

**Governing Board Meeting Agenda
November 20, 2019 - Serve Denton Center
Conference Call-In Number 940-293-6051, Pin 1234**

Agenda P. 1

- | | | | |
|--------------|--------------------------------------------------------------------------|---------------------------|-------|
| I. | Call to Order | Judge David Garcia | |
| II. | Consent Agenda | Judge David Garcia | |
| | *October 2019 Board Minutes | | P. 2 |
| | *October 2019 Financial Committee Minutes | | |
| | *October 2019 Financials | | |
| | *October 2019 Quality Committee Minutes | | P. 6 |
| | *November 2019 Development Report (including approval of grants) | | P. 9 |
| III. | Board Training | Doreen Rue | |
| | HRSA BPR (Budget Progress Report) | | |
| | Preliminary Narrative Review | | |
| IV. | CEO Report | Doreen Rue | P. 10 |
| | Dashboard | | |
| | *2020 Employee Benefits Summary | | P. 14 |
| V. | Committee Reports | | |
| | Finance Committee | Michael Foster | |
| | Report from November Committee Meeting | | |
| | *2020 Budget | | P. 16 |
| | *Legislative Mandates Restricting the Uses of Federal Grant Funds Policy | | P. 17 |
| | Quality Committee | Dr. Howard Shaw | |
| | Report from November Committee Meeting | | |
| | Strategic Planning Committee | James Henderson | |
| | Report from November Committee Meeting | | |
| VI. | Old Business/New Business | Judge David Garcia | |
| VII. | Executive Session | Judge David Garcia | |
| | Anjanette Lloyd EEOC #'s 1256464, 450-2019-02768 | | |
| | John Moyle Cause # 18-4895-393 | | |
| | Sarah Gibbons Claim # 1261836 | | |
| VIII. | Important Dates and Adjourn Meeting | Judge David Garcia | |
| | December Board Meeting - December 18th @ 6pm - Serve Denton Center | | |

*** Items Requiring a Vote**

Called to order at 6:00pm by Judge David Garcia

Attendees: Judge David Garcia, Michael Foster (via conference call), Dr. Derrell Bulls, James Henderson, Dr. Howard Shaw, Melissa Winans, April Powell (via conference call)

Absent: Trang Dang-Le, Gloria Herron, Clara Sanchez, Dr. Dean Perkins, Dale Tampke

Quorum was met.

Staff: Doreen Rue, Pam Barnes, Larry Bisno

Agenda Item II: Consent Agenda - Approval of September 2019 Board Minutes, September 2019 Financial Committee Minutes, September 2019 Financials, September 2019 Quality Committee Minutes, October 2019 Development Report (including approval of grants)

Motion to approve all consent items: *Dr. Derrell Bulls*

Seconded: *Dr. Howard Shaw*

Motion Passed Unanimously

Agenda Item III: Board Training: Patient Satisfaction and Social Climb, presented by Doreen Rue

- Social Climb
 - Initiative for improving public forum ratings.
 - Social Climb sends a text to patients thanking them for their visit and provides links to leave reviews on social media platforms (Facebook, Google, etc.)
 - Opportunity to elevate HSNT's digital/social media presence
 - Improve and strengthen the brand
 - Connect with community
 - Bring public reviews in line with what we see internally
 - Implemented in September, we can already see a marked improvement
 - Ex. Google
 - 192 reviews to 325 reviews
 - Overall 3.53 rating to 3.99
 - Recruiting and retention tool for patients, providers, potential community partners

Agenda Item IV: CEO Report

- Dashboard – 3rd Quarter Report
 - Days in Cash – meeting
 - Operating Margin - steady progress anticipate meeting that score.
 - Compliance – already very close, will hit this measure. (First year we have used this metric)
 - HEDIS and UDS Quality Measures – some of these metrics will be a challenge, working to close gaps in care
- Patient Satisfaction

- Internally measuring the net promoter question: “Would you recommend HSNT to friends and family?”
- Patient Feedback on Sliding Fee Affordability
 - Overwhelmingly positive response. Our patients believe the rates on our sliding fee discount program are affordable.
 - We will continue to monitor and report to the Board to determine continued affordability.
- Trammel Event – Friday November 8th
 - Would like to see the Board represented.
 - 100 total seats, 22 sold so far.
- Requested Training on Employee Practice Issues
 - Training will be for supervisors
 - When and what to report
- Medicare Overpayments
 - HSNT has worked on this issue for the past 2 years
 - We currently have over \$434,000, so far \$130,000 has been requested.
 - Hopefully they will complete their work quickly (end of the year)
 - This does not impact HSNT’s days in cash. Overpayment funds are removed before calculations are made.
- Leadership Recognition Event
 - Currently planning, possibly following the November board meeting.

Agenda Item V: Committee Reports

- **Finance Committee – Michael Foster Reporting**
 - The Finance Committee is very positive about the movement of the financials, optimistic we will meet our goals by the end of the year.
 - HSNT is moving forward with a third-party vendor to process payroll – Paylocity
 - Recommend opening a separate bank account for payroll as the vendor, Paylocity will have access.
 - This bank account will have the same authorized bank signers as other HSNT accounts:
 - Doreen Rue, CEO
 - Debra Layman, COO
 - Pamela Barnes, CFO
 - Louise Weston-Ferrill, Director of Programs

The Finance Committee approved and moves for the approval of opening a payroll specific bank account by the Governing Board.

Seconded: James Henderson

Motion Passed Unanimously

- **Quality Committee – Dr. Howard Shaw Reporting**
 - The Quality committee met before the Board meeting and reviewed several HSNT quality initiatives and measures:

- Ryan White FP Grant PDSA – HSNT surveyed patients about stigma surrounding their HIV status and medical care. 100% of those who responded did not feel stigma when receiving care at HSNT.
- THR Mobile Mammography Unit – 40 patients were seen, HSNT will continue to utilize this resource.
- HRSA Diabetes Initiative – In progress, Dr. Siegel is currently auditing patient charts.
- Call Center – struggling to be fully staffed, metrics dropping. HSNT is exploring a structured queue, other options.
- Quality Dashboard – most metrics are moving in the right direction
 - Colorectal Screening – HSNT’s provider is experiencing a gap in funding, resources are not currently available to meet this metric.
 - The Quality Committee recommends removing this metric from HSNT’s 2019 Incentive goals.

The Quality Committee approved and moves for the removal of the Colorectal Screening Metric from HSNT’s 2019 Incentive Goals by the Governing Board.

Seconded: Dr. Derrell Bulls

Motion Passed Unanimously

- **Personnel Committee – James Henderson Reporting**
 - The Committee met yesterday and was joined by Brandi Ruiz, Director of Human Resources.
 - Personnel Policies:
 - Time Off Policies – as HSNT grows and makes the transition to Paylocity and continues to grow, these policies more structure to encourage best practices and work-life balance.
 - Whistleblower Policy – HSNT has always had a Whistleblower Policy, this is an update.
 - New format, more inclusive
 - Required as part of HSNT’s United Way of Denton County grant application.

The Personnel Committee approved and moves for the approval of the Personnel Policies by the Governing Board.

Seconded: Dr. Derrell Bulls

Motion Passed Unanimously

- Consumer Member Application – M. Hamed Husain has worked with Dallas County’s Ryan White Program and currently works as a site visitor for HRSA reviewing the fiscal components of the OSV. HE will serve as a consumer member and be an excellent resource for HSNT.

The Personnel Committee approved and moves for the approval of the Consumer Board Member Application by the Governing Board.

Seconded: Dr. Howard Shaw

Motion Passed Unanimously

Agenda Item VI: Old/New Business

- Old Business – none to report.
- New Business
 - LabCorp Contract Amendment
 - Implementation of a sliding fee scale by LabCorp
 - Developed to satisfy the federal requirements for insured patients who qualify for the sliding fee scale.
 - HRSA has not responded with an approval yet but are expected to.

Motion to approve LabCorp Contract Amendment: Dr. Derrell Bulls

Seconded: Dr. Howard Shaw

Motion Passed Unanimously

Agenda Item VIII: Executive Session

- Anjanette Lloyd: EEOC # 1256465, 450-2019-02768
- John Moyle Cause# 18-4895-393
- Sarah Gibbons Claim # 1261836
- The Governing Board has nothing to report at this time and will continue to monitor and receive information on these personnel matters.

Agenda Item IX: Important Dates

- Serve Denton Grand Opening – October 17th @ 9am – Serve Denton Center
- November Board Meeting – November 20th @ 6pm - Serve Denton Center
 - Board Members will be polled for availability for the November and December meetings.

Adjourned by Judge David Garcia at 6:41pm.

Board Secretary Approval _____ **Date** _____

Board President Approval _____ **Date** _____

Governing Board Quality Committee Minutes 10.16.2019

Attendees: Dr. Howard Shaw, Melissa Winans, Debra Layman, Doreen Rue

Absent: Dr. Dean Perkins

Guests:

Topic	Roll Call and Acceptance of Minutes	Action	Responsible Party	Follow-Up
Welcome & Roll Call	Called to Order at 5:00pm	Quorum Met		
Approval of minutes	Agency Minutes from September 2019 meetings and Committee Minutes from September 2019 approved by Melissa Winans and seconded by Dr. Howard Shaw	Approved		
New PDSAs				
Ryan White Patient Survey	<ul style="list-style-type: none"> • Question on RW RFP: Can you verify your patients do not feel stigma when reaching out for treatment with you? • HSNT did not have this concern before but asked the question to validate. <ul style="list-style-type: none"> ○ Polled 50 patients using Survey Monkey, 18 responded. <ul style="list-style-type: none"> ▪ 76% had experienced prejudice or stigma in daily life. ▪ 100% said they received culturally respectful care free from bias and experienced no stigma at HSNT. 	Reviewed		
Update on Existing Quality Initiatives				
THR Mobile Unit Mammography Update	<ul style="list-style-type: none"> • Had 2 fully scheduled days. • Patients happy, reaching out to make appointments • HSNT will continue to utilize this resource. 	Reviewed		
HRSA Diabetes Initiative Update	<ul style="list-style-type: none"> • The team met and determined the cohort for the study. • Dr. Siegel will audit the charts and prepare a report on his findings. <ul style="list-style-type: none"> ○ This information will be used to develop provider training, care management strategies and educational pieces for patients. 	Reviewed		
Patient Satisfaction				
	<ul style="list-style-type: none"> • September 2019: 98.6% • YTD: 97.6% 	Reviewed		
Quarterly Compliance				

Compliance Report	<ul style="list-style-type: none"> • Contains information on: <ul style="list-style-type: none"> ○ OSHA Readiness ○ Support Staff Compliance ○ Peer Review ○ Patient Access – appointment availability and call center data ○ Patient Satisfaction and Payor Mix 	Reviewed		
Call Center Metrics	<ul style="list-style-type: none"> • Currently not fully staffed. <ul style="list-style-type: none"> ○ Compliance slipping on abandonment rate. ○ Currently utilizing support from outside the call center, moved one PSC into the call center. • Metrics are dipping, a strategic approach is needed <ul style="list-style-type: none"> ○ Add 2 additional agents (keep an average of 6 due to PTO, etc.) ○ Change call process: add options for a structured queue <ul style="list-style-type: none"> ▪ Staff tracking calls to determine call categories and volume. ▪ Looking into online scheduling, messages, etc. ▪ Encouraging patients to use the patient portal for test results, etc. • We anticipate volume to increase as the Serve Denton location ramps up. Need to stay focused on this issue. 	Reviewed		
Patient Satisfaction				
HEDIS and UDS Dashboard	<ul style="list-style-type: none"> • HEDIS measure for breast cancer screening had a huge spike this month <ul style="list-style-type: none"> ○ This was a glitch; we expect the number to be improved but not by that margin. ○ Should be corrected next month. • Colorectal Screening <ul style="list-style-type: none"> ○ We have struggled with this metric; it is not a popular test with patients. ○ HSNT’s primary source for FIT tests, Moncrief, is experiencing a gap in funding and resources will not be available until January 2020. <ul style="list-style-type: none"> ▪ It is possible to refer patients to LabCorp, but there is no guarantee of compliance. 	The Quality Committee will recommend the removal of colorectal quality metrics from the 2019 Incentive Goals.		

	<ul style="list-style-type: none"> ▪ We do have a MOU with a local GI for uninsured patients, however unlike Moncrief, the provider does not take those with a positive result as patients. ○ Recommend the removal of the colorectal metric from HSNT's 2019 Incentive Goals as the resources are not available to improve this metric until 2020. • Moving forward, need to ensure we are choosing metrics we can control: <ul style="list-style-type: none"> ○ Ex. Track the number of referrals made rather than patient compliance. ○ Shows effort to close gaps in care. 			
Other Items				
New Provider	<ul style="list-style-type: none"> • New FNP starting at the Loop at the beginning of November. <ul style="list-style-type: none"> ○ Very experienced, comes from a FQHC in Sacramento. 	Reviewed		
Loop 288	<ul style="list-style-type: none"> • Credentialed through Medicaid and Medicare already. • Hope to add commercial payors quickly. • Will need capacity for Cold and Flu season 	Reviewed		
Information to Report to the Board				
	<ul style="list-style-type: none"> • Recommend removal of colorectal screenings from 2019 Incentive measures. • Report on quality matters from tonight's meeting 	Report to the Board		

Meeting Adjourned: 5:37pm

Committee Facilitator: Debra Layman

Next Meeting: 11.20.19



**Strategic Initiatives & Grant Report
November 20, 2019 Board Meeting**

1. Current Focus Areas:

- a) Cultivations for both CCMC Primary Care Initiative: Meeting set with Chief Medical Officer THR Plano; THR Director of Community Relations; Alexis McGowen-Marketing Manager ADP DFW Market; Leonard Freeman, Past President NFL Players Association.
- b) Building of complete Compliance Plan for introduction Q1 2020.
- c) Submission of Govt grants and reports.

2. Grants: Submitted/new since last Board meeting: 2 grant requests were submitted with 0 to new funders (FY 2019 total TD 46 grants submitted/5 new funders).

- FY 2019: 12 grants submitted and still awaiting decisions with a total value of: \$2,329,009.91 (includes \$2,000, 000 Ryan White and \$120,000 THR Denton)
- Grants awarded in FY2019: \$ 1,476,371
- 6 grants pending submission with a value of: \$207,000

3. Grants to Be Voted on for approval:

*THR Hospital Plano CCMC Primary Care Provider \$25,000

Serve Denton Grand Opening October 17, 2019

Years of community planning and investment in a social service center were celebrated at the Grand Opening for three organizations serving the Denton community. HSNT, Children’s Advocacy Center, and Denton Community Food Center celebrated along with Serve Denton and the community. HSNT increased our exam room



space in Denton by 35% with the opening of this site. This results in increased access to care. However, the added value we experience in this venture is far reaching and only realized because of the collaboration, shared responsibility, community investment, and commitment to vision by Serve Denton, the partner organizations, and the labor of love by so many to create a healthy community today and in the future.

Dr. Siegel is stationed at the Serve Denton Center 3 days a week and our new Family Nurse Practitioner, Kerry Gamble, is stationed there fulltime.

Health Center Funding Update

On November 12, 2019 Congress introduced a government-wide temporary spending bill to keep the government running through Dec. 20, 2019 as the Continuing Resolution to maintain government funding is set to expire on November 21, 2019.

Patient Satisfaction

Amidst the phenomenal patient satisfaction and public feedback we receive on social media platforms, HSNT faces challenges in staffing and handling the volume of inbound calls. The growth of our organization and the structure to support access and quality have changed significantly since the inception of the call center in 2015. We are performing a cost analysis of outsourcing call center functions and evaluating current needs, potential modifications, and system changes to better manage incoming calls. A

compensation analysis is also underway to determine if HSNT's pay range is in line with the DFW market. Long term solutions include:

- Dedicate staff to scheduling appointments and defer all other calls to clinical support staff
- Outsource Scheduling and have HSNT staff manage other calls
- Use outsource company for "overflow" when necessary.
- On-line scheduling capability

In the meantime, we are utilizing other team members to help manage patient calls and our website for messages and call back options.

Program Grants

- Teas Health Resources-Plano awarded \$25,000 toward the cost of a part time medical provider at our Collin County center in Plano. This coupled with the United Way of Metropolitan Dallas grant will support the startup of primary care at this location.
- Denton Benefit League Grant- Thank you Michael Foster for participating in the presentation on October 23rd. HSNT was awarded \$6,952 by Denton Benefit League for the purchase of medical equipment for our Denton locations.
- Luse Foundation has awarded HSNT \$5,000.00 in support of the Denton County Medical Program - Quality Medical Care for Uninsured People in Poverty.
- Texas Speedway Children's Charity awarded \$19,880 to HSNT for essential medical visits for 90 uninsured children living at or below the Federal Poverty Limit. Essential Medical Visits include both sick and well visits. Monies can be used in Denton and/or Collin Counties.
- North Texas Giving Day in support of our Wylie office - \$508.23
- Ryan White request for proposal was cancelled at the last moment and all submissions were returned unopened. The RFP was reissued after HRSA provided a technical assistance training. We are in the processes of updating our proposal to resubmit.

HRSA Legislative Mandate Review (LMR)

HRSA's Division of Financial Integrity (DFI), within the Office of Federal Assistance Management, conducts LMRs for Health Center Program award recipients that have had single audits performed in accordance with Subpart F of 45 CFR part 75, but where the Health Center Program was not considered a major program by the independent auditor and therefore the audit did not include a review of legislative mandate compliance via the Health Center Program Compliance Supplement. In 2016 the FQHC program was not selected for testing in our Independent Audit. Documents that support our

compliance with restrictions on the use of federal funds have been sent to the reviewer. HRSA will review the updated policy related to the current legislative mandates and the policy will be presented to the finance committee and board for review and approval. The policy details the restricted use of federal funding.

HSNT Staff

Team members mourn the loss of 2 staff members this month. Both valued team members contributed to the care of our patients and were passionate about our mission. HSNT is working with their families regarding benefits and sharing in the loss.

Tony McLain, Lead Transportation Coordinator

Tony worked with HSNT for 8 years and helped us through many transitions. Tony's battle with cancer ended on November 4th.



Regina Brewer, AR/AP Accounting Clerk worked with us for 1 year. In her time with us she added tremendous support and contributed to the cohesive accounting team. Regina's death was unexpected, and the accounting team is struggling with this loss.

Information and Follow Up

- One of HSNT transportation drivers was involved in an accident while transporting a patient to an appointment on October 24, 2019. The incident was report to our insurance company and there is a police report. There were no injuries or concerns reported at the time. On November 7, 2019 we received notification that a personal injury suit has been filed. This information has been submitted to our insurance carrier.
- 2019 Incentive Goals. We are on track to achieve our goals. There is a final push to meet the target on the margin and quality measures. Staff have all hands on deck and are stretching to finish the year strong. 2 of the 4 key performance indicators maybe too close to call for the December board meeting and we may need to push the decision regarding the incentive pay to January. We are closely monitoring our progress and will report again at the December board meeting.

Chief Executive Officer Report

- Trammell event, “BEEN THERE, DONE THAT”, was successful! Thank you for attending and supporting this event. We gained 5 new donors and had an excellent opportunity to reinforce the importance of HSNT as a stakeholder in the health of our community. We had 24 unsold seats.
- TACHC Board- Doreen was reelected to serve a two-year term as a board member.
- Giving Hope, Inc is the Denton based nonprofit that focuses on housing for homeless and those at risk of homelessness. Their board made the decision to permanently close the organization and dissolve. HSNT has patients that will be impacted by this action and the community has lost this import partner in housing assistance.

Thank you for your support,

Doreen Rue, CEO

2020 Benefits Summary

The information below provides a summary of the health, welfare, retirement and fringe benefits offered to full-time employees and their families. Please feel free to contact the Human Resources department for additional information.

Benefit	Carrier	Options
Medical	Blue Cross Blue Shield	<ul style="list-style-type: none"> PPO Medical Plan \$30 co-pay/ \$1,500 deductible individual
Flexible Spending Account	HSNT	<ul style="list-style-type: none"> Health: up to \$1500 per calendar yr Pre-tax benefit for healthcare & childcare costs
Concierge Health (Company Paid)	FreshBenies	<ul style="list-style-type: none"> 16 concierge services – Telehealth, Doctors Online, Advocacy, Fresh Savings (includes 9 Savings categories)
Dental	Guardian	<ul style="list-style-type: none"> PPO Dental Plan
Vision	Guardian	<ul style="list-style-type: none"> Full Feature Plan
Basic Life (Company Paid), AD&D	Guardian	<ul style="list-style-type: none"> 2 X Base Salary, up to \$250,000, paid by HSNT
Voluntary Life For Employee, Spouses, and Children	Guardian	<ul style="list-style-type: none"> Employee: Up to \$300,000 in \$10,000 increments, \$100,000 guarantee issue Spouse: Up to 50% of Employee's voluntary coverage, \$50,000 guarantee issue Child(ren): Up to 10% of Employee's voluntary coverage, \$10,000 max
Long Term Disability (Company Paid)	Cigna	<ul style="list-style-type: none"> Begins after 90th day out for Injury or Illness LTD – 60% of salary, with a max monthly benefit of \$5,000
Retirement Plan 403(b)	Fidelity	<ul style="list-style-type: none"> Dollar for Dollar Employer match, up to 5% Vesting Schedule: 25% Vesting @ 1 yr; 50% @ 2 yr; 75% @ 3 yr; 100% after 4th year

****Employees are eligible for all benefits the 1st of the month after 30 days from eligible employment date****

Employee Group Benefit Contributions

Blue Cross Blue Shield PPO	Bi-weekly Employee Costs
Employee Only	\$47.08
Employee + Children	\$360.06
Employee + Spouse	\$360.06
Employee + Family	\$673.06

Dental Guardian	Bi-weekly Cost
Employee Only	\$9.97
Employee + Children	\$27.82
Employee + Spouse	\$40.83
Employee + Family	\$58.57

Vision Guardian	Bi-weekly Cost
Employee Only	\$3.86
Employee + Children	\$6.62
Employee + Spouse	\$6.76
Employee + Family	\$10.68

Paid Time Off

PTO combines vacation and sick pay to promote flexibility for employees' time off needs. The below accrual schedule is based on a 40-hour work week, employees that work more than 30 hours, but less than 40 hours will accrue at a prorated amount based on their normal work schedule. Employees may request PTO after 30-days of hire.

Years of Service	PTO Accrual	Bi-Weekly Accrual Rate
0-2 Years	Up to 10 days (80 hours)	3.08 hours per pay period
3-5 Years	15 days (120 hours)	4.62 hours per pay period
5+ Years	22 days (176 hours)	6.77 hours per pay period

Holiday Pay

The Company observes **seven holidays** during the year and provides (8) hours of compensation for each day. Holiday Pay will be paid based on the employees regularly scheduled workday hours.

Personal Days

Employees (non-providers) earn three (3) personal days (to be taken as a full 8-hour day) per calendar year on January 1. Personal days do not roll over each calendar year and must be used by 12/31. During an employee's first year the accruals are awarded based on the schedule below and may also reduce based on work schedule modifications:

Hire Date	Personal Days
If hired before July 1 st	3 days
July 1 st – September 30 th	2 days
If hired after September 30 th	1 day

Provider Specific Benefits

Flex Days:

Providers earn eight (8) Flex days (which can be taken in either 4-hour or 8-hour increments) per calendar year on January 1. Flex days do not roll over each calendar year and must be used by 12/31. During a Provider's first year the accruals are awarded based on the schedule below and may also reduce based on work schedule modifications:

Medical Provider Team	
Hire Date	Personal Days
If hired before July 1 st	8 days
July 1 st – September 30 th	4 days
If hired after September 30 th	2 days

Continuing Education:

Providers have access to CME allowances to pay conferences and fees associated with license renewal. In 2020, physicians will have up to \$1500, and mid-level providers will have up to \$1200 to spend towards CME initiatives. Please note that all training and conferences must be pre-approved, and that providers have the option of obtaining all CMEs through the UpToDate subscription provided by HSNT.

Health Services of North Texas, Inc
Proposed Fiscal Year 2020 Budget
Statement of Activities

	2019 Actual Projections	2020 Proposed Budget
REVENUE		
Individuals	53,000	55,000
Corporations	156,000	166,732
Organizations	110,000	285,000
In Kind	215,000	217,067
United Way	190,500	260,000
Gov't Grants	4,555,500	4,800,460
Medicaid	4,850,500	5,362,058
Medicare	821,820	992,816
Commercial	1,293,900	1,151,526
Self Pay	7,709,370	6,333,777
Contractual Adjustments	(8,646,150)	(7,216,874)
Doubtful Allowance	60,000	(40,000)
Bad Debt	(200,000)	(100,000)
Program Income	955,500	980,000
Interest Income	5,000	5,000
Miscellaneous Income	32,300	2,500
Total REVENUE	12,162,240	13,255,062
EXPENSES		
Salaries	6,105,000	6,462,530
Payroll Taxes	437,500	526,700
Fringe Benefits	765,000	854,195
Contract Labor	1,359,100	1,079,259
Communication	16,000	181,963
Credentialing	2,300	-
Depreciation	138,000	130,000
Equipment	312,500	406,745
Insurance	79,000	86,400
Interest	68,600	70,800
Training	51,800	26,800
Mileage	7,500	19,057
Misc Expense	3,545	2,500
Event Expenses	9,850	3,500
Occupancy	441,000	504,182
Postage	8,500	11,250
Printing	28,545	67,550
Professional Services	55,000	477,700
Assistance to Clients	1,800,000	1,863,987
Dues	48,000	16,400
Supplies	425,500	463,544
Total Expenditures	12,162,240	13,255,062
Operating Excess/Deficit	-	-



LEGISLATIVE MANDATES RESTRICTING THE USES OF FEDERAL GRANT FUNDS

ADMIN008

POLICY:

I. Background: Compliance with Appropriations Act

The Consolidated Appropriations Act includes provisions that restrict grantees from using their federal grant funds to support certain defined activities. These limitations are commonly referred to as the “Legislative Mandates.”

II. Statement of Purpose and Policy

Health Services of North Texas (HSNT) is committed to compliance with all applicable laws and regulations. The purpose of this policy and the associated procedures is to provide safeguards to ensure HSNT’s compliance with the Legislative Mandates.

The current Legislative Mandates, which remain in effect until a new Appropriations Act is passed, include the following:

- (1) Salary Limitation
- (2) Gun Control
- (3) Anti-Lobbying
- (4) Acknowledgment of Federal Funding
- (5) Restriction on Abortions
- (6) Exceptions to Restriction on Abortions
- (7) Ban on Funding Human Embryo Research
- (8) Limitation on Use of Funds for Promotion of Legalization of Controlled Substances
- (9) Restriction of Pornography on Computer Networks
- (10) Restriction on Funding ACORN
- (11) Restriction on Distribution of Sterile Needles
- (12) Confidentiality Agreements

Policy

(1) Salary Limitation

HSNT shall not use federal grant funds to pay the salary of an individual at a rate in excess of Executive Level II.

(2) Gun Control

HSNT shall not use federal grant funds to advocate or promote gun control.

(3) Anti-Lobbying

- A. HSNT shall not use federal grant funds, other than for normal and recognized executive legislative relationships, for the following:
- i. For publicity or propaganda purposes;
 - ii. For the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself.
- B. HSNT shall not use federal grant funds to pay the salary or expenses of any employee or agent of HSNT for activities designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.
- C. The prohibitions in subsections A and B include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

(4) Acknowledgment of Federal Funding

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money, HSNT shall clearly state:

- A. the percentage of the total costs of the program or project which will be financed with Federal money;
- B. the dollar amount of Federal funds for the project or program; and
- C. the percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

(5) and (6) Restrictions on Abortions, and Exceptions to these Restrictions

HSNT shall not use federal grant funds for any abortion or for health benefits coverage that includes coverage of abortion. These restrictions shall not apply to abortions (or health benefits coverage of abortions) that fall within the Hyde amendment exceptions.^{1 2}

(7) Ban on Funding of Human Embryo Research

HSNT shall not use federal grant funds for (i) the creation of human embryos for research purposes; or (ii) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.204(b) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(8) Limitations on Use of Grant Funds for Promotion of Legalization of Controlled Substances

HSNT shall not use federal grant funds to promote the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established under section 202 of the Controlled Substances Act.³

(9) Restriction of Pornography on Computer Networks⁴

HSNT shall not use federal grant funds to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

¹ The Hyde Amendment exceptions include (1) if the pregnancy is the result of an act of rape or incest; or (2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

² HSNT also maintains a policy and procedure relevant to this restriction. TX006- Fertility Regulation Policy.

³ The Legislative Mandates provide a potential exception when “there is significant medical evidence of a therapeutic advantage to the use of [the] drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.” HSNT will consult with legal counsel prior to using this potential exception.

⁴ HSNT also maintains a policy and procedure relevant to this restriction. HIP001- Acceptable Use Policy.

(10) Restriction on Funding ACORN

HSNT shall not provide any federal grant funds to the Association of Community Organizations for Reform Now (“ACORN”), or any of its affiliates, subsidiaries, allied organizations, or successors.

(11) Restriction on Distribution of Sterile Needles

HSNT shall not use federal grant funds to purchase sterile needles or syringes for the hypodermic injection of any illegal drug. Such limitation does not apply to the use of funds for elements of a program other than making such purchases if the relevant State or local health department, in consultation with the Centers for Disease Control and Prevention, determines that the State or local jurisdiction, as applicable, is experiencing, or is at risk for, a significant increase in hepatitis infections or an HIV outbreak due to injection drug use, and such program is operating in accordance with State and local law.

(12) Confidentiality Agreements

HSNT shall not require its employees or contractors seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

Chief Executive Officer

Date

Board of Directors Representative

Date

Revision to Policy:

Board approved revision:

PROCEDURE:

1. Review and Updates of this Policy and Procedure

The Chief Executive Officer (CEO) shall review this policy and procedure upon the passage of a new HHS Appropriations Act or issuance of HRSA guidance regarding the Legislative Mandates, and shall ensure this policy and procedure is updated as necessary. As Appropriations Acts are generally enacted annually, this policy and procedure will generally require annual review. Any modifications to this policy and procedure will require review and approval by HSNT's Board of Directors.

2. Legislative Mandates Training

The CEO shall ensure that the accounting and management staff receives training regarding the Legislative Mandates and the procedures set forth in this policy and procedure.

3. Compliance Program

This Legislative Mandates policy and procedure will be incorporated into HSNT's Compliance Program.

4. Financial Management

The Chief Financial Officer (CFO) shall ensure that HSNT's financial management systems and procedures are structured to ensure that no federal grant funds are used for purposes that are impermissible under this policy and procedure. As necessary, the CFO may establish cost centers/accounts for the accumulation and segregation of such costs. The CFO may use any practical means to do so, consistent with HSNT's financial management policies (including by establishing appropriate cost centers and associated accounts to accumulate and segregate the following costs where necessary). Through this process, HSNT will adhere to the Legislative Mandates restrictions on use of federal funds for:

- i. "Lobbying" or other "advocacy" activities that may meet the definitions of the applicable Legislative Mandate sections (as well as 45 C.F.R. § 75.450) (including certain advocacy relating to gun control, legalization of controlled substances, consumer products, and other advocacy);
- ii. Payment of a salary (or associated fringe benefits) at a rate in excess of the Executive Level II pay scale;
- iii. Abortions or health benefits coverage that includes coverage of abortion (this restriction shall not apply to abortions (or health benefits coverage of abortions) that fall within the Hyde Amendment exceptions);
- iv. Activities related to distribution of sterile needles for hypodermic injection of any illegal drug;

- v. Human embryo research; and
- vi. Business transactions with (including the funding of) the Association of Community Organizations for Reform Now (“ACORN”).

5. Acknowledgement of Federal Funding

All statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money, will be reviewed and approved by HSNT’s Director of Marketing and Communication. The Director of Marketing and Communication shall ensure that such written material include the following:

“This [publication/procurement] is issued in furtherance of HSNT’s federally funded health center project. This year, HSNT’s health center project received \$ [insert] of federal assistance, which is estimated as constituting [insert] percent of project costs. Of total project costs for this year, HSNT estimates [insert] percent will be financed with nongovernmental sources.”

6. Restriction of Pornography on Computer Networks

HSNT’s computer network is and shall remain configured to block the viewing, downloading, and exchange of pornography. The CEO, in collaboration with the Chief Information Officer (“CIO”) shall ensure appropriate information technology assets and support are made available to ensure continued compliance.

7. Confidentiality Agreements

HSNT’s Compliance Officer shall review any and all confidentiality agreements entered into between HSNT and its employees and/or contractors and, prior to execution, shall confirm that such agreements do not prohibit or otherwise restrict the employee/contractor from lawfully reporting waste, fraud, or abuse to (i) federal law enforcement or other federal investigative personnel, or (ii) other representatives of federal departments and agencies.