

Governing Board Meeting Agenda

August 16, 2023 - Zoom Meeting

Agenda

- | | | |
|--------------|---|------------------------|
| I. | Call to Order | Dale Tampke |
| II. | Consent Agenda | Dale Tampke |
| | *July 2023 Board Minutes | P. 2 |
| | *July 2023 Financial Committee Minutes | P. 7 |
| | *July 2023 Financials | P. 9 |
| | *July 2023 Quality Committee Minutes | P. 13 |
| | *July 2023 Personnel & Strategic Planning Committee Minutes | P. 16 |
| | *August 2023 MarCom Report (including approval of grants) | P. 19 |
| III. | Board Training | |
| | 2023 HRSA Site Visit ReCap | Doreen Rue |
| IV. | CEO Report | Doreen Rue |
| | Dashboard | P. 23 |
| V. | Committee Reports | |
| | Finance Committee | Lee Brown |
| | Finance Report | |
| | *IRS Form 990 | |
| | Quality Committee | Melissa Winans |
| | Quality Report | |
| | Strategic Planning Committee | Sara Schroeder |
| | Strategic Planning Report | |
| | Personnel Committee | James Henderson |
| | Personnel Report | |
| | *HSNT Bylaws | P. 35 |
| VI. | Old Business/New Business | Dale Tampke |
| VII. | Executive Session | Dale Tampke |
| VIII. | Important Dates and Adjourn Meeting | Dale Tampke |
| | September Board Meeting - September 20th @ 6pm | |

*** Items Requiring a Vote**

Agenda Item I: Called to order at 6:02pm by Dale Tampke

Attendees: Dale Tampke, Sara Schroeder, James Henderson, Lee Brown, Michael Foster, Melissa Winans, Belinda Hernandez, Eric Schwarz, Makinzie Heard, Dr. Kimberly Middleton, Judge Chance Oliver, Hamed Husain

Absent: Sadaf Haq, Magdaline Ewoko

Quorum was met.

Staff: Doreen Rue, Pam Barnes, Debra Layman

Guests: Steven Thummel

Agenda Item II: Consent Agenda - Approval of June 2023 Board Minutes, June 2023 Financial Committee Minutes, June 2023 Financials, June 2023 Quality Committee Minutes, June 2023 Personnel & Strategic Planning Committees Minutes, July 2023 MarCom Report (including approval of grants)

Motion to approve all consent items: *Lee Brown*

Seconded: *Melissa Winans*

Motion Passed Unanimously

Agenda Item III: HSNT 2022 Independent Audit Presentation – Steven Thummel, Partner at Durbin & Co.

- Durbin & Co. completed both HSNT’s independent audit and IRS for 990 for 2022.
- HSNT received an unmodified opinion on the 2022 independent audit.
- HSNT’s net income increased to \$1.3 million in 2022.
 - This increase can be seen in net patient service revenue, including 340b.
- HSNT’s largest expense category is salaries and employee benefits.
- HSNT is faster at collecting A/R than peer organizations.
- HSNT’s current ratio is below peer at 3.8%, but still at a good level.
- Days in cash increased to 91.
- Operating margin is over peer.
- HSNT financials indicate re-investment in patient care and expansion of services.
 - The impact of the HSNT BEST program is also reflected in the financial reports.
- HSNT’s Ryan White A&B programs were also reviewed.
 - Two significant deficiencies were noted.
 - The same issue was noted in both A& B programs.
 - Eligibility determination was not properly supported for 3 of 80 patients.
 - HSNT has already implemented corrective action plans for these issues.
- HSNT is a low-risk auditee with no significant audit findings.

Agenda Item IV: Board Training

- **2023 HRSA Site Visit Presented by Doreen Rue**
 - HSNT is preparing for the August 10th site visit.
 - Cultivation calls with site visitors have been completed.
 - HSNT is in the process of uploading all required documentation.
 - HSNT will be assessed on 19 compliance review areas.
 - Three Categories:
 - Clinical
 - Fiscal
 - Governance/Administration
 - Virtual Site Visit Components:
 - Cultivation
 - Documentation
 - Narratives
 - Form 5A
 - This form details HSNT's required and additional health services.
 - Column I – direct care
 - Column II – contracts
 - Column III – referrals
 - VSV Agenda
 - Entrance Conference/Virtual Clinic Tours
 - Required and Additional Health Services
 - Board Session with Gov/Admin site visitor
 - Exit Conference – will review any findings
 - The five review areas with the most findings for all health centers will be reviewed the day of; all others will be completed via desk review.
 - 5 Review Areas:
 - Required and Additional Health Services
 - Contracts
 - Sliding Fee
 - Board Authority
 - Clinical Staffing
 - The board will receive review materials prior to the site visit.
- **Quarterly Compliance Report Presented by Doreen Rue**
 - This report was reviewed in depth by the quality committee.
 - The self-reported HIPAA incident was presented to the board last month.
 - All incidents were reviewed and investigated.

Agenda Item V: CEO Report

- Dashboard
 - HNST is performing well on all incentive measures.
- HSNT Updates:
 - 92% answer rate for incoming calls
 - 84% of public reviews were 5 stars in 2023 so far.

- HSNT’s collaboration with Our Daily Bread
 - 89 nurse visits

Agenda Item VI: Committee Reports

- **Finance Committee – Lee Brown Reporting**

- Meeting Report
 - June 2023 Financial Report
 - Anticipating upcoming personnel expense impacts:
 - Adding 2 pediatric providers in October.
 - FP provider joining in August.
 - HSNT’s relationship with Wells Fargo is continuing to develop.
 - HSNT will move forward with opening a hybrid account.
- HSNT 2022 Independent Audit Report
 - HSNT received a clean, unmodified opinion.
 - Corrective action is already in place for the two findings.

The Finance Committee recommends the approval of the 2022 Independent Audit Report to the Governing Board.

Motion Passed Unanimously.

- IRS Form 990
 - The board will review the 990 and vote on approval next month.

- **Quality Committee – Melissa Winans Reporting**

- Meeting Report
 - HSNT is meeting the hypertension metric for the first time.
 - HSNT received a full reaccreditation of PCMH status.
 - An educational resource has been identified for diabetic patient education.
- Use of Medical Chaperone Policy
 - This is a new policy that formalizes a standard practice.
 - This policy provides protection for staff and patients.

The Quality Committee recommends the approval of the Use of Medical Chaperone Policy to the Governing Board.

Motion Passed Unanimously.

- 2023 Risk Management Plan
 - The Risk Management Plan must be reviewed every two years.
 - This update contains minor updates on language, formatting, and reporting.
 - This update also includes new OB training requirements.

The Quality Committee recommends the approval of the Risk Management Plan to the Governing Board.

Motion Passed Unanimously.

- Change in Scope
 - This change would remove afterhours coverage from the contracts column.
 - It will now only be in the direct care column.

The Quality Committee recommends the approval of the Change in Scope to the Governing Board.

Motion Passed Unanimously.

- **Strategic Planning Committee – Sara Schroeder Reporting**
 - Meeting Report
 - Strategic Planning Sessions
 - Thank you for participating in the strategic planning session.
 - The results will be reviewed following the HRSA site visit.
 - Facility Update
 - The demolition of 4308 Mesa Dr. is underway.
 - Anticipated completion is in October 2023.
- **Personnel Committee – James Henderson Reporting**
 - Personnel Report
 - Denton Pediatric Team
 - New pediatric providers will join in October 2023.
 - HSNT is looking forward to learning from the providers and their team.
 - HSNT Org Chart
 - This update includes a revamp of the format and clarity on names, etc.

The Personnel Committee recommends the approval of the HSNT Org Chart to the Governing Board.

Motion Passed Unanimously.

Agenda Item VII: Old/New Business

- Old Business – none to report.
- New Business – none to report.

Agenda Item VIII: Executive Session

- No report this month.

Agenda Item IX: Important Dates

- HRSQA Site Visit – August 10th

- August Board Meeting – August 16th @ 6pm

Adjourned by Dale Tampke at 7:08pm.

Board Secretary Approval _____ **Date** _____

Board President Approval _____ **Date** _____



Finance Committee Meeting

Meeting Facilitator: Lee Brown
Meeting Date: July 18, 2023
Time: 7:30 a.m.
Location: HSNT HQ ZOOM

Attendees: Lee Brown and Eric Schwarz
Staff Present: Doreen Rue, Debra Layman, and Pam Barnes

Agenda Item I: 2022 Independent Audit Report - Steven Thummel, Partner Durbin & Co.

Steven presented HSNT's Fiscal Year 2022 Independent Single Audit report in detail to HSNT Finance Committee. The audit presentation includes a review of Assets and Liabilities. This review included a new GAAP process to record a right-of-use asset and liability for HSNT operating location rent leases with a net zero effect on the financials. A detailed review of HSNT revenue and expenses with a comparison to last year-2021 shows a 1.1 million increase in revenue and a million-dollar increase in expenses. Additional discussions included days in accounts receivable, days in cash, total operating margin, per visit analysis, FTE growth, and salary expense per medical visit analysis. The audit team issued a clean unmodified opinion on the financial statements and compliance for all major federal programs. HSNT did have a significant deficiency where eligibility documentation was not properly supported for 3 of the 80 patients tested. HSNT has been aware of this issue and notified the grantee immediately for technical assistance and a plan of corrective action was developed prior to the independent audit. HSNT included the corrective action plan to this finding which was completed on March 31, 2023.

Motion to recommend to the full board for approval: Eric Schwarz
Seconded: Lee Brown
Motion Passed: 2-0

Agenda Item II: Review and approve June 2023 Minutes

Motion to accept: Eric Schwarz
Seconded: Lee Brown
Motion Passed: 2-0

Agenda Item III: Review and approve June 2023 Financials

HSNT Finance Committee discussed strategic initiatives and hiring two pediatric providers with the intent to place them at 4308 Mesa when the renovation is complete. Additionally, the HSNT family

practice MD slated to start in April was delayed to a Start date in August. Family practice doctors will support our adult uninsured practice. Uninsured patients typically come into service with high acuity than insured patients and are managed more frequently. This is the focus of what our grant funding supports. HSNT is in a good financial position to add additional capacity for additional patient access.

Motion to accept: Eric Schwarz

Seconded: Lee Brown

Motion Passed: 2-0

Agenda Item IV: Discuss Wells Fargo Hybrid account options

Pam has been discussing with the Wells Fargo account team about what type of checking account would make the best use of the account balance. Wells Fargo offered a Hybrid account that earns interest to pay for banking fees and fraud products with the remaining interest debited as additional income for HSNT. HSNT can earn up to and over \$1,000 in interest monthly. The Finance Committee agrees to convert the current checking account to a Hybrid interest-earning account.

Agenda Item V: Adjournment

8:41 am adjourned

July minutes include notes on the financials and audit presentation.

Board Treasurer Approval: Lee Brown
Lee Brown, HSNT Board Treasurer

Health Services of North Texas, Inc.

Statement of Financial Position

As of 7/31/2023

	<u>Current Period</u>	<u>Last Month</u>	<u>Beginning Year Balance</u>	<u>YTD Change</u>	<u>YTD % Change</u>
ASSETS					
Current Assets					
Operating Cash	4,803,803.69	4,680,839.72	4,187,381.60	616,422.09	14.72
Other Current Assets					
Medical Receivable	354,861.28	345,303.62	358,117.42	(3,256.14)	(0.91)
340B Receivable	899,623.81	829,877.71	909,126.96	(9,503.15)	(1.05)
Grant Receivable	784,991.79	627,953.57	764,607.78	20,384.01	2.67
Prepaid Expenses	75,466.19	73,070.99	75,745.46	(279.27)	(0.37)
Deposits	5,929.25	5,929.25	5,929.25	0.00	0.00
Total Other Current Assets	2,120,872.32	1,882,135.14	2,113,526.87	7,345.45	0.35
Short Term Investments					
Investment CDs	568,737.63	568,737.63	568,737.63	0.00	0.00
Long Term Assets					
Fixed Assets					
Medical Equipment	47,918.43	47,918.43	47,918.43	0.00	0.00
Building Improvements	92,664.56	92,664.56	92,664.56	0.00	0.00
4308 Mesa Denton Office	386,138.20	383,699.20	378,026.16	8,112.04	2.15
4304 Mesa Medical Center	2,343,074.40	2,343,074.40	2,341,473.60	1,600.80	0.07
Software Applications	15,240.00	15,240.00	15,240.00	0.00	0.00
Telephone Systems	95,499.55	95,499.55	95,499.55	0.00	0.00
IT Equipment	137,018.65	137,018.65	137,018.65	0.00	0.00
Vehicles	102,255.00	102,255.00	102,255.00	0.00	0.00
4304 Land	257,000.00	257,000.00	257,000.00	0.00	0.00
Accumulated Depreciation	<u>(846,138.48)</u>	<u>(837,275.08)</u>	<u>(775,195.85)</u>	<u>(70,942.63)</u>	<u>9.15</u>
Total Fixed Assets	<u>2,630,670.31</u>	<u>2,637,094.71</u>	<u>2,691,900.10</u>	<u>(61,229.79)</u>	<u>(2.27)</u>
Total Long Term Assets	<u>2,630,670.31</u>	<u>2,637,094.71</u>	<u>2,691,900.10</u>	<u>(61,229.79)</u>	<u>(2.27)</u>
Total ASSETS	<u>10,124,083.95</u>	<u>9,768,807.20</u>	<u>9,561,546.20</u>	<u>562,537.75</u>	<u>5.88</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	365,748.97	348,932.89	539,208.73	(173,459.76)	(32.17)
Accrued Payroll	768,250.39	736,199.39	916,638.39	(148,388.00)	(16.19)
Accrued Retirement	161,662.66	148,771.34	184,027.47	(22,364.81)	(12.15)
Payroll Liabilities	(23,004.34)	(15,137.39)	(7,632.96)	(15,371.38)	201.38
Other Current Liabilities	68,685.17	69,640.58	42,347.00	26,338.17	62.20
Total Current Liabilities	1,341,342.85	1,288,406.81	1,674,588.63	(333,245.78)	(19.90)
Long Term Liabilities					
Capital Loan	1,189,084.24	1,197,802.13	1,244,872.23	(55,787.99)	(4.48)
Total LIABILITIES	<u>2,530,427.09</u>	<u>2,486,208.94</u>	<u>2,919,460.86</u>	<u>(389,033.77)</u>	<u>(13.33)</u>
NET ASSETS					
Fund Balances					
Net Assets at Beginning of Year	6,642,085.34	6,642,085.34	6,642,085.34	0.00	0.00
Current Net Assets(Liabilities)	951,571.52	640,512.92	0.00	951,571.52	100.00
Total Fund Balances	7,593,656.86	7,282,598.26	6,642,085.34	951,571.52	14.33
Total NET ASSETS	7,593,656.86	7,282,598.26	6,642,085.34	951,571.52	14.33
TOTAL LIABILITIES & NET ASSETS	<u>10,124,083.95</u>	<u>9,768,807.20</u>	<u>9,561,546.20</u>	<u>562,537.75</u>	<u>5.88</u>

Health Services of North Texas, Inc.
Statement of Operations
From 7/1/2023 Through 7/31/2023

	Current Month	Last Month (06/01/2023 - 06/30/2023)	Current YTD	Prior YTD	FY2023 Budget	YTD Difference	% Budget
Patient Revenue							
Net Patient Rev	1,568,727.98	2,907,262.66	16,182,656.60	15,429,171.55	33,217,728.00	753,485.05	(48.71)%
Uncollectible	(235,910.58)	(1,791,383.00)	(7,801,743.23)	(7,254,868.65)	(14,824,008.00)	(546,874.58)	(52.62)%
Total Patient Revenue	1,332,817.40	1,115,879.66	8,380,913.37	8,174,302.90	18,393,720.00	206,610.47	(45.56)%
Other Revenue							
Grants	454,756.77	375,545.92	3,577,840.58	3,104,144.74	5,623,636.00	473,695.84	(63.62)%
Other	37,626.18	98,017.31	456,863.52	491,762.78	944,822.00	(34,899.26)	(48.35)%
Total Other Revenue	492,382.95	473,563.23	4,034,704.10	3,595,907.52	6,568,458.00	438,796.58	(61.43)%
TOTAL Revenue	1,825,200.35	1,589,442.89	12,415,617.47	11,770,210.42	24,962,178.00	645,407.05	(49.73)%
Expenses							
Personnel	769,543.23	764,318.61	5,662,563.10	5,056,934.42	12,793,949.00	605,628.68	44.25%
Medical Services	394,055.77	376,315.04	3,027,729.45	2,931,283.26	6,181,495.00	96,446.19	48.98%
Patient Care	45,351.53	46,230.93	317,380.10	334,272.17	557,425.00	(16,892.07)	56.93%
IT	83,861.40	94,932.50	713,213.90	621,298.06	1,343,260.00	91,915.84	53.09%
MarComm	14,818.65	17,671.05	212,969.71	119,208.53	442,408.00	93,761.18	48.13%
Occupancy	41,452.93	43,354.19	322,407.44	323,218.34	565,536.00	(810.90)	57.00%
Operating Costs	165,058.24	148,012.81	1,207,782.25	1,186,048.22	2,914,357.00	21,734.03	41.44%
Total Expenses	1,514,141.75	1,490,835.13	11,464,045.95	10,572,263.00	24,798,430.00	891,782.95	46.23%
Operating Income(Loss)	311,058.60	98,607.76	951,571.52	1,197,947.42	163,748.00	(246,375.90)	(581.11)%
Capital Activity							
Capital Income	0.00	0.00	0.00	29,481.66	0.00	(29,481.66)	0.00%
Total Capital Activity	0.00	0.00	0.00	29,481.66	0.00	(29,481.66)	0.00%
Capital Assets	0.00	0.00	0.00	29,481.66	0.00	(29,481.66)	0.00%
Net Assets	311,058.60	98,607.76	951,571.52	1,227,429.08	163,748.00	(275,857.56)	(581.11)%

Health Services of North Texas, Inc.
Statement of Cash Flows
As of 7/31/2023

	<u>Current Period</u>	<u>Current Year</u>	<u>Prior Year YTD</u>
Cash Flows from Operating Activities			
Medicaid	829,293.45	4,787,564.65	4,095,161.10
Medicare	10,097.21	130,438.32	172,204.09
Private/Commercial	100,300.20	403,229.86	274,839.00
Self Pay	36,849.02	351,129.90	454,579.28
Program Income	346,719.86	2,711,806.78	2,906,378.23
Grants	227,972.45	3,566,959.72	3,025,335.59
Receipts from Contributors	37,626.18	456,863.52	491,762.78
Payments to Employees & Suppliers	<u>(1,457,536.38)</u>	<u>(11,677,326.43)</u>	<u>(10,913,609.11)</u>
Total Cash Flows from Operating Activities	<u>131,321.99</u>	<u>730,666.32</u>	<u>506,650.96</u>
Cash Flows from Capital Activities			
Capital Activity/Disposal of Assets	(2,439.00)	(9,712.84)	0.00
Capital Loan	<u>(13,661.78)</u>	<u>(95,632.46)</u>	<u>(65,851.45)</u>
Total Cash Flows from Capital Activities	<u>(16,100.78)</u>	<u>(105,345.30)</u>	<u>(65,851.45)</u>
Change in Medical Liability			
Change in Patient Refunds	<u>0.00</u>	<u>(1,357.93)</u>	<u>(220,567.74)</u>
Total Change in Medical Liability	<u>0.00</u>	<u>(1,357.93)</u>	<u>(220,567.74)</u>
Beginning Cash & Cash Equivalents	<u>5,214,566.79</u>	<u>4,705,824.91</u>	<u>2,472,037.04</u>
Ending Cash & Cash Equivalents	<u><u>5,329,788.00</u></u>	<u><u>5,329,788.00</u></u>	<u><u>2,692,268.81</u></u>

Health Services of North Texas, Inc.
Financial Ratios
July 2023

	FY2023 Goals	Fiscal Year To Date 2023	Fiscal Year End 2022
Quick Ratio Current Assets/Current Liabilities	4:1	5.53 : 1	4.02 : 1
Debt/Equity Total Liabilities/Total Net Assets	50.0%	33.3%	44.0%
Working Capital to Expense Ratio CA/CL divided by Expense/# month in Period	3 : 1	3.76: 1	3.27: 1
Long Term Debt to Equity Ratio	25%	15.7%	18.4%
Percentage of Admin & Fundraising <i>included estimate of new accounting standard</i>	25.0%	9.6%	13.2%
Number of Days - Cash	67	100	90
Number of Days - Liquidity	180	138	132
Accounts Receivable Days (Medical AR Collection Period)	50	13	23
Change In Net Assets to Expense (Net Assets/Total Expense)	3.0%	8.3%	7.4%
Operating Margin (Change in Net Assets/Total Revenue)	0.5%	7.7%	6.3%
Cash Flow	1.5%	13.0%	20.6%
			FY2022
Cost per Employee this month		\$ 5,175.94	\$4,915.28
Cost per Employee R12		\$ 66,629.85	\$64,811.83
Average Hourly Rate R12		\$ 33.51	\$33.32
Cost Per Medical Encounter *50,801		\$ 315.95	\$307.48
Cost Per Medical Patient *17,024		\$ 1,192.56	\$1,110.41
Federal Cost Per Medical Patient		\$ 88.65	\$82.45



Governing Board Quality Committee Minutes

July 19, 2023

Present: Melissa Winans, Belinda Hernandez, Dr. Kimberly Middleton, Judge Chance Oliver

Absent:

Staff: Debra Layman, Doreen Rue, Dr. S. Paul Starr

Quorum met.

Called to order: 5:04pm

I. Roll Call and Acceptance of the Consent Agenda

- June 2023 Minutes
 - Staff Quality Meeting
 - Governing Board Quality Meeting
- Patient Satisfaction
- Quality Dashboards

Consent Agenda Approved

II. HRSA Site Visit Update

- HSNT met with the clinical site visitor from HRSA.
- Based on recommendations from that meeting, HSNT will update our Form 5A, scope of care.
 - After Hours coverage will be removed from the contracts column.
 1. HSNT uses an answering service for afterhours calls, however HSNT providers handle any clinical advise or assessments.

III. Quarterly Compliance Report

- Q2 2023 Report
- The committee and board were informed of the self-reported HIPAA incident last month.
- No sentinel events.
- Cybersecurity
 - 16 staff members clicked on the test email link.
 - All 16 completed the cybersecurity refresher course.

IV. Use of Medical Chaperone Policy



- This is a new policy intended to mitigate risk.
- There has been some inconsistency in the use of medical chaperones in clinics.
- This policy will standardize the practice across the organization.
- A patient may decline a chaperone if they prefer.
- Parents of pediatric patients may serve as the chaperones for their children.
- The committee will recommend to the board for approval.

V. Risk Management Plan

- This plan must be reviewed and updated every two years.
- This update contains minor updates.
 - Formatting and language
 - Additional detail in claims reporting
 - Formalized language in monitoring and continuous improvement.
- Plan attachments:
 - Risk assessment tool and training guide
 1. The training guide has been updated to include new OB training requirements.
- The committee will recommend to the board for approval.

VI. Change in Scope

- This is an update to HSNT's form 5A, removing After Hours Coverage from the contracts column.
- The committee will recommend to the board for approval.

VII. Value Based Care Readiness

- Quality Updates
 - Quality Incentives
 1. Superior: \$63,063.11
 2. Amerigroup: \$237,643.00
 3. Centene: \$54,864.29
 - Quality Measures
 1. HSNT is meeting the controlling high blood pressure metric for the first time in HSNT's history.
 - HSNT received a full PCMH reaccreditation.
 - Diabetic Education
 1. HSNT has identified a resource for patient education classes.
 2. The classes will be held at Serve Denton in August and will be conducted in English and Spanish.
- CIN Update



- The CIN is now legally formed, and participation agreements were sent to health centers.
- HSNT staff have completed the training on membership and reporting.
- HSNT was invited to participate as a tier 1 health center.
- HSNT will move forward with joining the CIN.
- Dr. Starr is officially moving into the Medical Director role.

VIII. Reports to the Board

- Medical Chaperone Policy
- Risk Management Plan
- Change in Scope

Adjourned: 5:40pm



Governing Board Strategic Planning and Personnel Joint Session Minutes

July 19, 2023

Attendees: James Henderson, Sara Schroeder, Makinzie Heard

Absent: Sadaf Haq, Magdaline Ewoko

Staff: Doreen Rue

Quorum Met

Meeting Called to Order at: 2:00pm

Strategic Planning Committee

I. HRSA Site Visit Update

- The cultivation call phase has been completed.
- Document upload will be completed next week.
- Board members will meet with the Governance/Administrative reviewed during the VSV.
- The strategic plan and its role in the determination of HSNT's budget are likely to be addressed during the site visit.

II. Strategic Planning 2024

- Strategic Planning Sessions Recap
 - i. Feedback on Strategic Planning Sessions
 - The collaborative ideas, feedback, and sharing were highlights of the day.
 - The environmental/global overview was helpful in setting the context of the planning session.
 - It was beneficial to be together in person and work as a team.
 - ii. Doreen will summarize board and staff input and look at similarities, differences, etc.
- The 2024 strategic planning process may need more time to complete.
 - i. It is important to have the detail and analysis ready to create a substantial plan.
 - ii. This project should not be rushed to ensure it will be effective.

- The committee will finalize the timeline in the next two months.
- HRSA feedback may need to be incorporated into the new plan as well.

III. Facility Project Updates

- 4308 Mesa Drive
 - i. Demo is underway and should be completed this week.
 - ii. The new pediatric providers will be in this space in October.
- Serve Lewisville Phase One
 - i. The ribbon cutting is tomorrow.
 - ii. A mock-up of phase two will be on display at the event.
- HSNT Plano
 - i. This location is having A/C difficulties.
 - ii. Building management is working on replacing the entire system.
 - iii. The clinic was closed for two days due to excessive temperatures.
 - iv. HSNT will continue to monitor the situation to determine if this location will continue to be viable.

IV. Reports to the Board

- Strategic Planning Sessions
- Facilities Updates

Personnel Committee

I. Denton Pediatric Team Update

- The team met today to discuss the transition.
- Patient Transition
 - i. Dr. Shulman expects to see a significant portion of patients transfer to HSNT.
 - ii. Dr. Bhangoo does not anticipate many patients to transfer over.
- HSNT plans to use BEST principles to bring in both providers to learn best practices and incorporate HSNT requirements, etc.
 - i. The goal is to incorporate the best of both systems for the benefit of our patients.
 - ii. It is important that HSNT's team and incoming staff are working together to find solutions for this transition.
- HSNT has a contract with Dr. Shulman and offer letters will be sent to his staff next week.
- Quinton with Eon will be evaluating IT needs, Pam will learn about their revenue management, Debra will focus on workflows, etc.

- HSNT is managing this transition as one project.

II. HSNT Org Chart

- This is a new layout to the org chart.
- HSNT will look at revamping some reporting structures once Dr. Starr transitions into the permanent medical director.
 - i. Once Dr. Thippeswamy joins HSNT he can take on some of Dr. Starr's more complex cases to allow Dr. Starr to focus more on supervision.
- HSNT Incubator Project positions are included as well.
- The committee will recommend approval of the org chart.

III. Reports to the Board

- Denton Pediatric Team
- Org Chart

Adjourned: 2:50pm

Grants & MarCom Monthly Report August 2023

Keeping HSNT Top of Mind & Building Relationships

- Back to school season afforded HSNT many opportunities to connect with families, teachers, school nurses and social workers in Denton, Lewisville, Plano and Wylie.
- HSNT presented our Ending the HIV Epidemic strategy and success to Dallas County and other EHE recipients at the August retreat giving us the opportunity to further strengthen and elevate the HSNT brand.



336
NEW PATIENTS
in July

132 (39%)
of these are
Pediatric Patients

34 Newborns

Digital Marketing, Website and Social Media

- HSNT had a 2% increase in website traffic month over month with 9,989 US visitors in July.
- Google Ad Grant (free advertising!) for July was \$8,338 with 992 clicks to the website.
- Ending the HIV Epidemic website had 1,023 visitors during the month of July with 27 people coming in for the FREE HIV Screenings of the 152 people that completed the anonymous RSVP form, 18%. This is a really good number.
- We continue to see that TikTok affords us the greatest opportunity for social media reach. Did you know that HSNT uses [TikTok](#) as our health education channel? Encouraging young people to make healthy choices is an important part of HSNT's Vision of A Healthy Community.



Up Next & Key Campaigns

- [Cross Timber Rotary- Buck-A-Duck and Duck Derby](#)- Join the race today!
- Denton Pediatric Expansion messaging
- North Texas Giving Day- September 21st
- Ending the HIV Epidemic Campaign
- Pediatrics in Wylie and Plano

Key Grant Metrics

Patient Feedback

Without question one of the most efficient medical offices I've ever been to. I filled out a request for an appointment, they called early the following morning and I was in the office that day before noon. They were ready to see me even before I finished filling out the paperwork. Administration was thorough, medical support was thorough, and my provider was skilled and attentive. Absolutely the best medical experience I've had.

Grants awarded since July Board meeting- \$86,677 value

BNSF Railway- Denton Pediatrics	\$2,000
Broadway Cares Equity Fights AIDS- HIV/AIDS Behavioral Health Program	\$5,000
Walmart 6078 Wylie- WCMC Pediatrics	\$1,000
DIFFA Dallas- HIV/AIDS Behavioral Health	\$10,000
Lightner Sams Foundation- Plano Pediatrics	\$8,000
Baylor Scott & White Heart Hospital Denton- Denton County Medical	\$5,000
Baylor Scott & White Heart Hospital Plano- Collin County Medical	\$5,000
Denton County- Denton County Medical	\$50,6773

7 Grant Proposals in Process
\$267,496 in Value

10 Grant Proposals Awaiting Decision
\$1,073,322 in Value

Grant Proposals/Submissions for Board Approval

Flow Healthcare Foundation	\$10,000	Women's Clinical Services	July
Perot Foundation	\$55,000	IT equipment	July
Denton Benefit League	\$10,000	Denton medical equipment	August
Baylor Scott & White Centennial	\$5,000	Plano medical program	August

HSNT has submitted 34 grant proposals, 4 to new funder so far in 2023

Project Final Report

Date of Report: _____ **Date Project Completed:** _____

Organization: _____

Purpose of Grant:

Total Project Cost: _____ **Amount of CCF Grant:** _____

Please describe your progress towards reaching the goal(s) of your project and provide an explanation for any variance from your expected progress.

(Please use additional pages as needed in order to provide a detailed report.)

Current Status:

Explanation of Variance:

In addition to progress towards your stated goals, we are interested in your responses to the following questions.

1. Are there any special, positive outcomes from your grant that were unforeseen?

2. Did you encounter unexpected difficulties? Please explain.

3. Please identify other sources of support for your project.

4. What could we have done to make working with the CoServ Charitable Foundation easier for you?

Project Leader Signature

Board Member Signature

Date

Date

Submit completed form to:

ccf@coserv.com or

CoServ Charitable Foundation
7701 S. Stemmons, Corinth, TX 76210



CoServ Charitable Foundation – 2023 Final Report

Progress on program goals is below. Health Services of North Texas (HSNT) is proud to report that we exceeded our projected outcomes for diabetes, hypertension, patient satisfaction, and the number of patients served.

- 1) **Goal:** By the end of the grant period, HSNT will provide quality, affordable primary healthcare to 10,800 Denton County residents
Result: 10,875

- 2) **Goal:** By the end of the grant period, 63% of diabetic adult patients will have a HbA1c level less than or equal to 9
Result: 67%

- 3) **Goal:** By the end of the grant period, 60% of hypertensive adult patients will have a blood pressure measurement of < 140/90 mmHg
Result: 63%

- 1) **Goal:** By the end of the grant period, 97% of patients who complete the Patient Satisfaction Survey will report that they would recommend HSNT to someone they know
Result: 98%

Below are several comments from patients served by this grant:

“The doctor treated me immediately and I’m so grateful she helped me. I didn’t think I could get quality healthcare. She was very kind and personable and addressed my concerns directly.”

“This was my first visit with Tami Barton, FNP. She made sure all of my health concerns were met. She made me feel so comfortable about all of my health issues, and she made sure to do a thorough check-up considering this was my first one in years. She also spent time explaining and discussing any concerns I may have had with my health and medications. Tami was awesome, along with the rest of the staff members at HSNT!! Thank you!”

“Everyone was so professional and kind. The doctor actually sat there and spoke to me. I felt very comfortable and left there relieved that I was able to afford the appointment, get labs done in the same facility, and get the prescriptions I needed. Thank you so much!”

Serve Lewisville

Phase 1 of this project is officially open to the community. The grand opening of Phase 1 was well attended with 240 people turning out. HSNT had representation from the board and staff, 10 people. The community is engaged in this project as well as several key stakeholders. It was a treat to hear about the history of the building (former DATCU branch) and the current vision for the property. The schematic for HSNT’s health center was on display and we were able to talk about our work and future services at Serve Lewisville.



National Health Center Week (NHCW)

This annual event was held August 6th -12th and to kickoff the event HSNT attended the August 1, 2023, meeting of the Denton City Council Meeting where Mayor Hudspeth presented a proclamation to recognize HSNT for the work and impact our health centers have on the community. In addition to back-to-school events in Denton, Plano, Wylie, Lewisville, and Frisco, we participated in several themed events during the week to recognize the reach and impact of our work. Events like volunteering at Our Daily Bread to prepare and serve lunch, greet guests, and sort donations, the mayor’s NHCW proclamation presented to the staff over a lunchtime celebration of pizza and health center bingo, and staff appreciation.



HRSA Operational Site Visit (OSV)

Our consistent work and attention to detail resulted in a successful site visit. There were 3 elements that need our attention:

1. HSNT Bylaws read board size as 9-17. HRSA wants wording to be 9-25 to match the statute. Also, more Hispanic consumer members to reflect our patient population.
2. Documentation is needed of the process to validate nominal fee as affordable from the patient perspective.
3. Two contracts related to the sliding fee for services need to be updated.

Chief Executive Officer Report

Once we receive the final report from HRSA we have 14 days to resolve the findings. We anticipate correcting all but may need more time to recruit the needed consumer board members.

The HRSA representative and site visit consultants had helpful feedback for our team and recognized our effort and focus on compliance. We will incorporate their feedback in our continuous improvement plans. The exit conference tracking tool is attached to this report.

Information and Follow up

- HRSA published the 2022 Uniform Data System (UDS) Report. We now have access to Texas and National data for comparison and to benchmark HSNT on clinical and operational metrics.
- HSNT teams are working with Dr. Schulman in preparation for their transition to HSNT in October. All of his team members have accepted employment offers for an October 2, 2023, start date. Dr. Schulman attended the 8/1 City Council Meeting when the proclamation was presented to HSNT.
- Samantha Eubanks, Certified Nurse Midwife, is scheduled to start in November 2023.
- Our 2 summer interns completed their course hours. We have not had student interns since before COVID. They had a positive experience as did HSNT.
- The United Way of Denton County workplace campaign kickoff is scheduled for August 21st.

Respectfully Submitted,

Doreen Rue

Chief Executive Officer

Health Center Program Site Visit Protocol: Operational Site Visit Exit Conference Tracking Resource

Last Updated: April 13, 2023

NOTE: This resource complements the [Site Visit Protocol \(SVP\)](#), which is the primary tool for assessing compliance with Health Center Program requirements during Operational Site Visits (OSVs). Refer to the [Health Center Program Compliance Manual](#) as the principal resource to assist health centers in understanding and demonstrating compliance with Health Center Program requirements and the SVP for complete guidance on OSVs.

Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
NEEDS ASSESSMENT			
G/A	a. Service Area Identification and Annual Review		
	b. Update of Needs Assessment		
REQUIRED AND ADDITIONAL HEALTH SERVICES			
C	a. Providing and Documenting Services within Scope of Project		
	b. Ensuring Access for Limited English Proficient Patients		
	c. Providing Culturally Appropriate Care		
CLINICAL STAFFING			
C	a. Staffing to Provide Scope of Services		
	b. Staffing to Ensure Reasonable Patient Access		
	c. Procedures for Review of Credentials		
	d. Procedures for Review of Privileges		
	e. Credentialing and Privileging Records		
	f. Credentialing and Privileging of Contracted or Referral Providers		

Primary Reviewer: C = Clinical; F = Fiscal; G/A = Governance/Admin

* NOT assessed for look-alikes

**For look-alikes, only assessed for look-alikes with a parent, affiliate, or subsidiary that is not a state, local government, or Indian tribe

Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
ACCESSIBLE LOCATIONS AND HOURS OF OPERATION			
G/A	a. Accessible Service Sites		
	b. Accessible Hours of Operation		
	c. Accurate Documentation of Sites within Scope of Project		
COVERAGE FOR MEDICAL EMERGENCIES DURING AND AFTER HOURS			
C	a. Clinical Capacity for Responding to Emergencies During Hours of Operation		
	b. Procedures for Responding to Emergencies During Hours of Operation		
	c. Procedures or Arrangements for After-Hours Coverage		
	d. After-Hours Call Documentation		
CONTINUITY OF CARE AND HOSPITAL ADMITTING			
C	a. Documentation of Hospital Admitting Privileges or Arrangements		
	b. Procedures for Hospitalized Patients		
	c. Post-Hospitalization Tracking and Follow-up		

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Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
SLIDING FEE DISCOUNT PROGRAM			
F	a. Applicability to In-Scope Services		
	b. Sliding Fee Discount Program Policies		
	c. Sliding Fee for Column I Services		
	d. Multiple Sliding Fee Discount Schedules		
	e. Incorporation of Current Federal Poverty Guidelines		
	f. Procedures for Assessing Income and Family Size		
	g. Assessing and Documenting Income and Family Size		
	h. Informing Patients of Sliding Fee Discounts		
	i. Sliding Fee for Column II Services		
	j. Sliding Fee for Column III Services		
	k. Applicability to Patients with Third-Party Coverage		
l. Evaluation of the Sliding Fee Discount Program			

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Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
QUALITY IMPROVEMENT/ASSURANCE			
C	a. QI/QA Program Policies		
	b. Designee to Oversee QI/QA Program		
	c. QI/QA Procedures or Processes		
	d. Quarterly Assessments of Clinician Care		
	e. Retrievable Health Records		
	f. Confidentiality of Patient Information		
KEY MANAGEMENT STAFF			
G/A	a. Composition and Functions of Key Management Staff		
	b. <i>Documentation for Key Management Staff Positions</i>	<i>Not Assessed Onsite</i>	
	c. Process for Filling Key Management Vacancies		
	d. CEO Responsibilities		
	e. HRSA Approval for Project Director/CEO Changes		

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Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
CONTRACTS AND SUBAWARDS			
F (G/A for Element i)	a. Procurement Procedures		
	b. Records of Procurement Actions		
	c. Retention of Final Contracts*		
	d. Contractor Reporting		
	e. HRSA Approval for Contracting Substantive Programmatic Work		
	f. Required Contract Provisions		
	g. HRSA Approval to Subaward*		
	h. Subaward Agreement*		
	i. Subrecipient Monitoring*		
	j. Retention of Subaward Agreements and Records*		
CONFLICT OF INTEREST			
G/A	a. Standards of Conduct*		
	b. Standards for Organizational Conflicts of Interest		
	c. Dissemination of Standards of Conduct**		
	d. Adherence to Standards of Conduct**		

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Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
COLLABORATIVE RELATIONSHIPS			
G/A	a. Coordination and Integration of Activities		
	b. Collaboration with Other Primary Care Providers		
	c. <i>Expansion of HRSA-Approved Scope of Project</i>	<i>Not Assessed Onsite</i>	
FINANCIAL MANAGEMENT AND ACCOUNTING SYSTEMS			
F	a. Financial Management and Internal Control Systems		
	b. Documenting Use of Federal Funds*		
	c. Drawdown, Disbursement and Expenditure Procedures*		
	d. Submitting Audits and Responding to Findings		
	e. Documenting Use of Non-Grant Funds		

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Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
BILLING AND COLLECTIONS			
F	a. Fee Schedule for In-Scope Services		
	b. Basis for Fee Schedule		
	c. Participation in Insurance Programs		
	d. Systems and Procedures		
	e. Procedures for Additional Billing or Payment Options		
	f. Timely and Accurate Third-Party Billing		
	g. Accurate Patient Billing		
	h. Policies or Procedures for Waiving or Reducing Fees		
	i. Billing for Supplies or Equipment		
	j. Refusal to Pay Policy		
BUDGET			
F	a. Annual Budgeting for Scope of Project		
	b. Revenue Sources	Not Assessed Onsite	
	c. Allocation of Federal and Non-Federal Funds	Not Assessed Onsite	
	d. Other Lines of Business		
PROGRAM MONITORING AND DATA REPORTING SYSTEMS			
F	a. Collecting and Organizing Data		
	b. Data-Based Reports		

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Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
BOARD AUTHORITY			
G/A	a. Maintenance of Board Authority Over Health Center Project		
	b. Required Authorities and Responsibilities		
	c. Exercising Required Authorities and Responsibilities		
	d. Adopting, Evaluating, and Updating Health Center Policies		
	e. Adopting, Evaluating, and Updating Financial and Personnel Policies		
BOARD COMPOSITION			
G/A	a. Board Member Selection and Removal Process		
	b. Required Board Composition		
	c. Current Board Composition		
	d. Prohibited Board Members		
	e. <i>Waiver Requests</i>	<i>Not Assessed Onsite</i>	
	f. Utilization of Special Population Input		

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Primary Reviewer	Demonstrating Compliance Elements	Compliance Demonstrated? (Yes/No/NA)	Notes
FEDERAL TORT CLAIMS ACT (FTCA) DEEMING REQUIREMENTS***			
C	Risk Management		
	a.	Risk Management Program	
	b.	Risk Management Procedures	
	c.	Reports on Risk Management Activities	
	d.	Risk Management Training Plan	
	e.	Individual who Oversees Risk Management	
	Claims Management		
	a.	Claims Management Process	
	b.	Claims Activities Point-of-Contact	
	c.	Informing Patients of FTCA Deemed Status	
d.	History of Claims: Cooperation and Mitigation		
ELIGIBILITY REQUIREMENTS FOR LOOK-ALIKE INITIAL DESIGNATION APPLICANTS			
G/A	Primary Care Operational Status of Look-Alike Applicant Organization		
	Ownership and Control of Look-Alike Applicant Organization		

*** These observations will not be used for the purposes of assessing compliance with Health Center Program requirements.

Primary Reviewer: C = Clinical; F = Fiscal; G/A = Governance/Admin

* NOT assessed for look-alikes

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Bylaws of Health Services of North Texas, Inc.

Health Services of North Texas, Inc., hereinafter referred to as HSNT, an existing Corporation incorporated under the laws of the State of Texas, pursuant to the provisions of the Texas Nonprofit Corporation Act, adopts the following By-Laws for such Corporation, and these restated By-Laws are to supersede all existing By-Laws and amendments thereto:

ARTICLE I – PURPOSES

Section 1.1 Mission and Purpose

Mission: Improving the quality of life for all North Texans through medical care, support services and advocacy.

The purpose of Health Services of North Texas, Inc. is to provide comprehensive, coordinated primary health care services that may include: assisting residents in accessing existing health care services in the community, including medical, behavioral, pharmaceutical, and dental care; individual patient education and advocacy; facilitating coordination of health-related providers and services in the community to improve their accessibility and effectiveness; working toward eliminating health care disparities; and reducing the economic burden of health care for low-income, underserved and uninsured residents in the community. The organization will seek to provide these community-based primary care services in an effective, efficient, dignified and personal manner regardless of the patient's ability to pay.

ARTICLE II – BOARD of DIRECTORS

Section 2.1 General Powers

All corporate powers shall be exercised by or under the authority of the Governing Board of Directors. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors formed in accordance with the federal rules for governance of federally funded community health centers as set forth in CFR Title 42 Section 51c. The Board of Directors shall be specifically responsible for:

1. Developing, adopting, and periodically updating the Corporation's personnel policies, including selection and dismissal policies, salary and benefit scales, employee grievance policies, and equal opportunity practices;
2. Developing, adopting, and periodically updating the Corporation's policies for financial management practices, including a system to assure accountability for corporate resources and solvency, and long-range financial planning;
3. Developing, adopting, and periodically updating the Corporation's health care policies, including scope and availability of services, location and hours of services, and quality of care audit policies;
4. Approving the annual project budget and related operational and capital budgets, major capital expenditures, fiscal priorities, and determining eligibility for services, including the criteria for partial payment schedules;
5. Approving applications and mandated correspondence related to Section 330 funding;

6. The development of mechanisms that provide for a systematic review of the quantity and quality of the services provided, including service utilization patterns, productivity, patient satisfaction, and achievement of project objectives, and developing a process for hearing and resolving patient grievances;
7. Hiring, annually evaluating, and dismissing a full-time Chief Executive Officer (CEO) who is an employee of, and accountable to, the Board;
8. Evaluating the Corporation's achievements at least annually, and using the knowledge gained to revise its mission, goals, objectives, plans, and budgets as may be appropriate and necessary;
9. Periodically evaluating itself for compliance with all requirements imposed upon federally qualified health centers ("FQHCs") as set forth in Section 330 of the Public Health Service Act, 42 u.s.c. § 254b;
9. Assuring that the Corporation's activities are conducted in compliance with applicable federal, state, and local laws; and
10. Selecting an independent auditor and officially accepting the annual audit report.

Section 2.2 Number, Tenure, and Qualifications of Directors

The number of directors of the Corporation shall be no less than nine (9) and no more than ~~seventeen~~ twenty-five (1725). A majority (51%) of the Board members shall be individuals who are patients/consumers of the Corporation services, or whose dependent immediate family members are patients/consumers of the Corporation services. As a group, the consumer-member directors must reasonably represent the individuals served by the Corporation in terms of factors such as race, ethnicity, sex, age and economic status. Patient/Consumer members must receive at least one service that generates a health center visit within a 24 month period. A legal guardian of a user who is a dependent child or adult, or a legal sponsor of an immigrant, may also be considered a user. The remaining non-user directors shall be representative of the community served by the Corporation, and shall be selected for their expertise in health care delivery, community affairs, local government, finance and banking, legal affairs, trade unions, and other commercial and industrial concerns, or social service agencies within the community. No more than half of the non-consumer directors may earn more than ten percent (10%) of their annual income from the health care industry.

The directors shall be elected at the Annual Meeting of the Board of Directors of overlapping three-year terms and shall take office immediately upon election. No person may serve more than three consecutive three-year terms except if elected mid-year to fill a vacancy or after the absence from the Board of Directors of one year. Term limit for Board membership is three, 3 years terms or a total of 9 years or until removed in accordance with Section 2.4.

A health center Board member may not be an employee of the center, or spouse or child, parent, brother or sister by blood, marriage, or adoption of such an employee. Each director shall have one vote on any matter that comes before the Board.

Section 2.3 Conflict of Interest

Each director is required to fully disclose any business or professional activity or other interest that could form or have the appearance of forming the basis for a conflict of interest in their position on the Board of Directors on an annual basis. The Board of Directors shall consider such disclosures and take

appropriate actions, as required. Failure of a director to fully disclose as required under this Section 2.3 may, at the Board's discretion, be cause for immediate removal from office. In addition, the Board of Directors shall establish, adopt, and periodically update a written corporate policy that establishes procedures for disclosing and addressing conflicts of interest or the appearance of conflicts of interest by Board members, officers, employees, consultants, and/or agents who provide services or furnish goods to the Corporation, and for maintaining confidentiality of the Corporation's proprietary information.

Section 2.4 Removal of Directors

At a duly constituted regular or special meeting, a director who has missed three (3) consecutive meetings, without good cause, may be removed by resolution of the majority (51%) of directors. In addition, a director may be removed by a two-thirds (2/3) majority vote of the directors at a duly constituted meeting whenever the Board, in its judgment, believes the best interest of the Corporation will be served by the removal of a director. Likewise, the directors must acquire a two-thirds (2/3) majority vote present at a duly constituted meeting to remove the entire Board. Removal is effective only if it occurs at a meeting called for that purpose. Notice must be sent to all directors that the purpose of the meeting is removal of a director.

Section 2.5 Board of Director Vacancies

If a vacancy occurs on the Board of Directors, including a vacancy resulting from an increase in the number of directors, the directors may fill the vacancy at the earliest possible opportunity. The nomination of board members is the responsibility of the Personnel/Nominating Committee pursuant to Section 2.15.3 of these Bylaws. If the directors remaining in office constitute less than a quorum of the Board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office. A director may resign by submitting a written resignation which will be presented at the next regular Board meeting.

If a director resigns effective at a specific later date, the directors may fill the vacancy before the vacancy occurs, but the new director may not take office until the vacancy actually occurs. When the directors elect a director to fill a vacancy during the calendar year, the director's term expires at the next annual meeting at which directors are elected. At that time, the director may request reappointment to the Board for an initial term of three years.

Section 2.6 Ex-Officio Member of the Board

The Chief Executive Officer (CEO) of the Corporation shall serve as a non-voting ex-officio member of the Board.

Section 2.7 Regular Meetings of the Board of Directors

The Board of Directors shall hold regular monthly meetings at a date, time and place designated by the President of the Board of Directors. Notice of such regular monthly meetings shall be made by the Secretary of the Corporation, no less than 5 days prior to said meeting, by any one of the following means: mail, email, fax or telephone call. Minutes shall be maintained of all meetings of the Board of Directors, and of all committees thereof. Minutes shall include: (i) the names of the members of the

Board or committee who were present at such meeting; (ii) the names of those members who made and seconded any motion to approve an action of the Board or committee; (iii) all material terms of any contract, transaction or compensation arrangement that was approved and the date it was approved; (iv) the number of members who voted in favor and against approval of an action of the Board or committee or who abstained; and (v) the actions taken with respect to consideration of a contract or transaction in which one or more of the directors or committee members may be deemed to have a financial or personal interest in accordance with these By-Laws or the Corporation's Policy Regarding Conflicts of Interest. Minutes shall be prepared prior to the succeeding meeting of the Board or committee after which formal action with regard to an action is taken by the Board or committee. Such minutes shall be submitted for review and approval by the Board or committee as being accurate and complete at such immediately succeeding meeting of the Board or Committee and, following such approval, shall be signed by the Secretary, or the Secretary's designee, and retained in the Corporation as a permanent record.

Section 2.8 Special Meetings of the Governing Board of Directors

The President, or a majority of the directors then in office, may call and give notice of special meetings of the Governing Board of Directors. Special Board meetings may be held by conference telephone, or other electronic means of communication if convened in accordance with Section 2.9.

Section 2.9 Governing Board of Director Meetings by Conference Telephone or other Electronic Device

Board members, or members of any designated committee of the Board, may participate in a Board or committee meeting by means of a conference telephone or similar electronic communications equipment, provided all persons entitled to participate in the meeting received proper notice of the telephone meeting (see Section 2.10), and provided all persons participating in the meeting can hear each other at the same time. A director participating in a conference telephone meeting is deemed present in person at the meeting. The President of the meeting may establish reasonable rules as to conducting the meeting by phone.

Section 2.10 Notice of and Waiver of Notice for Special Director Meetings

1. Notice. The Corporation's Secretary shall give, or direct support staff to give, either oral or written notice of any special director meeting at least 2 days before the meeting. The notice shall include the meeting place, day and hour. If the meeting is to be held by conference telephone, or other electronic communication device (regardless of whether it is regular or special), the Secretary must provide instructions for participating in the telephone meeting.

Section 2.11 Director Quorum

A majority (51%) of the number of directors shall constitute a quorum for the transaction of business at any Board of Director meeting.

Section 2.12 Directors, Manner of Acting

1. Required Number to Constitute Act. Unless otherwise specified, the act of a majority of the directors present at a meeting at which a quorum is present (when the vote is taken) shall be the act of the Governing Board of Directors. If no quorum is present at a meeting of directors, the directors may not take action on any Board matter other than to adjourn the meeting to a later date.
2. Director Approval. The Corporation shall deem a director to have approved of an action taken if the director is present at a meeting of the Board unless:
 - a. The director objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting; or
 - b. The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
 - c. The director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 2.13 Conduct of Board of Director Meetings

The President, or in the President's absence, the Vice-President, or in their absence, any person chosen by the directors present shall call the meeting of the directors to order and shall act as the President of the meeting. The President, or the President's designee, shall establish rules of the meeting that will freely facilitate debate and decision making. The President will indicate who may speak when and when a vote will be taken. The Secretary of the Corporation shall act as the Secretary of all meetings of the directors, but in the Secretary's absence, the presiding officer may appoint any other person to act as the Secretary of the meeting.

Section 2.14 Executive Session

The Board of Directors may conduct all or any part of a meeting in executive session for such purposes as it deems necessary, including, but not limited to, discussion of litigation (actual or threatened), evaluation of personnel or discussion of personnel issues, or receipt of the results of an annual audit. The Board may invite the Chief Executive Officer and such other persons as it deems appropriate to attend an executive session. The public and staff personnel are excluded from Executive Sessions except when invited to give testimony or advice, after which they will be excused.

Section 2.15 Director Committees

The standing committees shall be the Executive Committee, Personnel/Nominating Committee, Finance Committee, Strategic Planning Committee and Quality Assurance/Quality Improvement Committee, and such other ad hoc committees as shall be established as by the Board of Directors from time to time.

Each committee shall meet at such time and place as it may determine and may act by a majority of those present at any meeting at which a quorum is present, a quorum being majority of the members selected to serve on each such committee.

Required Procedures. Sections 2.7, 2.8, 2.9, 2.10, 2.11, 2.12, 2.13 and 2.14 of this Article II, which govern meetings, notice and waiver of notice, quorum and voting requirements, conduct of the Board of Directors, and action without meetings apply to committees and their members. In addition, the committees shall keep regular minutes of their proceedings and report the same to the Board of Directors. The committees are subject to all the procedural rules governing the operation of the Board itself.

1. **Executive Committee** shall be comprised of the Board officers, the President, the Vice-President, the Secretary, the Treasurer and the immediate past-President (if he/she remains a current Board member). The Executive Committee shall convene as necessary and, under the direction of the full Board, shall act for the Corporation in all matters during the interim periods between meetings of the Board of Directors. Unless restricted by the Board of Directors, the Executive Committee shall, in case of an emergency, between meetings of the Board, have all the power and authority of the Board of Directors except that it shall not have the authority to approve the annual budget or to employ, evaluate or discharge the Chief Executive Officer. The Executive Committee will bring its decisions back to the full Board for ratification. The Executive Committee shall conduct the preliminary evaluation of the CEO and shall make recommendations to the full Board accordingly. The CEO shall be an ex-officio, nonvoting member of the Executive Committee.
2. **Finance Committee** shall consist of at least three (3) members of the Board of Directors. Committee members shall be appointed by the Treasurer. The Treasurer will be the chair. The CFO of HSNT will be expected to attend all meetings but will not be a voting member of the committee. The Finance Committee shall be responsible for monitoring and making recommendations to the Board regarding the financial status and policies of the Corporation, including fiscal planning, budgeting, policy development, and financial performance. The Finance Committee shall present the Annual Budget for approval to the Board of Directors, to include any federal grant budgets. The committee will oversee the Corporation's annual audit and 990 preparation, representing the Governing Board of Directors in this process. A part of this process is to be involved in the selection of the CPA firm that does the audit. The committee will review the finished audit and 990 before it is presented to the Board of Directors.
3. **Personnel/Nominating Committee** shall consist of up to five (5) members of the Board of Directors. Not more than two (2) members of the Executive Committee shall be eligible to serve on the Personnel Committee. They shall make its report of nominations for officers and members of the Board at the regular monthly meeting of the Board of Directors which is held one month before the Annual Meeting of the Board of Directors. It shall report to the Board of Directors from time to time as required, its nominations to replace any vacant seat on the Board of Directors including officer's position. Additionally, the committee will provide Board training, development and orientation for new members to ensure that members have the knowledge and information necessary to make informed decisions regarding the strategic direction, general policies and financial position of the organization.

The Personnel Committee is charged with developing, adopting, and periodically updating the Corporation's personnel policies, including selection and dismissal policies, salary and benefit

scales, employee grievance policies, and equal opportunity practices. The Committee is also responsible for screening, interviewing and recommending candidates for the position of Chief Executive Officer to the Board of Directors.

4. **Quality Assurance/Quality Improvement Committee** is comprised of at least three (3) Board members. The Quality Assurance/Quality Improvement Committee monitors compliance, risk management, utilization, performance improvement, and quality of services provided by the Corporation. The Board shall receive reports and recommendations from assessments, quality studies and program audits to systematically review the quantity and quality of the services provided, including service utilization patterns, productivity, patient satisfaction, and achievement of project objectives, and develop a process for hearing and resolving patient grievances. The Committee shall be responsible for developing, reviewing, and periodically recommending changes to health center policies, including scope and availability of services, location and hours of services, and quality of care audit policies. Recommendations may concern compliance with the federal and state laws and regulations, professional standards, and the credentialing process. The Committee and its representatives are required to maintain all committee information and documents as confidential and to maintain patient protected health information as private and confidential. Any member of the Board found to have violated the confidentiality and privacy provisions shall be removed from the Board immediately.

5. **Strategic Planning Committee** is comprised of at least three (3) Board members and is responsible for demonstrating a thoughtful and systematic review and analysis of key environmental trends, organizational performance indicators, and strategic options. In addition, it will also be grounded in a periodic review of the organization's mission and the long-term vision that guides strategic decision-making. This committee measures and evaluates the organization's progress in meeting its annual and long-term programmatic and financial goals, and develops a plan for the long-range viability of the organization by engaging in strategic planning. Board Members should be engaged in the planning process in a manner that helps them understand both the environmental context for the organization's strategy as well as the rationale for each strategic initiative. Most importantly, it should be designed in such a manner as to ensure that the Board Members within the organization are aligned with one another related to future strategic directions. The Strategic Plan will be revised as appropriate to include changes in community needs.

Section 2.16 Compensation, Loans to, or Guarantees for Directors

Director Compensation. The Board of Directors may, upon approval of the majority of that Board, pay each director reasonable expenses, if any, incurred in attending a Board meeting or committee meeting of the Board. The directors shall not be paid a salary or fee for attending the meeting.

Loans to or Guarantees for directors. The Corporation may not lend money to or guarantee the obligation of a director of the Corporation.

Section 2.17 Powers of Individual Directors

No individual director shall act for the Board of Directors except as may be specifically authorized by the Board. Directors (other than Chief Executive Officer) shall refrain from giving personal advice or directives to any personnel of the Corporation.

ARTICLE III – OFFICERS

Section 3.1 Number of Officers

The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors shall appoint each of these officers from its membership.

Section 3.2 Appointment and Term of Office

The Board of Directors shall appoint officers of the Corporation for a term of two years or, until they resign, die or are removed in a manner provided in Section 3.3 of Article III. The Board's appointment of an officer or agent shall not of itself create contract rights, and the Board by a majority vote can remove the officer at any time prior to the termination of the designated term.

Section 3.3 Removal of Officers

The Board of Directors may remove by majority vote any officer or agent at any time, with or without cause.

Section 3.4 President

The President shall preside at all meetings of the Board, be an ex-officio member with voting powers on all committees of the Board, and have and exercise such other powers and duties incident to such office and as assigned by the Board of Directors or required by law. The President may sign, with the Secretary or any other proper officer of the Corporation that the Board has authorized, corporation deeds, mortgages, bonds, contracts, or other Board authorized instruments, except where the signing of such document or instrument is expressly delegated by the Board of Directors to another officer or agent of the Corporation or as otherwise required by law or these By- Laws.

Section 3.5 Vice President

The Vice President shall perform, in good faith, the President's duties if the President is absent, dies, is unable or refuses to act. If the Vice President acts in the absence of the President, the Vice President shall have all presidential powers and be subject to all the restrictions upon the President. (If the Vice President is unable or refuses to act, then the Secretary shall perform the President's duties) The Vice President is the liaison to the Board for grant and fundraising activities and shall perform any other duties that the President or Board may assign to the Vice President.

Section 3.6 Secretary

The Secretary shall in good faith: (1) create or ensure that minutes are recorded and maintained of the proceedings of the members and of the Board of Directors; (2) provide that all notices are served in accordance with these by-laws or as required by law; (3) be custodian of the corporate records; (4) when requested or required, authenticate any records of the Corporation; (5) ensure there is a current roster and post office address of each director; and (6) in general perform all duties incident to the office of Secretary and any other duties that the President or the Board may assign to the Secretary

Section 3.7 Treasurer

The Treasurer shall: (1) oversee the fiscal affairs of the Corporation; (2) report on the financial condition of the Corporation to the Board of Directors at its regular meetings, the annual meeting and at such other times as the Board may require; (3) function as chair of the Finance Committee; (4) ensure that all funds of the Corporation shall be deposited to the credit of the Corporation in such banks and depositories and under such terms and conditions as may be determined by the full Board; and (5) in general perform all of the duties incident to the office of Treasurer and any other duties that the President or Board may assign to the Treasurer.

Section 3.8 Chief Executive Officer (CEO)

The Board shall appoint a Chief Executive Officer (CEO) who shall perform such duties, exercise such authority and receive such compensation as the Board determines. The Chief Executive Officer, subject to the oversight of the Board of Directors, shall have responsibility for the general care, supervision, and direction of its affairs in furtherance of the policies and programs established by the Board of Directors. The Chief Executive Officer shall have the authority to employ, supervise, and discharge all personnel in accordance with the policies established by the Board of Directors. The Chief Executive Officer or his/her designee shall attend all meetings of the Board of Directors and the Executive Committee, unless the Board requests the Chief Executive Officer's absence during evaluation of the CEO's performance. The Chief Executive Officer shall present to the Board or its committees, periodic reports and such special reports, as may be required by the Board, regarding the professional services and financial position of the Corporation. The Chief Executive Officer shall perform such other duties and exercise such other powers as may be assigned by the Board of Directors.

ARTICLE IV – DISSOLUTION

Section 4.1

No part of the net earnings of this Corporation shall inure to the benefit of any individual. The property of this Corporation is irrevocably dedicated to charitable purposes and upon liquidation, dissolution or abandonment, after providing for the debts and obligations thereof, the remaining assets will not inure to the benefit of any private person but will be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501c (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Revenue law, as that Board of Directors shall determine.

ARTICLE V – CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS

Section 5.1 Contracts

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instruments in the name of and on behalf of the Corporation and such authorization may be general or confined to specific instruments.

Section 5.2 Loans

The Corporation shall not allow anyone to contract on behalf of it for indebtedness for borrowed money unless the Board of Directors authorizes such a contract by resolution. The Corporation shall not allow anyone to issue evidence of the Corporation's indebtedness unless the Board of Directors authorizes the issuance by resolution. The authorization may be general or specific.

Section 5.3 Checks, Drafts, etc.

The Board of Directors shall authorize by resolution which officer(s) or agent(s) may sign and issue all Corporation checks, drafts or other orders for payment of money, and notes or other evidence of indebtedness. The Board of Directors shall also determine by resolution the manner in which these documents will be signed and issued.

Section 5.4 Deposits

The Treasurer of the Corporation shall deposit all funds of the Corporation, that are not being used, in banks and other depositories; the Board of Directors shall authorize by Board resolution the exact location of the banks and depositories.

ARTICLE VI - FISCAL YEAR

Section 6.1

The fiscal year of the Corporation shall be from January 1 to December 31.

ARTICLE VII – NONDISCRIMINATION

Section 7.1

The officers, directors, committee members, employees, volunteers and persons served by this Corporation shall be selected entirely on a non-discriminatory basis with race, color, national or ethnic origin, age, religion, disability, sex, sexual orientation, gender identity and expression, veteran status or any other characteristic protected under applicable federal or state law.

ARTICLE VIII – DIRECTOR LIABILITY

Section 8.1

