

**AMARILLO HOSPITAL DISTRICT  
REGULAR MEETING OF BOARD OF MANAGERS  
AMARILLO CITY HALL  
CITY COMMISSION CHAMBERS  
MINUTES  
June 24, 2008  
8:00 A.M.**

<u>Members</u>	<u>Present</u>
Mr. Craig Bryan, Chairman	Yes
Mr. Alphonso Vaughn	No
Mr. John Ben Blanchard	Yes
Mr. Greg Graham	Yes
Ms. Becky Dodson, Secretary	Yes
Dr. Paul Proffer	Yes
Mr. Andrew Obermueller	No

Also Present

Mr. Marcus Norris	City Attorney, City of Amarillo
Mr. Dean Frigo	Finance Director, City of Amarillo
Ms. Andrea Rains	Recording Secretary, City of Amarillo
Mr. Matt Richardson	Director of Public Health, City of Amarillo
Ms. Meg Williams	Director, Tobacco Free Amarillo
Mr. Kyle Sanders	Chief Operational Officer, Northwest Texas Healthcare System
Ms. Charlyn Snow	Director of Human Resources, Northwest Texas Healthcare System

**ITEM 1:** Mr. Bryan called the meeting to order at 8:00 am in the Commission Chambers of City Hall and welcomed those in attendance.

**ITEM 2:** Approval of Minutes from April 29, 2008. Mr. Bryan presented the minutes from the last meeting held April 29, 2008. There were no questions or comments. Mr. Graham motioned for approval of the minutes as written. Ms. Dodson seconded the motion and it carried unanimously.

**ITEM 3:** Consider a Resolution for the AHD to fund a Medicaid Upper Payment Limit. Mr. Frigo reviewed that quarterly payments in the amount of \$1,735,385, under the Indigent Care Agreement, are fixed for the duration of the contract. Payments that would be made on May 8, 2010 and August 8, 2010, he reported, would total \$3,470,770. He stated that by funding the Medicaid Upper Payment Limit (UPL), the District would receive an 8% discount by paying both the May and August 2010 payments up-front in the approximate amount of \$2,963,066, thus saving the District \$507,704. Mr. Frigo noted that if the agreements are approved, the District will have advanced \$13,407,605 funding the UPL. He reviewed that the District, under the Healthcare Services Agreement, holds the same collateral as it did in the Indigent Care Agreement and stated that he would like to obtain additional securities under the Healthcare Services Agreement the next time the agreement is advanced. Mr. Blanchard questioned what the District would be saving on a discounted present value balance, how much interest could be earned on the monies advanced. Mr. Frigo responded that the monies would earn roughly 4% in interest, noting that by advancing the payments, the District saves 8%. Motion to adopt the resolution for the AHD to fund a Medicaid Upper Payment Limit was made by Mr. Blanchard, seconded by Mr. Graham, and carried unanimously.

**ITEM 4:** Consider a Resolution for the AHD to enter an Amendment to the Second Suspension Agreement. Mr. Norris reviewed that on November 9, 2006, the Indigent Care Agreement was suspended and that the Amarillo Hospital District and Northwest Texas Hospital (NWTX) entered into a Healthcare Services Agreement through November 8, 2008. He noted that the Indigent Care Agreement was merely suspended, not revoked, and that once the Healthcare Services Agreement has expired, the Indigent Care Agreement would resume. On October 1, 2007, he stated, both parties entered into a Second Suspension

Agreement, where the Indigent Care Agreement was suspended through February 8, 2010. Mr. Norris reported that this resolution would suspend the Indigent Care Agreement for an additional six-month period, beginning February 9, 2010 and ending August 8, 2010. Mr. Graham motioned to adopt the resolution for the AHD to enter an Amendment to the Second Suspension Agreement. Ms. Dodson seconded the motion and it carried unanimously.

**ITEM 5:** Consider a Resolution for the AHD to enter an Amendment to the Healthcare Services Agreement. Mr. Norris reminded the Board that the Healthcare Services Agreement replaced the Indigent Care Agreement for a temporary period that would expire February 9, 2010. He explained that this resolution and amendment would extend the Healthcare Services Agreement through the same time period as the Amendment to the Second Suspension Agreement, August 8, 2010. Motion to adopt a resolution for the AHD to enter an Amendment to the Healthcare Services Agreement was made by Ms. Dodson, seconded by Dr. Proffer, and carried unanimously.

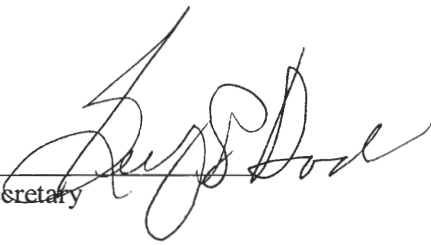
**ITEM 6:** Consider Pension Plan Amendment terminating Sodexho Service July 1, 2008. Ms. Snow reviewed that when the hospital sold in 1996, a piece of the agreement was to retain all benefits for employees who were affected by the sale. She reported that service with Universal Health Services, and other sub-contractors of the hospital, was allowed to count towards the 20-year service period needed for the Hospital District Pension Plan. Ms. Snow stated that Northwest Texas Hospital (NWTX) has completed due diligence by requesting an amendment to the Pension Plan when contractors change at the hospital so that employees who have never left the hospital continue to have their service counted towards their hospital district pension. Ms. Snow announced that the environmental services contractor, Sodexho, would be exiting NWTX on June 30, 2008. She reported that it is no longer necessary to have service with Sodexho count towards an employees' service with the Hospital District Pension Plan because NWTX will be bringing the employees back in-house and would become NWTX employees beginning July 1, 2008. Mr. Blanchard motioned to adopt the Seventh Amendment to the Retirement Plan for the Employees of Northwest Texas Healthcare System, terminating Sodexho Service, effective July 1, 2008. Mr. Graham seconded the motion and it carried unanimously.


**ITEM 7:** Presentation by Tobacco Free Amarillo. Ms. Williams reported that Tobacco Free Amarillo (TFA) has been in existence for approximately seven and a half years. She stated that TFA is a multi-component, public health focused, program. The components, she reviewed, consist of: media, school-based, community, cessation and evaluation. Ms. Williams stated that the only successful way for the program to exist is by using all the components together. She reported preliminary evaluative findings on the cumulative effect of TFA from inception to 2007, were that 6<sup>th</sup> grade smoking had decreased by 78%, 8<sup>th</sup> grade smoking decreased by 69%, 9<sup>th</sup> grade smoking decreased by 71%, and 12<sup>th</sup> grade smoking had decreased by 53%. Ms. Williams stated that through in-kind donations, TFA was able to help the community secure a federal grant, which enabled the continuation of Impact Futures, an organization that focuses on underage alcohol use, tobacco use and drug use. Overall, she reported, the program has been very successful.

**ITEM 8:** Consider Approval of the Randall County Sheriff Sale Properties. Mr. Frigo reported that the Randall County Tax Collector had taken sealed bids for properties that did not sale in the Randall County Sheriff Sale. He stated that the properties did not sale because the taxes owed on the properties were greater than the value of the properties. Mr. Frigo reviewed that since the amounts of the bids are less than the taxes due, each taxing entity must approve the sale. Dr. Proffer moved to approve the sale of struck off property from the Randall County Sheriff Sale. Mr. Graham seconded the motion and it carried unanimously.

**ITEM 9:** Public Comments. There were no public comments. The Board agreed that the next Amarillo Hospital District Board of Managers meeting would be held on Thursday, August 14<sup>th</sup>, 2008.

**ITEM 10:** Adjournment. There, being no further business, the meeting adjourned at 8:23 am. This meeting was recorded and all comments are on file in the City Finance Department.

  
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Becky Dodson, Secretary

  
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Craig Bryan, Chairman