3) Demonstrate the value of community support
- 4) Empower and develop our team

We know these areas remain essential to our organization. Accordingly, we are proposing to maintain the same overarching objectives within our OKRs this year. Transforming an organization as large and complex as Central Health is a multi-year effort, and while our goals are set annually, maintaining continuity across our strategic priorities helps support effective change over time. With that in mind, we have developed a refreshed set of proposed key results for Fiscal Year 2027, aligned with those same overarching objectives, for the Board's consideration and feedback, as outlined below.

FY27: Access, Delivered – Objectives & Key Results

Create Seamless Care Journeys

- **Reduce Appointment Wait Times to 2 Weeks or Less**

Unanimously prioritized by system leaders, this Key Result remains central to our commitment to close the gap in care access in our second Year of Access. Increasing timely access to care for our patients is foundational to our mission and is the first step in creating a seamless patient journey across our Central Health system.

Progress on this Key Result will be measured by a single metric: the percentage of patients seen within 14 days as a share of all patients receiving care across CommUnityCare's medical and dental services and Central Health's specialty services that have been in operation for more than one year. This single metric provides the Board with a clear, system-wide view of our responsiveness to patient needs. Progress on this metric will be reported to the Board on a quarterly basis.

- **Increase People Engaged in Care and Coverage by 5%**

We are currently on track to serve one in six Travis County residents by the end of FY26. This Key Result focuses on expanding that reach — through direct patient care visits and our coverage network supported by Sendero Health Plans and the Medical Access Program — to ensure more community members are actively connected to our system. This Key Result addresses a major priority outlined by Travis County Commissioners.

Progress on this Key Result will be tracked across two metrics: the total number of unique individuals receiving care within our ambulatory system or through a billable claim, and the total number of unique individuals enrolled in the Medical Access Program, MAP Basic, and Sendero coverage programs. Both metrics will be reported to the Board on a quarterly basis. At the close of the fiscal year, the two figures will be combined into a single de-duplicated number for



CENTRAL HEALTH

inclusion in our Annual Report, providing a comprehensive view of care and coverage across our entire system.

- **Improve Care Gaps in Heart and Cancer Care by 5%***

Heart disease and cancer are the two leading causes of death in the U.S., with nearly half of all adults affected by one or both. Closing care gaps and improving prevention efforts in these two critical areas is essential to meaningfully improving the health of our community. Our 2024 Demographic Report revealed strong disparities in cancer diagnoses within our patient population, signaling an opportunity to close a major gap in our community – which we’ve begun to work toward in partnership with the Shivers Foundation in 2025. While Central Health has several service lines that are already actively addressing heart health and we provide substantial cancer screening services, we are still building the infrastructure to develop more cancer care in Travis County – which will be an important component of this Key Result.

Progress on this Key Result will be measured through two metrics, each assessed on a year-over-year basis to account for the seasonal variations common across health systems: CommUnityCare's control rates for A1C and hypertension, measured against standard Uniform Data System (UDS) benchmarks; and cancer screening rates for colorectal, breast, and cervical cancers across CommUnityCare (measured against UDS metrics) and Sendero (measured against Healthcare Effectiveness Data and Information Set (HEDIS) metrics). Together, these indicators represent an important foundational step in closing gaps in heart and cancer care in our patient population. These metrics will be reported to the Board on a quarterly basis.

Please note that during the April 8, 2026, Strategic Planning Committee meeting, one Board Manager recommended including a Key Result specifically focused on behavioral health. Other Board Managers did not agree on whether such a Key Result should be included. Accordingly, staff leaves this decision to the Board of Managers. If the Board chooses to expand this Key Result to include a behavioral health component, the scope of this Key Result would broaden to address gaps in heart health, cancer care, and mental health. Applicable metrics could include standardized depression screening rates or other appropriate behavioral health indicators consistent with established clinical benchmarks. Staff is prepared to define and operationalize a specific measure should the Board direct them to do so.

Empower and Develop Our Team

- **Increase Employee Engagement to the Top 25th Percentile Nationally**

Using national benchmarks from top-performing health systems, this Key Result positions Central Health to assess and elevate our team member experience in a way that is tangible, measurable, and aligned with our mission.

Progress on this Key Result will be measured using a single employee engagement benchmark that captures three components: team members’ willingness to recommend the organization as a great place to work, their sense of meaning and accomplishment in their work, and their willingness to go above and beyond. Our goal is to reach the top quartile nationally (which would require us to reach a score of 79.67%). These measures are currently captured through our Big Listen team member survey, with our current engagement benchmark measuring 73.84%. Over



CENTRAL HEALTH

the next year, these measures will be included in a new Quarterly Engagement and Advocacy Index that is currently under development. This Index will be based on four Key Performance Indicators that provide a quarterly view toward engagement goals by focusing on several critical drivers: improvement in lower-performing teams, early tenure experience, and consistency and effectiveness of leader action planning. Alongside other KPIs, this index will indicate progress toward enhanced employee engagement and will be reported to the Board on a quarterly basis.

- **Improve GUIDE Leadership Behaviors by 10%**

With over 300 system leaders now trained under our GUIDE with Love curriculum, we will now implement a formal measurement tool to track adoption of the GUIDE principles in our day-to-day practices. This Key Result is a direct investment in the continued growth of our organizational culture.

Progress on this Key Result will be measured by achieving a 10% increase from baseline across five defined GUIDE with Love leadership behaviors, with one keystone behavior tracked under each of the five behavior categories (i.e., Growth, Unity, Innovation, Direction, and Empowerment). A baseline will be established through the Annual Engagement Survey conducted prior to the start of the fiscal year, with progress tracked against that baseline through quarterly pulse surveys over the course of the year. This metric will be reported to the Board on a quarterly basis.

Demonstrate the Value of Community Support

- **Increase Community Awareness, Favorability, and Trust by 10%**

This Key Result broadens our current community engagement measure to track three distinct indicators: awareness (do people know us?), favorability (do they view us positively?), and trust (do they act on their relationship with us?). Together, these metrics provide a fuller picture of our standing and accountability to the communities we serve.

Progress on this Key Result will be measured using a Brand Health Composite Score derived from our annual community brand perception and awareness survey. This score will reflect a proportionally weighted average of three key indicators: community awareness of Central Health, overall favorability, and trust. These three indicators provide the Board with a clear, balanced view of how well we are connecting with and earning the confidence of the community we serve.

To ensure our goals reflect real-world impact, we are refining how we calculate the Brand Health Composite Score. We will use a formula that prioritizes the depth of our relationships—weighting trust at 50%, favorability at 30%, and awareness at 20%. Each quarter, we will aim to increase our total number of engagements by 2% and increase awareness by 2% (measured by reach and impressions across all communications channels). These focused engagement and awareness metrics will be reported to the Board on a quarterly basis, and the full Brand Health Composite Score will be shared after the annual survey is completed at the end of Fiscal Year 2027.

- **Increase Non-Tax Revenue by 5%**



CENTRAL HEALTH

Diversifying our revenue streams beyond taxpayer dollars — through patient care revenue, insurance premiums, third-party payors, and grants and fundraising — strengthens our long-term sustainability and ability to fulfill our mission. In FY26, we set this target at 2% growth, and in FY27, we are increasing that target further.

Progress on this Key Result will be measured by whether total non-tax revenue grows by 5% over the prior fiscal year. For this purpose, non-tax revenue is defined as total system revenue minus Central Health's tax revenue, interest income (which declines as reserves are spent down, following the Board-directed Health Care Equity Plan), and one-time asset sales such as the sale of the David Powell clinic facility. This metric will be reported to the Board on a quarterly basis.

Build a Comprehensive Equitable System

- **Achieve 80% System Integration**

Building on last year's progress to advance system integration across Central Health, CommUnityCare, and Sendero by 50% (across 20 focus areas), this Key Result focuses on making the system "sing" even more by increasing coordination, de-duplicating efforts, and improving efficiency across our three organizations.

Progress on this Key Result will be measured by the percentage of defined system integration goals completed by the end of Fiscal Year 2027. We will develop a comprehensive list of integration focus areas across the system and assess how many have been aligned and/or integrated across Central Health, CommUnityCare, and Sendero. This metric will be reported to the Board on a quarterly basis.

- **Complete 80% of Major Milestones for Critical Infrastructure Projects**

In Fiscal Year 2027, Central Health will advance multiple major construction and infrastructure efforts, including the opening of several new points of care such as our Hancock, Northview, and Colony Park facilities. This Key Result ensures we deliver on our capital commitments across the system in a timely manner, as well as plan for future capital needs with the development of the Comprehensive Facilities Plan.

Progress on this Key Result will be measured by the percentage of completed infrastructure milestones for our major capital projects by the end of Fiscal Year 2027. This measure reflects progress against key project benchmarks, such as architectural program development, integrated facility design workshops, contractor selection, groundbreaking completion, and design plan approvals, rather than just final completed projects. We will finalize the full list of milestones before the close of this fiscal year, and results will be reported to the Board on a quarterly basis.

Next Steps: In our upcoming April 22 Board of Managers meeting, we will review and seek approval on this set of proposed Fiscal Year 2027 Objectives and Key Results – as well as the metrics that correspond to them. Approval of these OKRs will allow staff to move forward with developing our Key Performance Indicators for FY27 as part of our budget development process.



FY2027 System Objectives and Key Results

Board of Managers Meeting

April 22, 2026



FY 2027 Annual Planning and Budget Development Timeline

We Are Here



FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER
February 11 <i>Strategic Planning</i> <ul style="list-style-type: none"> Present Progress Update on Strategic Plan (HEP) 	March 9 <i>Executive Committee</i> <ul style="list-style-type: none"> Discuss Proposed FY27 Driving Forces Present Update on Board Policies 	April 8 <i>Strategic Planning</i> <ul style="list-style-type: none"> Discuss Proposed FY27 System OKRs 	Date Pending <i>Travis County Commissioners</i> <ul style="list-style-type: none"> Q3 Update 	June 24 <i>Budget and Finance (Budget Session)</i> <ul style="list-style-type: none"> ★ Present Financial Forecast 	July 22 <i>Budget and Finance (Budget Session)</i> <ul style="list-style-type: none"> ★ Present Proposed FY27 Joint Budget with CUC 	August 12 <i>Budget and Finance (Budget Session)</i> <ul style="list-style-type: none"> ★ Present Proposed FY27 Joint Budget with CUC and Tax Rate 	September 2 <i>Board of Managers (Budget Session)</i> <ul style="list-style-type: none"> ★ Public Hearing: FY27 Budget and Tax Rate
February 25 <i>Board of Managers</i> <ul style="list-style-type: none"> FY27 Annual Budget Development, Including System OKRs 	March 25 <i>Board of Managers</i> <ul style="list-style-type: none"> ★ Approve FY27 Driving Forces 	April 22 <i>Board of Managers</i> <ul style="list-style-type: none"> ★ Approve FY27 System OKRs ★ Approve Board Policies 	May 13 <i>Strategic Planning</i> <ul style="list-style-type: none"> Discuss Proposed FY27 System KPIs 	June 24 <i>Board of Managers (Budget Session)</i> <ul style="list-style-type: none"> ★ Discuss Proposed FY27 Strategic Budget Initiatives 		August 26 <i>Board of Managers (Budget Session)</i> <ul style="list-style-type: none"> ★ Approve FY27 Proposed Tax Rate for Public Notice 	September 9 <i>Board of Managers (Budget Session)</i> <ul style="list-style-type: none"> ★ Adopt FY27 Budget and Tax Rate
	March 31 <i>Travis County Commissioners</i> <ul style="list-style-type: none"> Q2 Update 		May 27 <i>Budget and Finance Committee</i> <ul style="list-style-type: none"> Discuss Proposed Homestead Exemption <i>Board of Managers</i> <ul style="list-style-type: none"> ★ Approve FY27 System KPIs ★ Approve Homestead Exemption 	Date Pending <i>Travis County Commissioners</i> <ul style="list-style-type: none"> Approve Homestead Exemption 		Date Pending <i>Travis County Commissioners</i> <ul style="list-style-type: none"> Q4 and Budget Update 	Date Pending <i>Travis County Commissioners</i> <ul style="list-style-type: none"> Approve FY27 Budget & Tax Rate

Public Involvement: Development of FY 2027 Strategic Initiatives

Budget Alignment with Strategic Initiatives

Public Involvement: FY 2027 Proposed Budget. September 2nd Public Hearing

All Other Board Activity (Strategic Plan and System-Level Planning, Including OKRs, Policy Development, Litigation, and Other Activities)

★ Denotes Budget Session, Board discussion, action, approval / adoption

Central Health Community Conversations

- 3/4 Oak Hill Community Ctr. (PCT. 3)
- 4/16 Asian American Resource Ctr. (PCT. 1)
- 5/14 Montopolis Recreation and Community Ctr. (PCT. 4)
- 6/11 Austin Community College (ACC) Northridge Campus (PCT. 2)
- 7/16 ACC Highland Campus (FY27 CH Budget Townhall with Judge Brown)

Travis County Commissioners Court

- 3/31 Q2 Update
- Date Pending, Q3 Update
- Date Pending, Approve Homestead Exemption
- Date Pending, Q4 and Budget Update
- Date Pending, Vote and Adopt FY27 Budget and Tax Rate

Definitions: OKRs = Objectives and Key Results. KPIs = Key Performance Indicators.

The public is encouraged to provide input on the FY 2027 budget via the website at CentralHealth.net, at Board of Managers and committee meetings, during Community Conversations, and at public hearings.

FY 2027 System Objectives and Key Results (OKRs)



Central Health's FY 2027 OKRs adopt a framework modeled after **Cleveland Clinic's CEO scorecard** to help organize our system-wide priorities across four interdependent pillars: Patients, Caregivers, Community, and Central Health itself. Each pillar carries one strategic objective with measurable key results, creating a shared line of sight from frontline teams to executive leadership. Together, these pillars reflect our commitment to being a mission-driven health authority that serves every stakeholder with intention and accountability.

Care For Patients

Objective	Key Result	Measurement	FY 2027 Goal
Create Seamless Care Journeys	Appointment Wait Times	Average Lead Time	14 Days or Less
	People Engaged in Care and Coverage*	Unique # of People	+5%
	Heart and Cancer Care*	HTN, A1C, Colorectal, Breast & Cervical Cancer Screening	+5%

Care for Caregivers

Objective	Key Result	Measurement	FY 2027 Goal
Empower and Develop our Team	Employee Engagement*	Engagement Index	75 th ile in U.S.
	GUIDE Leadership Behaviors*	Pulse Survey, Observed Behaviors	+10%

Care for Community

Objective	Key Result	Measurement	FY 2027 Goal
Demonstrate Value of Community Support	Community Awareness, Favorability and Trust*	Brand Composite Score	+10%
	Non-Tax Revenue*	System Revenue minus Tax, Interest and 1-Time Income	+5%

Care for Central Health

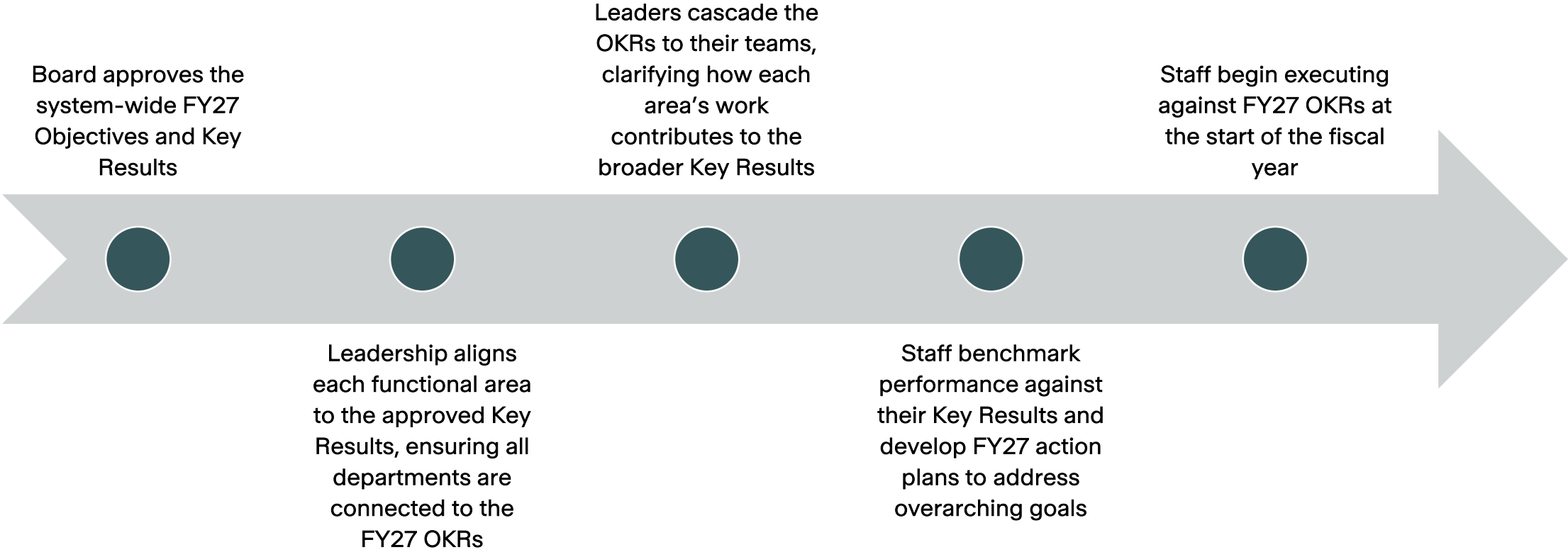
Objective	Key Result	Measurement	FY 2027 Goal
Build a Comprehensive Equitable System	System Integration*	% Areas Aligned and/or Integrated	80%
	Critical Infrastructure Milestones*	% Milestones Completed	80%

* Preliminary metrics current figures reflect initial estimates pending full benchmarking analysis.

FY27 OKR PROCESS

Next Steps

Board approval begins the process, followed by alignment, cascading, and benchmarking work across May through September, with execution starting on October 1 at the beginning of the fiscal year.





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.

Right by All - By being open, anti-racist, equity-minded, and respectful in discourse, we honor those around us and do right by all people.

Collaboration - We partner with others to improve the health of our community.

BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 4

Review and take appropriate action on the policies necessary for FY27 budget development process including:

- a. Annual Planning,
- b. Annual Budget, and
- c. Financial Reserves. (*Possible Action Item*)



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 April 22, 2026

Who will present the agenda item? (Name, Title) Nakia Smith, Chief Compliance Officer

General Item Description Review of Board policies supporting the Annual Planning and Budgeting Process

Is this an informational or action item? Action

Fiscal Impact N/A

Recommended Motion (if needed – action item) Review and approve revised Board policies supporting the FY27 Annual Planning and Budgeting Process.

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

- The proposed policies establish a governance framework that strengthens Board oversight of the annual planning and budgeting process.
- 1) _____

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.)

1. Annual Planning Policy
2. Annual Budget Policy
3. Financial Reserve Funds Policy

Estimated time needed for presentation & questions? 30 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Nakia Smith, April 15, 2026



NEW — DRAFT

BOARD OF MANAGERS POLICY

Policy Title: Annual Planning_DRAFT		
Policy #: BD-###P		
Effective Date:		
Board Review and Revision Date:		
Board Initial Approval Date:		
Administration Policy Owner: Sr. Director of Strategic Planning		
Administration Executive Sponsor: Chief Strategy Officer		
Administration Standard Operation Procedure(s):		
Attachments: None		
<input checked="" type="checkbox"/> Central Health	<input checked="" type="checkbox"/> Sendero	<input checked="" type="checkbox"/> CommUnityCare

I. PURPOSE

To establish the Board of Managers’ policy for directing Central Health’s annual planning, in support of the District’s mission, strategic plan, and long-term system transformation.

The Board shall exercise its governance responsibilities to ensure that the annual planning process aligns with the strategic direction and goals, achieves accountable results, provides community value, and promotes long-term financial sustainability.

II. POLICY STATEMENT

It is the policy of the Central Health Board of Managers to provide the long-range strategy, define annual outcomes, and establish constraint guidelines for staff to achieve those outcomes, including policy and compliance requirements, financial target setting, and approving and monitoring expectations. The Board encourages its members to provide input on budget initiatives early in the planning process and at key stages to help inform the budget development. Consideration for contracts with Community Based Organizations should be addressed in accordance with the Board’s established CBO budget policy.

As part of the annual planning process, staff shall implement the Board of Managers’ direction to achieve defined outcomes within established limitations, align all budget initiatives to Board-defined outcomes and policies, and prepare the fiscal year budget.

The Board of Managers shall review, update and approve the following direction elements setting the overall policy framework for the annual planning process:

- Board Budget Planning Policies**, related to strategic and annual planning;

Commented [SN1]: Language added per discussion in the 4/8 Executive Committee meeting. Language proposed by Chair Kitchen and Martin.

2. **Driving Forces SWOT analysis**, which assesses internal and external drivers influencing the Central Health system environment;
3. **System OKRs**, which translates the driving forces and current performance into a unified set of objectives that clearly define areas for system improvement and measurable results;
4. **System KPIs**, which track key vital measures that monitor operational performance and maintain stability in ongoing operations;
5. **Tax Rate and Fiscal Year Budget**, including the development timeline and budget initiatives aligned to defined outcomes, for the Central Health Board of Managers' review and approval. Budget initiatives shall also be aligned with Central Health's statutory authority and financial capacity. Following Board approval, the proposed budget and tax rate shall be submitted to the Travis County Commissioners Court, as required by state law, for final approval.

The Board of Managers shall exercise its discretion in the annual planning policy in a manner consistent with applicable law, sound governance practices, and the best interests of the District and the community it serves.

III. **AUTHORITY**

The Central Health Board of Managers operates under the authority granted by the Texas Constitution and Chapter 281 of the Texas Health and Safety Code, which authorize hospital districts to provide health care services and oversee the planning and administration of district programs. Under this authority, the Board establishes strategic direction and approves annual planning priorities to ensure alignment with the District's statutory mission and its financial stewardship responsibilities.

IV. **DELEGATION OF AUTHORITY**

Consistent with law and direction of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the authority to carry out this policy.

Commented [AK2]: Removed this additional language as requested during the 4/8 Executive Committee meeting. Language recommended per Manager Jefferson.

V. **REVIEW CYCLE**

This policy shall be reviewed at least every two (2) years, or more frequently if required by law, regulation, or governance need.



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Administration Standard Operation Procedure(s):		
Attachments: None		
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Consistent with law and direction of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the authority ~~and responsibility to develop, implement, and maintain administrative policies, procedures, and standard operating procedures necessary~~ to carry out this policy, ~~including the establishment of evaluation criteria, approval thresholds, financial review, reporting, and procurement requirements, consistent with applicable law and Board direction.~~

Commented [SN2]: Removed this additional language as requested during the 4/8 Executive Committee meeting. Language recommended per Manager Jefferson.

V. **REVIEW CYCLE**

This policy shall be reviewed at least every two (2) years, or more frequently if required by law, regulation, or governance need.

BOARD OF MANAGERS POLICY

Policy Title: Annual Budget_Draft		
Policy #: BD-###P		
Effective Date:		
Board Review and Revision Date:		
Board Initial Approval Date:		
Administration Policy Owner: Deputy Chief Financial Officer		
Administration Executive Sponsor: Chief Financial Officer		
Administration Standard Operation Procedure(s):		
Attachments: None		
<input checked="" type="checkbox"/> Central Health	<input checked="" type="checkbox"/> Sendero	<input checked="" type="checkbox"/> CommUnityCare

I. PURPOSE

This policy establishes the framework for the preparation, adoption, execution, and monitoring of the annual operating budget for Central Health (the “District”) . This policy ensures that budgeting practices are consistent with the District’s statutory authority, fiduciary responsibilities, and mission to provide high-quality, accessible healthcare services to the community.

This policy shall be reviewed at least biennially by the Board’s Finance & Audit Committee and updated as necessary to reflect changes in law, District operations, or Board priorities.

II. DEFINITIONS

Major Capital Project - Any capital outlay exceeding \$1 million that results in the acquisition, construction, or material improvement of a capital asset with a useful life greater than one year, and that requires approval by the Board of Managers.

III. POLICY STATEMENT

This policy applies to all departments and programs under the authority of the District’s Board of Managers. Additionally, this policy is applicable to other related component units or subsidiaries that are required to obtain the approval of the District.

Budget Principles

- The District shall prepare an annual budget in compliance with applicable statutory requirements, aligned with Board-approved strategic goals and priorities, and that meet community-health needsthat prioritize access to care, health outcomes, and fiscal sustainability.

- The District will utilize conservative and reasonable revenue projections, based on reasonable estimates for ad valorem assessed property roll valuation, state and federal reimbursements, third-party revenues, and other operating revenues.
- The District shall develop and adopt its annual budget in compliance with all applicable provisions of the Texas Tax Code and other relevant state laws, including required notices, public hearings, and tax rate adoption procedures. The District shall ensure transparency and adherence to statutory requirements in establishing the property tax rate.
- The District shall incorporate multi-year financial planning including consideration of capital needs, operational impacts, and funding sources.
- Capital expenditures shall be planned and prioritized through a defined capital planning process and aligned with available funding sources and operational capacity.

The District shall maintain financial reserves at levels sufficient to manage risk, ensure liquidity, and respond to economic or operational disruptions.

Budget Preparation and Adoption

- The proposed budget and associated ad valorem tax rate shall be presented to the Board of Managers with sufficient lead time to meet all statutory requirements, including public notice and hearing deadlines, and to allow for Travis County Commissioners' Court approval prior to October 1 of each fiscal year.

In compliance with Chapter 281, the proposed budget and applicable ad valorem tax rate shall be presented to the Travis County Commissioners' Court for adoption after approval from the District's Board of Managers.

Expenditure Controls and Compliance

- All expenditures must be within the limits of the adopted budget, unless formally amended by the Board.
- The District shall maintain internal controls to prevent overspending and support accurate financial reporting.
- Use of funds held in reserves is addressed in the Financial Reserves Policy.

Capital Funds

- Major capital projects shall be approved by the Board and will include a project budget and funding plan.
- Major capital projects shall be funded in a manner that meets the District's long-term service needs and financial objectives.

Monitoring and Reporting

- Management shall provide the Board with regular financial reports comparing actual revenues and expenditures to the adopted budget.
- The district shall prepare and publish an annual financial audit report in accordance with generally accepted accounting principles (GAAP) and any applicable reporting requirements.

The Board shall exercise its discretion in approving the components of the annual budget policy in a manner consistent with applicable law, sound governance practices, and the best interests of the District and the community it serves.

IV. DELEGATION OF AUTHORITY

Consistent with law and authority of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the authority to carry out this policy.

V. REVIEW CYCLE

This policy shall be reviewed and updated by the Board every two (2) years, or more frequently if required by law, regulation, or governance need.

DRAFT

BOARD OF MANAGERS POLICY

Policy Title: Annual Budget_Draft		
Policy #: BD-###P		
Effective Date:		
Board Review and Revision Date:		
Board Initial Approval Date:		
Administration Policy Owner: Deputy Chief Financial Officer		
Administration Executive Sponsor: Chief Financial Officer		
Administration Standard Operation Procedure(s):		
Attachments: None		
<input checked="" type="checkbox"/> Central Health	<input checked="" type="checkbox"/> Sendero	<input checked="" type="checkbox"/> CommUnityCare

I. PURPOSE

This policy establishes the framework for the preparation, adoption, execution, and monitoring of the annual operating budget for Central Health (the “District”). This policy ensures that budgeting practices are consistent with the District’s statutory authority, fiduciary responsibilities, and mission to provide high-quality, accessible healthcare services to the community.

This policy shall be reviewed at least biennially by the Board’s Finance & Audit Committee and updated as necessary to reflect changes in law, District operations, or Board priorities.

II. DEFINITIONS

Major Capital Project - Any capital outlay exceeding \$1 million that results in the acquisition, construction, or material improvement of a capital asset with a useful life greater than one year, and that requires approval by the Board of Managers.

III. POLICY STATEMENT

This policy applies to all departments and programs under the authority of the District’s Central Health Board of Managers. Additionally, this policy is applicable to other related component units or subsidiaries that are required to obtain the approval of the District Central Health. The District shall:

Budget Principles

- **The District shall prepare an annual budget in compliance with applicable statutory requirements, and aligned with Board-approved strategic goals and priorities, the District’s strategic plan, service delivery priorities, and that meet community-health needs, prioritizing that prioritize access to care, health outcomes, and financial-fiscal sustainability.**

- The District will utilize conservative and reasonable revenue projections, based on reasonable estimates for ad valorem assessed property roll valuation, state and federal reimbursements, third-party revenues, and other operating revenues.
- The District shall develop and adopt its annual budget in compliance with all applicable provisions of the Texas Tax Code and other relevant state laws, including required notices, public hearings, and tax rate adoption procedures. The District shall ensure transparency and adherence to statutory timelines requirements in establishing the property tax rate.
- All budget decisions shall reflect prudent stewardship of taxpayer and public funds, emphasizing efficiency, accountability, and transparency.
- The District shall incorporate multi-year financial planning to ensure long-term fiscal sustainability, including consideration of capital needs, operational impacts, and funding sources.
- Capital expenditures shall be planned and prioritized through a defined capital planning process and aligned with available funding sources and operational capacity.
- The District shall maintain financial reserves at levels sufficient to manage risk, ensure liquidity, and respond to economic or operational disruptions, in accordance with Board policy.

Budget Preparation and Adoption

- The proposed budget and associated ad valorem tax rate shall be presented to the Board of Managers with sufficient lead time to meet all statutory requirements, including public notice and hearing deadlines, and to allow for Travis County Commissioners' Court approval prior to October 1 of each fiscal year for review and final adoption prior to the start of the fiscal year.
- In compliance with Chapter 281, the proposed budget and applicable ad valorem tax rate shall be presented to the Travis County Commissioners' Court for approval adoption after approval from the District's Board of Managers.

Expenditure Controls and Compliance

- All expenditures must be within the limits of the adopted budget, unless formally amended by the Board.
- The District shall maintain internal controls to prevent overspending and support accurate financial reporting.
- Use of funds held in reserves is addressed in the Financial Reserves Policy. ~~or emergency funds shall be limited to unforeseen circumstances, with documentation and Board notification as required by policy.~~

Debt and Capital Funds Financing

- Major capital projects shall be approved by the Board and will include a project budget and funding plan.

- ~~Long-term debt and m~~Major capital projects ~~and purchases~~ shall be ~~financed funded~~ in a manner that ~~maintainsmeets~~ the ~~d~~District's ~~credit quality and~~ long-term ~~service needs and~~ financial ~~sustainability objectives~~.
- ~~Debt issuance and s~~Significant capital commitments shall be approved by the ~~Board in the annual budget process~~.

Monitoring and Reporting

- Management shall provide the Board with regular financial reports comparing actual revenues and expenditures to the adopted budget.
- The district shall prepare and publish an annual financial audit report in accordance with generally accepted accounting principles (GAAP) and any applicable reporting requirements.

The Board shall exercise its discretion in approving the components of the annual budget policy in a manner consistent with applicable law, sound governance practices, and the best interests of the District and the community it serves.

III.IV. DELEGATION OF AUTHORITY

Consistent with law and authority of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the authority ~~and responsibility to develop, implement, and maintain administrative policies, procedures, and standard operating procedures necessary to carry out this policy, including the establishment of evaluation criteria, approval thresholds, financial review, reporting, and procurement requirements, consistent with applicable law and Board direction.~~

IV.V. REVIEW CYCLE

This policy shall be reviewed ~~and updated by the Board at least~~ every two (2) years, or more frequently if required by law, regulation, or governance need.

BOARD OF MANAGERS POLICY

Policy Title: Financial Reserve Funds_DRAFT		
Policy #: BD-###P		
Effective Date:		
Board Review and Revision Date:		
Board Initial Approval Date:		
Administration Policy Owner: Deputy Chief Financial Officer		
Administration Executive Sponsor: Chief Financial Officer		
Administration Standard Operation Procedure(s):		
Attachments: None		
<input checked="" type="checkbox"/> Central Health	<input type="checkbox"/> Sendero	<input type="checkbox"/> CommUnityCare

I. PURPOSE

To define the financial reserve funds policies maintained by Central Health and to establish the policy framework for the management, use, and oversight of the District’s reserves in support of financial stability, operational continuity, and long-term sustainability.

Central Health maintains three separate reserves, with a policy for each: an emergency reserve, a contingency reserve, and a public health center reserve. These reserves are established and managed to address unforeseen emergencies, temporary or structural financial issues, or funding related to the HRSA Public Health Center of Central Health and CommUnityCare. Reserves are also maintained to preserve or improve the bond rating(s) of Central Health.

The Central Health Board of Managers shall oversee the establishment, funding, and use of reserve funds in accordance with adopted financial policies, budgetary practices, and applicable regulations.

II. POLICY STATEMENT

It is the policy of Central Health to maintain appropriate reserve funds to ensure financial resilience, continuity of operations, management of known and unknown risks, and responsible fiscal stewardship in the following reserves:

Emergency Reserve Policy

Central Health’s emergency reserve will serve as a funding source for unusual or unforeseen emergency circumstances, e.g., natural disasters, pandemics, or severe business disruptions. The emergency reserve will normally be set at 15% of budgeted

ongoing expenses. The level of emergency reserves will be set annually through adoption of the budget. Use of funds will require approval of the Central Health Board. A plan to replenish reserve levels should be developed and approved within 60 days of use of funds or the next Central Health Board of Manager’s meeting after the expiration of this period.

Contingency Reserve Policy

The contingency reserve is funded through the–unallocated ending balance of Central Health and is a source for one-time expenditures or ongoing expenditures that create cyclical or temporary structural deficits. Cyclical deficits are caused by temporary decreases in revenue, increases in ongoing expenses, or by one-time, nonrecurring expenses that cannot be funded through current revenue. Structural deficits are caused by an excess of projected annual expense over projected annual revenue over periods of up to several fiscal years. Contingency reserves may be used as part of a plan for correcting structural deficits; however, structural fixes such as an increase to revenue and/or reductions to expenses should be considered. The contingency reserve will be appropriated annually for the use of unpredictable or misaligned funding sources that may occur within Central Health’s fiscal year.

Public Health Center Cash Reserve Policy

Central Health shall establish a Public Health Center Reserve (PHCR) to serve as a source of emergency cash funding in the event of an unforeseen event(s) within the HRSA-approved Public Health Center.

Use of the Central Health reserve funds requires approval or ratification by the Central Health Board of Managers. In the event funds are utilized, the Central Health Board of Managers must be notified within 72 hours, or as soon as practicable. Additionally, a repayment plan for any funds used must be presented to the Board within forty-five (45) days of such use.

On an annual basis, the reserve funding amount shall be reviewed and may be adjusted as necessary to ensure that the aggregate level of cash on hand is equivalent to at least thirty (30) days of cash on hand based on CommUnityCare financial information.

The Board shall exercise its discretion in approving use of the appropriate reserves and adhering to the policies in a manner consistent with applicable law, sound governance practices, and the best interests of the District and the community it serves.

III. DELEGATION OF AUTHORITY

Consistent with law and direction of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the to carry out this policy.

IV. REVIEW CYCLE

This policy shall be reviewed at least every two (2) years, or more frequently if required by law, regulation, or governance need.

VI. RELEVANT STATUTES, REGULATIONS OR GUIDANCE

VII. RELATED POLICIES AND PROCEDURE

Annual Budget Policy



NEW — DRAFT

BOARD OF MANAGERS POLICY

Policy Title: Financial Reserve Funds_DRAFT		
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Emergency Reserve Policy

Central Health’s emergency reserve will serve as a funding source for unusual or unforeseen emergency circumstances, e.g., natural disasters, pandemics, or severe

business disruptions. The emergency reserve will normally be set at 15% of budgeted ongoing expenses. The ~~amount level~~ of emergency reserves will be set annually through adoption of the budget. Use of funds will require approval of the Central Health ~~BOM Board~~. A plan to replenish reserve levels should be developed and approved within 60 days of use of funds or the next Central Health Board of Manager's meeting after the expiration of this period.

Contingency Reserve Policy

The contingency reserve is funded through the ~~undesignated-unallocated ending balance~~ of Central Health and is a funding source for one-time expenditures or ongoing expenditures that create cyclical or temporary structural deficits. Cyclical deficits are caused by temporary decreases in revenue, increases in ongoing expenses, or by one-time, nonrecurring expenses that cannot be funded through current revenue. Structural deficits are caused by an excess of projected annual expense over projected annual revenue over periods of up to several fiscal years. Contingency reserves may be used as part of a plan for correcting structural deficits; however, structural fixes such as an increase to revenue and/or reductions to expenses should be considered. The contingency reserve will be appropriated annually for the use of unpredictable or misaligned funding sources that may occur within Central Health's fiscal year. ~~with Central Health's fiscal year.~~

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Capital Reserve Policy

~~A capital reserve is established to provide stable and predictable multi-year funding for the acquisition, construction, renovation, or replacement of capital assets or projects. Capital assets can include land, buildings, improvements, infrastructure, equipment, technology systems and/or software, vehicles, or tangible assets with a useful life of more than one year and meets the cost threshold as defined in the Central Health Fixed Asset Policy. Capital projects mean a project to acquire, construct, improve, or renovate a capital asset, including planning, design, engineering, and land acquisition costs. Funding sources can include pay-as-you-go financing from operating cash, the issuance of debt, or through grants. Changes may be made to the capital reserve during the year if, for example, other funding is obtained for a portion or all of a specific capital asset or project.~~

Public Health Center Cash Reserve Policy

Central Health shall establish a Public Health Center Reserve (PHCR) to serve as a source of emergency cash funding in the event of an unforeseen event(s) within the HRSA-approved Public Health Center. ~~The initial amount to be established in the Central Health FY26 approved budget is \$12 million.~~

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Use of the Central Health ~~designated~~ reserve funds requires approval or ratification by the Central Health Board of Managers. In the event funds are utilized, the Central Health Board of Managers must be notified within 72 hours, or as soon as practicable. Additionally, a repayment plan for any funds used must be presented to the Board within forty-five (45) days of such use.

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On an annual basis, the reserve funding amount shall be reviewed and may be adjusted as necessary to ensure that the aggregate level of cash on hand is equivalent to at least thirty (30) days of cash on hand based on CommUnityCare financial information.

The Board shall exercise its discretion in approving use of the appropriate reserves and adhering to the policies in a manner consistent with applicable law, sound governance practices, and the best interests of the District and the community it serves.

III. DELEGATION OF AUTHORITY

Consistent with law and direction of the Board of Managers, the Board of Managers delegates to the President and Chief Executive Officer, or designee, the ~~authority and responsibility to develop, implement, and maintain board-approved administrative policies, as well as related administrative procedures, or and standard operating procedures necessary~~ to carry out this policy, ~~including the establishment of evaluation criteria, approval thresholds, financial review, reporting, and procurement requirements, consistent with applicable law and Board direction. The CEO delegation includes the negotiation and execution of agreements pursuant to the delegation policy.~~

IV. REVIEW CYCLE

This policy shall be reviewed at least every two (2) years, or more frequently if required by law, regulation, or governance need.

VI. RELEVANT STATUTES, REGULATIONS OR GUIDANCE

VII. RELATED POLICIES AND PROCEDURE

~~VII.~~ [Annual Budget Policy](#)

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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

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Stewardship - We maintain public trust through fiscal discipline and open and transparent communication.

Innovation - We create solutions to improve healthcare access.

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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 5

Receive and discuss an update on the Central Health Hancock Center building project.
(*Informational Item*)



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 April 22, 2026, Board of Managers Meeting

Who will present the agenda item? (Name, Title) Stephanie Lee McDonald, SVP and Chief Infrastructure Officer

Notetaker (Name, Title) Stephanie Lee McDonald, SVP and Chief Infrastructure Officer

General Item Description Receive Board of Managers Feedback on Central Health Hancock Board of Managers Meeting Areas

Is this an informational or action item? Informational

Fiscal Impact NA

Recommended Motion (if needed – action item) NA

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

- 1) Space and room features, configuration, and interior furnishing of Central Health Board of Managers Meetings in the new Central Health Hancock
- 2) _____
- 3) _____
- 4) _____
- 5) _____

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Floor Plan Attached

Estimated time needed for presentation & questions? 20 min

Is closed session recommended? (Consult with attorneys.) NA



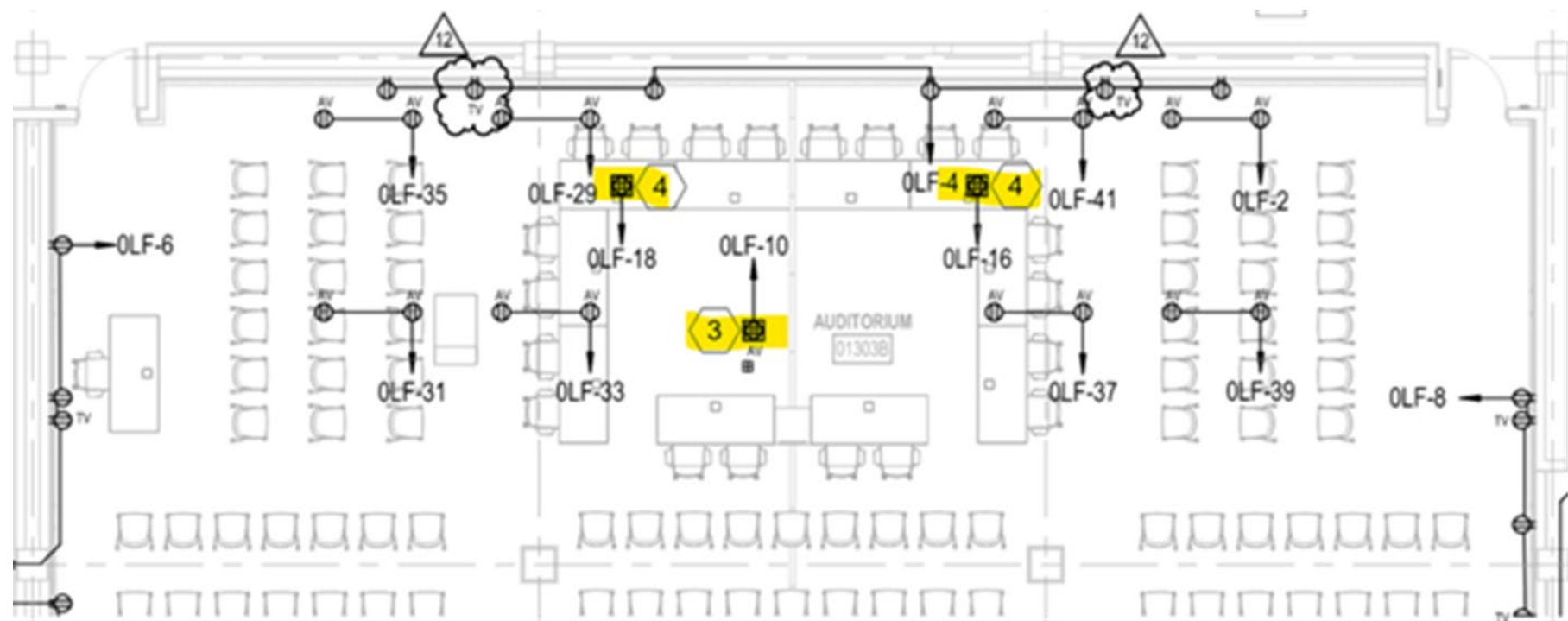
Form Prepared By/Date
Submitted:

Stephanie Lee McDonald 4/11/2026

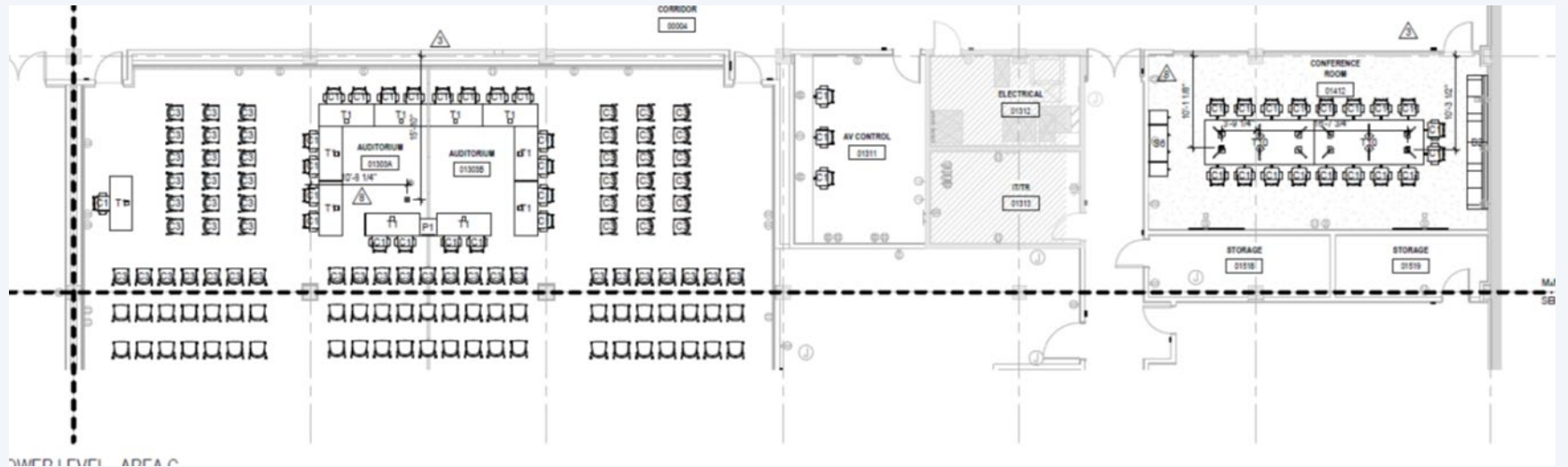
FFE PLAN - LOWER LEVEL





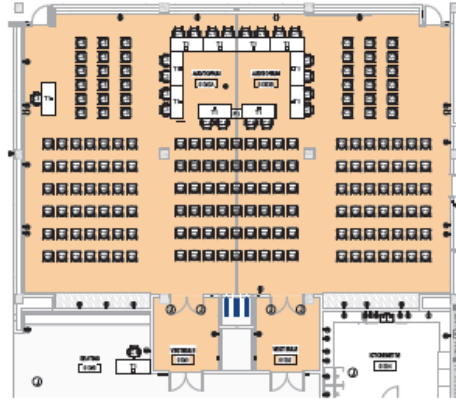


Executive Session Room



Central Health HQ

AUDITORIUM



Central Health Headquarters & Multipurpose Care Center

C3 - CHAIR



BEELINE JETTY

KI DONI CHAIR FOUR LEG, ARMLESS, STACKING, CASTERS SEAT WIDTH: 19.25" 400 LB WEIGHT LIMIT

C1 - TASK CHAIR



SIRONI FOCUS 2.0, MESH BACK, UPHOLSTERED SEAT, FULLY ADJUSTABLE ARMS

T1 - TABLE



*72" is widest option



NUCRAFT FLEET TABLE G-LEG WITH CASTERS, FULL HEIGHT MODESTY PANEL, FLIP AND NEST 72"W X 30"D

PREFER MEDIUM GREY

SLM TO CONFIRM OPTIONS FOR POWER MODULES.

P1 - PODIUM



NUCRAFT HIGH TECH LECTERN WITH CASTERS

SHELL / SEAT	COOL GREY
	STARLET
LEGS	COOL GREY
	FOG
BACK / FRAME	FOG
	FOG
SEAT / LEG	BEELINE JETTY
	FOG
TOP AND PODIUM	NATURAL ASH
	STORM
BASE	

AV & Technology Infrastructure

Central Health

Travis County Hospital District

Wireless AV

OLF wireless access points throughout

Microphones

Individual board member mic positions

Display Screens

Multiple display positions for all viewers

Audio System

Room-wide speaker distribution

Hybrid Ready

Remote participant video conferencing

AV Control

Central AV control at presenter position



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 6

Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Lee*, Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.³ (*Informational Item*)



AGENDA ITEM SUBMISSION FORM

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Agenda Item Meeting Date April 22, 2026

Who will present the agenda item? (Name, Title) Monica Crowley, EVP & Chief Strategy Officer

General Item Description Receive and discuss a briefing regarding *Birch, et al. v. Travis County Healthcare District d/b/a Central Health and Dr. Patrick Lee*, Cause No. D-1-GN-17-005824 in the 345th District Court of Travis County and services provided by faculty and residents of The University of Texas at Austin Dell Medical School in support of Central Health's mission.

Is this an informational or action item? Informational

Fiscal Impact N/A

Recommended Motion (if needed – action item) N/A

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

- Briefing with legal counsel as needed. Please note that this agenda item will be taken up at the discretion of the chair based on status of the situation at the time of the meeting.
- 1) discretion of the chair based on status of the situation at the time of the meeting.
 - 2) _____

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? 20 minutes

Is closed session recommended? (Consult with attorneys.) Yes

Form Prepared By/Date Submitted: Valerie Guerra/ April 15, 2026



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 7

Receive and discuss a briefing regarding Travis County Healthcare District d/b/a Central Health v. Ascension Texas f/k/a Seton Healthcare Family, Cause No. D-1-GN-23-000398.3 (Informational Item)



AGENDA ITEM SUBMISSION FORM

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Agenda Item Meeting Date April 22, 2026

Who will present the agenda item? (Name, Title) _____

General Item Description Receive and discuss a briefing regarding *Travis County Healthcare District d/b/a Central Health v. Ascension Texas f/k/a Seton Healthcare Family*, Cause No. D-1-GN-23-000398.

Is this an informational or action item? Informational

Fiscal Impact _____

Recommended Motion (if needed – action item) N/A

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

- 1) Brief update in closed session.
- 2) _____

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? 20 minutes

Is closed session recommended? (Consult with attorneys.) Yes

Form Prepared By/Date Submitted: Briana Harris/ April 15, 2026



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 8

Receive briefing from staff and legal counsel, consider any settlement offers, and take appropriate action regarding possible negotiation and settlement of potential litigation claims involving the District.3 (*Action Item*)



AGENDA ITEM SUBMISSION FORM

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Agenda Item Meeting Date April 22, 2026

Who will present the agenda item? (Name, Title) Monica Crowley, EVP & Chief Strategy Officer

Notetaker (Name, Title) _____

General Item Description Receive briefing from staff and legal counsel, consider any settlement offers, and take appropriate action regarding possible negotiation and settlement of potential litigation claims involving the District.

Is this an informational or action item? Informational

Fiscal Impact _____

Recommended Motion (if needed – action item) _____

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

- 1) This item will be discussed in closed session.
- 2) _____
- 3) _____

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? 20 minutes

Is closed session recommended? (Consult with attorneys.) Yes

Form Prepared By/Date Submitted: Briana Harris/April 15, 2026



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 9

Approve the President & CEO's goals for Fiscal Year 2026.4 (*Action Item*)



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 25, 2026

Who will present the agenda item? (Name, Title) Dr. Pat Lee, President & CEO and Jeannie Virden, EVP & Chief People Officer

General Item Description Central Health CEO Top Goals FY2026

Is this an informational or action item? _____

Fiscal Impact None

Recommended Motion (if needed – action item) On March 9 the Executive Committee recommended that the Board approve the President & CEO's goals for Fiscal Year 2026.

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

- 1) Strategic Board Alignment
- 2) Clinical Excellence
- 3) Financial Sustainability
- 4) People and Community

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Handout

Estimated time needed for presentation & questions? 30 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Briana Harris 04/15/2026



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 10

Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.^{3,4} (*Action Item*)



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 April 22, 2026

Who will present the agenda item? (Name, Title) _____

General Item Description Deliberation and possible action on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of one or more Central Health employees.

Is this an informational or action item? Action

Fiscal Impact _____

Recommended Motion (if needed – action item) As needed

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

- 1) This item will be taken up in closed session.
- 2) _____

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? TBD

Is closed session recommended? (Consult with attorneys.) Yes

Form Prepared By/Date Submitted: Briana Harris/April 15, 2026



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BOARD MEETING

April 22, 2026

REGULAR AGENDA ITEM 11

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