



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

AGENDA

Thursday, April 25, 2019 – 12:00 PM

CONSENT AGENDA: ALL ITEMS MARKED WITH A SINGLE ASTERICK (*) ARE PART OF THE CONSENT AGENDA AND REQUIRE NO DELIBERATION BY THE GOVERNING BOARD. ANY BOARD MEMBER MAY REMOVE AN ITEM FROM THIS AGENDA TO BE CONSIDERED SEPARATELY.

PROCEED TO BOTTOM OF THIS DOCUMENT FOR APPEARANCE & EXECUTIVE SESSION GUIDELINES

In accordance with the provisions of the Americans with Disabilities Act (ADA), persons in need of a special accommodation in order to participate in this proceeding should, within two (2) days prior to the proceeding, request necessary accommodations by contacting CHW’s Executive Assistant at 409-949-3406, or via email at trollins@gchd.org.

ANY MEMBERS NEEDING TO BE REACHED DURING THE MEETING MAY BE CONTACTED AT 409-938-2288

REGULARLY SCHEDULED MEETING

Meeting Called to Order

- *Item #1 Agenda
- *Item #2**ACTION**..... Excused Absence(s)
- *Item #3**ACTION**..... Consider for Approval Minutes from March 28, 2019 Governing Board Meeting
- *Item #4**ACTION**..... Consider for Approval Minutes from April 9, 2019 Governing Board Special Meeting
- *Item #5**ACTION**..... Consider for Approval Minutes from April 11, 2019 Governing Board Quality Assurance Committee Meeting
- *Item #6**ACTION**..... Annual Policy/Plan Review
 - a) Medical Records Fee
 - b) Coastal Health & Wellness Title V Child Health and Dental Eligibility Policy
 - c) 340B Policy & Procedure Manual
- *Item #7**ACTION**..... Policies Approved by United Board of Health as Authorized Under the Shared Services Agreement
 - a) Computer and Digital Communications Usage
 - b) Hours Worked and Compensatory Overtime
 - c) Employee Ethics, Standards of Conduct, and Conflict of Interest
- *Item #8**ACTION**..... Consider for Approval Quarterly Investment Report
- *Item 9**ACTION**..... Consider for Approval Removal of the Sign Prohibiting Firearms at Governing Board Meetings
- Item #10..... Executive Report
- Item #11**ACTION**..... Consider for Approval March 2019 Financial Report
- Item #12**ACTION**..... Consider for Approval Quarterly Visits and Collections Report Including a Breakdown by Payor Source for Recent New Patients
- Item #13**ACTION**..... Consider for Approval Quarterly Access to Care Report

- Item #14**ACTION**.....Consider for Approval Quarterly Patient Satisfaction Survey Results
- Item #15**ACTION**.....Consider for Approval Quarterly Compliance Report
- Item #16**ACTION**.....Consider for Approval Request to add a Staff Part-Time Hygienist
- Item #17**ACTION**.....Consider for Approval Re-Privileging Rights for Leonard Nagorski, MD
- Item #18**ACTION**.....Consider for Approval Privileging Rights for the following Contract Provider Providing Tele-Psychiatry Services:
 - a) Carlos Tirado, MD
- Item #19**ACTION**.....Consider for Approval Privileging Rights for the following UTMB Residents
 - a) Shelby Payne, MD
 - b) Stacy Leung, MD
 - c) Alexander Ondari, MD
 - d) Aubrey Palmer, MD

Adjournment

Tentative Next Meeting: May 30, 2019

Appearances before Governing Board

A citizen desiring to make comment(s) to the Board, shall submit a written request to the Executive Director by noon on the Thursday preceding the Thursday Board meeting. The written request must include a brief statement identifying the specific topic and matter presented for consideration. The Executive Director shall include the requested appearance on the agenda, and the person shall be heard, so long as he or she appears at the Board Meeting.

Executive Sessions

When listed, an Executive Session may be held by the Governing Board in accordance with the Texas Open Meetings Act. An Executive Session is authorized under the Open Meetings Act pursuant to one or more the following exceptions: Tex. Gov't Code §§ 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding a prospective gift or donation), 551.074 (personnel matters), 551.0745 (personnel matters affecting Coastal Health & Wellness advisory body), 551.076 (deliberation regarding security devices or security audits), and/or 551.087 (deliberations regarding economic development negotiations). The Presiding Officer of the Governing Board shall announce the basis for the Executive Session prior to recessing into Executive Session. The Governing Board may only enter into Executive Session if such action is specifically noted on the posted agenda.



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

**Governing Board
April 2019
Item #2
Excused Absence(s)**

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

April 2019

Item #3

Consider for Approval Minutes from March 28, 2019

Governing Board Meeting

**Coastal Health & Wellness
Governing Board
March 28, 2019**

Board Members

Present:

David Delac
Jay Holland
Victoria Dougharty
Virginia Valentino
Dorothy Goodman
Samantha Robinson
Aaron Akins
Mario Hernandez
Elizabeth Williams
Dr. Thompson

Staff:

Kathy Barroso, Executive Director	Eileen Dawley
Dr. Ripsin, Medical Director	Richard Mosquera
Dr. Linskog, Dental Director	Diana Driskill
Judie Olivares	Paula Compton
Mary Orange	Amanda Wolff
Tiffany Carlson	Tikeshia Thompson Rollins
Ashley Tompkins	
Michelle Peacock	
Pisa Ring	
Luz Amaro	

Excused Absence: Dr. Howard, Miroslava Bustamante

***Items 1-5 Consent Agenda**

A motion was made by Virginia Valentino to approve the consent agenda items one through five. Mario Hernandez seconded the motion and the Board unanimously approved the consent agenda.

Item #6 Executive Session

Texas Government Code Section 551.071, *Consultation with Attorney*: the Coastal Health & Wellness Governing Board will enter into an executive session as permitted under the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, pursuant to Section 551.071 of the Government Code: to seek the advice of its attorney about pending or contemplated litigation or on a matter in which the duty of the attorney to Coastal Health & Wellness under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act relating to 17-CV-00109, United States of America, ex rel. Tammy Lynn Babcock and Malek Bohsali v. Coastal Health & Wellness, and Galveston County Health District

Item #7 Possible Action from Executive Session

Jay Holland made a motion to expend up to \$87,500 to settle the Coastal Health and Wellness portion of the negotiated agreement. Dorothy Goodman seconded the motion and the Board unanimously approved.

Item #8 Consider for Approval February 2019 Financial Report

Mary Orange, Business Office Manager, presented the February 2019 financial report to the Board. A motion to accept the financial report as presented was made by Virginia Valentino. Aaron Akins seconded the motion and the Board unanimously approved.

Item #9 Executive Reports

Kathy Barroso, Executive Director, presented the February 2019 Executive Report to the Board.

Item #10 Update on Substance Use Disorder- Mental Health (SUD-MH) Program

Cynthia Ripsin, Medical Director, presented to the Board an update on the Substance Use Disorder-Mental Health (SUD-MH) program. Dr. Ripsin gave an overview of the need for this type of program based on the current opioid crisis and outlined how the Coastal Health & Wellness SUD-MH program will be structured.

Item #11 Consider for Approval Change in Scope (CIS) Request to Add Psychiatry as a Specialty Service

Kathy Barroso, Executive Director, asked the Board to consider for approval a change in scope request to HRSA adding psychiatry as a specialty service and utilizing a contract physician who is a board-certified psychiatrist and is also board-certified in addiction medicine. This specialty service will be provided via video conferencing through the Coastal Health

& Wellness Substance Use Disorder-Mental Health (SUD-MH) program. A motion to accept the request as presented was made by Virginia Valentino and seconded by Jay Holland. The Board unanimously approved the motion.

Item #12 Presentation on the Patient Centered Medical Home Model and Future Plans

Cynthia Ripsin, Medical Director, gave a presentation to the Board on the patient centered medical home model and discussed the benefits of the model as well as current progress and future goals.

Item #13 Consider for Approval Proposed Changes in Distributing and Collecting Patient Satisfaction Survey Data

Kathy Barroso, Executive Director, asked the Board to consider for approval proposed changes in distributing and collecting patient satisfaction survey data. Ms. Barroso reported that collecting survey data is currently a manual process and that logging the results and capturing the data in real time has been challenging due to the amount of time involved for staff. She requested that we move to an electronic survey that would be emailed to each patient after their visit so that we could capture results quicker and reduce staff time. A motion to accept the proposed changes were made by Jay Holland and seconded by Mario Hernandez. The Board unanimously approved the motion.

Item #14 Consider for Approval the Reappointment of Jay Holland as a Community Representative to the Coastal Health & Wellness Governing Board for a 3 Year Term Expiring March 2022

David Delac, Board Chair, asked the Board to consider for approval the reappointment of Jay Holland, as a community representative to the Coastal Health & Wellness Governing Board for a 3-year term expiring March 2022. A motion to accept the reappointment of Jay Holland to the Board was made by Virginia Valentino and seconded by Dorothy Goodman. The Board unanimously approved the motion.

Item #15 Consider for Approval Privileging Rights for the following UTMB Residents

Dr. Ripsin, Medical Director, asked the Board to consider for approval privileging rights for the following UTMB residents.

- Juliet McKee, MD
- Katherine Serrano, MD
- Kenneth Kenneth-Nwosa, MD
- Amanda Song, MD

A motion to accept privileging rights for the UTMB residents was made by Victoria Dougharty and seconded by Mario Hernandez. The Board unanimously approved the motion.

Adjournment

A motion to adjourn was made by Dorothy Goodman and seconded by Mario Hernandez. The Board adjourned at 1:36 p.m.

Chair

Secretary/Treasurer

Date

Date

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

April 2019

Item #4

Consider for Approval Minutes from April 9, 2019 Governing Board Special Meeting

**Coastal Health & Wellness
Governing Board
Special Meeting
April 9, 2019**

Board Members

Present:

David Delac
Jay Holland
Victoria Dougharty
Virginia Valentino
Dorothy Goodman
Samantha Robinson
Aaron Akins
Mario Hernandez
Elizabeth Williams
Miroslava Bustamante

Staff:

Kathy Barroso, Executive Director
Dr. Ripsin, Medical Director
Richard Mosquera
Tikeshia Thompson Rollins

Excused Absence: Dr. Howard, Dr. Thompson

Executive Session

Convene into Executive Session Pursuant to Texas Government Code, Section 551.074 (Personnel Matters). The Governing Board will enter into executive session as permitted under the Open Meetings Act, pursuant to Section 551.074 of the Texas Government Code, Personnel Matters: to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee, respectively a Coastal Health & Wellness medical provider.

Reconvene into Special Meeting

The Open meeting was reconvened at 3:31 p.m.

Adjournment

A motion to adjourn was made by Virginia Valentino and seconded by Mario Hernandez. The Board adjourned at 3:31 p.m.

Chair

Secretary/Treasurer

Date

Date

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

April 2019

Item #5

**Consider for Approval Minutes from April 11, 2019 Governing
Board Quality Assurance Committee Meeting**

**Coastal Health & Wellness
Governing Board
Quality Assurance Committee
Meeting
April 11, 2019**

BOARD QA COMMITTEE MEMBERS PRESENT:

David Delac – Chair
Milton Howard, DDS – Vice Chair

BOARD QA COMMITTEE MEMBERS ABSENT:

Samantha Robinson, RN

EMPLOYEES PRESENT:

Kathy Barroso (Executive Director), Eileen Dawley (Chief Nursing Officer), Andrea Cortinas (Controller), Tiffany Carlson (Nursing Director), Pisa Ring (Patient Information Manager) Kristina Garcia (Patient Services Manager), Tyler Tipton (Public Health Emergency Preparedness Manager) Tikeshia Thompson Rollins (Executive Assistant III)

(Minutes recorded by Tikeshia Thompson Rollins)

ITEM	ACTION
Quarterly Access to Care Report October-December 2018	<ul style="list-style-type: none"> • The Quarterly Access to Care report was reviewed. No show rates were improved in comparison to last quarter; however counseling visit utilization continues to be low. • Recommendation was made by David Delac to promote advertising CHW counseling services at both clinic locations.
Patient Satisfaction Report	<ul style="list-style-type: none"> • The results of the January to March Patient Satisfaction Survey were presented and discussed. Approximately 86% to 91% of responses received indicated a rating of “excellent”. • Pisa Ring will send survey responses to the appropriate manager for their awareness. Kathy Barroso will work with the Housing Authority on a plan to paint the Galveston clinic.
Infection Control/Environment of Care/Joint Commission Survey Committee Report	<ul style="list-style-type: none"> • Eileen Dawley reviewed the Infection Control audits and will work on the Infection Prevention and Control Program goals and bring back to the next Board QA Committee meeting. • A summary of the Environment Safety and Compliance report for the quarter was reviewed. • An update was given on recent Joint Commission communication and future activities.

Emergency Management Report	<ul style="list-style-type: none">• Tyler Tipton reviewed the Emergency Management Report and gave an update on trainings and drills that had occurred during the quarter and discussed plans for future activities.
Open Discussion	<ul style="list-style-type: none">• Kathy Barroso informed the committee that we will report on progress related to the HRSA diabetes measure at the next quarterly Board QA Committee meeting scheduled for July 18, 2019.

Next Meeting: July 18, 2019

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**Governing Board
April 2019
Item #6
Annual Policy/Plan Review**

- a.** Medical Records Fee Schedule
- b.** Coastal Health & Wellness Title V Child Health and Dental Eligibility Policy
- c.** 340B Policy & Procedure Manual



Approved
CHW GB- 4/26/2018

MEDICAL RECORDS FEE SCHEDULE

When requested by a PATIENT, PATIENT’S AUTHORIZED REPRESENTATIVE/GUARDIAN, ATTORNEY or INSURANCE COMPANY:

MEDICAL		DENTAL	
Medical Records (physical copies):		Dental Records (physical copies):	
<u>Number of Pages</u>	<u>Charge Amount</u>	<u>Number of Pages</u>	<u>Charge Amount</u>
1 – 19	\$1.25/page	1 – 19	\$1.25/page
First 20	\$25.00 (flat fee)	First 20	\$25.00
21 or more	\$25.00/first 20 pages + \$0.50/additional page	21 or more	\$25.00/first 20 pages + \$0.15/additional page
Medical Records (electronic copies):		Dental Records (electronic copies):	
<u>Number of Pages</u>	<u>Charge Amount</u>	<u>Number of Pages</u>	<u>Charge Amount</u>
500 (or less)	\$25.00 (flat fee)	500 (or less)	\$25.00 (flat fee)
501 (or more)	\$50.00 (flat fee)	501 (or more)	\$50.00 (flat fee)
Medical records requested for a disability claim or appeal:		Diagnostic Images:	
Initial copy: no charge		Cost of materials, labor and overhead up to, but not exceeding, \$8.00 per image.	
Secondary/duplicate copies: in accordance with aforementioned charges		Dental records requested for a disability claim or appeal:	
		For initial copy: no charge	
		For secondary/duplicate copies: in accordance with aforementioned charges	

When requested by a GOVERNMENT AGENCY or GOVERNMENT CONTRACTOR:

MEDICAL and DENTAL
Medical and/or dental records requested by or on behalf of governmental agencies or their proxies, regardless of reason, must: a) be requested in writing; b) in a manner deemed valid by the Executive Director or designee; and c) approved for release in writing by the Executive Director.
Should release of these records be consented to by the Executive Director, charges for dissemination of said records may meet, but not exceed, the cost of materials, labor and overhead required to generate and transfer records.

Additional and Contingency Fees:

MEDICAL and DENTAL	
Postage: Actual cost	Non-rewritable CD (CD-R): \$1.00 per disc
Labor: Up to, but not to exceed, \$15.00/hour	Notary fee: \$6.00
Rewritable CD (CD-RW): \$1.00 per disc	Execution of affidavit fee: \$15.00
Patient billing record when requested by an attorney: \$25.00/record	

All clinical record releases shall be made in accordance with applicable federal and state laws. Requests elicited in any manner not defined above shall immediately be forwarded to the Executive Director or designee, to determine nature, permissibility and lawful compliance for appropriate response to the request.

The Executive Director reserves the right to waive or reduce fees for the transmission of clinical records as he/she deems appropriate. This document is not intended to nor should ever be construed as an instrument utilized to preempt governing law of any form. In the case that any such fee or principle outlined in this policy is determined to be inconsistent with an authoritative statute, the terms set forth by the statute should prevail in their entirety.



-Approved 9/29/2016
By: CHW Governing Board
-Effective 9/29/2016
-Reviewed 9/29/2016

Coastal Health & Wellness Title V Child Health & Dental Eligibility Policy

Purpose

Coastal Health & Wellness (CHW) provides Title V Child Health and Dental services. As a Title V Contractor, CHW is required to perform Title V eligibility screening assessments on pediatric clients who present for services at the clinic. This policy outlines the Title V Child Health & Dental eligibility requirements.

Definitions

Below are some general definitions of terms or phrases that are used throughout this policy.

- **Age** – For a child to be counted as part of the household, the child must be under 18 years of age and unmarried. The Contractor should terminate the child’s eligibility at the end of the month the child become 18 unless the child:
 - Is a full-time student (as defined by the school) in high school, attends an accredited GED class, or regularly attends vocational or technical training as an equivalent to high school attendance, and
 - Is expected to graduate before or during the month of his/her 19th birthday.
 - If the child does not meet the above criteria, he/she will be considered a separate household of one.
- **Children Health Insurance Program (CHIP)** – A child health insurance program for non-Medicaid eligible children with family incomes up to 200% Federal Poverty Level (FPL).
- **Children and Adolescents** – A person from his/her 1st birthday through the 21st year.
- **Client** – An individual who has been screened, determined to be eligible for services, and has successfully completed the eligibility process.
- **Department of State Health Services (DSHS)** – The agency responsible for administering physical and mental health-related prevention, treatment, and regulatory programs for the State of Texas.

- **Eligibility Date** – Date the individual submits a completed application to the provider and is deemed eligible. The eligibility expiration date will be twelve months from the eligibility date.
- **Family Composition** – A person living alone or a group of two or more persons related by birth, marriage (including common law) or adoption, who reside together and who are legally responsible for the support of the other person. **Unborn children are also included in family size.**
- **Federal Poverty Level (FPL)** – The set minimum amount of income that a family needs for food, clothing, transportation, shelter and other necessities. In the United States, this level is determined by the Department of Health and Human Services. FPL varies according to family size. The number is adjusted for inflation and reported annually in the form of poverty guidelines. Public assistance programs, such as Medicaid in the U.S., define eligibility income limits as some percentage of FPL.
- **Integrated Business Information System (IBIS)** – An electronic web based application for client eligibility determination and billing.
- **Medicaid** – Title XIX of the Social Security Act; reimburses for health care services delivered to low-income clients who meet eligibility guidelines.
- **Re-certification** – The process of re-screening and determining eligibility for the next year.
- **Texas Resident** – An individual who resides within the geographic boundaries of the state and:
 - Has intent to remain within the state, whether permanently or for an indefinite period
 - Does not claim residency in any other state or country
 - Is less than 18 years of age and his/her parent(s), managing conservator, caretaker, or guardian is a Texas resident.

The following individuals are NOT considered Texas residents for the purpose of receiving services and are considered ineligible:

- Inmates of correctional facilities
- Residents of state schools
- Patients in state institutions or state psychiatric hospitals

Although the following individuals reside in Texas, they are not considered Texas residents for the purpose of receiving Title V services and are considered ineligible:

- Persons who move into the state solely for the purpose of obtaining health care services.
- Students primarily supported by their parents, whose home residence is in another State.

- **Undocumented Immigrant** – A person who is not a U.S. citizen, and has no immigration document.

Policy

It is the Policy of Coastal Health & Wellness to perform Title V eligibility screening assessments on individuals from birth up to their 22nd birthday who present for services and meet the Title V eligibility criteria of (1) Texas residency (2) Gross family income at or below 185% Federal Poverty Level (FPL); and (3) Not eligible for other programs/benefits providing the same services (for example Medicaid/CHIP or other payor sources).

Title V Child Health and Dental Services performed at CHW

A. Child Health Preventive and Primary Health Services

Child Health Infant/child/adolescent preventive and primary health services are provided for ages birth to their 22nd birthday. These services include well child checkups with labs, immunizations and minimal sick care and case management for high risk infants up to 1 year of age.

B. Child Dental Services

Child Dental Infant/child/adolescent dental services are provided for ages birth to their 22nd birthday. These services include comprehensive and periodic oral evaluations, radiographs; preventative services including cleanings, fluoride treatment, placement of dental sealants to any tooth at risk of dental decay; and therapeutic services including restorative treatment.

Contractor Responsibilities

A. Ensure the eligibility process is complete and include documentation of the following:

1. Individual/family member's name, present address, date of birth and whether the individual/family members are currently eligible for Medicaid or other benefits;
2. Health insurance policies, if applicable, providing coverage for the individual, spouse, and dependent(s).
3. Gross monthly income of individual and spouse;
4. Other benefits available to the family or individual; and
5. Any specified or other supporting documentation necessary for the contractor to determine eligibility.

B. Ensure the applicant's household income is at or below 185% of the FPL, documented in the client's record and if applicable, in IBIS; Use the DSHS HOUSEHOLD Eligibility Screening Form (Form EF05-14214); and HOUSEHOLD Eligibility Screening Form Worksheet (Form EF05-13227); and verification/documentation procedures established by DSHS.

C. Assist the applicant with accurately completing the application for screening and eligibility determination;

D. Ensure the documentation the individual provides is sufficient to make an eligibility decision.

E. Accept reasonable documentation provided by the individual;

F. Determine eligibility for Title V services based on the three (3) eligibility criteria stated in the first paragraph on page 3 of 10 titled Policy.

G. Provide the eligible individual information regarding the Title V services he/she is entitled to receive and his/her rights and responsibilities;

Applicant/Client Responsibilities

- A. Complete the DSHS HOUSEHOLD Eligibility Screening Form (Form EF05-14214) or request assistance for completion;
- B. Provide documents requested by the contractor. Failure to provide all required information will result in denial of eligibility.
- C. Report Changes (within 30-days) to CHW in the following areas: income, family composition, residence, address, employment, types of medical insurance coverage, and receipt of Medicaid and/or other third-party coverage benefits.

Title V- DSHS Eligibility Screening Forms:

- A. **DSHS Form EF05-14214 –HOUSEHOLD Eligibility Form** (with Instructions Form) is used to assess client eligibility for **Title V Child Health & Dental** on an annual basis. Use with HOUSEHOLD Worksheet (Form EF05-13227) (English and Spanish)
 - 1. The individual is responsible for completing page one of this form, and Coastal Health & Wellness will provide assistance, if requested.
 - 2. The form may be photocopied for the number of family members needed.
 - 3. Each Title V eligible client, who is a legal adult, will sign and date the form.
 - 4. Separate forms may be completed for spouses, if confidentiality is a concern.
 - 5. Any Coastal Health & Wellness employee assisting in completion of the form is required to sign the form.
 - 6. The form is filed in the client record.

- B. **DSHS Form EF05-13227 - HOUSEHOLD Eligibility Worksheet** (with Instructions Form) is used to complete the eligibility process for Titles V Child Health & Dental.

Note: Special circumstances may occur in the disclosure of information, documentation of pertinent facts, or events surrounding the client's application for services that make decisions and judgments by the contractor staff necessary. These circumstances should be documented in the case record on the HOUSEHOLD Eligibility Worksheet.

- C. **DSHS Form 149 – Statement of Self-Employment Income** (with Instructions Form) (English and Spanish)
- D. **DSHS Form 128 – Employment Verification**
- E. **DSHS Form 104 - Request for Information** may be used to assist applicants with requested verification requirements for all programs. (English and Spanish)

F. **DSHS Form - APPENDIX B - Statement of Applicant's Rights and Responsibilities**
(English and Spanish)

G. **CHW Form** – **Notice of Eligibility** (English and Spanish)

H. **CHW Form** – **Notice of Ineligibility** (English and Spanish)

Title V- Child Health & Dental Eligibility Process:

Coastal Health & Wellness will perform an eligibility screening assessment on all clients who present for services at a clinic supported by Title V services. If the client has a Medicaid card, this documents their Medicaid eligibility.

A. **The eligibility process has two steps in determining and maintaining services:**

1. **Screening and Eligibility Determination:**

- a. Completion of the required Screening Form, (see “Screening Forms” section below)
- b. Applicant/Client submission of required verification;
- c. Determination of eligibility and referral if necessary;
- d. Completion of Statement of Applicant's Rights and Responsibilities
- e. Completion of Notice of Completion of Notice of Ineligibility \
- f. Applicant/Client will be given copies of (1) Statement of Applicant's Rights and Responsibilities and (2) Notice of Eligibility or (3) Notice of Ineligibility.

2. **Annual Re-Certification:** Individual client eligibility will be determined on an annual basis, prompted by the anniversary date the client was deemed eligible. Coastal Health & Wellness will determine a system to track clients' status and renewal eligibility.

Family Composition

A. **Documentation of Client's Family Composition** – If family relationship appears questionable, one of the following items shall be provided:

1. Birth Certificate
2. Baptismal certificate
3. School records
4. Other documents or proof of family relationship determined valid by the contractor to establish the dependency of the family member upon the client or head of household.

B. **Determine Family Composition/Household size as follows:**

1. If married (including common-law marriage), include applicant, spouse, and any mutual or non-mutual children (including unborn).
2. If not married, include applicant and children (including unborn).
3. If not married and living with a partner with whom applicant has mutual children, include applicant, partner, and children (including unborn).
4. A Child who is 18 years of age or older and resides with his/her parent(s)/guardian(s), but is not currently attending high school, GED classes, or vocational or technical training is considered a family of one.
5. A Child may be considered part of a family when living with relatives other than natural parents if documentation can be provided that verifies the relationship.

C. Documentation of Client's Date of Birth shall include one of the following:

1. Birth Certificate
2. Baptismal certificate
3. School records
4. Other documents or proof of date of birth valid by the contractor

Residency

A. Texas Residency Requirement:

An individual must be physically present within the geographic boundaries of Texas and:

1. Has the intent to remain within the state, whether permanently or for an indefinite period;
2. Does not claim residency in any other state or country; and/or
3. Is less than 18 years of age and his/her parent, managing conservator, caretaker, or guardian is a resident of Texas.

B. There is no requirement regarding the amount of time an individual must live in Texas to establish residency for the purposes of Title V eligibility.

C. Although the following individuals may reside in Texas, they are not considered Texas residents for the purpose of receiving Title V services and are considered ineligible:

1. Persons who move into the state solely for the purpose of obtaining health care services.
2. Student primarily supported by their parents, whose home residence is in another State.

D. The following individuals are NOT considered Texas residents for the purpose of receiving services and are considered ineligible:

1. Inmates of correctional facilities
2. Residents of state schools
3. Patients in state institutions or state psychiatric hospitals

E. Verification/Documentation of Residency will include one of the following:

1. Valid Texas Driver's License
2. Current voter registration
3. Rent or utility receipts for one month prior to the month of application
4. Motor vehicle registration
5. School records
6. Medical cards or other similar benefit cards
7. Property tax receipt
8. Mail addressed to the applicant, his/her spouse, or children if they live together
9. Statement from landlord, neighbor, other reliable sources
10. Other documents considered valid by the contractor

F. Temporary Absences from State – Individuals do not lose their Texas residency status

Income

Income is a calculation of gross family income from sources that are earned and unearned income. Other types of income are exempt from being counted.

A. Types of income that are Countable:

1. Earned Income—income a person receives for a certain degree of activity or work—related to employment: counted in the month received
2. Unearned income—payments received without performing work-related activities: counted in the month received.

B. Income Countable toward gross family income

1. Cash gifts and Contributions
2. Child Support payments
3. Disability insurance benefits
4. Dividends, Interest and Royalties
5. Loans (non-educational)
6. Lump-sum payments—count as income in the month received if the person receives it or expects to receive it more than once a year
7. Military Pay
8. Mineral rights
9. Pensions and annuities
10. Reimbursements
11. RSDI Payments
12. Self-Employment Income—must be annualized if intended for family support.
13. SSDI
14. Unemployment Compensation
15. Veteran's Administration (except Exempt VA special needs payments, such as annual clothing allowances or monthly payments for an attendant for disabled veterans).
16. Wages and Salaries, Commissions
17. Worker's Compensation

C. Types of income that are Exempt:

1. Adoption Payments
2. Child's Earned Income
3. Crime Victim's Compensation
4. Educational Assistance
5. Energy Assistance
6. Foster Care Payment
7. In-Kind Income
8. Job Training
9. Lump-Sum Payments –received once a year or less.
10. SSI Payments
11. TANF
12. VA Payments –special needs payments

D. Verification/Documentation of Income will include one of the following to be used to complete the DSHS HOUSEHOLD Eligibility Worksheet

1. Copy(ies) of the most recent paycheck stub (at least 2 consecutive pay periods) or monthly earnings statement(s)
2. Employer's written verification of gross monthly income
3. Award letters
4. Domestic relation printout of child support payments
5. Letter of support

6. Unemployment benefits statement or letter from the Texas Workforce Commission
7. Award letters, court orders, or public decrees to verify support payments
8. Notes for cash contributions
9. Self-employed Individual—a signed statement from the individual with no documentation of their income

If all attempts to verify income are unsuccessful because the employer/payer fails or refuses to provide information or threatens continued employment, and no other proof can be found, Coastal Health & Wellness will determine an amount to use on the form based on the best available information and document the determined income on the DSHS HOUSEHOLD Eligibility Worksheet.

Income Determination Procedure

- A. Count income already received and any income the household expects to receive. If the household is not sure about the amount expected or when the income will be received, Coastal Health and Wellness will use the best estimate.
- B. Coastal Health and Wellness will count terminated income in the month received and use actual income, not the conversion factors if terminated income is less than a full month's income.
- C. Use at least two consecutive, current pay periods to calculate projected monthly income. If client is paid one time per month and receives the same gross pay each month, then one pay period will suffice.
- D. If actual or projected income is not received monthly, convert it to a monthly amount using one of the following methods:
 1. Weekly income is multiplied by 4.33.
 2. Income received every two weeks is multiplied by 2.17.
 3. Income received twice monthly is multiplied by 2.

Income Deductions

- A. Dependent childcare or adult with disabilities care expenses shall be deducted from total income in determining eligibility, if paying for the care is necessary for the employment of a member of the household.
- B. Allowable deductions:
 1. Actual expenses up to \$200.00 per child per month for children under age 2
 2. Actual expenses up to \$175.00 per child per month for children age 2 or older, and
 3. Actual expenses up to \$175.00 per adult with disabilities per month
- C. Child support payments made by a member of the household group will also be deducted. Payments made weekly, every two weeks or twice a month must be converted to a monthly amount by using one of the conversion factors in the "Monthly Income Calculation"

Self-Employment Income

- A. If an applicant earns self-employment income, it must be added to any income received from other sources.
- B. Annualize (annual return on investment) self-employment income that is intended for an individual or family's annual support, regardless of how frequently the income is received.
- C. **Determine the costs of producing self-employment income by allowing the following deductions:** Capital asset improvements; Capital asset purchases, such as real property, equipment, machinery and other durable goods (in the last 12 months); Fuel; Identifiable costs of seed and fertilizer; Insurance premiums; Interest from business loans on income producing property; Labor; Linen service; Payments on the principal of loans for income producing property; Property taxes; Raw materials; Rent; Repairs that maintain income-producing property; Sales tax; Stock; Supplies; Transportation costs (50 cents per mile), Utilities.
- D. If the applicant conducts a self-employment business in his home, consider the cost of the home (rent, mortgage, utilities) as shelter costs, not business expenses, unless these costs can be identified as necessary for the business separately.
- E. If the self-employment income is only intended to support the individual or family for part of the year, average the income over the number of months it is intended to cover.
- F. If the individual has had self-employment income for the past year, use the income figures from the previous year's business records or tax forms.
- G. If current income is substantially different from income the previous year, use more current information, such as updated business ledgers or daybooks. Remember to deduct predictable business expenses.
- H. If the individual or family has not had self-employment income for the past year, average the income over the period of time the business has been in operation and project the income for one year.
- I. If the business is newly established and there is insufficient information to make a reasonable projection, calculate the income based on the best available estimate and follow-up at a later date.
- J. A signed statement of declaration from individuals who are self-employed and have no documentation of their income will be accepted with manager approval. Title V coverage cannot be extended on subsequent applications without formal verification and documentation of self-employment income.

Seasonal Employment

Include the total income for the months worked in the overall calculation of income. The total gross income for the year can be verified by a letter from the individual's employer, if possible.

Statements of Support

Unless the person providing the support to the individual is present during the interview and has acceptable documentation of identity, a statement of support will be required. The Statement of Support is used to document income when no supporting documentation is available or when income is irregular. If questionable, the Contractor may document proof of identification such as a Texas Driver's License, Social Security card, or a birth certificate of the supporter.

Employment Terminated/New Employment

When the individual has been terminated, resigned, or laid off, the income from that job will then be disregarded. When an individual has not yet received income for new employment, use the best estimate of the amount to be received. If telephone verification regarding new or terminated employment is made, it must be documented by the contractor on the DSHS HOUSEHOLD Eligibility Form and Worksheet.

Disability

The individual must submit a statement from his/her physician verifying the approximate length of disability or a letter from the company/program providing eligibility dates.

Reporting Changes

- A. Coastal Health & Wellness will advise the client of his/her responsibility to report changes; and determine the effect reported changes have on the client's eligibility by re-screening and completing the eligibility determination process.
- B. Coastal Health & Wellness will explain to the client that they must report changes in the following areas: income, family composition, residence, address, employment, types of medical insurance coverage, and receipt of Medicaid and/or third-party coverage benefits.
- C. Coastal Health & Wellness will encourage client to report changes by mail, telephone, in-person, or through someone acting on the individual's behalf no later than 30 days after the client is aware of the change.

No Co-pays

Coastal Health & Wellness will not charge clients co-pays for Title V medical and dental services.



340B Policy & Procedure Manual

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340B Policy & Procedures Manual

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I. PURPOSE

The purpose of this manual is to establish comprehensive policies and procedures for Coastal Health & Wellness (“CHW”) which delineate the overarching rules and regulations for the entity’s 340B program. This document contains descriptions of the policies and procedures used by Coastal Health & Wellness to maintain compliance with the 340B Drug Pricing Program.

II. DEFINITIONS

Definitions of terms used in this manual may be found in the 340B Glossary of Terms [Appendix B].

III. POLICY REVIEW, UPDATES, AND APPROVAL

This policy will be reviewed, updated, and approved by the Coastal Health & Wellness Governing Board annually.

IV. BACKGROUND

[Section 340B of the Public Health Service Act \(1992\)](#) requires drug manufacturers participating in the Medicaid Drug Rebate Program to sign an agreement with the Secretary of Health and Human Services. This agreement limits the price that manufacturers may charge certain [covered entities](#) for covered outpatient drugs. The resulting program is the 340B Drug Pricing Program, which is administered by the federal Health Resources and Services Administration (HRSA) – a branch of the United States Department of Health and Human Services.

Upon registration in the HRSA 340B Database as a participant in the 340B program, CHW agrees to abide by specific statutory requirements and prohibitions as set forth in this manual.

V. 340B POLICY STATEMENTS

As a participant in the 340B Drug Pricing Program, Coastal Health & Wellness shall:

- 1) Use any savings generated from 340B in accordance with 340B program intent.
- 2) Meet and maintain all 340B program eligibility requirements, ensuring:
 - a) Coastal Health & Wellness’ listing in the HRSA 340B Database is complete, accurate, and correct; and
 - b) Coastal Health & Wellness receives a grant or designation consistent with the conferring 340B eligibility, stated within the entity’s HRSA Notice of Grant Award.
- 3) Comply with all requirements and restrictions of Section 340B of the Public Health Service Act and any accompanying regulations or guidelines, including, but not limited to, the prohibition against duplicate discounts/rebates under Medicaid, and the prohibition against transferring drugs purchased under 340B to anyone other than a patient of the entity (diversion).
- 4) Maintain auditable records demonstrating compliance with the 340B requirements described in the following items:

- a) Prescribers are employed by the entity, or under contractual or other arrangements with the entity, and the individual prescribed the medication receives a health care service (within the scope of CHW's approved services) from these professionals such that the responsibility for care remains with CHW.
 - b) Coastal Health & Wellness maintains ongoing and up-to-date records of the patient's health care and rendered treatments.
 - c) Coastal Health & Wellness bills Medicaid per Medicaid reimbursement requirements, and as such Coastal Health & Wellness has reflected its information on the HRSA 340B Database/Medicaid Exclusion File.
 - i) Coastal Health & Wellness informs HRSA immediately, via completion of a change request, of any changes to its information on the HRSA 340B website/Medicaid Exclusion File.
 - ii) Medicaid reimburses for 340B drugs per state policy and does not collect rebates on claims from Coastal Health & Wellness.
 - iii) Coastal Health & Wellness shall retain Medicaid information from HRSA Medicaid Exclusion file for all sites.
- 5) Implement systems/mechanisms and internal controls to reasonably ensure ongoing compliance with all 340B requirements.
 - 6) Prepare and follow an internal audit plan adopted by the Chief Compliance Officer along with external audits provided by the pharmacies.
 - 7) Use contract pharmacy services. The contract pharmacy arrangement is performed in accordance with HRSA requirements and guidelines including, but not limited to, the following:
 - a) CHW obtains sufficient information from the contractor to ensure compliance with applicable policy and legal requirements.
 - b) CHW uses an appropriate methodology to ensure compliance (e.g., through an independent audit or other mechanism).
 - c) The signed contract pharmacy services agreements comply with the twelve (12) contract pharmacy essential compliance elements.
 - 8) Inform HRSA as soon as reasonably possible if there is any change in 340B eligibility or material breach by CHW of any of the foregoing policies.
 - 9) Acknowledges that if there is a material breach of the 340B requirements, CHW may be liable to the manufacturer of the covered outpatient drug that is the subject of the violation, and, depending upon the circumstances, may be subject to the payment of interest and/or removal from the list of eligible 340B entities.
 - 10) Receive information about the 340B program from trusted sources, including, but not limited to, the following:
 - a) The Health Resources and Services Administration (HRSA);
 - b) The 340B Prime Vendor Program, managed by Apexus; and
 - c) Any HRSA contractors.

VI. RESPONSIBLE STAFF, COMPETENCY

The following Coastal Health & Wellness staff are engaged with 340B program compliance. Coastal Health & Wellness does not have an “in-house” pharmacy, but partners with Walgreens and Southside 8 Pharmacy (the “Contract Pharmacies”) to distribute 340B covered pharmaceuticals to eligible patients; however, CHW does administer 340B medications not requiring prescriptions to patients. Denoted personnel have completed the Apexus 340B University OnDemand modules for federally qualified health centers. Additionally, 340B “portals” which provide detailed and transparent information about all 340B drugs ordered and dispensed in association with Coastal Health & Wellness’ 340B accounts are maintained in real-time and accessible to selected Coastal Health & Wellness personnel at any time.

- 1) Executive Director
 - a) Responsible as the OPAIS Authorizing Official charged with oversight and administration of the program; and
 - b) Responsible for attesting to the compliance of the program in the form of recertification.
- 2) Chief Financial Officer
 - a) Responsible for the above in case the Executive Director cannot perform oversight duties;
 - b) Oversees the Business Office Manager to ensure his/her 340B functions are being appropriately carried out; and
 - c) Accounts for savings and use of funds to provide care for the indigent.
- 3) Business Office Manager
 - a) Accountable agent for oversight of 340B related financial affairs.
 - (1) For clinic administered drugs:
 - (a) Ensures compliance with 340B program requirements of qualified patients, drugs, providers, vendors, payers, and locations; and
 - (b) Monitors and reviews pricing and modifies fees accordingly.
 - b) Communicates with Contract Pharmacies.
 - i) Coordinates with representatives for Contract Pharmacies and third-party administrators to ensure responsibilities as outlined in agreement are being followed including, but not limited to:
 - (1) Routine maintenance and testing of tracking and auditing software;
 - (2) Continuous monitoring of product minimum/maximum levels to effectively balance product availability and cost-efficient inventory control;
 - (3) Reviewing 340B orders, reconciliations and financial statements;
 - (4) Reviewing, refining and providing 340B cost savings reports detailing purchasing and replacement practices, as well as dispensing patterns;
 - (5) Maintaining system databases to reflect changes in the drug formulary or product specifications;
 - (6) Reconciling monthly pharmacy contractor dispense reports with amount billed by supplier, and notifying contractors of any discovered discrepancies.
- 4) Chief Compliance Officer
 - a) Designs and maintains an internal audit plan of compliance with the 340B program;
 - b) Ensures audit plan is being adhered to;
 - c) Designs the annual plan to cover all changes in the program from the prior year;
 - d) Serves as the entity’s OPAIS 340B Primary Contact; and
 - e) Tracks and implements updated 340B laws and regulations.
- 5) Medical Director
 - a) Remains aware of products covered by 340B and Prime Vendor Program pricing; and
 - b) Works with the medical staff to provide medications that optimize savings with good clinical outcomes.

- 6) Nursing Director
 - a) For clinic administered 340B drugs (not requiring prescriptive authority):
 - i) Works with Procurement Officer and Medical Director to ensure sufficient volume and types of 340B administered drugs are ordered and stocked;
 - ii) Responsible for organizing first-in first-out (“FIFO”) and look-alike sound-alike processes for clinic administered 340B medications; and
 - iii) Manually audits logging procedures for ten internally administered 340B medications each quarter.
- 7) Procurement Officer
 - a) Responsible for ordering non-pharmaceutical drugs retained and distributed directly by the Coastal Health & Wellness clinic and charging said drugs to the proper distribution accounts;
 - b) Managing purchasing, receiving, and inventory control processes;
 - c) Responsible for receiving medications to be administered at Coastal Health & Wellness, as well as entering purchase requisitions for monthly invoices for medications purchased by Contracted Pharmacies affiliated with the Coastal Health & Wellness 340B agreement; and
 - d) Monitoring ordering processes and integrating most current pricing from wholesalers.

VII. 340B ENROLLMENT, RECERTIFICATION, CHANGE REQUESTS

Recertification Procedure

HRSA requires entities to recertify their information as listed in the HRSA 340B Database annually. The Chief Compliance Officer serves as the Primary Contact and makes all applicable updates to the entity’s 340B account. The Executive Director affirms attestations made by the Primary Contact regarding Coastal Health & Wellness’ information, including oversight of the annual recertification.

Enrollment Procedure: New Clinic Sites

The Executive Director of Coastal Health & Wellness evaluates a new service area or facility to determine whether the location is eligible for participation in the 340B program. The criteria used for such determinations includes, but isn’t limited to, whether the considered service area performs within the scope of services of the grant/designation received by the entity that confers 340B status, offers outpatient prescription services, and serves patients who meet the 340B patient definition.

If a new clinic meets these criteria, the Coastal Health & Wellness Executive Director completes the online registration process during the registration window (January 1–January 15 for an effective start date of April 1; April 1–April 15 for an effective start date of July 1; July 1–July 15 for an effective start date of October 1; and October 1–October 15 for an effective start date of January 1).

Enrollment Procedure: New Contract Pharmacies

- 1) The Coastal Health & Wellness Executive Director ensures that a signed contract pharmacy services agreement, containing the twelve (12) essential compliance elements are in place between the entity and the contract pharmacy prior to submission of HRSA/OPAIS enrollment. The Chief Compliance Officer also reviews the agreement to ensure it complies with all federal, state, and local requirements.
- 2) The Coastal Health & Wellness Chief Compliance Officer completes the online enrollment process through the HRSA OPAIS website during an applicable registration window (January 1–January 15 for an effective start date of April 1; April 1–April 15 for an effective start date of July 1; July 1–July 15 for an effective start date of October 1; and October 1–October 15 for an effective start date of January 1). The Executive Director subsequently authorizes the enrollment.

- 3) The Coastal Health & Wellness Executive Director ensures that the Contract Pharmacies registration request is certified online within fifteen (15) days from the date the online registration was completed. A Contract Pharmacies' responsible representative may be the owner, president, CEO, COO, or CFO.
- 4) The Coastal Health & Wellness Executive Director begins the Contract Pharmacy arrangement only on or after the effective date permitted under the HRSA 340B regulations.

Procedure for Changes to Coastal Health & Wellness's Information in the HRSA 340B Database

It is Coastal Health & Wellness' ongoing responsibility to immediately inform HRSA of any changes to its information, status or 340B eligibility. Should Coastal Health & Wellness become aware that its 340B eligibility has been relinquished, the Executive Director or Chief Compliance Officer must notify HRSA immediately and cease from purchasing 340B medications. The Executive Director or Chief Compliance Officer shall also promptly notify all CHW 340B Contract Pharmacy affiliates of the change or relinquishment.

VIII. PRIME VENDOR PROGRAM (PVP) ENROLLMENT, UPDATES

Enrollment in PVP:

- 1) CHW's Executive Director or Chief Compliance Officer completes the 340B Program registration with HRSA.
- 2) CHW's Executive Director or Chief Compliance Officer completes the subsequently prompted Prime Vendor Portal (PVP) registration.
- 3) PVP staff validates information and sends a confirmation email to CHW's Executive Director or Chief Compliance Officer.
- 4) CHW's Executive Director or Chief Compliance Officer logs into the 340B Prime Vendor Portal and selects user name/password for the account.

Updating PVP Profile:

- 1) CHW's Executive Director or Chief Compliance Officer:
 - a) Accesses the entity's PVP account.
 - b) Updates HRSA information by completing the 340B Change Form.
- 2) After the HRSA 340B Database has been updated, the PVP database will be automatically updated during the nightly synchronization.
- 3) CHW's Executive Director or Chief Compliance Officer the updates the 340B Prime Vendor Program (PVP) Participation Information by:
 - a) Editing and submitting CHW's new DEA number, distributor and/or contacts.

IX. 340B PROCUREMENT, INVENTORY MANAGEMENT, DISPENSING

340B inventory is procured and managed by the following parties:

- 1) Clinic administration; and
- 2) Contract Pharmacies.
 - a) Note: Coastal Health & Wellness annually approves a fee scale that addresses the establishment of usual and customary charges, applies income-based discounts, performs third-party billing/reconciliation, and/or bills Medicaid as appropriate for 340B medications issued by clinic administration or via a prescription through a 340B Contract Pharmacy.

Clinic Administered Drugs, Standard Processes

The 340B program operates under CHW guidelines which assure compliance with all federal, state and local laws, rules and regulations, such that:

- 1) 340B medications used in the clinic are received and inventoried by clinic staff, and that a log be maintained for all medications received;
- 2) 340B medications are dispensed per physician order in NextGen, and that each medication given is recorded in the medication log and documented in NextGen;
- 3) the log of 340B medications administered internally is maintained in the medication room, and all meds are inventoried weekly;
- 4) 340B medications are stored only in the locked medication rooms, which are restricted to select members of the clinic staff;
- 5) clinic staff monitors inventory of 340B medications, and places orders through the Procurement Officer on an as needed basis, and
- 6) the Nursing Director performs random audits of the medication log system.

Contract Pharmacy Standard Processes

- 1) CHW has contracted with Walgreens Pharmacy to administer 340B medications to qualified CHW patients. Per contractual stipulations, both groups have an independent responsibility to adhere to pertinent 340B requirements.
- 2) CHW has contracted with Southside 8 Pharmacy to administer 340B medications to qualified CHW patients. Per contractual stipulations, both groups have an independent responsibility to adhere to pertinent 340B requirements.
 - a) CHW and Southside 8 Pharmacy have contracted with WellPartner, a third-party administrator, to serve as a neutral intermediary for the design, implementation and oversight of the partnership.
- 3) Coastal Health & Wellness uses a replenishment model for Contract Pharmacy services.
- 4) 340B eligible prescriptions are presented to Contract Pharmacies almost exclusively via e-prescription. Contract Pharmacies verify patient, prescriber, and clinic eligibility via barcode, pharmacy benefits manager (PBM) or by

phone call to designated Coastal Health & Wellness representatives. Updates are made to the patient's eligibility status annually.

5) For Walgreens Pharmacy:

- a) Walgreens dispenses prescriptions to 340B eligible patients using medications in-stock at the applicable Walgreens location.
- b) Walgreens pharmacy staff places 340B orders on behalf of Coastal Health & Wellness, based on 340B eligible use as determined by an accumulator system from Cardinal Healthcare. Orders are triggered when a full-package size is deemed by Walgreens to have been attained and is placed by an internally generated software system immediately at the time in which the package is deemed full. Such information is communicated to Coastal Health & Wellness staff via updates provided through the Walgreens 340B intranet portal.
- c) Coastal Health & Wellness pays invoices to Cardinal for all 340B drugs.
- d) Walgreens pharmacy staff receives 340B inventory by examining the wholesaler invoice against the order, and reports inaccuracies to Cardinal and Coastal Health & Wellness staff for reconciliation.
- e) Walgreens notifies Coastal Health & Wellness if Walgreens does not receive the 11-digit NDC replenishment order within three (3) failed inventory attempts of the original order fulfillment request. Coastal Health & Wellness will reimburse Walgreens at a pre-negotiated rate for 340B approved drugs during such failures.
- f) Any non-replacement 340B inventory is stored at the receiving Walgreens pharmacy. The inventory is protected by a security system managed by Walgreens. Only Walgreens employees have access to these pharmacies.
- g) Walgreens pharmacies will provide a comprehensive monthly report to Coastal Health & Wellness which reflects all applicable purchases made in accordance with the entity's' 340B affiliation via the Walgreens 340B intranet portal.

6) For Southside 8 Pharmacy:

- a) CHW contracts directly with Southside 8 pharmacy through WellPartner, a neutral third-party administrator, in the form of a "bill-to ship-to" arrangement, under which 340B medications are replenished through Southside 8 Pharmacy's contract with Coastal Health & Wellness.
- b) WellPartner uses the 340B price provided by Cardinal as necessary for the processing, tracking, reporting, and auditing of replenishment orders consistent with the "bill-to ship-to" arrangement, and applicable laws and regulations.
- c) Coastal Health & Wellness, with the assistance of WellPartner, ensures that 340B drugs will be supplied in a manner consistent with this Agreement and applicable laws and regulations.
- d) All relevant orders, dispensements, refill requests, reconciliation statements, invoices and payments by and between Southside 8 Pharmacy and CHW are viewable through a tracking portal hosted by WellPartner, which is audited monthly by the CHW Business Office Manager.

X. RECOMMENDED MONITORING AND REPORTING

- 1) The entity uses the self-auditing processes made available through the independent auditing tools in the Walgreens 340B portal and the WellPartner portal, both of which are predicated upon the HRSA 340B Self-Assessment/Self Audit processes.
- 2) CHW also makes use of the Kalderos GRAPPA tool to identify potential duplicate discounts.

Reporting 340B Noncompliance

In the event that Coastal Health & Wellness determines 340B drug diversion or duplicate discounts have occurred, or that it is otherwise unable to comply with its responsibility to ensure compliance with the 340B drug program, CHW will take immediate remedial action to assure compliance and notify the OPA regarding such compliance problems and actions taken to remedy those problems in accordance with the *Entity Self-Disclosures* process as set forth by HRSA.

340B Compliance Review

The 340B compliance review summarizes all activities necessary to ensure comprehensive review of 340B compliance at Coastal Health & Wellness. CHW personnel is responsible and accountable for overseeing this review process, as well as taking corrective actions based upon the findings.

Diversion: Drug diversion in the program is defined as a 340B drug being provided to an individual who is not an eligible outpatient of that entity and/or dispensed in an area of a larger facility that is not eligible (eg, an inpatient service or a non-covered clinic).

Duplication: A duplicate discount occurs when inventory subject to a 340B discount is also submitted for a Medicaid rebate, causing the drug manufacturer to pay two discounts on the same drug.

Activity	Frequency	Entity Eligibility	No Diversion	No Duplicate Discount
Review of all HRSA 340B Database information for Coastal Health & Wellness, indigent care agreement with state/local government. Coastal Health & Wellness staff responsible:	Annually	X		
Review of 340B self-audit reports, Coastal Health & Wellness staff responsible:	Monthly		X	X
Review of quarterly contract price load. Coastal Health & Wellness staff responsible:	Quarterly		X	X
Update (minimum) of prescriber and patient eligibility files with PBM/contract pharmacy. Coastal Health & Wellness staff responsible:	Annually		X	X

XI. Appendix A: Contract Pharmacy Compliance Elements

HRSA has provided essential covered entity compliance elements as guidance for the contractual provisions expected in all contract pharmacy arrangements. Per HRSA's program requirements:

- (a) Coastal Health & Wellness will purchase the drug, maintain title to the drug and assume responsibility for establishing its price, pursuant to the terms of an HHS grant (if applicable) and any applicable Federal, State and local laws. A "ship to, bill to" procedure is used in which CHW purchases the drug; Cardinal must bill the covered entity for the drug that it purchased, but ships the drug directly to Contract Pharmacy. All 340B medications ordered by CHW are billed to 9850-A Emmett F. Lowry Expy., A-108, Texas City, TX 77591.
- (b) Coastal Health & Wellness' agreements with its Contract Pharmacies specify the responsibility of the parties to provide comprehensive pharmacy services (e.g., dispensing, recordkeeping, drug utilization review, formulary maintenance, patient profile, patient counseling, and medication therapy management services and other clinical pharmacy services).
- (c) Coastal Health & Wellness' providers always ensure to inform the patient of his or her freedom to choose a pharmacy provider. When a patient obtains a drug from a pharmacy other than a covered entity's contract pharmacy or the covered entity's in-house pharmacy, the manufacturer is not required to offer this drug at the 340B price.
- (d) The Contract Pharmacy may provide other services to Coastal Health & Wellness and/or its patients at the option of CHW providers (e.g., home care, delivery, reimbursement services). Regardless of the services provided by the Contract Pharmacy, access to 340B pricing shall be restricted solely to qualifying CHW patients.
- (e) The Contract Pharmacies and Coastal Health & Wellness will adhere to all federal, state, and local laws and requirements. Both the CHW and the Contract Pharmacies are aware of the potential for civil or criminal penalties if either violates federal or state law.
- (f) The Contract Pharmacies shall provide CHW with reports consistent with customary business practices (e.g., quarterly billing statements, status reports of collections and receiving and dispensing records).
- (g) The Contract Pharmacies, with the assistance of CHW, will establish and maintain a tracking system suitable to prevent diversion of section 340B drugs to individuals who are not CHW patients. Customary business records may be used for this purpose. CHW will establish a process for periodic comparison of its prescribing records with the Contract Pharmacies' dispensing records to detect potential irregularities.
- (h) Coastal Health & Wellness and the Contract Pharmacies have developed a system to verify patient eligibility, as defined by HRSA guidelines. The system should be subject to modification in the event of change in such guidelines. Both parties agree that they will not resell or transfer a drug purchased at section 340B prices to an individual who is not a CHW patient. CHW also understands that it may be removed from the list of eligible 340B covered entities because of its participation in drug diversion, and therefore no longer be eligible for 340B pricing.
- (i) Neither Coastal Health & Wellness nor the Contract Pharmacies will use drugs purchased under section 340B to dispense Medicaid prescriptions, unless CHW, the Contract Pharmacy and the State Medicaid agency have established an arrangement to prevent duplicate discounts. Any such arrangement that is made shall be promptly reported to HRSA by CHW.

- (j) The covered entity and Contract Pharmacies will identify the necessary information for the covered entity to meet its ongoing responsibility of ensuring that the elements listed herein are being complied with and establish mechanisms to ensure availability of that information for periodic independent audits performed by the covered entity.
- (k) Coastal Health & Wellness and Contracted Pharmacies understand that they are subject to audits by outside parties (by the Department and participating manufacturers) of records that directly pertain to the entity's compliance with the drug resale or transfer prohibition and the prohibition against duplicate discounts. See *42 U.S.C. 256b(a)(5)(c)*. Contract Pharmacies assure that all pertinent reimbursement accounts and dispensing records, maintained by the Contract Pharmacies, will be accessible separately from the Contract Pharmacies' own operations and will be made available to the covered entity, HRSA, and the manufacturer in the case of an audit. Such auditable records will be maintained for a period of time that complies with all applicable federal, state and local requirements.
- (l) Upon written request to Coastal Health & Wellness, a copy of the Contract Pharmacies' service agreement will be provided to the Office of Pharmacy Affairs.

Appendix B: Definition of Terms

340B ceiling price	<p>The maximum price drug manufacturers can charge for a 340B-purchased drug.</p> <p>340B Ceiling Price =</p> <p>Generic:</p> <ul style="list-style-type: none">☑ AMP – URA <p>Brand:</p> <ul style="list-style-type: none">☑ AMP – (AMP-Best Price) (if lower than AMP – URA)☑ If AMP is rising faster than the rate of inflation an additional discount is owed: <p>AMP current – (CPI – U current/CPI – U baseline) * AMP baseline URAs:</p> <ul style="list-style-type: none">☑ Brand-name drugs ([single source] and [innovator]) = 23.1%☑ Generic drugs (non-innovator multiple source drugs (N)) = 13%☑ Hemophilia and pediatric drugs = 17.1%
340B covered entity (CE)	<p>340B covered entities are facilities/programs listed in the 340B statute as eligible to purchase drugs through the 340B program and appear on the HRSA 340B Database.</p>
340B covered outpatient drug (COD)	<p>A covered outpatient drug, defined in 1927(k) of the Social Security Act (SSA), is summarized as:</p> <p><i>An FDA-approved prescription drug, an over-the-counter (OTC) drug that is written on a prescription, a biological product that can be dispensed only by a prescription (other than a vaccine), or FDA-approved insulin.</i></p>
340B Drug Pricing Program (340B program)	<p>Section 340B of the Public Health Service (PHS) Act (1992) requires drug manufacturers participating in the Medicaid Drug Rebate Program to sign a pharmaceutical pricing agreement (PPA) with the Secretary of Health and Human Services. This agreement limits the price manufacturers may charge certain covered entities for covered outpatient drugs. The resulting program is the 340B Drug Pricing Program.</p>
340B-eligible patient	<p>In summary, an individual is a “patient” of a covered entity (with the exception of state-operated or -funded AIDS drug purchasing assistance programs) only if:</p> <ol style="list-style-type: none">1. The covered entity has established a relationship with the individual, such that the covered entity maintains records of the individual’s health care;2. The individual receives health care services from a health care professional who is either employed by the covered entity or provides health care under contractual or other arrangements (e.g., referral for consultation) such that responsibility for the care provided remains with the covered entity; and3. The individual receives a health care service or range of services from the covered entity that is consistent with the service or range of services for which grant funding or federally qualified health center lookalike status has been provided to the entity. Disproportionate share hospitals are exempt from this requirement. <p>An individual will not be considered a “patient” of the entity for purposes of 340B if the only health care service received by the individual from the covered entity is the dispensing of a drug or drugs for subsequent self-administration or administration in the home setting.</p> <p>An individual registered in a state-operated AIDS drug purchasing assistance program receiving financial assistance under title XXVI of the PHS Act will be considered a “patient” of the covered entity for purposes of this definition if so registered as eligible by the state program.</p>

CH061610 Coastal Health & Wellness (Active) - information as of 3/14/2019 2:15:40 PM

Name	Coastal Health & Wellness	Current Program Status	Active
		Registration Date	4/1/1996
Subdivision Name		Participating Start Date	4/1/1996
Type	Consolidated Health Center Program	Participating Approval Date	1/21/2010
Site ID	BPS-H80-012179	Last Recertification Date	2/13/2019
340B ID	CH061610		
Grant Number	H80CS00344	Street Address	9850-A Emmett F. Lowry Expressway
Employer Identification Number (EIN)	74-1665318		Suite A108 Texas City, TX 77591
		Billing Address	Coastal Health & Wellness
Authorizing Official	Coastal Health & Wellness Kathy Barroso, Intrim CEO (409) 938-2257 kbarroso@gchd.org		9850-A Emmett F Lowry Expy A-108 Texas City, TX 77591
Primary Contact	Galveston County Health District Richard Mosquera, Chief Compliance Officer (409) 938-2492 rmosquera@gchd.org		

Comments

Comment	Comment Type	Last Updated By	Last Updated On
12/22/05 REMOVED MEDICAID # (WAS FQ0000026)	Public	OPA Reviewer	01/21/2010

Medicaid Billing

Will you bill Medicaid for drugs purchased at 340B prices? No

Attachment

ID	FileName	Document Name	Attachment Type	Process	Uploaded By CE Name	Uploaded On	Uploaded By	Comment	Quarter/Year
No attachments to display.									

No attachments to display.

Shipping Addresses

Shipping Address 1
Galveston County Health District
9850 Emmett F. Lowry Expy.
Suite A-114
Texas City, TX 77591

Contract Pharmacies

Contract Detail	Pharmacy Name	Address	Address Cont.	City	State	Zip Code	Approval Date	Begin Date	Carve-In Effective Date	Termination Date	Last Updated On
No attachments to display.											

Contract Detail	Pharmacy Name	Address	Address Cont.	City	State	Zip Code	Approval Date	Begin Date	Carve-In Effective Date	Termination Date	Last Updated On
Contract Detail	GALVESTON SPECIALTY PHARMACY	FIESTA LIFECARE PHARMACY 3, LLC	1020 23RD STREET	GALVESTON	TX	77550	01/04/2019	04/01/2019		03/06/2019	03/07/2019
Contract Detail	SOUTHSIDE PHARMACY 8	707 23RD STREET	SUITE F	GALVESTON	TX	77550	01/16/2017	04/01/2017			01/16/2017
Contract Detail	WALGREEN CO		710 OVILLA ROAD	WAXAHACHIE	TX	75167	02/21/2013	04/01/2013		08/12/2015	08/12/2015
Contract Detail	WALGREEN CO	DBA: WALGREENS	28727 OREGON ROAD	PERRYSBURG	OH	43551	02/21/2013	04/01/2013		08/12/2015	08/12/2015
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 03420	308 SEAWALL BLVD	GALVESTON	TX	77550	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 03760	2990 MARINA BAY DRIVE	LEAGUE CITY	TX	77573	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 05833	1801 FM 1765	LA MARQUE	TX	77568	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 06089	4016 HWY 3	DICKINSON	TX	77539	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 06566	1088 W MAIN STREET	LEAGUE CITY	TX	77573-2022	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 07178	100 FM 646 ROAD NORTH	DICKINSON	TX	77539	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 09062	2501 61ST STREET	GALVESTON	TX	77551-1849	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 09165	1832 FM 646 RD W	DICKINSON	TX	77539	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 09507	102 N FRIENDSWOOD DR	FRIENDSWOOD	TX	77546	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 09604	156 FM 518 RD	KEMAH	TX	77565-3215	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS # 10583	3103 PALMER HIGHWAY	TEXAS CITY	TX	77590-6721	10/25/2011	10/25/2011			03/28/2013
Contract Detail	WALGREEN CO.	DBA: WALGREENS #10451	4902 W. MAIN ST.	LEAGUE CITY	TX	77573	02/21/2013	04/01/2013			03/28/2013
Contract Detail	WALGREENS MAIL SERVICE, INC.	8350 S RIVER PARKWAY		TEMPE	AZ	85284	04/09/2013	07/01/2013		08/12/2015	08/12/2015

Contract Detail	Pharmacy Name	Address	Address Cont.	City	State	Zip Code	Approval Date	Begin Date	Carve-In Effective Date	Termination Date	Last Updated On
Contract Detail	WALGREENS MAIL SERVICE, INC.		8337 S PARK CIRCLE	ORLANDO	FL	32819-9049	04/09/2013	07/01/2013		08/12/2015	08/12/2015

Grantee Sites

340B ID	340B Status	SiteId	Name	Sub Name	Address	Address Cont.	City	State
CH061610	Active	BPS-H80-012179	Coastal Health & Wellness		9850-A Emmett F. Lowry Expressway	Suite A108	Texas City	TX
CH06161C	Terminated		GALVESTON COUNTY COORD COMMUNITY CLINIC	DENTAL	1407 43RD		GALVESTON	TX
CH06161D	Active	BPS-H80-011462	COASTAL HEALTH & WELLNESS	Coastal Health & Wellness - Texas City	9850-C Emmett F. Lowry Expressway STE C103		Texas City	TX
CH06161E	Active	BPS-H80-001376	COASTAL HEALTH & WELLNESS	Coastal Health & Wellness - Galveston	4700 BROADWAY STREET STE 100		GALVESTON	TX
CH06161F	Active	BPS-H80-013539	COASTAL HEALTH & WELLNESS	Mobile Van #1	9850-C Emmett F. Lowry Expressway STE C103		Texas City	TX

Grantee Sites Contract Pharmacies

340B ID	Pharmacy Name	Address	Address Cont.	City	State	Zip Code	Begin Date	Carve-In Effective Date	Termination Date
CH061610	GALVESTON SPECIALTY PHARMACY	FIESTA LIFECARE PHARMACY 3, LLC	1020 23RD STREET	GALVESTON	TX	77550	04/01/2019		03/06/2019
CH061610	SOUTHSIDE PHARMACY 8	707 23RD STREET	SUITE F	GALVESTON	TX	77550	04/01/2017		
CH061610	WALGREEN CO		710 OVILLA ROAD	WAXAHACHIE	TX	75167	04/01/2013		08/12/2015
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CH061610	WALGREEN CO.	DBA: WALGREENS # 05833	1801 FM 1765	LA MARQUE	TX	77568	10/25/2011		
CH061610	WALGREEN CO.	DBA: WALGREENS # 06099	4016 HWY 3	DICKINSON	TX	77539	10/25/2011		


340B ID	Pharmacy Name	Address	Address Cont.	City	State	Zip Code	Begin Date	Carve-In Effective Date	Termination Date
CH061610	WALGREEN CO.	DBA: WALGREENS # 06566	1088 W MAIN STREET	LEAGUE CITY	TX	77573-2022	10/25/2011		
CH061610	WALGREEN CO.	DBA: WALGREENS # 07178	100 FM 646 ROAD NORTH	DICKINSON	TX	77539	10/25/2011		
CH061610	WALGREEN CO.	DBA: WALGREENS # 09062	2501 61ST STREET	GALVESTON	TX	77551-1849	10/25/2011		
CH061610	WALGREEN CO.	DBA: WALGREENS # 09165	1832 FM 646 RD W	DICKINSON	TX	77539	10/25/2011		
CH061610	WALGREEN CO.	DBA: WALGREENS # 09507	102 N FRIENDSWOOD DR	FRIENDSWOOD	TX	77546	10/25/2011		
CH061610	WALGREEN CO.	DBA: WALGREENS # 09604	156 FM 518 RD	KEMAH	TX	77565-3215	10/25/2011		
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CH061610	WALGREENS MAIL SERVICE, INC.		8337 S PARK CIRCLE	ORLANDO	FL	32819-9049	07/01/2013		08/12/2015

History

Section	Field	Action	Activity	Value Before	Value After	Timestamp	Username
Details	Last Recertification Date	Update	Recertification	2/28/2018 12:23:31 PM	2/13/2019 1:12:25 PM	2/13/2019 1:12 PM	OPA
Details	Last Recertification Date	Update	Recertification	1/25/2017 12:00:00 AM	2/28/2018 12:23:31 PM	2/28/2018 12:23 PM	mmclure@gchd.c
Details	Is Medicare Cost Report	Update	Change Request	False		10/25/2017 2:43 PM	mmclure@gchd.c
Details	Is Provider Based Hospital	Update	Change Request	False		10/25/2017 2:43 PM	mmclure@gchd.c
Details	Local State Contract	Update	Change Request			10/25/2017 2:43 PM	mmclure@gchd.c
Details	Shipping Justification	Update	Change Request			10/25/2017 2:43 PM	mmclure@gchd.c
Details	Last Recertification Date	Update		3/1/2016 12:00:00 AM	1/25/2017 12:00:00 AM	1/25/2017 9:26 AM	OPA
Details	Last Recertification Date	Update		3/10/2015 12:00:00 AM	3/1/2016 12:00:00 AM	3/1/2016 5:30 PM	OPA
Details	Last Recertification Date	Update		2/24/2014 12:00:00 AM	3/10/2015 12:00:00 AM	3/10/2015 4:10 PM	OPA

Section	Field	Action	Activity	Value Before	Value After	Timestamp	Username
Details	EIN	Update			741665318	4/30/2014 10:39 AM	OPA
Details	Last Recertification Date	Update		4/1/2013 12:00:00 AM	2/24/2014 12:00:00 AM	2/24/2014 9:59 AM	OPA
Details	Last Recertification Date	Update			4/1/2013 12:00:00 AM	2/7/2013 8:34 AM	OPA
Details	Site ID	Update		std775685	BPS-H80- 012179	2/1/2013 8:00 PM	OPA
Details	Entity Name	Update		GALVESTON COUNTY COORD COMMUNITY CLINIC	Coastal Health & Wellness	12/17/2012 4:50 PM	OPA
Details	Site ID	Update			std775685	12/17/2012 4:50 PM	OPA
Details	Entity Subname	Update		Coastal Health & Wellness		12/17/2012 4:50 PM	OPA
Details	Is Medicare Cost Report	Update			False	7/11/2012 9:01 AM	OPA
Details	Is Provider Based Hospital	Update			False	7/11/2012 9:01 AM	OPA
Details	Entity Subname	Update		ADMINISTRATIVE SITE	Coastal Health & Wellness	7/11/2012 9:01 AM	OPA
Details	Last Recertification Date	Insert				1/21/2010 1:18 PM	OPA
Details	EIN	Insert				1/21/2010 1:18 PM	OPA
Details	Grant Number	Insert			H80CS00344	1/21/2010 1:18 PM	OPA
Details	340B ID	Insert			CH061610	1/21/2010 1:18 PM	OPA
Details	Is Authorizing Official EHB Data	Insert				1/21/2010 1:18 PM	OPA
Details	Is Medicare Cost Report	Insert				1/21/2010 1:18 PM	OPA
Details	Is Provider Based Hospital	Insert				1/21/2010 1:18 PM	OPA
Dates	Last Date That 340B Drugs Purchased	Insert				1/21/2010 1:18 PM	OPA
Details	Local State Contract	Insert				1/21/2010 1:18 PM	OPA

Section	Field	Action	Activity	Value Before	Value After	Timestamp	Username
Details	Medicare Provider Number	Insert				1/21/2010 1:18 PM	OPA
Details	Entity Name	Insert			GALVESTON COUNTY COORD COMMUNITY CLINIC	1/21/2010 1:18 PM	OPA
Details	Outpatient Facility Grant Number	Insert				1/21/2010 1:18 PM	OPA
Details	Outpatient Facility Medicare Provider Number	Insert				1/21/2010 1:18 PM	OPA
Details	Outpatient Service Clinic Name	Insert				1/21/2010 1:18 PM	OPA
Details	Program Code	Insert			CH	1/21/2010 1:18 PM	OPA
Details	Shipping Justification	Insert				1/21/2010 1:18 PM	OPA
Details	Site ID	Insert				1/21/2010 1:18 PM	OPA
Details	Entity Subname	Insert			ADMINISTRATIVE SITE	1/21/2010 1:18 PM	OPA
Dates	Participating Approval Date	Insert			1/21/2010 12:00:00 AM	1/21/2010 1:18 PM	OPA
Details	State	Insert			Active	1/21/2010 1:18 PM	OPA
Dates	Registration Date	Insert			4/1/1996 12:00:00 AM	1/21/2010 1:18 PM	OPA
Dates	Signed By Date	Insert				1/21/2010 1:18 PM	OPA
Dates	Start Date	Insert			4/1/1996 12:00:00 AM	1/21/2010 1:18 PM	OPA
Terminations	Termination Comments	Insert				1/21/2010 1:18 PM	OPA
Terminations	Termination Date	Insert				1/21/2010 1:18 PM	OPA
Terminations	Termination Effective Date	Insert				1/21/2010 1:18 PM	OPA
Terminations	Termination Reason	Insert				1/21/2010 1:18 PM	OPA
Details	Comments	Insert			12/22/05 REMOVED MEDICAID # (WAS FQ0000026)	1/21/2010 1:18 PM	OPA

1. DATE ISSUED: 02/13/2017	2. PROGRAM CFDA: 93.224	 <p>NOTICE OF AWARD AUTHORIZATION (Legislation/Regulation) Public Health Service Act, Title III, Section 330 Public Health Service Act, Section 330, 42 U.S.C. 254b Affordable Care Act, Section 10503 Public Health Service Act, Section 330, 42 U.S.C. 254, as amended. Authority: Public Health Service Act, Section 330, 42 U.S.C. 254b, as amended Public Health Service Act, Section 330, 42 U.S.C. 254b, as amended Public Health Service Act, Section 330(e), 42 U.S.C. 254b Section 330 of the Public Health Service Act, as amended (42 U.S.C. 254b, as amended) and Section 10503 of The Patient Protection and Affordable Care Act (P.L. 111-148) Section 330 of the Public Health Service Act, as amended (42 U.S.C. 254b) Public Health Service Act, Section 330, as amended (42 U.S.C. 254b) Section 330 of the Public Health Service (PHS) Act, as amended (42 U.S.C. 254b, as amended)</p>																																										
3. SUPERSEDES AWARD NOTICE dated: except that any additions or restrictions previously imposed remain in effect unless specifically rescinded.																																												
4a. AWARD NO.: 5 H80CS00344-16-00	4b. GRANT NO.: H80CS00344		5. FORMER GRANT NO.: H27CS02006																																									
6. PROJECT PERIOD: FROM: 04/01/2002 THROUGH: 03/31/2019																																												
7. BUDGET PERIOD: FROM: 04/01/2017 THROUGH: 03/31/2018																																												
8. TITLE OF PROJECT (OR PROGRAM): HEALTH CENTER CLUSTER																																												
9. GRANTEE NAME AND ADDRESS: Coastal Health & Wellness 9650 Emmett F Lowry Expy Ste A Texas City, TX 77591-2001 DUNS NUMBER: 135951940 BHCNIS # 081610		10. DIRECTOR: (PROGRAM DIRECTOR/PRINCIPAL INVESTIGATOR) Tammy I. Babcock Coastal Health & Wellness 9650 Emmett F Lowry Expy Texas City, TX 77591-2000																																										
11. APPROVED BUDGET:(Excludes Direct Assistance) <input type="checkbox"/> Grant Funds Only <input checked="" type="checkbox"/> Total project costs including grant funds and all other financial participation		12. AWARD COMPUTATION FOR FINANCIAL ASSISTANCE: <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">a. Authorized Financial Assistance This Period</td> <td style="text-align: right;">\$3,127,400.00</td> </tr> <tr> <td colspan="2">b. Less Unobligated Balance from Prior Budget Periods</td> </tr> <tr> <td style="padding-left: 20px;">i. Additional Authority</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td style="padding-left: 20px;">ii. Offset</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>c. Unawarded Balance of Current Year's Funds</td> <td style="text-align: right;">\$2,606,167.00</td> </tr> <tr> <td>d. Less Cumulative Prior Awards(s) This Budget Period</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>e. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION</td> <td style="text-align: right;">\$521,233.00</td> </tr> </table>	a. Authorized Financial Assistance This Period	\$3,127,400.00	b. Less Unobligated Balance from Prior Budget Periods		i. Additional Authority	\$0.00	ii. Offset	\$0.00	c. Unawarded Balance of Current Year's Funds	\$2,606,167.00	d. Less Cumulative Prior Awards(s) This Budget Period	\$0.00	e. AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION	\$521,233.00																												
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<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">a. Salaries and Wages :</td> <td style="text-align: right;">\$6,401,200.00</td> </tr> <tr> <td>b. Fringe Benefits :</td> <td style="text-align: right;">\$1,242,224.00</td> </tr> <tr> <td>c. Total Personnel Costs :</td> <td style="text-align: right;">\$7,643,424.00</td> </tr> <tr> <td>d. Consultant Costs :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>e. Equipment :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>f. Supplies :</td> <td style="text-align: right;">\$1,178,282.00</td> </tr> <tr> <td>g. Travel :</td> <td style="text-align: right;">\$22,177.00</td> </tr> <tr> <td>h. Construction/Alteration and Renovation :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>i. Other :</td> <td style="text-align: right;">\$936,762.00</td> </tr> <tr> <td>j. Consortium/Contractual Costs :</td> <td style="text-align: right;">\$714,758.00</td> </tr> <tr> <td>k. Trainee Related Expenses :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>l. Trainee Stipends :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>m. Trainee Tuition and Fees :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>n. Trainee Travel :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>o. TOTAL DIRECT COSTS :</td> <td style="text-align: right;">\$10,495,403.00</td> </tr> <tr> <td>p. INDIRECT COSTS (Rate: % of S&W/TADC) :</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>q. TOTAL APPROVED BUDGET :</td> <td style="text-align: right;">\$10,495,403.00</td> </tr> <tr> <td style="padding-left: 20px;">i. Less Non-Federal Share:</td> <td style="text-align: right;">\$7,368,003.00</td> </tr> <tr> <td style="padding-left: 20px;">ii. Federal Share:</td> <td style="text-align: right;">\$3,127,400.00</td> </tr> </table>		a. Salaries and Wages :	\$6,401,200.00	b. Fringe Benefits :	\$1,242,224.00	c. Total Personnel Costs :	\$7,643,424.00	d. Consultant Costs :	\$0.00	e. Equipment :	\$0.00	f. Supplies :	\$1,178,282.00	g. Travel :	\$22,177.00	h. Construction/Alteration and Renovation :	\$0.00	i. Other :	\$936,762.00	j. Consortium/Contractual Costs :	\$714,758.00	k. Trainee Related Expenses :	\$0.00	l. Trainee Stipends :	\$0.00	m. Trainee Tuition and Fees :	\$0.00	n. Trainee Travel :	\$0.00	o. TOTAL DIRECT COSTS :	\$10,495,403.00	p. INDIRECT COSTS (Rate: % of S&W/TADC) :	\$0.00	q. TOTAL APPROVED BUDGET :	\$10,495,403.00	i. Less Non-Federal Share:	\$7,368,003.00	ii. Federal Share:	\$3,127,400.00	13. RECOMMENDED FUTURE SUPPORT: (Subject to the availability of funds and satisfactory progress of project) <table border="1" style="width:100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 20%;">YEAR</th> <th>TOTAL COSTS</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">17</td> <td style="text-align: right;">\$3,127,400.00</td> </tr> </tbody> </table>	YEAR	TOTAL COSTS	17	\$3,127,400.00
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m. Trainee Tuition and Fees :	\$0.00																																											
n. Trainee Travel :	\$0.00																																											
o. TOTAL DIRECT COSTS :	\$10,495,403.00																																											
p. INDIRECT COSTS (Rate: % of S&W/TADC) :	\$0.00																																											
q. TOTAL APPROVED BUDGET :	\$10,495,403.00																																											
i. Less Non-Federal Share:	\$7,368,003.00																																											
ii. Federal Share:	\$3,127,400.00																																											
YEAR	TOTAL COSTS																																											
17	\$3,127,400.00																																											
14. APPROVED DIRECT ASSISTANCE BUDGET:(In lieu of cash) <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">a. Amount of Direct Assistance</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>b. Less Unawarded Balance of Current Year's Funds</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>c. Less Cumulative Prior Awards(s) This Budget Period</td> <td style="text-align: right;">\$0.00</td> </tr> <tr> <td>d. AMOUNT OF DIRECT ASSISTANCE THIS ACTION</td> <td style="text-align: right;">\$0.00</td> </tr> </table>		a. Amount of Direct Assistance	\$0.00	b. Less Unawarded Balance of Current Year's Funds	\$0.00	c. Less Cumulative Prior Awards(s) This Budget Period	\$0.00	d. AMOUNT OF DIRECT ASSISTANCE THIS ACTION	\$0.00																																			
a. Amount of Direct Assistance	\$0.00																																											
b. Less Unawarded Balance of Current Year's Funds	\$0.00																																											
c. Less Cumulative Prior Awards(s) This Budget Period	\$0.00																																											
d. AMOUNT OF DIRECT ASSISTANCE THIS ACTION	\$0.00																																											
16. PROGRAM INCOME SUBJECT TO 45 CFR 76.307 SHALL BE USED IN ACCORD WITH ONE OF THE FOLLOWING ALTERNATIVES: A=Addition B=Deduction C=Cost Sharing or Matching D=Other (D) Estimated Program Income: \$2,797,824.00																																												
16. THIS AWARD IS BASED ON AN APPLICATION SUBMITTED TO, AND AS APPROVED BY HRSA, IS ON THE ABOVE TITLED PROJECT AND IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING: a. The grant program legislation cited above. b. The grant program regulation cited above. c. This award notice including terms and conditions, if any, noted below under REMARKS. d. 45 CFR Part 76 as applicable. In the event there are conflicting or otherwise inconsistent policies applicable to the grant, the above order of precedence shall prevail. Acceptance of the grant terms and conditions is																																												

acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.						
REMARKS: (Other Terms and Conditions Attached <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No)						
<i>Electronically signed by Elvera Messina, Grants Management Officer on : 02/13/2017</i>						
17. OBJ. CLASS: 41.51		18. CRS-EIN: 1741665318A1		19. FUTURE RECOMMENDED FUNDING: \$0.00		
FY-CAN	CFDA	DOCUMENT NO.	AMT. FIN. ASST.	AMT. DIR. ASST.	SUB PROGRAM CODE	SUB ACCOUNT CODE
17 - 3981160	93.224	16H80CS00344	\$157,130.00	\$0.00	CH	HealthCareCenters_16
17 - 398160G	93.627	16H80CS00344	\$364,103.00	\$0.00	CH	HealthCareCenters_16

HRSA Electronic Handbooks (EHBs) Registration Requirements

The Project Director of the grant (listed on this NoA) and the Authorizing Official of the grantee organization are required to register (if not already registered) within HRSA's Electronic Handbooks (EHBs). Registration within HRSA EHBs is required only once for each user for each organization they represent. To complete the registration quickly and efficiently we recommend that you note the 10-digit grant number from box 4b of this NoA. After you have completed the initial registration steps (i.e., created an individual account and associated it with the correct grantee organization record), be sure to add this grant to your portfolio. This registration in HRSA EHBs is required for submission of noncompeting continuation applications. In addition, you can also use HRSA EHBs to perform other activities such as updating addresses, updating email addresses and submitting certain deliverables electronically. Visit <https://grants3.hrsa.gov/2010/WebEPSEExternal/Interface/common/accesscontrol/login.aspx> to use the system. Additional help is available online and/or from the HRSA Call Center at 877-Go4-HRSA/877-464-4772.

Terms and Conditions

Failure to comply with the remarks, terms, conditions, or reporting requirements may result in a draw down restriction being placed on your Payment Management System account or denial of future funding.

Grant Specific Term(s)

1. This Notice of Award is issued based on HRSA's approval of the Non-Competing Continuation (NCC) Progress Report. All post-award requests, such as significant budget revisions or a change in scope, must be submitted as a Prior Approval action via the Electronic Handbooks (EHBs) and approved by HRSA prior to implementation. Grantees under "Expanded Authority," as noted in the Remarks section of the Notice of Award, have different prior approval requirements. See "Prior-Approval Requirements" in the DHHS Grants Policy Statement:
<http://www.hrsa.gov/grants/frhsgrantspolicy.pdf>
2. The funds for this award are sub-accounted in the Payment Management System (PMS) and will be in a P type (sub accounted) account. This type of account allows recipients to specifically identify the individual grant for which they are drawing funds and will assist HRSA in monitoring the award. If your organization previously received a grant under this program, it was in a G type (cash pooled) account designated by a PMS Account Number ending in G or G1. Now that this grant is sub accounted the PMS Account Number will be changed to reflect either P or P1. For example, if the prior year grant was in payee account number 2AAG it will now be in 2AAP. Similarly, if the prior year grant was in payee account 2AAG1, the grant will be in payee account 2AAP1. The P sub account number and the sub account code (provided on page 1 of this Notice of Award) are both needed when requesting grant funds.

You may use your existing PMS username and password to check your organizations P account access. If you do not have access, complete a PMS Access Form (PMS/FFR Form) found at: http://www.dpm.psc.gov/grant_recipient/grantee_forms.aspx and send it to the fax number indicated on the bottom of the form. If you have any questions about accessing PMS, contact the PMS Liaison Accountant as identified at: <http://www.dpm.psc.gov/contacts/contacts.aspx>.

3. This action approves the FY 2017 Budget Period Progress Report or Service Area Competition application and awards prorated support through May 31, 2017 based on the grantee's target FY 2017 funding under the Health Center Program (HCP). The HCP is currently operating under a Continuing Resolution since there is not a final FY 2017 appropriation for the program. A revised Notice of Award (NoA) will be issued later in the budget period after the final FY 2017 appropriation action is taken; the revised NoA will provide the remaining balance of grant support for the budget period that is consistent with the final appropriation for the HCP.

Program Specific Term(s)

1. If Federal funds have been used toward the costs of acquiring a building, including the costs of amortizing the principal of, or paying interest on mortgages, you must notify the HRSA Grants Management Contact listed on this Notice of Award for assistance regarding Federal Interest in the property within 60 days of the issue date of this award.
2. The non-Federal share of the project budget includes all anticipated program income sources such as fees, premiums, third party reimbursements, and payments that are generated from the delivery of services, and from 'other revenue sources' such as state, local, or other federal grants or contracts, private support or income generated from fundraising or contributions. In accordance with Section 330(e)(5)(D) of the PHS Act, health centers may use their non-grant funds, either "as permitted" under section 330 or "for such other purposes . . . not specifically prohibited" under section 330 if such use "further[s] the objectives of the project." Health centers can meet the standard of "furthering the objectives of the project" by ensuring that the uses of non-grant funds benefit the individual health center's patient/target population.
3. Consistent with Departmental guidance, HRSA grantees that purchase, are reimbursed or provide reimbursement to other entities for outpatient prescription drugs are expected to secure the best prices available for such products and to maximize results for the grantee organization and its patients. Eligible health care organizations/covered entities that

enroll in the 340B Program must comply with all 340B Program requirements and will be subject to audit regarding 340B Program compliance. 340B Program requirements, including eligibility, can be found at www.hrsa.gov/opa

4. Uniform Data System (UDS) annual performance report is due in accordance with specific instructions from the Program Office. Failure to submit a complete UDS report by the specified deadline may result in additional conditions and/or restrictions being placed on your award, including the requirement that all drawdowns of Health Center Program award funds from the Payment Management System (PMS) have the prior approval of the HRSA Division of Grants Management Operations (DGMO) and/or limits on eligibility to receive future supplemental funding

5. A health center's scope of project includes the approved service sites, services, providers, service area(s) and target population which are supported (wholly or in part) under the total budget approved for the health center. In addition, scope of project serves as the basis for eligibility for programs associated with the Health Center Program such as Medicare and Medicaid Federally Qualified Health Center (FQHC) reimbursements, Federal Tort Claims Act coverage, 340B Drug Pricing. Proper documentation and maintenance of an accurate scope of project is critical in the oversight and management of programs funded or designated under section 330 of the PHS Act. Health centers are responsible for maintaining the accuracy of their Health Center Program scope of project, including updating or requesting prior approval for significant changes to the scope of project when applicable. Refer to the Scope of Project policy documents and resources available at: <http://www.bphc.hrsa.gov/programrequirements/scope.html> for details pertaining to changes to services, providers, sites, service area zip codes, and target population(s)

6. Pursuant to existing law, and consistent with Executive Order 13535 (75 FR 15599), health centers are prohibited from using Federal funds to provide abortion services (except in cases of rape or incest, or when the life of the woman would be endangered).

7. Health centers are reminded that separate Medicare enrollment applications must be submitted for each "permanent unit" at which they provide services. This includes units considered both "permanent sites" and "seasonal sites" under their HRSA scope of project. (See: <http://www.bphc.hrsa.gov/about/requirements/scope> for more information). Therefore, for Medicare purposes, a single health center organization may consist of two or more FQHCs, each of which must be separately enrolled in Medicare and submit bills using its unique Medicare Billing Number.

The Medicare enrollment application is located at <http://www.cms.hhs.gov/omrforms/downloads/cms855a.pdf>. To identify the address where the package should be mailed, please refer to http://www.cms.hhs.gov/MedicareProviderSupEnroll/downloads/contact_list.pdf. The appropriate Medicare contractor is listed next to "Fiscal Intermediary."

Successful enrollment in Medicare as an FQHC does not automatically qualify a health center for payment as an FQHC under its State Medicaid program. Health centers should contact their State Medicaid office directly to determine the process and timeline for becoming eligible for payment as an FQHC under Medicaid.

8. Prior approval by HRSA is required for any significant change in the scope (e.g., sites or services) or nature of a Health Center Program award recipient's approved project activities. Requests to change the approved scope of project, must be submitted for prior approval by HRSA via the Electronic Handbooks (EHBs) Change in Scope Module prior to implementation. See: <http://www.bphc.hrsa.gov/about/requirements/scope> for more information.

9. All postaward requests, such as significant budget revisions or a change in scope, must be submitted as a Prior Approval action via the Electronic Handbooks (EHBs) and approved by HRSA prior to implementation. Grantees under "Expanded Authority," as noted in the Remarks section of the Notice of Award, have different prior approval requirements. See "Prior Approval Requirements" in the DHHS Grants Policy Statement: <http://www.hhs.gov/asfr/ogapa/aboutog/hhsgps107.pdf>

10. Health Center Program Federal award recipients that expend less than \$750,000 in Federal awards during their fiscal year are exempt from Federal Single Audit requirements of 45 CFR Part 75. However, in accordance with section 330(q) of the Public Health Service Act, all Health Center Program Federal award recipients, (including those that expend less than \$750,000) are required to provide for an independent annual financial audit of any books, accounts, financial records, files, and other papers and property which relate to the disposition or use of the funds received under such [Health Center Program] grant and such other funds received by or allocated to the project for which such grant was made. For purposes of assuring accurate, current, and complete disclosure of the disposition or use of the funds received, each such audit shall be conducted in accordance with generally accepted accounting principles. Therefore, Health Center Program Federal award recipients that expend less than \$750,000 should be prepared to provide their most recent annual financial audit to HRSA's Office of Federal Assistance Management upon request. The audit must include the Auditor's report (including the auditor opinion, financial statements, auditor's notes and required communication from the auditor). In addition, the audit must include any management letters issued by the auditor.

11. Health Center Program award recipients are required to submit an annual Budget Period Progress Report (BPR) to report on progress made from the beginning of an award recipient's most recent budget period until the date of BPR submission, the expected progress for the remainder of the budget period, and any projected changes for the following budget period. HRSA approval of a BPR is required for the budget period renewal and release of each subsequent year of funding, dependent upon Congressional appropriation, program compliance, organizational capacity, and a determination that continued funding would be in the best interest of the Federal government. Failure to submit the BPR by the established deadline or submission of an incomplete or non-responsive progress report may result in a delay or a lapse in funding.

Standard Term(s)

1. Recipients must comply with all terms and conditions outlined in their grant award, including grant policy terms and conditions outlined in applicable Department of Health and Human Services (HHS) Grants Policy Statements, and requirements imposed by program statutes and regulations and HHS grant administration regulations, as applicable; as well as any requirements or limitations in any applicable appropriations acts.
2. All discretionary awards issued by HRSA on or after October 1, 2006, are subject to the HHS Grants Policy Statement (HHS GPS) unless otherwise noted in the Notice of Award (NoA). Parts I through III of the HHS GPS are currently available at <http://www.hrsa.gov/grants/hhsgrantspolicy.pdf>. Please note that the Terms and Conditions explicitly noted in the award and the HHS GPS are in effect.
3. HRSA requires grantees to use the following acknowledgement and disclaimer on all products produced by HRSA grant funds:

"This project is/was supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) under grant number and title for grant amount (specify grant number, title, total award amount and percentage financed with nongovernmental sources). This information or content and conclusions are those of the author and should not be construed as the official position or policy of, nor should any endorsements be inferred by HRSA, HHS or the U.S. Government."

Grantees are required to use this language when issuing statements, press releases, requests for proposals, bid solicitations, and other HRSA supported publications and forums describing projects or programs funded in whole or in part with HRSA funding. Examples of HRSA-supported publications include, but are not limited to, manuals, toolkits, resource guides, case studies and issues briefs.
4. Recipients and sub-recipients of Federal funds are subject to the strictures of the Medicare and Medicaid anti-kickback statute (42 U.S.C. 1320a - 7b(b)) and should be cognizant of the risk of criminal and administrative liability under this statute, specifically under 42 U.S.C. 1320 7b(b) Illegal remunerations which states, in part, that whoever knowingly and willfully: (A) Solicits or receives (or offers or pays) any remuneration (including kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind, in return for referring (or to induce such person to refer) an individual to a person for the furnishing or arranging for the furnishing of any item or service, OR (B) In return for purchasing, leasing, ordering, or recommending purchasing, leasing, or ordering, or to purchase, lease, or order, any goods, facility, services, or item ...For which payment may be made in whole or in part under subchapter XIII of this chapter or a State health care program, shall be guilty of a felony and upon conviction thereof, shall be fined not more than \$25,000 or imprisoned for not more than five years, or both.
5. Items that require prior approval from the awarding office as indicated in 45 CFR Part 75 [Note: 75 (d) HRSA has not waived cost-related or administrative prior approvals for recipients unless specifically stated on this Notice of Award] or 45 CFR Part 75 must be submitted in writing to the Grants Management Officer (GMO). Only responses to prior approval requests signed by the GMO are considered valid. Grantees who take action on the basis of responses from other officials do so at their own risk. Such responses will not be considered binding by or upon the HRSA.

In addition to the prior approval requirements identified in Part 75, HRSA requires grantees to seek prior approval for significant rebudgeting of project costs. Significant rebudgeting occurs when, under a grant where the Federal share exceeds \$100,000, cumulative transfers among direct cost budget categories for the current budget period exceed 25 percent of the total approved budget (inclusive of direct and indirect costs and Federal funds and required matching or cost sharing) for that budget period or \$250,000, whichever is less. For example, under a grant in which the Federal share for a budget period is \$200,000, if the total approved budget is \$300,000, cumulative changes within that budget period exceeding \$75,000 would require prior approval). For recipients subject to 45 CFR Part 75, this requirement is in lieu of that in 45 CFR 75 which permits an agency to require prior approval for specified cumulative transfers within a grantee's approved budget. (Note, even if a grantee's proposed rebudgeting of costs falls below the significant rebudgeting threshold identified above, grantees are still required to request prior approval, if some or all of the rebudgeting reflects either a change in scope, a proposed purchase of a unit of equipment exceeding \$25,000 (if not included in the approved application) or other prior approval action identified in Part 75 unless HRSA has specifically exempted the grantee from the requirement(s).)
6. Payments under this award will be made available through the DHHS Payment Management System (PMS). PMS is administered by the Division of Payment Management, Financial Management Services, Program Support Center, which will forward instructions for obtaining payments. Inquiries regarding payments should be directed to: ONE-DHHS Help Desk for PMS Support at 1-877-614-5533 or PMSSupport@psc.hhs.gov. For additional information please visit the Division of Payment Management Website at www.DPM.PSC.GOV.

7. The DHHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. Such reports are kept confidential and callers may decline to give their names if they choose to remain anonymous. Contact: Office of Inspector General, Department of Health and Human Services, Attention: HOTLINE, 330 Independence Avenue Southwest, Cohen Building, Room 5140, Washington, D. C. 20201, Email: Htips@os.dhhs.gov or Telephone: 1-800-447-8477 (1-800-HHS-TIPS).
8. Submit audits, if required, in accordance with 45 CFR Part 75, to: Federal Audit Clearinghouse Bureau of the Census 1201 East 10th Street Jefferson, IN 47132 PHONE: (310) 457-1551, (800) 253-0696 toll free <https://harvester.census.gov/facweb/default.aspx/>.
9. EO 13166, August 11, 2000, requires recipients receiving Federal financial assistance to take steps to ensure that people with limited English proficiency can meaningfully access health and social services. A program of language assistance should provide for effective communication between the service provider and the person with limited English proficiency to facilitate participation in, and meaningful access to, services. The obligations of recipients are explained on the OCR website at <http://www.hhs.gov/ocr/lep/revisedlep.html>.
10. This award is subject to the requirements of Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104). For the full text of the award term, go to <http://www.hrsa.gov/grants/trafficking.htm>. If you are unable to access this link, please contact the Grants Management Specialist identified in this Notice of Award to obtain a copy of the Term.
11. The Consolidated Appropriations Act, 2016, Division H, § 202, (P.L.114-113) enacted December 18, 2015, limits the salary amount that may be awarded and charged to HRSA grants and cooperative agreements to the Federal Executive Pay Scale Level II rate set at \$187,000, effective January, 2017. This amount reflects an individual's base salary exclusive of fringe benefits. An individual's institutional base salary is the annual compensation that the recipient organization pays an individual and excludes any income an individual may be permitted to earn outside the applicant organization duties. HRSA funds may not be used to pay a salary in excess of this rate. This salary limitation also applies to sub-recipients under a HRSA grant or cooperative agreement. The salary limitation does not apply to consultants under this award although, as with all costs, those payments must meet the test of reasonableness and be consistent with recipient's institutional policy. None of the awarded funds may be used to pay an individual's salary at a rate in excess of the salary limitation. Note: an individual's base salary, per se, is NOT constrained by the legislative provision for a limitation of salary. The rate limitation simply limits the amount that may be awarded and charged to HRSA grants and cooperative agreements.
12. To serve persons most in need and to comply with Federal law, services must be widely accessible. Services must not discriminate on the basis of age, disability, sex, race, color, national origin or religion. The HHS Office for Civil Rights provides guidance to grant and cooperative agreement recipients on complying with civil rights laws that prohibit discrimination on these bases. Please see <http://www.hhs.gov/civil-rights/for-individuals/index.html>. HHS also provides specific guidance for recipients on meeting their legal obligation under Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color or national origin in programs and activities that receive Federal financial assistance (P. L. 88-352, as amended and 45 CFR Part 75). In some instances a recipient's failure to provide language assistance services may have the effect of discriminating against persons on the basis of their national origin. Please see <http://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/index.html> to learn more about the Title VI requirement for grant and cooperative agreement recipients to take reasonable steps to provide meaningful access to their programs and activities by persons with limited English proficiency.
13. Important Notice: The Central Contractor registry (CCR) has been replaced. The General Services Administration has moved the CCR to the System for Award Management (SAM) on July 30, 2012. To learn more about SAM please visit <https://www.sam.gov>.

It is incumbent that you, as the recipient, maintain the accuracy/currency of your information in the SAM at all times during which your entity has an active award or an application or plan under consideration by HRSA, unless your entity is exempt from this requirement under 2 CFR 25.110. Additionally, this term requires your entity to review and update the information at least annually after the initial registration, and more frequently if required by changes in your information. This requirement flows down to subrecipients. Note: SAM information must be updated at least every 12 months to remain active (for both grantees and sub-recipients). Grants.gov will reject submissions from applicants with expired registrations. It is advisable that you do not wait until the last minute to register in SAM or update your information. According to the SAM Quick Guide for Grantees (https://www.sam.gov/sam/transcript/SAM_Quick_Guide_Grants_Registrations-v1.6.pdf), an entity's registration will become active after 3-5 days. Therefore, check for active registration well before the application deadline.

14. In any grant-related activity in which family, marital, or household considerations are, by statute or regulation, relevant for purposes of determining beneficiary eligibility or participation, grantees must treat same-sex spouses, marriages, and households on the same terms as opposite-sex spouses, marriages, and households, respectively. By "same-sex spouses," HHS means individuals of the same sex who have entered into marriages that are valid in the jurisdiction where performed, including any of the 50 states, the District of Columbia, or a U.S. territory or in a foreign country, regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. By "same-sex marriages," HHS means marriages between two individuals validly entered into in the jurisdiction where performed, including any of the 50 states, the District of Columbia, or a U.S. territory or in a foreign country, regardless of whether or not the couple resides in a jurisdiction that recognizes same-sex marriage. By "marriage," HHS does not mean registered domestic partnerships, civil unions or similar formal relationships recognized under the law of the jurisdiction of celebration as something other than a marriage. This term applies to all grant programs except block grants governed by 45 CFR part 96 or 45 CFR Part 98, or grant awards made under titles IV-A, XIX, and XXI of the Social Security Act, and grant programs with approved deviations.

15. §75.113 Mandatory disclosures.

Consistent with 45 CFR 75.113, applicants and non-federal entities must disclose, in a timely manner, in writing to the HHS awarding agency, with a copy to the HHS Office of Inspector General (OIG), all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Sub recipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following address:

Department of Health and Human Services
Health Resources and Services Administration
Office of Federal Assistance Management
Division of Grants Management Operations
5600 Fishers Lane, Mailstop 10SWH-03
Rockville, MD 20879

AND

U.S. Department of Health and Human Services
Office of Inspector General
Attn: Mandatory Grant Disclosures, Intake Coordinator
330 Independence Avenue, SW, Cohen Building
Room 5527
Washington, DC 20201
Fax: (202)205-0604 (Include: "mandatory Grant Disclosures" in subject line) or Email: MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371. Remedies for noncompliance, including suspension or debarment (See 2 CFR parts 180 & 376 and 31 U.S.C. 3321) The recipient must include this mandatory disclosure requirement in all sub-awards and contracts under this award.

Non-Federal entities that have received a Federal award including the term and condition outlined in Appendix XII are required to report certain civil, criminal, or administrative proceedings to SAM. Failure to make required disclosures can result in any of the remedies described in §75.371, including suspension or debarment (See also 2 CFR parts 180 and 376, and 31 U.S.C. 3321).

Recipient Integrity and performance matters. If the total Federal share of the Federal award is more than \$500,000 over the period of performance, Appendix XII to CFR Part 200 is applicable to this award.

Reporting Requirement(s)**1. Due Date: Annually (Calendar Year) Beginning: 01/01/2017 Ending: 12/31/2017, due 45 days after end of reporting period.**

The Uniform Data System (UDS) is a core set of information appropriate for reviewing the operation and performance of health centers. The UDS tracks a variety of information, including patient demographics, services provided, staffing, clinical indicators, utilization rates, costs, and revenues. It is reviewed to ensure compliance with legislative and regulatory requirements, improve health center performance and operations, and report overall program accomplishments. The data help to identify trends over time, enabling HRSA to establish or expand targeted programs and identify effective services and interventions to improve the health of underserved communities and vulnerable populations. UDS data are compared with national data to review differences between the U.S. population at large and those individuals and families who rely on the health care safety net for primary care. UDS data also inform Health Center programs, partners, and communities about the patients served by Health Centers. Health centers must report annually in the first quarter of the year. The UDS submission deadline is February 15 every year. Please consult the Program Office for additional instructions. Reporting technical assistance can be found at <http://bphc.hrsa.gov/healthcenterdatastatistics/reporting/index.html>.

2. Due Date: Annually (Budget Period) Beginning: Budget Start Date Ending: Budget End Date, due Quarter End Date after 90 days of reporting period.

The grantee must submit an annual Federal Financial Report (FFR). The report should reflect cumulative reporting within the project period and must be submitted using the Electronic Handbooks (EHBs). The FFR due dates have been aligned with the Payment Management System quarterly report due dates, and will be due 90, 120, or 150 days after the budget period end date. Please refer to the chart below for the specific due date for your FFR.

- Budget Period ends August – October FFR due January 30

- Budget Period ends November – January: FFR due April 30
- Budget Period ends February – April: FFR due July 30
- Budget Period ends May – July: FFR due October 30

Failure to comply with these reporting requirements will result in deferral or additional restrictions of future funding decisions.

Contacts

NoA Email Address(es):

Name	Role	Email
Kathy Barroso	Business Official	kbarroso@gchd.org
Mary McClure	Authorizing Official	mccclure@gchd.org
Tammy L. Babcock	Program Director	tbabcock@gchd.org

Note: NoA emailed to these address(es)

Program Contact:

For assistance on programmatic issues, please contact Brandon Wood at:
5600 Fishers Ln
STE 16C-20
Rockville, MD, 20852-1750
Email: bwood@hrsa.gov
Phone: (301) 594-4426

Division of Grants Management Operations:

For assistance on grant administration issues, please contact Vera Windham at:
MailStop Code: MSC10SWH03
HRSA/DGMO/OFAM/HCB
5600 Fishers Ln
Rockville, MD, 20857-0001
Email: vwindham@hrsa.gov
Phone: (301) 443-6859

David Delac
Chair, Governing Board



Kathy Barroso, CPA
Executive Director

340B Policy and Procedure Manual

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Appendix E: Credentialing and Billing Data

Title	NAME	DPS#	DEA #	LIC #	MEDICARE #	Medicare PTAN # (08/2011) (Novitas)	Medicare-Railroad PTAN (Palmetto) (1/3/12)	NPI #	BCBS
MD	RIPSIN, CYNTHIA	will not have one	BR6769220	M5469				1457328296	
MD	NAGORSKI, LEONARD	F0147607	BN9888720	M2722				1124006069	
MD	SHAHNAWAZ, KHAN	F0147607	BN9888720	M2722				1124006069	
MD, Ms, FACP	PATEL, PREMAL	will not have one	FP2866082	N5323				1487870838	
MD	BILLINGSLEY, KATHERINE		FB5335662	P9051				1790045458	
MD	COULTER, TUERE		FC2058370	N6235				1710142880	
PA-C	BORILLO, JASON R	40145430	MB1391541	PA04740	8G6439	TXB138348	P00984598	1427003565	8Y1147
PA-C	MORGAN, JACKLYN	30204835	MK3170280	PA08905				1740604610	
PA-C	RIGGS, TAYLOR	will not have one	MR4101630	PA10813				1336690320	
FNP	VARGHESE, JIJA	C0225210	MV3998931	AP129801				1467827865	
M.Ed, LPC, LBSW	TIGRETT, LISA	will not have one	will not have one	61302				1750769303	
MSW, LCSW	BAILEY, EMILY	will not have one	will not have one	8558				1376674465	
Title	NAME	DPS#	DEA #	LIC #	MEDICARE #			NPI #	
DDS	LINDSKOG, HANNA	will not have one	FL3486378	28828				1619224599	
DDS	KEISER, UNSIL	will not have one	BK4862339	17205				1497849665	
DDS	NGUYEN, BANG	00064079	BN8198144	15198				1811917065	
DDS	MOSLEY, RICHLAND	will not have one	FM4290437	29382				1891125746	
DDS	SHETTY, SUMA	90159366	BS9625166	23787				1790871879	
						Medicare PTAN #	NPI #	TAX ID #	
	Medicaid TPI # 0190530-01	Texas City Clinic		Medicare-A PTAN # 451801		TXB129234	1578588406	74-1665318	
	Medicaid TPI # 0190548-01	Galveston Clinic		Medicare-A PTAN # 451905		TXB129234	1871766584	74-1665318	
	Medicaid TPI # 1333288-01			Taxonomy # 261QF0400X			1487861340	76-0521474	
	Medicaid TPI # 1333288-01	La Marque - (need to request to deactivate)							
	Medicaid TPI # 0865396-01			Taxonomy # 341600000X			1053317347	74-1818451	
LAB CORP ACCT #S									
TC	42176972								
GALV	42844592								

NextGen File Maintenance

File Code Tables Libraries Master Files Master Lists Reports Window Help

Enterprise Coastal Health & Wellne Practice Coastal Health & Wellnes

EHR Master Files - System

Code Tables	Allergy Reactions	Loinc	Practices	Vaccine Relationships
Libraries	Case Contacts	Medication Tasks	Printer Aliases	VFC Reasons
	Case Type	Modifier Categories	Problem Clinical Status	View Categories
	Counters	Modifiers	Providers	VIS SetUp
	CPT4 Codes	Order AOE Answers	Rx Units	Web Service Configuration
	DB Picklist Manager	Order AOE Questions	Service Categories	Zip Codes
	Diagnosis Categories	Order Components	SIGs	
	Diagnosis Severities	Order NextGen Test Compendium	Specialties	
	Diagnosis Statuses	Order Result Notifications	Specimen Charges	
	Employers	Order Results Sequences	Storage Locations	
	Enterprises	Order Test Favorites	User Image Descriptions	
	Equipment Field Map	Order Tests	Vaccine Admin Billing	
	External Interface Map	Order XML Categories	Vaccine Billing	
	External System Setup	Payers	Vaccine Custom Name	
	ICD CM Codes	Performing Entity Locations	Vaccine Funding Source	

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Texas Administrative Code

TITLE 1	ADMINISTRATION
PART 15	TEXAS HEALTH AND HUMAN SERVICES COMMISSION
CHAPTER 355	REIMBURSEMENT RATES
SUBCHAPTER J	PURCHASED HEALTH SERVICES
DIVISION 28	PHARMACY SERVICES: REIMBURSEMENT
RULE §355.8548	340B Covered Entities

(a) Scope. This section applies to each manufacturer of outpatient drugs that has executed an agreement with the Secretary of the United States Department of Health and Human Services under Section 340B of the Public Health Service Act (42 U.S.C. §256b).

(b) Definitions. For purposes of this section, the following terms are defined as follows:

- (1) 340B covered entity--A health-care organization enrolled in the 340B Program.
- (2) 340B covered outpatient drug--A drug eligible for purchase through the 340B Program, as defined in 42 C.F.R. §10.20 and §10.21.
- (3) 340B price--The maximum price that the United States Health Resources and Services Administration will allow a drug manufacturer to charge a 340B covered entity for a 340B covered outpatient drug purchased through the 340B program. The 340B price is also known as the "ceiling price."
- (4) 340B program--A drug-pricing program established under Section 340B of the Public Health Service Act (42 U.S.C. §256b) under which a manufacturer of covered outpatient drugs agrees that it will not charge a 340B covered entity more than the 340B price for a 340B covered outpatient drug.
- (5) HHSC--The Texas Health and Human Services Commission or its designee.

(c) Reimbursement methodology. HHSC reimburses a 340B covered entity for a 340B covered outpatient drug purchased through the 340B program and dispensed to a patient of a 340B covered entity based on HHSC's estimate of the 340B price plus a professional dispensing fee assigned by HHSC in accordance with §355.8551 of this division (relating to Dispensing Fee). HHSC establishes the estimate of the 340B price using market or government sources, which include, but are not limited to:

- (1) Reported manufacturer pricing;
- (2) Weekly data from national drug pricing publishers; and
- (3) Quarterly data from the Centers for Medicare and Medicaid Services.

Source Note: The provisions of this §355.8548 adopted to be effective November 16, 1987, 12 TexReg 3553; transferred effective September 1, 1993, as published in the Texas Register September 7, 1993, 18 TexReg 5978; transferred effective September 1, 1997, as published in the Texas Register December 11, 1998, 23 TexReg 12660; amended to be effective April 1, 2014, 39 TexReg 2062; amended to be effective May 15, 2016, 41 TexReg 3300

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Texas Administrative Code

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DIVISION 28	PHARMACY SERVICES: REIMBURSEMENT
RULE §355.8551	Professional Dispensing Fee

(a) The following words and terms, when used in this section, have the following meanings, unless the context clearly indicates otherwise.

(1) **Acquisition Cost**--As defined in §355.8541 of this division (relating to Legend and Nonlegend Medications).

(2) **Delivery Incentive**--An incentive for offering no-charge prescription delivery to all Medicaid recipients, in accordance with subsection (d) of this section.

(3) **Professional Dispensing Fee**--The portion of the reimbursement paid to a pharmacy under §355.8541 of this division, in accordance with 42 C.F.R. §50.504 and 42 C.F.R. §447.502, to provide a reasonable payment for the cost of dispensing a prescription drug, including the pharmacist's professional services, and which may include incentive amounts for providers that qualify under this section.

(4) **Fixed Component**--A component that provides the base reimbursement to a pharmacy for the cost of dispensing a prescription; it includes reimbursement for professional services costs and overhead costs.

(5) **Preferred Generic Incentive**--An incentive to fill a Medicaid prescription with a premium preferred generic drug for which a drug manufacturer has agreed to pay a supplemental rebate.

(6) **Variable Component**--A component that is expressed as a percentage of the acquisition cost, and provides an incentive to a pharmacy to stock and dispense higher-cost drugs by covering additional expenses incurred when providing those drugs.

(b) The Texas Health and Human Services Commission (HHSC) reimburses contracted Medicaid pharmacy providers according to the following dispensing fee formula: Professional Dispensing Fee = (((Acquisition Cost + Fixed Component) divided by (1 - the percentage used to calculate the Variable Component)) - Acquisition Cost) + Delivery Incentive + Preferred Generic Incentive.

(c) A delivery incentive is paid to approved providers who certify in a form prescribed by HHSC that the delivery services meet minimum conditions for payment of the incentive. These conditions include: making deliveries to individuals rather than just to institutions, such as nursing homes; offering no-charge prescription delivery to all Medicaid recipients requesting delivery in the same manner as to the general public; and publicly displaying the availability of prescription delivery services at no charge. The delivery incentive is to be paid on all Medicaid prescriptions filled for legend drugs. This delivery incentive is not to be paid for over-the-counter drugs that are prescribed as a benefit of this program.

(d) Preferred generic drugs are subject to the Preferred Drug List requirements.

(e) The total professional dispensing fee will not exceed \$200 per prescription.

(f) Notwithstanding other provisions of this section, HHSC may adjust the dispensing fee to address budgetary constraints in accordance with the provisions of §355.201 of this division (relating to Establishment and Adjustment of Reimbursement Rates by the Health and Human Services Commission).

Source Note: The provisions of this §355.8551 adopted to be effective October 5, 2003, 28 TexReg 8312; amended to be effective November 21, 2004, 29 TexReg 10503; amended to be effective September 1, 2007, 32 TexReg 5352; amended to be effective January 26, 2011, 36 TexReg 239; amended to be effective September 1, 2011, 36 TexReg 5345; amended to be effective May 15, 2016, 41 TexReg 3300

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Appendix H: 340B Internal Auditing Procedures

David Delac
Chair, Governing Board



Kathy Barroso, CPA
Executive Director

340B – Internal Auditing Procedures

The Office of Pharmacy Affairs (OPA) mandates that a covered entity exercise vigilant oversight of its 340B program, and that an internal audit address controls and ensure compliance over the program. In accordance with this decree, Coastal Health & Wellness has structured the following assessment to be conducted in accordance with the denoted time-frames, or as otherwise applicable.

1. **WHEN APPLICABLE:** The Chief Compliance Officer shall review all new publications issued by the Apexus 340B Prime Vendor Program (PVP) as they pertain to new and/or best practice methods.
 - a. Should suggested practices otherwise unbeknownst to Coastal Health & Wellness administration be discovered by the Chief Compliance Officer or any other member of the organization, he/she shall be required to disseminate this information to all parties within the organization deemed appropriate.
2. **ANNUALLY:** The Chief Compliance Officer shall review and update the pharmacies listed on the OPAIS website with whom Coastal Health & Wellness has a 340B contractual relationship with, and ensure that these entities are ordering medications from HRSA approved wholesalers.
3. **MONTHLY:** The Chief Compliance Officer will generate a report via the Kalderos' Grappa verification system to determine if any duplicate claims for 340B medications prescribed by CHW providers have been identified.
4. **MONTHLY:** The Business Office Manager will facilitate an independent 340B audit by utilizing the Walgreens' issued provider self-auditing tool and the WellPartner issued provider self-auditing tool to determine if any duplicate or diverted claims have been processed.
5. **MONTHLY:** The Nursing Director and Business Office Manager will jointly perform an in-house 340B medication audit to determine comprehensiveness of charting 340B ordered medications, which requires documentation reflecting consistency in medication logs, NextGen and billing activities.
6. **MONTHLY:** The Coastal Health & Wellness Executive Assistants shall ensure that all prescribing clinicians employed by Coastal Health & Wellness are entirely current regarding requisite credentialing and licensing.
7. **ANNUALLY:** The NextGen End-User shall confirm the National Provider Identification numbers are being maintained, tracked and interfaced through adequate and functional software systems.

APPENDIX I: CONTRACT PHARMACY ELEMENTS

David Delac
Chair, Governing Board



Kathy Barroso, CPA
Executive Director

HRSA has provided essential covered entity compliance elements as guidance for the contractual provisions expected in all contract pharmacy arrangements.

Excerpt from: <https://www.gpo.gov/fdsys/pkg/FR-2010-03-05/pdf/2010-4755.pdf>

- 1) The covered entity will purchase the drug, maintain title to the drug and assume responsibility for establishing its price, pursuant to the terms of an HHS grant (if applicable) and any applicable Federal, State and local laws. A “ship to, bill to” procedure is used in which the covered entity purchases the drug; the manufacturer/wholesaler must bill the covered entity for the drug that it purchased, but ships the drug directly to the contract pharmacy. In cases where a covered entity has more than one site, it may choose between having each site billed individually or designating a single covered entity billing address for all 340B drug purchases.
- 2) The agreement will specify the responsibility of the parties to provide comprehensive pharmacy services (e.g., dispensing, recordkeeping, drug utilization review, formulary maintenance, patient profile, patient counseling, and medication therapy management services and other clinical pharmacy services). Each covered entity has the option of individually contracting for pharmacy services with a pharmacy(ies) of its choice. Covered entities are not limited to providing comprehensive pharmacy services to any particular location and may choose to provide them at multiple locations and/or “in-house.”
- 3) The covered entity will inform the patient of his or her freedom to choose a pharmacy provider. If the patient does not elect to use the contracted service, the patient may obtain the prescription from the covered entity and then obtain the drug(s) from the pharmacy provider of his or her choice. When a patient obtains a drug from a pharmacy other than a covered entity’s contract pharmacy or the covered entity’s in-house pharmacy, the manufacturer is not required to offer this drug at the 340B price.
- 4) The contract pharmacy may provide other services to the covered entity or its patients at the option of the covered entity (e.g., home care, delivery, reimbursement services). Regardless of the services provided by the contract pharmacy, access to 340B pricing will always be restricted to patients of the covered entity.
- 5) The contract pharmacy and the covered entity will adhere to all Federal, State, and local laws and requirements. Both the covered entity and the contract pharmacy are aware of the potential for civil or criminal penalties if either violates Federal or State law. [The Department reserves the right to take such action as may be appropriate if it determines that such a violation has occurred.]
- 6) The contract pharmacy will provide the covered entity with reports consistent with customary business practices (e.g., quarterly billing statements, status reports of collections and receiving and dispensing records).
- 7) The contract pharmacy, with the assistance of the covered entity, will establish and maintain a tracking system suitable to prevent diversion of section 340B drugs to individuals who are not patients of the covered entity. Customary business records may be used for this purpose. The covered entity will establish a process for periodic comparison of its prescribing records with the contract pharmacy’s dispensing records to detect potential irregularities.

- 8) The covered entity and the contract pharmacy will develop a system to verify patient eligibility, as defined by HRSA guidelines. The system should be subject to modification in the event of change in such guidelines. Both parties agree that they will not resell or transfer a drug purchased at section 340B prices to an individual who is not a patient of the covered entity. See 42 U.S.C. 256b(a)(5)(B). The covered entity understands that it may be removed from the list of covered entities because of its participation in drug diversion and no longer be eligible for 340B pricing.
- 9) Neither party will use drugs purchased under section 340B to dispense Medicaid prescriptions, unless the covered entity, the contract pharmacy and the State Medicaid agency have established an arrangement to prevent duplicate discounts. Any such arrangement shall be reported to HRSA, by the covered entity.
- 10) The covered entity and contract pharmacy will identify the necessary information for the covered entity to meet its ongoing responsibility of ensuring that the elements listed herein are being complied with and establish mechanisms to ensure availability of that information for periodic independent audits performed by the covered entity.
- 11) Both parties understand that they are subject to audits by outside parties (by the Department and participating manufacturers) of records that directly pertain to the entity's compliance with the drug resale or transfer prohibition and the prohibition against duplicate discounts. See 42 U.S.C. 256b(a)(5)(c). The contract pharmacy will assure that all pertinent reimbursement accounts and dispensing records, maintained by the pharmacy, will be accessible separately from the pharmacy's own operations and will be made available to the covered entity, HRSA, and the manufacturer in the case of an audit. Such auditable records will be maintained for a period of time that complies with all applicable Federal, State and local requirements.
- 12) Upon written request to the covered entity, a copy of the contract pharmacy service agreement will be provided to the Office of Pharmacy Affairs.

Appendix J: 340B External Auditing Procedures – Walgreens Pharmacy

David Delac
Chair, Governing Board



Kathy Barroso, CPA
Executive Director

340B – EXTERNAL MONTHLY AUDITING PROCEDURE: WALGREENS PHARMACY

This defines the audit procedure from Walgreens 340B in accordance with the Coastal Health & Wellness 340B program, designed to ensure compliance with the 340B rules and regulations and is conducted as follows.

A four-part review is commenced via the Walgreens 340B Complete System to ensure that each prescription was prescribed, validated and ordered in accordance with the following federally mandated criteria:

- a. The authorized prescriber possesses complete and valid eligibility in accordance with both state and federal credentialing;
- b. The prescription was issued from an OPAIS approved 340B eligible location;
- c. The prescription ordered is signified on the 340B pricing list; and
- d. The disseminated prescription was derived from a 340B approved wholesaler.

In the case that any adverse findings are rendered, Walgreens immediately contacts Coastal Health & Wellness' Chief Compliance Officer, and the parties work jointly to report and rectify the situation. Identified erroneous procedures are also conveyed to Walgreens corporate offices.

Information provided on March 25, 2019 by:

Brenda Motley
340B Operations Analyst
Brenda.motley@walgreens.com
847 964 7033
200 Wilmot Road 1st Floor
Deerfield, Illinois 60015

Appendix K: 340B External Auditing Procedures – Southside 8 Pharmacy

David Delac
Chair, Governing Board



Kathy Barroso, CPA
Executive Director



Southside Pharmacy Audit Policy

Southside Pharmacy monitors the 340B program compliance on an ongoing basis. Each quarter on the 1st of the month the compliance officer with assistance from the pharmacist and staff conduct an onsite audit. The procedures followed in this audit are listed in our audit procedure assessment form. Results from the audit are reviewed and presented to Coastal Health and Wellness Center. Any changes that need to be made from the findings are implemented.

Information provided on April 9, 2019 by:

Youstna Riyad
Lead Pharmacist – Southside 8 Pharmacy
youstna@ssrx.com
409-497-2767
707 23rd St Suite F
Galveston, TX 77550



340B CONTRACT PHARMACY SERVICES AGREEMENT

This 340B Contract Pharmacy Services Agreement ("**Agreement**") is made and entered into this 16th day of December, 2011 ("**Effective Date**") by and between Galveston County Coordinated Community Clinic ("**Health Center**") and Walgreen Co. ("**Walgreens**").

1. RECITALS

- 1.1. Section 340B of the Public Health Service Act classifies certain health care clinics as Covered Entities;
- 1.2. Health Center is authorized as a Covered Entity: (i) eligible to purchase prescription and non-prescription medications at reduced cost through Section 340B of the Public Health Service Act for outpatients of Health Center Locations; and (ii) to contract with a licensed pharmacy to manage and dispense its 340B Drugs;
- 1.3. Health Center desires to contract with Walgreens to manage and dispense medications pursuant to Health Center's 340B Drug Program; and
- 1.4. Walgreens agrees to manage and dispense Health Center's 340B Drugs pursuant to the terms and conditions of this Agreement.
- 1.5. In consideration of the promises, covenants and agreements hereinafter set forth, Health Center and Walgreens hereby agree to the following terms and conditions:

2. DEFINITIONS

- 2.1. "**340B Drugs**" means prescription outpatient pharmaceutical products prescribed by an authorized medical provider affiliated with Health Center, including Legend Drugs. All 340B Drugs shall be subject to the Limiting Definition of "covered outpatient drug" set forth in Section 1927(k) of the Social Security Act, 42 USC 1396r-8(k)(2) & (3), which is incorporated as the applicable definition for Section 340B of the Public Health Service Act.
- 2.2. "**340B Drug Program**" means the Health Center's program to purchase and either dispense or arrange for the dispensing of 340B Drugs to Eligible Patients in accordance with Section 340B of the Public Health Service Act.
- 2.3. "**ASN**" means the Supplier's advance shipment notice.
- 2.4. "**Average Wholesale Price**" or "**AWP**" means the Average Wholesale Price for each drug product in the database as defined by First DataBank, or MediSpan or other nationally recognized source used by Walgreens.

- 2.5. **“Contracted Rate”** means the contracted and/or agreed upon reimbursement rate between Walgreens and the applicable Private Insurer.
- 2.6. **“Covered Entities”** means those entities that meet the requirements set forth in section 340B(a)(4) of the Public Health Service Act and have been deemed eligible to purchase outpatient prescription drugs from drug manufacturers at reduced prices for use by such entities’ outpatients.
- 2.7. **“DHHS”** means the United States Department of Health and Human Services.
- 2.8. **“Eligible Patient(s)”** means those Health Center outpatients who are eligible to purchase and/or receive 340B Drugs from Health Center Locations. All Health Center patients who are Medicaid beneficiaries and for whom claims for pharmaceuticals are reimbursable by a state Medicaid program are expressly excluded from this definition.
- 2.9. **“Health Center Location(s)”** means those individual Health Center Locations listed on the HRSA web-site pursuant to an executed enrollment or registration form which are authorized as Covered Entities to contract with a licensed pharmacy to manage and dispense 340B Drugs.
- 2.10. **“HRSA”** means the Health Resources and Services Administration.
- 2.11. **“Report”** means the report made available by Walgreens to the Health Center online that describes activity pertaining to Walgreens’ provision of services hereunder for the preceding month. Such report will include, at a minimum, Health Center’s account number and, with respect to the preceding month: (i) a listing of each 340B-priced pharmaceutical ordered by Walgreens; (ii) a description of information contained on each POAck received for each 340B-priced pharmaceutical product ordered by Walgreens; (iii) a description of information contained on each ASN; and (iv) Posted Receipts, which shall mean a listing of all 340B Drugs actually received by Walgreens. Providing the Report is conditioned upon Health Center’s Supplier providing EDI data (Electronic Data Interface) to Walgreens during the applicable report period.
- 2.12. **“Inventory Replenishment Rate”** means the amount due Walgreens for each 340B Drug dispensed by Walgreens but for which Walgreens does not receive replenishment from the Supplier.
- 2.13. **“Legend Drug(s)”** means those drugs which, by federal law can be dispensed only pursuant to a prescription and which are required to bear the legend “Caution – Federal Law prohibits dispensing without prescription.”
- 2.14. **“NDC-11”** means a medication’s unique 11-digit number containing: (i) the labeler code assigned by the Food and Drug Administration; (ii) the product code; and (iii) the package size of the pharmaceutical product.

- 2.15. **“Non-Eligible 340B Drugs”** means drugs (based upon the NDC-11) that are not a 340B Drug, on the 340B Price File, and/or eligible for the 340B Drug Program.
- 2.16. **“OPA”** means the Office of Pharmacy Affairs.
- 2.17. **“POAck”** means the Supplier’s purchase order acknowledgement.
- 2.18. **“Prescriber List”** means the list of prescribers eligible to write prescriptions for 340B Drugs hereunder.
- 2.19. **“Price File”** means the list of 340B Drugs and associated pricing available from the Supplier.
- 2.20. **“Private Insurer”** means the Managed Medicaid, Medicare Part D, and/or a private third-party insurer responsible: (i) for an Eligible Patient’s prescription plan coverage; and (ii) to reimburse Walgreens the Contracted Rate for pharmacy services.
- 2.21. **“Retail Pharmacy”** means the specific retail pharmacy location(s) listed on the HRSA web-site pursuant to an executed self-certification form as eligible to dispense 340B Drugs under this Agreement at the time 340B Drugs are dispensed.
- 2.22. **“Section 340B”** means Section 340B of the Public Health Service Act.
- 2.23. **“Slow Moving Drug”** means a 340B Drug that has been dispensed by Walgreens but because the quantity of 340B Drug dispensed is less than a full package size, Walgreens is unable to order replacement pharmaceutical products from the Supplier within the earlier of: (i) ninety (90) days from the date the 340B Drug was last dispensed at the applicable Retail Pharmacy location; or (ii) one hundred eighty (180) days from the date that the 340B Drug was initially dispensed at the applicable Retail Pharmacy location.
- 2.24. **“Supplier”** means the pharmaceutical manufacturer, supplier, or drug wholesaler as set forth in Exhibit B, which has entered into a written agreement with Health Center to provide 340B Drugs, reports, ASNs, POAck and any other information set forth herein.
- 2.25. **“Tax”** means any sales tax, imposition, assessment, excise tax or other government levied amount based on Walgreens’ retail sales of prescriptions to Health Center’s patients either on gross revenues or by transaction, whether such tax is designated a sales tax, gross receipts tax, retail occupation tax, value added tax, health care provider tax, transaction privilege tax, assessment, pharmacy user fee, or charge otherwise titled or styled. It includes any tax in existence or hereafter created whether or not the bearer of the tax is the retailer or consumer.

2.26. **“Usual and Customary Charge”** means the amount charged to a cash customer by the Retail Pharmacy at the time of dispensing for the Non-Eligible 340B Drug prescription exclusive of sales tax or other discounts claimed.

3. HEALTH CENTER RESPONSIBILITIES

3.1. **Eligibility Verification.** Health Center will provide all Eligible Patients with a prescription which will contain, but not necessarily be limited to, the barcode provided by Walgreens, the patient payment responsibility amount for those Eligible Patients whose prescriptions are not reimbursable by a Private Insurer, the applicable Health Center Location name, address and identification number, the eligible prescriber’s name, and the Eligible Patient’s full name (“**Authorization**”). Such Authorization will establish eligibility and serve as evidence of Health Center’s authorization for Eligible Patients to receive 340B Drugs.

3.2. **Orders and Payment to Supplier.** Health Center shall purchase 340B Drugs through a written contract with the Supplier and shall hold title to such drugs from the time the Supplier fills the order from Walgreens made on behalf of the Health Center until the time that Walgreens takes delivery of the drugs. Walgreens will order from the applicable Supplier each full package size, as such package size is dictated by the manufacturer, of 340B Drugs dispensed hereunder and Health Center, through the Supplier, will provide the applicable Retail Pharmacy with replacement 340B Drugs, in the full package size. Health Center shall promptly review the Report and notify Walgreens of any discrepancies between the information contained on the Report and the amount billed to Health Center by the Supplier. Upon request from Walgreens, Health Center will promptly provide Walgreens with copies of Supplier invoices pertaining to 340B Drugs received by Walgreens hereunder.

3.3. **Prescriber List and Price File.** Prior to or upon execution of this Agreement, Health Center will provide Walgreens with the current Prescriber List, thereafter Health Center will notify Walgreens one week prior to any changes to the Prescriber List. Supplier will provide Walgreens with the Price File on a semi-monthly basis.

3.4. **Changes with Supplier or Program Design.** Health Center will notify Walgreens at least one hundred twenty (120) calendar days prior to any change in the Supplier used to provide 340B Drugs hereunder and at least sixty (60) calendar days prior to any changes to patient payment responsibility amounts for those Eligible Patients whose prescriptions are not reimbursable by a Private Insurer. In the event Health Center fails to notify Walgreens of such change, Health Center will reimburse Walgreens in accordance with the Usual and Customary Charge for any services or pharmaceuticals provided by Walgreens after the effective date of such change. In no event will Walgreens be obligated to reverse any claim or make adjustments to its Invoices due to changes in the Supplier.

3.5. **Patient Choice.** Subject to a patient's freedom to choose a provider of pharmacy services, each Health Center Location will inform Eligible Patients that they may be eligible for a

discount on certain prescription drugs, other than Medicaid prescriptions, and advise them that such discount has been arranged for only at the Retail Pharmacies.

3.6. Compliance with Laws. Health Center agrees to comply with applicable federal and state laws and regulations. Such compliance shall include, establishing appropriate control procedures to ensure that Eligible Patients receive 340B Drugs from the appropriate Retail Pharmacy.

3.7. Product Warranty. Health Center shall pass through to Walgreens all applicable benefits under any and all manufacturer warranties and indemnification obligations with respect to any merchandise which Walgreens receives to replenish its inventory of 340B Drugs dispensed to Eligible Patients. Health Center, for the benefit of Health Center and Walgreens, shall obtain from the Supplier a certificate of insurance for product liability, continuing guarantee and indemnification for such merchandise. Health Center will require of any Supplier an agreement that the Supplier will seek from all merchandise manufacturers an assumption of responsibility and the defense and indemnification of Health Center and Walgreens in connection with such merchandise, the packaging thereof, and any related materials for third party claims made against Health Center and Walgreens. In addition, Health Center will require each Supplier to comply with the applicable rules and regulations as promulgated by the U.S. Food and Drug Administration, and any other applicable federal, state and local laws and regulations in effect as of the Effective Date of this Agreement or as enacted or adopted during the term hereof, with respect to title and transfers thereof to the merchandise.

4. WALGREENS' SERVICES AND RESPONSIBILITIES

4.1. 340B Pharmacy Services. Upon receipt of an Authorization, Walgreens shall render to Eligible Patients all professional advice and comprehensive pharmacy services customarily provided by it to its patients or as otherwise required by law ("**340B Pharmacy Services**"). Walgreens agrees to render Pharmacy Services as herein provided in accordance with the rules and regulations of the applicable State Board of Pharmacy and all applicable federal laws and regulations. It is expressly understood that relations between an Eligible Patient and Walgreens shall be subject to the rules, limitations, and privileges incident to the pharmacy-patient relationship. Walgreens shall be solely responsible, without interference from Health Center or its agents to said Eligible Patient for pharmaceutical advice and service, including the right to refuse to serve any individual where such service would violate pharmacy ethics or any pharmacy laws or regulations.

4.2. Inventory Maintenance Services. Walgreens shall provide the 340B Drug inventory maintenance services set forth herein with respect to Health Center ("**Inventory Maintenance Services**"). Each 340B Drug shall be dispensed from the applicable Retail Pharmacy's non-340B-priced inventory at the 340B price and shall be replenished with 340B-priced inventory. The Inventory Maintenance Services provided by Walgreens hereunder will include the following:

- 4.2.1. For each 340B Drug that reaches a full package size, Walgreens will order 340B Drugs from the applicable Supplier on behalf of the applicable Health Center Location in order to replenish the 340B Drugs dispensed to Eligible Patients by Walgreens. The applicable Retail Pharmacy will receive shipments from the Supplier on behalf of Health Center.
 - 4.2.2. Walgreens shall promptly notify the Health Center in the event Walgreens cannot or does not receive 340B Drugs at the NDC-11 level replenishment from the Supplier for a period greater than sixty (60) calendar days from the original date of an order fulfillment attempt by the Supplier (“Overdue Drug”). Health Center will reimburse Walgreens the Inventory Replenishment Rate for any Overdue Drug dispensed prior to the date of Walgreens’ notice. Following notice by Walgreens, Walgreens may block the dispensing of Overdue Drugs and/or require Health Center to remove Overdue Drugs from the Price File or discontinue prescribing Overdue Drugs. In the event a Health Center prescriber writes a prescription for an Overdue Drug after the date of Walgreens’ notice, Health Center acknowledges and agrees such prescription shall be considered a Non-Eligible 340B Drug and Walgreens may collect the Usual and Customary Charge from the patient. In the event Walgreens receives any Overdue Drug, such Overdue Drug shall again be subject to the 340B Drug Program and considered a 340B Drug and there shall be no adjustment to any Inventory Replenishment Rate payment received by Walgreens with respect to such Overdue Drug.
 - 4.2.3. Health Center will reimburse Walgreens the Inventory Replenishment Rate for Slow Moving Drugs.
- 4.3. Tracking System. Walgreens will maintain an electronic tracking system that is capable of tracking 340B Drugs received from the Supplier, preventing the diversion of 340B Drugs to individuals who are not Eligible Patients and verifying that such diversion has not occurred. The tracking system shall be able to provide sample comparisons of Eligible Patient prescriptions and dispensing records and a sample comparison of 340B Drug purchasing and dispensing records. Upon reasonable request by Health Center and no more than once annually, Walgreens will permit Health Center or its duly authorized representative, in accordance with Section 6.4, to have reasonable access to the tracking system in order to review the efficacy of such tracking system. Health Center acknowledges and agrees that any such review shall be limited to Walgreens’ customary business records. Walgreens will reasonably cooperate with Health Center to address any potential irregularities detected and will make adjustments to the tracking system that are reasonably necessary to prevent diversion of 340B Drugs to individuals who are not Eligible Patients.
- 4.4. Withholding of Walgreens Services. Notwithstanding any provision to the contrary, Health Center acknowledges and agrees that Walgreens may withhold dispensing of a 340B Drug to an Eligible Patient for good cause, including but not necessarily limited to, the Eligible Patient’s failure to pay for services rendered (e.g., patient payment responsibility amounts); requests by Eligible Patient for quantities of drugs in excess of prescribed quantities or refill

limitations, pursuant to the pharmacy benefit information provided by the Health Center; or where, in the professional judgment of the dispensing pharmacist, the prescription should not be filled.

4.5. **Reconciliation.** Walgreens will conduct a quarterly reconciliation of 340B Drugs dispensed against those 340B Drugs received by Walgreens (“**Reconciliation**”). Reconciliation shall only apply with respect to pharmaceuticals that have reached full package size and for which Walgreens has received replenishment from the Supplier. Reconciliation shall include the following:

- 4.5.1. In the event Walgreens determines that the quantity of 340B Drugs provided to Walgreens exceeds the quantity of 340B Drugs dispensed to Eligible Patients hereunder, Walgreens will either: (i) adjust the virtual inventory so that such excess is applied against future 340B Drug prescriptions dispensed hereunder; or (ii) reimburse Health Center for such drugs in accordance with the 340B Drug price as set forth on the Price File and if Walgreens determines that the 340B Drug price as set forth on the Price File is less than the amount the Supplier would charge Walgreens for the same NDC-11 at non-340B Drug Program rates, Walgreens will also reimburse the Supplier the difference between such amounts.
- 4.5.2. In the event Walgreens determines that the quantity of 340B Drugs provided to Walgreens is less than the quantity of 340B Drugs dispensed to Eligible Patients hereunder, Walgreens will notify Health Center and Health Center will instruct the Supplier to provide 340B Drugs to Walgreens. If, for whatever reason, the Supplier is unable to provide 340B Drugs with the same NDC-11 as the 340B Drug ordered hereunder, Health Center will reimburse Walgreens for said drugs at the Inventory Replenishment Rate.
- 4.5.3. In the event Walgreens determines 340B Drugs have been dispensed to non-Eligible Patients without a Private Insurer, Walgreens will either: (i) adjust the virtual inventory so that such excess is applied against future 340B Drug prescriptions dispensed hereunder; or (ii) reimburse Supplier the difference between the 340B Drug price as set forth on the Price File and the amount the Supplier would charge Walgreens for the same NDC-11 at non-340B Drug Program rates. Such pharmaceutical shall be considered a Non-Eligible 340B Drug and Health Center shall reimburse Walgreens the difference between the Usual and Customary Charge and any amounts Walgreens has already received with respect to such Non-Eligible 340B Drug.
- 4.5.4. In the event Walgreens determines 340B Drugs have been dispensed to non-Eligible Patients with a Private Insurer, Walgreens will either: (i) adjust the virtual inventory so that Health Center is not charged for such drugs; or (ii) reimburse Supplier the difference between the 340B Drug price as set forth on the Price File and the amount the Supplier would charge Walgreens for the same NDC-11 at non-340B Drug Program rates. Health Center shall receive no amounts arising out of the Contracted Rate and to the extent Health Center previously received

any such amounts or credits for such drug, Health Center shall immediately remit such amounts or forfeit such credits to Walgreens.

4.6. Insurance. Walgreens will self-insure or maintain at its sole expense, and in amounts consistent with industry standards, insurance for general and professional liability and such other insurance as may be necessary to insure Walgreens, its employees, and agents against any claim or claims for damages arising directly or indirectly in connection with Walgreens' negligent performance of any services under this Agreement, and the use of any property or facilities provided by Walgreens. Walgreens' insurance information is available at www.walgreens.com/insurance.

5. REIMBURSEMENT AND BILLING

5.1. Invoice for Services. Walgreens will invoice Health Center on a monthly basis for all amounts arising under this Agreement during the previous calendar month ("Invoice"). The invoice will detail: (i) the number of prescriptions dispensed hereunder; (ii) any amounts due Walgreens including any and all fees, costs, charges, or reimbursement amounts, including but not necessarily limited to any amount arising out of the Tax, changes in the Supplier, Overdue Drugs, Slow Moving Drugs, 340B Pharmacy Services, Inventory Management Services and a Reconciliation ("Walgreens Balance"); and (iii) any amounts due Health Center arising out of a Reconciliation or Sections 1 and 2 of Exhibit A, if applicable ("Health Center Balance").

5.2. Monthly Payments. If the Walgreens Balance is less than the Health Center Balance, Walgreens shall pay Health Center the difference between such amounts within thirty (30) calendar days from the Invoice date. If the Health Center Balance is less than the Walgreens Balance, Health Center shall pay Walgreens the difference between such amounts within thirty (30) calendar days from the Invoice date.

5.3. Payment Location. Payment date as used in this Agreement will mean the date payment is to be delivered to Walgreens at the designated location set forth below:

Walgreen Co.
P. O. Box 90480
Chicago, IL 60696-0480

5.4. Late Payment Charge. Health Center is solely responsible for all payments required herein and shall at no time withhold payment due Walgreens, nor pay an amount less than that billed by Walgreens on the Invoice.

5.5. Payment for Private Insurer Coverage. For those Eligible Patients whose prescriptions are reimbursable by a Private Insurer, Walgreens will process and bill such Private Insurer at the existing Contract Rates.

5.6. Over/Underpayments. In the event Health Center believes that it has made an overpayment, Health Center shall immediately notify Walgreens and provide a complete explanation thereof with specific details and documentation to support any claim of overpayment. Upon review and acceptance by Walgreens of such overpayment, Walgreens will pay Health Center an amount equal to the overpaid amount within thirty (30) calendar days of Walgreens' written acceptance of such overpayment. If Walgreens believes that Health Center made any underpayments to Walgreens, Walgreens shall immediately notify Health Center and provide a complete explanation thereof with specific details and documentation to support any claim of underpayment. Upon review and acceptance by Health Center of such underpayment, Health Center will pay Walgreens an amount equal to the underpaid amount within thirty (30) calendar days of Health Center's written acceptance of such overpayment. Except for verified amounts arising out of any audit or Reconciliation permitted by this Agreement, or as otherwise required by law, all claims of overpayment or underpayment must be made within one hundred eighty (180) calendar days after payment is due.

6. AUDITS AND RECORDS

6.1. Inspection by DHHS or the Supplier. Both parties understand that, under Section 340B(a)(5)(C) of the Public Health Service Act, records that directly pertain to compliance with the Act are subject to audit by the Supplier and the DHHS. The parties further understand that DHHS has published guidelines for such audits. Each party agrees to cooperate with such audits and to comply with applicable provisions of the audit guidelines and amendments thereto that may be published from time to time. Walgreens and Health Center understand and agree that a copy of this Agreement will be provided, upon request, to the Supplier; provided that the Supplier has signed a purchasing agreement with DHHS. In the event either party hereto receives such a request, it shall immediately inform the other party. Health Center acknowledges and agrees that Walgreens may, in its sole discretion, delete and/or redact all Walgreens confidential and proprietary information set forth herein prior to the release of this Agreement.

6.2. Health Center Records. Health Center shall maintain customary records relating to its responsibilities under this Agreement, including but not limited to eligibility records for patients and payment information regarding the services provided by Walgreens hereunder, for the periods required by law and shall make such records available to Walgreens.

6.3. Walgreens Records. Walgreens shall maintain customary business and pharmacy records relating to its responsibilities under this Agreement, including without limitation records regarding Eligible Patients, payments received from Eligible Patients and Health Center, and 340B Drug ordering, receiving, and dispensing information ("**Walgreens Records**") in an accessible and auditable form, separate from the records of Walgreens' other operations, and in full compliance with all applicable state and federal laws, rules and regulations. Walgreens Records shall be maintained by Walgreens for such period as is required by applicable law. Notwithstanding the foregoing, unless otherwise provided for elsewhere in this Agreement or required by federal and state laws and regulations, Walgreens Records shall not include

Walgreens' usual and customary pricing data and any other financial and administrative records not related to Walgreens responsibilities under this Agreement.

6.4. Health Center Audits. During normal working hours and upon fifteen (15) business days advance written notice to the address set forth in Section 8.11, below, Walgreens shall permit Health Center access to Walgreens Records in order to confirm that no diversion of 340B Drugs to non-Eligible Patients and no duplicate discounts have occurred ("Audit") and also the right to make photocopies of Walgreens Records. Walgreens acknowledges that Health Center may contract with an independent outside auditor with experience auditing pharmacies to conduct the Audit. Health Center shall provide Walgreens with advance notice of the identity of any such independent outside auditor and shall not utilize any such auditor to which Walgreens has reasonable objection. Health Center shall conduct no more than one Audit per calendar year. The parties acknowledge and agree that in no event shall any: (i) recovery be claimed or based upon either statistical sampling or extrapolation; or (ii) retroactive adjustments be made as to the days' supply or quantity limits, if the prescription is dispensed as written and/or ordered by the prescriber.

6.5. Compliance Violations. In the event that Health Center determines that 340B Drug diversion or duplicate discounts have occurred or that it is otherwise unable to comply with its responsibility to ensure compliance with the 340B Drug Program, then it must take immediate remedial action to assure compliance and notify OPA regarding such compliance problems and actions taken to remedy those problems.

7. TERM AND TERMINATION

7.1. Term. The term of this Agreement shall commence on the Effective Date and shall continue in effect for a three (3)-year period thereafter; unless terminated earlier as provided herein. Upon expiration of the initial term, this Agreement shall be renewed automatically for successive one-year terms.

7.2. Termination. Either party may immediately terminate this Agreement at any time upon written notice to the other party in the event any of the following occurs:

- 7.2.1. The omission or the commission by the other party of any act or conduct for which its authority to provide services may be revoked or suspended by any governmental or administrative body (whether or not such suspension or revocation actually occurs);
- 7.2.2. The other party becomes insolvent or bankrupt;
- 7.2.3. It is determined by the terminating party that the other party lacks any federal, state, or local license, permit, or approval, including, without limitation, certificate of need approval required for the services and operations contemplated by this Agreement or that such services and operations or the arrangements set forth in this Agreement may be inconsistent with, or subject a party to, potential negative consequences under any provision of federal or state

law regulating the services contemplated by this Agreement or the arrangements between the parties as set forth herein; or

- 7.2.4. There is a material breach of the Agreement by the other party, which includes, but is not limited to, non-payment by Health Center of any required fees and/or reimbursement amounts within the time frames set forth in this Agreement.

7.3. Termination without Cause. Notwithstanding any provision to the contrary, either party may terminate this Agreement at any time and without cause upon thirty (30) calendar days' prior written notice to the other party.

7.4. Termination of Individual Health Center Locations. Walgreens may terminate participation with respect to any individual Health Center Location, at any time, upon thirty (30) calendar days' prior written notice to the Health Center. Termination of any individual Health Center Location shall not be deemed a termination of this Agreement.

7.5. Effect of Termination. Upon termination of this Agreement, Walgreens will provide Health Center with an invoice detailing those drugs dispensed under 340B Drug Program which have not been replenished. Health Center will reimburse Walgreens for those pharmaceutical products at the Inventory Replenishment Rates. Each party will reimburse the other party any amounts due upon termination of this Agreement. Termination will have no effect upon the rights or obligations of the parties arising out of any transactions occurring prior to the effective date of such termination.

8. GENERAL PROVISIONS

8.1. Advertising. Neither party may advertise or use any trademarks, service marks, or symbols of the other party without first receiving the written consent of the party owning the mark and/or symbol with the following exceptions: (i) Health Center may use the name and the addresses of Walgreens in Health Center's informational brochures or other publications Health Center provides to its patients or potential patients; and (ii) Walgreens may use Health Center's name, trademark, service mark, and/or symbols to inform patients and the general public that Walgreens is the only pharmacy contracted for the dispensing of 340B Drugs to Eligible Patients. Any other reference to Walgreens in any Health Center materials must be pre-approved, in writing, by Walgreens.

8.2. Assignment. Neither party may assign this Agreement to a third party, except that either party will have the right to assign this Agreement to any direct or indirect parent, subsidiary or affiliated company or to a successor company. Any permitted assignee will assume all obligations of its assignor under this Agreement. No assignment will relieve any party of responsibility for the performance of any obligations which have already occurred. This Agreement will inure to the benefit of and be binding upon each party, its respective successors and permitted assignees.

8.3. **Confidentiality of Records.** The parties agree to protect the confidentiality of each other's records and business information disclosed to it and not to use such information other than as necessary and appropriate in connection with performance of this Agreement. Each party acknowledges that disclosure of confidential information of the other would cause the other party irreparable harm and may, without limiting the remedies available for such breach, be enjoined at the instance of the harmed party. Upon termination of the Agreement, each party agrees to cease use of the other's information and to return it, or destroy it, as appropriate.

8.4. **Delegation.** Walgreens may delegate or subcontract the performance of any obligation agreed to be performed by Walgreens hereunder to a related entity, contractor, or subcontractor, provided that as a condition precedent to such delegation or subcontract, all services or other activities performed by such, contractor or subcontractor shall be consistent with and comply with Walgreens' obligations under this Agreement.

8.5. **Dispute Resolution.** The parties shall attempt to resolve any dispute or claim existing out of the interpretation of or performance under this Agreement through informal discussions. When a dispute arises, either party may submit a written complaint to the other party describing and proposing the manner of resolving that dispute. The party receiving that complaint shall respond by accepting, rejecting, or modifying that proposal, in writing, within thirty (30) calendar days upon receipt of such complaint. If the claim or dispute cannot be resolved through informal discussions, the claimant may bring a legal action in a court of competent jurisdiction to adjudicate its claim or to enforce or interpret any part of this Agreement. The prevailing party in a legal action will be entitled to recover reasonable attorneys' fees to be determined by the judicial body. The attorneys' fees will be in addition to the amount of judgment or any other relief obtained by the prevailing party.

8.6. **Enforceability.** If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances, other than those to which it is held invalid or unenforceable, will not be affected or impaired thereby.

8.7. **Entire Agreement.** This Agreement represents the entire understanding of the parties. Each party hereto warrants and represents that there are no other agreements or understandings between the parties, either oral or written, relating to the subject matter of this Agreement. Any amendments and/or modifications to this Agreement shall be in writing and will become effective and binding upon execution by authorized representatives of the parties hereto.

8.8. **Force Majeure.** The performance by either party hereunder will be excused to the extent of circumstances beyond such party's reasonable control, such as flood, tornado, earthquake, or other natural disaster, epidemic, war, material destruction of facilities, fire, acts of God, etc. In such event, the parties will use their best efforts to resume performance as soon as reasonably possible under the circumstances giving rise to the party's failure to perform.

8.9. Indemnification. Each party shall indemnify, defend, and hold harmless the other party from and against all third party claims, damages, causes of action, costs or expense, including court costs and reasonable attorneys' fees, which may arise as a result of the indemnifying party's negligent performance of or failure to perform, any term or condition of this Agreement. The obligation to indemnify shall survive termination of this Agreement regardless of the reason for termination.

8.10. Independent Contractor. None of the provisions of this Agreement are intended to create, nor shall they be deemed or construed to create, any relationship between the parties hereto other than that of independent entities contracting solely for the purposes of effecting the provisions of this Agreement. Neither of the parties shall be construed to be the partner, co-venturer, or employee or representative of the other party.

8.11. Notice. Any notice required or given under this Agreement shall be provided in writing sent by U. S. certified mail, return receipt requested, postage prepaid, or by overnight delivery service providing proof of receipt, to the addresses of the parties as set forth below:

GALVESTON COUNTY HEALTH DISTRICT
1207 OAK STREET
LAMARQUE, TX 77568
ATTN: HARLAN "MARK" GUIDRY, MD,
MPH, AND CEO

WALGREEN CO.
104 WILMOT ROAD, MS-1446
DEERFIELD, IL 60015
ATTN: HEALTH LAW – DIVISIONAL VICE
PRESIDENT

AND SEND VIA EMAIL TO:
HealthLawLegalNotices@Walgreens.com

Each party may designate by notice any future or different addresses to which notices will be sent. Notices will be deemed delivered upon receipt or upon refusal to accept delivery.

8.12. Patient Privacy and HIPAA Compliance. The parties recognize that each may be a healthcare provider and a covered entity within the meaning of the federal Health Insurance Portability and Accountability Act ("**HIPAA**"). The parties agree to protect and respect the patient's right to privacy and confidentiality concerning their medical and pharmaceutical records, and to protect all individually identifiable health information as protected health information from misuse or disclosure, in compliance with all applicable state and federal law. Without limiting the generality of the foregoing, the parties agree to use patient-specific information: (i) only for permitted treatment, billing and related record-keeping purposes; or (ii) as otherwise permitted by law. In the event that any patient information created, maintained or transmitted in connection with this agreement is to be transmitted electronically, the parties agree that they shall comply in all respects with the requirements of HIPAA governing electronic transmission of individually identifiable patient information. Failure by either party to abide by these requirements shall be a basis for immediate termination of this Agreement.

8.13. Regulatory Compliance. Health Center and Walgreens mutually acknowledge that their intent in entering into this Agreement is solely to facilitate Health Center's 340B Drug Program, without Health Center having to establish and operate its own pharmacy. The services provided hereunder are only those necessary in order to fulfill this intent, and all financial arrangements established herein are mutually determined to represent either cost or fair market value for the items and services received. The parties expressly do not intend to take any action that would violate state or federal anti-kickback prohibitions, such as those appearing in Section 1128B of the Social Security Act, 42 USC Section 1320a-7b. Instead, it is the intention of the parties that this Agreement, and all actions taken in connection herewith, shall to the greatest extent possible be construed to be consistent with the regulatory requirements of the safe harbor for personal services and management contracts appearing in 42 CFR Section 1001.952(d) and, if applicable, (w). Both parties agree that they will neither knowingly resell nor transfer a 340B Drug to an individual who is not an Eligible Patient nor will they dispense 340B Drugs to any person whose prescription is reimbursable by a State Medicaid Agency.

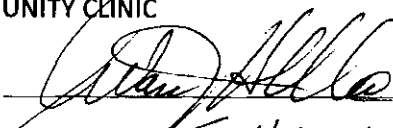
8.14. Signature Authority. Each party to this Agreement warrants that it has full power and authority to enter into this Agreement and that the person signing this Agreement on behalf of either party warrants that he or she has been duly authorized and empowered to enter into this Agreement.

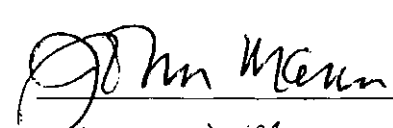
8.15. Waiver. The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as or be construed to be a waiver of any subsequent breach thereof.

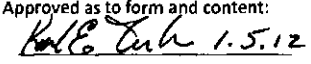

IN WITNESS WHEREOF, Health Center and Walgreens have executed and delivered this Agreement by their representatives duly authorized.

GALVESTON COUNTY COORDINATED
COMMUNITY CLINIC

WALGREEN CO.

By: 
Name: Warren I. Holland III
Title: COO
Date: 11/28/2011

By: 
Name: John Mann
Title: Asst. Secretary
Date: 1-11-2012

Approved as to form and content:
 1.5.12
Legal: 

**Exhibit A
Fee Schedule**

1. **Self-Pay Patients.** For those Eligible Patients whose prescriptions are not reimbursable by a Private Insurer, Walgreens shall collect from the Eligible Patient the following amounts:

- 1.1 \$0.50 administrative fee for the Inventory Maintenance Services ("**Self-Pay Administrative Fee**");
- 1.2 \$13.00 dispensing fee for the 340B Pharmacy Services ("**Self-Pay Dispensing Fee**"); and
- 1.3 The price for the 340B Drug as set forth in the Price File ("**Drug Price**").

Walgreens shall be entitled to retain an amount equal to the Self-Pay Administrative Fee and the Self-Pay Dispensing Fee. Upon determination by Walgreens that Health Center is otherwise current in its payment obligations to Walgreens, Walgreens shall, in accordance with Article 5, remit to Health Center the Drug Price. Notwithstanding the foregoing, if at the time of dispensing Walgreens determines the Usual and Customary Charge is equal to or less than the total of the Self-Pay Administrative Fee, Self-Pay Dispensing Fee and Drug Price, such drug shall be considered a Non-Eligible 340B Drug and Walgreens shall charge the Eligible Patient the Non-Eligible 340B Drug rate.

2. **Private Insurer Patients.** For those Eligible Patients whose prescriptions are reimbursable by a Private Insurer, Walgreens will process and bill the Eligible Patient's Private Insurer for the Contracted Rate provided to the Retail Pharmacy at the time of dispensing. Subject to the provisions that follow, Walgreens shall be entitled to retain up to 13% of the Contracted Rate for the Inventory Maintenance Services and such billing services ("**Private Insurer Administrative Fee**") and a \$13.00 dispensing fee for the 340B Pharmacy Services ("**Private Insurer Dispensing Fee**"). Upon determination by Walgreens that it has received the Contracted Rate for the Eligible Patient's prescription and provided that: (i) Health Center is current in its payment obligations to Walgreens; and (ii) the Contracted Rate exceeds the sum of Private Insurer Dispensing Fee, the Private Insurer Administrative Fee and the Drug Price; Walgreens will retain an amount equal to the sum of the Private Insurer Dispensing Fee and the Private Insurer Administrative Fee (such sum the "**Private Insurer Fee**") and, in accordance with Article 5, remit to Health Center the difference between the Private Insurer Fee and the Contracted Rate. If the Contracted Rate is less than or equal to the Private Insurer Fee, Walgreens agrees to accept and retain the Contracted Rate as payment in full and there will be no further adjustment between the parties.

3. **Non-Eligible 340B Drugs.** The Non-Eligible 340B Drug rate shall be the Usual and Customary Charge.

4. **Inventory Replenishment Rate.** The Inventory Replenishment Rate shall be the following:

- 4.1 *Brand Name Drugs*: the Average Wholesale Price of the dispensed pharmaceutical product minus 16.65%.
 - 4.2 *Generic Drugs*: the Average Wholesale Price of the dispensed pharmaceutical product minus 70%.
5. **Annual Price Adjustment**. Walgreens will notify Health Center within sixty (60) days of the one year anniversary date of the Effective Date and annually thereafter, if there is a price increase for the Self-Pay Administrative Fee, Self-Pay Dispensing Fee, Private Insurer Administrative Fee, and/or Private Insurer Dispensing Fee, which shall become effective the later of the expiration of such sixty (60) day period or the date specified in the notice. In the event Health Center objects to such increase, Health Center and Walgreens shall meet in good faith to discuss the price increase. If, after good faith discussions between the parties an agreement is not reached with respect to such price increase, Health Center has the right to cancel the contract according to Section 7.3 Termination without Cause.

**Exhibit B
Suppliers**

1. Cardinal Corporation

CONTRACT PHARMACY SERVICES AGREEMENT

This agreement (the "Agreement"), which shall become effective upon the date of full execution (the "Effective Date") is made by and between Wellpartner, Inc., a Delaware corporation ("Administrator") and Westchase Asset and Escrow Ltd, Co ("Contract Pharmacy") and Coastal Health & Wellness (the "Entity"), who individually each may be referred to as "Party" or collectively as "Parties".

RECITALS

WHEREAS, Administrator provides consulting, administrative, management and related services in connection with Pharmacy Programs of certain eligible Entities, including pharmacy network contracting and management;

WHEREAS, Contract Pharmacy is a properly licensed pharmacy operating in accordance with applicable laws and regulations and provides Pharmacy Services to its customers, which may include Patients eligible to receive benefits under an Entity's Pharmacy Program; and

WHEREAS, Entity is a covered entity that is eligible to purchase certain outpatient drugs at reduced prices for use by those Hospital outpatients who, subject to this Agreement, are eligible to purchase and/or receive such drugs, as defined in applicable guidance issued by the U.S. Department of Health and Human Services ("DHHS") and as may be amended from time to time ("Patients"), which outpatient drugs are purchased from drug manufacturers that have signed a drug purchasing agreement with DHHS; and

WHEREAS, Administrator, acting in conjunction with Entity, both of whom desire to engage Contract Pharmacy to provide Pharmacy Services for the benefit of Patients as further specified in this Agreement and Contract Pharmacy desires to accept such engagement.

NOW, THEREFORE, in consideration of the covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

- 1.1 "340B Cost" means the discounted cost available to Entity on the date the claim is processed by Administrator. 340B Cost is obtained from the Wholesaler price file in effect for Contract Pharmacy and Entity based on the 11-digit National Drug Code ("NDC") for the dispensed product.
- 1.2 "Wellpartner Clarity" refers to Wellpartner's web based portal that provides comprehensive data views and reports for 340B oversight. It includes but is not limited to, detailed claims data for auditing prescriptions and supporting documentation for inventory and financial tracking.
- 1.3 "Adjudication" means the process used by a Third Party Payor or their designated Claims processor to provide Contract Pharmacy with: (i) authorization for payment of the Claim; (ii) the payment amount, if any, to be collected from eligible Patients by Contract Pharmacy; (iii) Contract Pharmacy's reimbursement amount for dispensing the Covered Drug; and (iv) any other informational edits and messages.
- 1.4 "Agreement" means this Agreement, all exhibits, schedules and addenda hereto, taken collectively, as they may be amended from time to time.

- 1.5 "Brand Name Drug" shall mean a drug designated as "brand" by Medispan or a similar product catalog as used by Administrator and is available from a single manufacturer and designated as a brand name by a nationally recognized price-reporting service.
- 1.6 "Claim" means a request for payment for a Covered Drug that has been submitted by Contract Pharmacy to Administrator or a Third Party Payor or their designated Claims processor for verification of coverage and reimbursement.
- 1.7 "Community Benefit Program" means a program Entity provides for uninsured or underinsured Patients wherein Entity will subsidize dispensing fees for eligible Patients. The Community Benefit Program will be established via the Community Benefit Program Authorization Form.
- 1.8 "Confidential Information" means all confidential or proprietary information of a Party whether in oral, written or electronic form, whether prepared by such Party or its employees, agents, and/or sub-contractors that concerns the business of such Party, the terms of this Agreement, and/or the services provided by such Party pursuant to this Agreement. Confidential Information shall include, but is not limited to, a Party's proprietary business information, reimbursement rates, pricing information, reports, analyses, compilations, studies, operating margins, merchandising and selling techniques, internal policies and procedures, contracts, and other business or industry information which, if disclosed could be used by another person or entity to disadvantage a Party or any affiliates thereof. Confidential Information shall include all Patient information relating to Claims and other records, which if disclosed, could result in a violation of state and/or federal healthcare privacy and confidentiality laws.
- 1.9 "Contract Pharmacy" means the undersigned pharmacy, whether an independent pharmacy, pharmacy chain or Pharmacy Services Administration Organization (PSAO), acting on behalf of itself and its contracted pharmacies, which is properly licensed to provide Pharmacy Services in the state(s) in which such Contract Pharmacy operates. In all cases, the obligations of Contract Pharmacy as set forth in this Agreement shall apply to all Contract Pharmacy locations listed in Exhibit A which provide Pharmacy Services to designated Entities.
- 1.10 "Co-Payment" means that portion of the total reimbursed amount for each prescription dispensed to a Patient that the Contract Pharmacy is required to collect as indicated by a Third Party Payor or their designated Claims processor, regardless of whether such is designated as a fixed amount (e.g., \$5.00), a coinsurance amount (e.g., 20%), a deductible, or a credit (e.g., through the issuance of a voucher).
- 1.11 "Covered Drug" means a specialty, brand name, generic or over-the-counter drug which is dispensed to a Patient in a manner consistent with this Agreement and covered under a Pharmacy Program. Entity, acting in coordination with Administrator shall determine what drugs shall be Covered Drug for the purpose of this Agreement based on Entity's Pharmacy Program formulary; drug availability; the frequency of which a drug is dispensed or a financial analysis of the value of the drug Claim when processed through the Pharmacy Program. Neither Entity nor Administrator make any representation or provide any warranties as to which drugs will be processed through the Pharmacy Program as Covered Drugs.
- 1.12 "Date of Service" means the date a Covered Drug is dispensed for a Patient pursuant to the terms of this Agreement.

- 1.13 "Dispensing Fee" means monies paid to Contract Pharmacy (or retained by Contract Pharmacy, as the case may be) in connection with its provision of Pharmacy Services to Patients on behalf of Entity according to the terms set forth in the applicable Schedule of Exhibit A of this Agreement and if applicable, the Community Benefit Program Authorization Form. The Dispensing Fee shall be due only on a per completed eligible transaction basis (i.e. a prescription for a Covered Drug is appropriately dispensed to a Patient pursuant to the terms of this Agreement, the applicable Schedule, Community Benefit Program Authorization Form and applicable Pharmacy Program requirements). Only one Dispensing Fee shall be due and payable per eligible transaction and the Dispensing Fee shall be the Contract Pharmacy's exclusive reimbursement for Pharmacy Services provided pursuant to this Agreement.
- 1.14 "Drug Wholesaler" means an entity that is licensed under applicable laws and regulations to distribute legend and non-legend drugs and medical supplies to persons other than the final consumer or patient.
- 1.15 "Eligible Claim" means a prescription for a Covered Drug written by a Health Care Provider, which is dispensed by the Contract Pharmacy to a Patient and meets the 340B Claim qualification criteria set forth herein.
- 1.16 "Entity" means an entity that has registered with the Office of Pharmacy Affairs and has been assigned a 340B ID, is eligible to participate in a Pharmacy Program identified in an Exhibit to this Agreement, and which has contracted with Administrator for the administration of such Pharmacy Program, including the management of Pharmacy Services provided by Contract Pharmacy under this Agreement.
- 1.17 "Generic Drug" shall mean a drug designated as "generic" by Medispan or a similar product catalog as used by Administrator and is sourced from multiple manufacturers and is designated as a generic drug by a nationally recognized price-reporting service selected by Contract Pharmacy.
- 1.18 "Health Care Provider" means any person duly licensed to render medical services to Patients; that is recognized under applicable laws and regulations as having authority to prescribe Covered Drugs; who is directly employed by Entity, has a contractual arrangement or other arrangement with Entity or provides medical services as a result of a referral from Entity, and has responsibility for Patient's care.
- 1.19 "NADAC" means the National Average Drug Acquisition Cost as published on a regular basis by the Centers for Medicaid and Medicare Services.
- 1.20 "Patient" means an individual who (i) has established a relationship with Entity such that Entity maintains a record of care, (ii) receives health care services from a Health Care Provider, (iii) otherwise satisfies the requirements for status as a "patient" as defined at 61 FR 207, pp. 55156 to 55158, or in any guidelines, rules or regulations hereafter published, issued or promulgated in amendment, supplement or replacement thereof, and (iv) has been prescribed a Covered Drug by a Health Care Provider.
- 1.21 "Pharmacy Program(s)" means a form of pharmacy benefit or pharmacy purchasing mechanism which Entity is eligible to access and has been implemented using the administrative and management services of Administrator through which Covered Drugs are provided to Patients under this Agreement in a manner consistent with a designated benefit or plan structure and applicable laws and regulations. The terms specific to the provision of Pharmacy Services and Contract Pharmacy's Dispensing Fee in connection

with a particular Pharmacy Program shall be established as a Schedule to Exhibit A of this Agreement.

- 1.22 "Pharmacy Services" means those professional services, including but not limited to the dispensing of Covered Drugs, provided by Contract Pharmacy under this Agreement.
- 1.23 "Specialty Drugs" means a Covered Drug that has one or more of the following characteristics: complex therapy for complex disease; specialized patient training and coordination of care (services, supplies, or devices) required prior to therapy initiation and/or during therapy; requires unique patient compliance and safety monitoring; includes unique requirements for handling, shipping and storage; and has potential for significant waste due to the high cost of the drug. The current and updated Specialty Drug lists are available via Wellpartner's Wellpartner Clarity
- 1.24 "Third Party Payor" means a payer of Patient Claims, other than Entity, including without limitation: (i) an insurance company or pharmacy benefit manager providing a prescription insurance benefit or coverage; (ii) a state Medicaid agency; (iii) the entity or organization that receives payment from the applicable state Medicaid agency for the Pharmacy Services provided to a Patient during the applicable premium payment period; (iv) a duly qualified Medicare Part D plan; and (v) any other authorized third party that pays or contributes a portion of the payment in connection with an Patient's Claim for a Covered Drug.
- 1.25 "True-Up Process" refers to an inventory and financial reconciliation process through which Administrator identifies the outstanding balance of Covered Drugs previously dispensed by Contract Pharmacy to Patients under Entity's 340B Pharmacy Program that have not been replenished by Entity within a specified time period and for which Entity shall remit to Contract Pharmacy (or Administrator shall offset from monies owed Entity) the NADAC price of such dispensed inventory as set forth in this Agreement.

2. CONTRACT PHARMACY REQUIREMENTS

- 2.1. Contract Pharmacy agrees to participate in all Pharmacy Programs and pharmacy networks managed by Administrator and referenced in Schedule(s) to Exhibit A of this Agreement. Such participation shall be in a manner consistent with applicable laws and regulations and the terms of this Agreement.
- 2.2. Contract Pharmacy shall reasonably cooperate with Administrator's implementation requirements related to a Pharmacy Program, which may include, but not limited to: (a) configuration of Claim Adjudication platform; (b) execution of required forms to meet regulatory requirements of the Pharmacy Program; (c) coordination with switch processor for access to Contract Pharmacy claims; and (d) training of staff with respect to specific Pharmacy Program requirements. Administrator, as agent to the Covered Entity, shall coordinate such activity so as not to adversely impact Contract Pharmacy operations.
- 2.3. Contract Pharmacy represents: (a) it is in good standing with all applicable State Board(s) of Pharmacy and all other applicable government oversight agencies and possesses all valid licenses and registrations as required to provide Pharmacy Services as set forth in this Agreement; (b) neither it nor any of its pharmacists currently have a required license which is suspended or revoked; and (c) it shall ensure that the information provided to Administrator and/or an Entity in connection with Pharmacy Services is and will continue to be true and complete. Upon request of Administrator, Contract Pharmacy shall supply copies of any and all professional licenses, registrations, certifications, or other documentation required to be maintained by Contract Pharmacy or a Contract Pharmacy pharmacist in the performance of obligations under this Agreement. Contract Pharmacy

shall immediately notify Administrator and Entity in the event a required license of Contract Pharmacy, any of its Contract Pharmacy locations or any of its pharmacists is lost, revoked, suspended or otherwise not valid and possessed.

- 2.4. Contract Pharmacy shall lawfully render Pharmacy Services and or cause Covered Drugs to be dispensed to Patients in a manner consistent with applicable legal and regulatory requirements the terms of this Agreement and in the same manner and quality as provided in the ordinary course of business absent this Agreement.
- 2.5. Contract Pharmacy shall not discriminate in the provision of Pharmacy Services and shall in all instances dispense Covered Drugs to Patients pursuant to the terms set forth in this Agreement. Notwithstanding the foregoing, it shall not be considered discriminatory or otherwise a violation of its obligations under this Agreement if a Contract Pharmacy pharmacist, based on his/her professional training, knowledge, skill and experience, refuses to dispense a Covered Drug to a Patient for any reason. However, to the extent that a Contract Pharmacy pharmacist refuses to dispense a Covered Drug to an entity patient, Contract Pharmacy shall notify Entity of such refusal and the reasons therefore. Nothing in this Agreement is intended to create nor shall it be construed to create any rights for Administrator or any Entity to intervene in any manner by which Contract Pharmacy provides services to Patients. No provision contained in this Agreement shall be construed to make Administrator responsible for or in any way liable by reason of the provision of services by Contract Pharmacy.
- 2.6. Contract Pharmacy agrees to reasonably cooperate with Administrator and/or Entities in the review and resolution of complaints or appeals by Patients related to the provision of Pharmacy Services.
- 2.7. As permitted by applicable law, regulation and Contract Pharmacy's professional standards, Contract Pharmacy shall reasonably comply with Administrator's and/or Entities' drug formulary requirements. If a non-formulary drug is prescribed, Contract Pharmacy will use reasonable best efforts to contact the prescriber and encourage formulary compliance and request authorization to change a prescribed drug to a therapeutically equivalent formulary drug.
- 2.8. Contract Pharmacy shall maintain an adequate inventory of supplies, drugs, equipment, and other items as required for the provision of Pharmacy Services. Supplies used to provide Covered Drugs to Patients shall be sourced from a reputable manufacturer and/or wholesaler subject to applicable state and federal laws. Contract Pharmacy further represents and warrants that it will not use drug samples, returned, recalled, or expired supplies and/or products in the provision of Pharmacy Services, except to the extent permitted by state restocking laws.

3. CLAIM PROCESSING, PAYMENT and REPORTING

- 3.1. When presented with a valid prescription from a Patient, Contract Pharmacy shall adjudicate the Claim and dispense Covered Drugs to such Patient per the terms of this Agreement. Administrator will review all Patient Claim data and shall associate Claims with the appropriate Pharmacy Program based on Patient and Claim eligibility. Claim data reviewed by Administrator as part of its Claim processing will be used to assist in the management of Pharmacy Program replenishment, and the financial reconciliation of Claims and reporting.
- 3.2. The Parties shall abide by the payment terms established for Pharmacy Services as specified in the applicable Schedule of Exhibit A. A Claim submitted by Contract

Pharmacy shall constitute a representation by Contract Pharmacy that Pharmacy Services were provided in accordance with the terms of this Agreement and the referenced Covered Drug was dispensed to the Patient. On or about the 1st and 16th of the month, Wellpartner will make available to Contract Pharmacy the final detailed activity report and the final summary activity report for the prior Period. On 1st and 16th of the month, Wellpartner will submit an invoice to Contract Pharmacy for payments due to be remitted in connection with dispensed 340B Covered Drugs for that Cycle. Payments are due net 30 days.

- 3.3. The amounts represented in the invoice sent to Contract Pharmacy represent the difference between the payments received by Contract Pharmacy from payers and patients, less 340B Contract Pharmacy dispensing fees and credits appropriately applied by Wellpartner. Wellpartner offers one method of payment, an Electronic Funds Transfer (EFT) from Contract Pharmacy to Wellpartner.
- 3.4. Contract Pharmacy is solely responsible for all payments required herein and shall at no time withhold undisputed payment due Entity and/or Administrator. All sums not disputed within one (1) month of receipt of invoice and owed to Entity and/or Administrator by Pharmacy will bear interest of one and one-half percent (1.5%) per month from the date payment is due until paid; however, in no event will such interest rate be greater than the rate permitted by law.
- 3.5. For unpaid accounts over 90 days old, Administrator reserves the right to suspend replenishment until accounts are either paid in their entirety or other arrangements have been made and agreed upon with Administrator.
- 3.6. Contract Pharmacy acknowledges that proper Claims Adjudication and Administrator's processing of Claims with respect to a Pharmacy Program are dependent upon the accurate transmission and processing of Claim data by the Contract Pharmacy. Administrator shall not be liable for any damages or actions arising out of any interruption in transmission or processing, except where it is solely at fault. Administrator shall use ordinary care and reasonable diligence in the performance of its duties under this Agreement. Administrator disclaims all express and implied warranties of any kind, including, but not limited to any warranty as to the quality, accuracy, or suitability for any particular purpose of the data used or generated by Administrator under this Agreement, except that Administrator shall not intentionally adversely affect the quality, accuracy or suitability of data it receives from others. Contract Pharmacy acknowledges that Administrator is solely responsible for determining Claim eligibility for 340B program prices. Contract Pharmacy will not receive a Dispensing Fee or replenishment drugs in connection with ineligible Claims.
- 3.7. Contract Pharmacy shall have full responsibility for the collection of reimbursement amounts due from Third-Party Payers and Patients in connection with Pharmacy Services. Contract Pharmacy will collect third party payer payments and patient Co-payments in the same manner as it does for non-340B claims. Consistent with its other Third Party contract obligations, Contract Pharmacy will not refuse to provide Pharmacy Services to a Patient due to dissatisfaction with the reimbursement rate established with such Third-Party Payers or in a Schedule to this Agreement.
- 3.8. Unless otherwise directed in writing by Administrator, Contract Pharmacy shall not seek or collect from a Patient any amount greater than as indicated on its system at the time of Claim Adjudication. Contract Pharmacy agrees that in no case, including but not limited to the nonpayment by a Third Party Payer, Administrator, and/or Entity, or as applicable, the failure to resupply Covered Drugs per the terms of this Agreement, it shall seek

payment/reimbursement or have recourse against a Patient for Pharmacy Services rendered.

- 3.9. Contract Pharmacy acknowledges that Administrator operates only as an intermediary between Entity and Contract Pharmacy and that Entity is responsible for paying the Dispensing Fee due. Administrator will not be obligated to pay Contract Pharmacy amounts due hereunder out of Administrator's own funds or undertake the resupply of Covered Drugs at its own cost and expense. Contract Pharmacy shall have no claim against Administrator for any amounts not paid to Contract Pharmacy due to lack of reimbursement by Third Party Payers or breach by an Entity, including, but not limited to, failure to meet inventory and/or re-supply requirements. Administrator shall provide reasonable efforts to assist in securing payment to pharmacy consistent with its agreement with the Entity.
- 3.10. As may be necessary, Contract Pharmacy shall provide reasonable assistance to Administrator in meeting its reporting obligations to Entity in connection with the Pharmacy Services provided under this Agreement.
- 3.11. Contract Pharmacy acknowledges and agrees that Administrator shall be authorized to credit and/or offset against any amounts due hereunder any overpayments, reversals or other adjustments determined to be necessary or appropriate to properly reflect the terms of this Agreement and meet legal or regulatory requirements. Reversals, other than True-up calculations, will be accompanied by claim level detail indicating offset amount for individual prescriptions.
- 3.12. Administrator shall provide Contract Pharmacy regular reports at the individual Claim level for each Pharmacy Program for the proper tracking of inventory dispensed and replenished, amounts remitted by Contract Pharmacy and Dispensing Fees paid.
- 3.13. Entity shall provide, in compliance with Privacy Laws (as defined below), applicable participating Health Care Provider information and other information as required to support operation of the Pharmacy Program.
- 3.14. Entity shall provide, where applicable, outpatient encounter data for all 340B-eligible clinics and departments within Entity. Such data shall be provided by Entity in the format and on a schedule agreed to by the Parties.

4. TERM and TERMINATION

- 4.1. This Agreement will become effective on the date of full execution and will continue until terminated as set forth herein.
- 4.2. Any Party may terminate this Agreement for convenience at any time without cause or penalty upon the provision of ninety (90) days prior written notice to the other Party.
- 4.3. In the event of a material breach of any of the terms of this Agreement by any Party, the non-breaching Party may terminate this Agreement upon thirty (30) days prior written notice to the breaching Party, which notice shall set forth in sufficient detail the nature of the alleged breach and desired remedy. If the breaching Party cures the breach within said thirty (30) day notice period, then such termination notice will be void and this Agreement will continue in full force.
- 4.4. Notwithstanding any other provision herein, Administrator and/or Entity shall have the right to terminate this Agreement immediately and without notice or penalty in the event

Contract Pharmacy and/or any of its Contract Pharmacy locations and/or any of its pharmacists suffer the loss or revocation or suspension of a necessary license.

- 4.5. Notwithstanding any other provision herein, either Party shall have the right to terminate this Agreement immediately and without notice or penalty in the event of any of the following occurrences:
 - 4.5.1 A Party fails to comply with audit requirements contained herein;
 - 4.5.2 A Party attempts to disclose or discloses Confidential Information of the other Party;
 - 4.5.3 A Party or a parent company thereof becomes insolvent, goes into receivership, files for bankruptcy, or any other adverse action is taken on behalf of its creditors;
 - 4.5.4 A Party is disqualified or removed from participating in a federally funded healthcare program, such as Medicare or Medicaid; or
 - 4.5.5 A Party engages in the diversion of Covered Drugs to ineligible patients or some other legal or regulatory violation in connection with a Pharmacy Program.
- 4.6. In the event of termination of this Agreement the Parties shall remain responsible for obligations which accrued prior to the effective date of termination, including, but not limited to the obligation to remit monies due or pay fees due in connection with Pharmacy Services rendered. Additionally, Contract Pharmacy shall work with Administrator and Entity to settle any outstanding inventory issues so as to avoid the diversion of Covered Drugs, and shall also provide reasonable assistance to Administrator to ensure the transition of Pharmacy Services to an alternate contracted pharmacy.
- 4.7. The parties agree that any provision contained in this Agreement, which by its nature logically extends beyond termination hereof shall survive such termination, including, without limitation, the provisions related to confidentiality, warranties and indemnification.

5. INDEMNIFICATION and LIMITATION OF LIABILITY

- 5.1. Contract Pharmacy shall indemnify, defend and hold Administrator, Entity, their employees, agents, directors, and sub-contractors harmless from and against any and all liability, losses, claims, lawsuits, costs, damages and/or expenses whatsoever, including reasonable attorneys' fees and court costs (collectively "Actions") in favor of any third party and arising out of or attributable to: (a) the material breach by Contract Pharmacy of any Contract Pharmacy representation, warranty, covenant or obligation as set forth in this Agreement; or (b) the willful misconduct or negligent performance or nonperformance by Contract Pharmacy or by any of its employees, agents of any duty or responsibility of Contract Pharmacy under this Agreement.
- 5.2. Administrator shall indemnify, defend and hold Contract Pharmacy, its employees, agents, directors and subcontractors harmless from and against any Actions in favor of any third party and arising out of or attributable to: (a) the material breach by Administrator of any Administrator representation, warranty, covenant or obligation as set forth in this Agreement; or (b) the willful misconduct or negligent performance or nonperformance by

Administrator or by any of its employees, agents of any duty or responsibility of Administrator.

- 5.3. Entity shall indemnify, defend and hold Administrator, Contract Pharmacy, their employees, agents, directors, and sub-contractors harmless from and against any Actions in favor of any third party and arising out of or attributable to: (a) the material breach by Entity of any Entity representation, warranty, covenant or obligation as set forth in this Agreement; or (b) the willful misconduct or negligent performance or nonperformance by Entity or by any of its employees, agents of any duty or responsibility of Entity under this Agreement.
- 5.4. A Party seeking indemnification pursuant to this Section (the "Indemnified Party"), shall notify the other Party (the "Indemnifying Party") promptly upon becoming aware of any Action to which such indemnification obligation may apply. The Indemnifying Party shall have the right to assume and control the defense of the Action at its own expense. If the right to assume and control the defense of any such Action is exercised, the Indemnified Party shall have the right to participate in such defense. If the Indemnifying Party does not reasonably assume the defense of the Action, the Indemnified Party may defend the Action and shall also be indemnified for reasonable costs of such defense.
- 5.5. EXCEPT TO THE EXTENT THAT LIABILITY ARISES FROM A PARTY'S INDEMNITY OBLIGATIONS SPECIFIED HEREIN, IN NO EVENT SHALL EITHER PARTY BE LIABLE UNDER THIS AGREEMENT (WHETHER IN AN ACTION IN NEGLIGENCE, CONTRACT OR TORT OR BASED ON A WARRANTY OR OTHERWISE) FOR LOSS OF PROFITS, REVENUE, OR ANY INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES INCURRED BY THE OTHER PARTY OR ANY THIRD PARTY, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 5.6. Contract Pharmacy acknowledges that, subject to applicable state and federal laws and related professional standards, the treatment of any patient and the dispensing of any drug is at the sole discretion of Contract Pharmacy. Further, Contract Pharmacy acknowledges that in the performance of services provided on behalf of Entity, Administrator acts only in an administrative and/or ministerial capacity and makes no representations, either express or implied, with respect to the discretion exercised by a health care provider in prescribing a drug and/or the Contract Pharmacy in dispensing a Covered Drug. With the exception of its indemnification obligation, Administrator shall not be liable or responsible for any injury, including death, suffered by any Patient as a result of the use of a Covered Drug prescribed by a health care provider or dispensed by Contract Pharmacy.

6. CONFIDENTIALITY

- 6.1. The Parties shall prevent the unauthorized use and/or disclosure of Confidential Information received by a Party (the "Receiving Party") from another Party (the "Disclosing Party"). The Receiving Party shall establish and maintain, throughout the term of this Agreement, policies and procedures designed to prevent the unauthorized use and/or disclosure of the Disclosing Party's Confidential Information, which policies and procedures shall establish at least the same level of care as used to protect the Receiving Party's own Confidential Information and no less care than what is considered reasonable. Additionally, the Receiving Party agrees to maintain and transfer all Confidential Information disclosed under this Agreement in a manner consistent with all applicable laws, including, but not limited to the Health Insurance Portability and Accountability Act of 1996, as amended. The Receiving Party shall not release any Confidential Information

to any third party, including, without limitation, to any agents or consultants working on behalf of the Receiving Party, without the prior written consent of the Disclosing Party.

- 6.2. Notwithstanding the above, the Receiving Party shall not be prohibited from disclosing any information which: (i) is or becomes generally available to the public other than as a result of disclosure by the Receiving Party, its agents, representatives or employees; (ii) was within the Receiving Party's possession on a non-confidential basis prior to disclosure by the Disclosing Party; or (iii) the Receiving Party is required by law or judicial order to disclose such information, provided that the Receiving Party shall promptly notify the Disclosing Party of such requirement so that the Disclosing Party may seek an appropriate protective order or otherwise seek to protect the confidentiality of such information.
- 6.3. The Receiving Party shall notify the Disclosing Party immediately of any unauthorized possession, use, or knowledge, or attempt thereof, of the Disclosing Party's Confidential Information. The Receiving Party shall promptly provide the Disclosing Party with a full account of any such unauthorized possession, use, knowledge, or attempt thereof, and use reasonable efforts to mitigate the effects thereof and prevent a recurrence of the same.
- 6.4. In the event that a subpoena or other legal process is served upon the Receiving Party and concerns the Confidential Information, the Receiving Party shall notify the Disclosing Party immediately upon receipt of such subpoena or other legal process and shall reasonably cooperate with the Disclosing Party in any lawful effort by the Disclosing Party to contest the validity of such subpoena or other legal process.
- 6.5. The Disclosing Party shall retain full ownership rights of its Confidential Information disclosed hereunder, including derivative works based on or otherwise incorporating such Confidential Information. Ownership rights shall include, but are not limited to, all rights associated with trade secrets, copyrights, trademarks, and patents. Nothing in this Agreement should be interpreted to grant any license rights to the Receiving Party or any third-party in the Confidential Information of the Disclosing Party.
- 6.6. Upon termination of this Agreement, or upon the written request of the Disclosing Party, the Receiving Party shall return all written or other physical or electronic embodiments of Confidential Information to the Disclosing party, together with all copies thereof or copies of any part thereof as shall then be in Receiving Party's possession. If return of all written or other physical or electronic embodiments of Confidential Information is not commercially practical, then at the direction of the Disclosing Party, the Receiving Party shall account for all Confidential Information and either: (i) destroy such Confidential Information; or (ii) continue to hold such Confidential Information in a secure manner until return or destruction is possible. Notwithstanding the foregoing, the return or destruction of Confidential Information shall not include information that must be retained by the Receiving Party under law for auditing or other purposes or as otherwise provided in this Agreement. In any event, such Confidential Information shall at all times be maintained by the Receiving Party in a manner consistent with the terms of this Agreement. Notwithstanding the foregoing, each party may retain a copy of Confidential Information in its confidential legal files solely for archival purposes, and the obligation to destroy or return shall not apply to Confidential Information that is stored on back-up tapes and similar media that are not readily accessible to Receiving Party so long as Receiving Party continues to comply with the confidentiality obligations under this Agreement with respect to all such stored Confidential Information.

7. RECORD MAINTENANCE AND AUDIT

- 7.1. Administrator shall keep and maintain, in accordance with prudent business practices, accurate, complete and timely books, records and accounts of all transactions occurring as part of the furnishing Covered Drugs to Patients. Contract Pharmacy shall maintain appropriate accounts and dispensing records for all Patient Claims, irrespective of the Pharmacy Program. Contract Pharmacy agrees to maintain Patient profiles, prescription files, and associated records in a manner consistent with industry norms, prudent record-keeping procedures, and the requirements of applicable federal and state laws and regulations to include the of receipt and disposition of the Covered Drugs, the records as to dispensing, loss, theft and return to supplier. All such records shall be retained in the same manner and for the same period of time as Contract Pharmacy retains such records or data in the ordinary course of business or as required by applicable laws, but not fewer than ten (10) years from the Date of Service.
- 7.2. Contract Pharmacy shall permit Entity and/or Administrator, and/or its duly authorized agents upon reasonable notice and during normal business hours, and at its sole cost and expense, to examine Contract Pharmacy's signature files, Patient profiles, prescription records, and other records to the extent reasonably necessary to verify that Pharmacy Services, including the provision of Covered Drugs for which Contract Pharmacy submits Claims, were provided in a manner consistent with the terms of this Agreement. In lieu of signature files, Administrator shall accept POS register receipts or patient verification letters as notice of Patients receipt of prescriptions. In addition, Contract Pharmacy shall have the right from time to time during normal business hours, and at its sole cost and expense, to examine Administrator's and/or Entity's books and records as necessary to audit and verify the accuracy of any amounts paid or received under this Agreement. Any such examinations shall be subject to the requirements of state and federal laws regarding the confidentiality of medical and prescription drug records. Additionally, all information obtained as a result of any such examinations shall be held in strict confidence and used solely for the purposes of ensuring compliance with this Agreement. Examinations may be made at any time during the term hereof, and for up to twelve (12) months after the expiration or termination of this Agreement. If any examination by Administrator of Contract Pharmacy's records reveals that ineligible Claims were submitted for reimbursement, then Administrator shall notify Entity as soon as practicable and shall cause the administrative reversal of such Claims and all impacted accounts will be reconciled accordingly. Contract Pharmacy and Administrator shall cooperate with Entity in order for Entity to verify or achieve compliance under the 340B program.

8. MISCELLANEOUS PROVISIONS

- 8.1. **Advertisement.** Administrator reserves its rights in and control of the words "Wellpartner", all of its symbols, trademarks, trade names, service marks and other such proprietary symbols and words presently existing or hereafter acquired, and all symbols related thereto or used in connection therewith. Contract Pharmacy will not use such words, symbols, trademarks, trade names or service marks without the prior written consent of Administrator. Contract Pharmacy reserves its rights in and control of its service marks, trademarks, trade names and other such proprietary symbols and words presently existing or hereafter acquired, and all symbols related thereto or used in connection therewith. Administrator shall not use such marks, names, symbols or words without Contract Pharmacy's prior written consent, which consent is hereby granted, for the limited purpose of Administrator communicating Contract Pharmacy's participation under this Agreement to applicable Entities, Patients, and potential clients.
- 8.2. **Marks and Names.** Each of the Parties reserves all rights in and control of its name and all of its symbols, trademarks, trade names, service marks and other such proprietary symbols and words presently existing or hereafter acquired, and all symbols related thereto or used

in connection therewith. Notwithstanding the foregoing, each of the Parties shall have the right to use the other Party's name and such other Party's symbols, trademarks, trade names, service marks and other such proprietary symbols and words for the purpose of performing its obligations under this Agreement and enjoying its benefits.

- 8.3. Notices. All formal notices, requests, demands and other communications provided under this Agreement shall be in writing and shall be delivered to the appropriate Party by a national overnight delivery service, with next-business day delivery guaranteed and verified at the address set forth on the signature page of this Agreement.
- 8.4. Compliance with Laws. Contract Pharmacy shall comply with all federal and state laws, regulations and rules governing the practice of Contract Pharmacy and the provision of Pharmacy Services under this Agreement, including, but not limited to applicable State pharmacy regulations, and Contract pharmacy guidelines. The Parties shall not take any action that would violate state or federal anti-kickback laws, including, without limitation, those provided for in Section 1128B of the Social Security Act (42 U.S.C. 1320a-7b). The Parties acknowledge that during the course of fulfilling their respective obligations under this Agreement each shall comply with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA" and/or the "Act" attached as Exhibit C) and its implementing regulations (45 CFR Parts 160 and 164) and standards related to Individually Identifiable Health Information (the "Privacy Rule") and Title XIII of the American Recovery and Reinvestment Act of 2009 and its implementing regulations ("ARRA") as further defined in the Business Associate Agreement appended hereto as Exhibit C, which terms are incorporated into this Agreement.
- 8.5. Patient Choice. This Agreement shall not be interpreted, construed, or otherwise used to limit Patients' choice of pharmacy.
- 8.6. Entire Agreement. This Agreement including all Exhibits and Schedules hereto constitute the entire understanding between the Parties as to their obligations and, unless otherwise specified herein, may not be amended except by a writing signed by both Parties. The terms of the Agreement shall apply to all Contract Pharmacy locations, including affiliated entities of Contract Pharmacy. Contract Pharmacy acknowledges that, to the extent not prohibited by law and/or regulation, Entities may utilize all Contract Pharmacy locations in support of a Pharmacy Program and that Administrator may, on behalf of such Entities, restrict Contract Pharmacy's participation in any such Pharmacy Program. Contract Pharmacy acknowledges that the exclusion of a Contract Pharmacy from providing Pharmacy Services for one Entity shall not otherwise jeopardize or prejudice Contract Pharmacy's participation for the benefit of other Entities. Administrator may, at any time and without cause, terminate this Agreement as to the participation of certain Contract Pharmacy location(s) by providing notice to Contract Pharmacy. Administrator's election to terminate a Contract Pharmacy location shall not jeopardize or prejudice Contract Pharmacy's participation under this Agreement or otherwise impact the obligations set forth herein in connection with the remaining Contract Pharmacy Location(s) providing Pharmacy Services to Entities.
- 8.7. Third Party Beneficiaries. The Parties specifically agree that Patients shall not be third party beneficiaries to this Agreement.
- 8.8. Waiver & Severability. Any failure by either Party to enforce or require the performance by the other Party of any of the terms or conditions of this Agreement shall not be constituted as a waiver of rights with respect to any subsequent breach of any term or condition of this Agreement. Any invalidity, illegality or unenforceability of any provision

of this Agreement shall not invalidate or render illegal or unenforceable the remaining provisions hereof.

- 8.9. Survival. Any term of this Agreement which by its nature extends beyond the termination hereof shall survive, including but not limited to obligations to pay amounts due hereunder, indemnities, confidentiality obligations, audit provisions, limitations of liability, and disclaimers.
- 8.10. Assignment; Successors and Assigns. Neither this Agreement nor any of the obligations to be performed hereunder may be assigned, directly or indirectly, by either Party without the prior written consent of the other Party; provided, however, that the preceding restriction shall not apply to the assignment to an affiliated company or any successor through a sale, merger or other similar transaction. Any assignment or attempted assignment in violation of this restriction shall be void. In the event of any such permitted assignment, the obligations set forth herein shall be binding upon the successor.
- 8.11. Governing Law. The validity, interpretation, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without respect to its conflict of laws principles.
- 8.12. Force Majeure. Except for the duty to pay, no Party shall be liable in any manner for any delay or failure to perform its obligations hereunder which are beyond such Party's reasonable control including, without limitation, delay or failure due to strikes, labor disputes, riots, earthquakes, extreme weather, fires, explosions, embargoes, war or other outbreak of hostilities, acts of terrorism, plague or disease, delay of carriers, suppliers or telecommunications providers, or government acts or regulations. If the period of non-performance exceeds sixty (60) days, the unaffected Party or Parties shall have the right to terminate this Agreement by thirty (30) days written notice to the affected Party, without liability except to pay for services rendered.
- 8.13. Insurance Requirements. With respect to the performance of their respective obligations under this Agreement, Administrator and Contract Pharmacy shall each maintain general liability insurance with limits of not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) in the aggregate per policy year. Upon request by a Party, the other Party shall provide evidence of such insurance.
- 8.14. Construction. This Agreement has been negotiated in good faith and shall be construed in its entirety, according to its fair meaning, and not in favor of or against any Party. Accordingly, the Parties agree that this Agreement shall not be interpreted against the drafting Party merely by virtue of such Party having drafted this Agreement.
- 8.15. Taxes. Each Party shall be responsible for its own state, federal and local tax obligations resulting from revenue earned or otherwise related to services performed under this Agreement.
- 8.16. Independent Contractor. This Agreement shall not be construed nor deemed to create an employer/employee, principal/agent, or any relationship among the parties other than that of independent entities contracting with each other solely for the purpose of carrying out the terms and conditions of this Agreement. In managing its Contract Pharmacy Network, Administrator shall be free to exercise its own judgment, consistent with the terms and conditions outlined in this Agreement. The Parties expressly acknowledge and agree that the terms and conditions of this Agreement and Contract Pharmacy's participation hereunder is not an endorsement by Administrator of Contract Pharmacy or its pharmacists.

- 8.17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original as against any Party whose signature and or initials appears thereon, and all of which shall together constitute one and the same agreement. This Agreement shall become binding when one or more counterparts hereof, individual or taken together, shall bear the signatures of all of the parties.
- 8.18. Headings. The headings of sections contained in this Agreement are for reference only and should not affect the meaning or interpretation of this Agreement.
- 8.19. Remedies. The remedies specifically provided for herein are intended to be cumulative and shall not be deemed to exclude any other right or remedy that either party may have at law or in equity.

~signature page to follow~

IN WITNESS WHEREOF, the parties hereby agree that this Agreement shall be considered executed.

<p>Westchase Asset and Escrow Ltd, Co</p> <p>The undersigned certifies that they have legal authority to bind Contract Pharmacy.</p> <p>Signature: <u>Nandan Kumar</u></p> <p>Name: <u>NANDAN KUMAR</u></p> <p>Title: <u>Director of Pharmacy Operations (340B)</u></p> <p>Date: <u>01/11/2017</u></p> <p>Contract Pharmacy Name & Notices Address: Westchase Asset and Escrow Ltd, Co 707 23rd Street, Suite F, Galveston, TX 77550</p>	<p>Wellpartner, Inc.</p> <p>The undersigned certifies that they have legal authority to bind Administrator.</p> <p>Signature: <u>Ken Bodner</u></p> <p>Name: Ken Bodner</p> <p>Title: Exec. Vice Pres., Finance & Admin</p> <p>Date: <u>12 January 2017</u></p> <p>Administrator & Remittance Notices Address: Wellpartner, Inc. Attn: Network Operations 20800 SW 115th Avenue, Suite 100 Tualatin, OR 97062</p> <p>Administrator Remittance Address: Wellpartner, Inc. Attn: Accounts Receivable 20800 SW 115th Avenue, Suite 100 Tualatin, OR 97062</p>
<p>Coastal Health & Wellness</p> <p>The undersigned certifies that they have legal authority to bind Entity.</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Notices Address: Coastal Health & Wellness 9850-A Emmett F. Lowry Expressway, Suite A108, Texas City, TX 77591 340B ID: CH061610</p>	

IN WITNESS WHEREOF, the parties hereby agree that this Agreement shall be considered executed.

<p>Westchase Asset and Escrow Ltd, Co</p> <p>The undersigned certifies that they have legal authority to bind Contract Pharmacy.</p> <p>Signature: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Contract Pharmacy Name & Notices Address: Westchase Asset and Escrow Ltd, Co 707 23rd Street, Suite F, Galveston, TX 77550</p>	<p>Wellpartner, Inc.</p> <p>The undersigned certifies that they have legal authority to bind Administrator.</p> <p>Signature: _____</p> <p>Name: Ken Bodmer</p> <p>Title: Exec. Vice Pres., Finance & Admin</p> <p>Date: _____</p> <p>Administrator & Remittance Notices Address: Wellpartner, Inc. Attn: Network Operations 20800 SW 115th Avenue, Suite 100 Tualatin, OR 97062</p> <p>Administrator Remittance Address: Wellpartner, Inc. Attn: Accounts Receivable 20800 SW 115th Avenue, Suite 100 Tualatin, OR 97062</p>
<p>Coastal Health & Wellness</p> <p>The undersigned certifies that they have legal authority to bind Entity.</p> <p>Signature: <u>Mary McClure</u></p> <p>Name: <u>Mary McClure</u></p> <p>Title: <u>Interim Executive Director</u> <i>CEO Business Director</i></p> <p>Date: <u>7/1/17</u></p> <p>Notices Address: Coastal Health & Wellness 9850-A Emmett F. Lowry Expressway, Suite A108, Texas City, TX 77591 340B ID: CH061610</p>	

EXHIBIT A - Schedule 1
340B Pharmacy Program

Westchase Asset and Escrow Ltd, Co, the Contract Pharmacy, shall provide Pharmacy Services to the named 340B Entity below to include child sites:

Coastal Health & Wellness

Section 602 of Public Law 102-585, the Veteran's Health Care Act of 1992, enacted Section 340B of the Public Health Services Act (the "340B Act"), which provides for the limitation of prices on drugs purchased by certain qualifying covered entities, including the undersigned Entity. Under the 340B Act, Entity is eligible to purchase outpatient prescription drugs for the benefit of its Patients at preferential prices from certain drug manufacturers that have entered into drug purchasing agreements with the United States Department of Health and Human Services (the "340B Program"). Administrator serves as the Pharmacy Program administrator for Entity's 340B Pharmacy Program and enters into the Agreement and this Schedule in furtherance thereof.

Administrator and Contract Pharmacy mutually acknowledge that they have freely negotiated the reimbursement terms in this Schedule and except for the mutual promises and covenants set forth herein, neither Party has offered or received any inducement or consideration in exchange for entering into this Agreement. Additionally, the Parties agree that the compensation to be paid to Contract Pharmacy is consistent with and otherwise represents a negotiated fair market value.

1. 340B CLAIM QUALIFICATION

- 1.1. Administrator shall receive Patient Claim information as follows: (a) directly from Contract Pharmacy through the Claim adjudication process; (b) from the Contract Pharmacy's designated Claims switch provider; and/or (c) from Covered Entity or through its designated PBM.
- 1.2. Administrator shall review every Claim for 340B Pharmacy Program qualification based on the following: (a) 340B Pharmacy Program pricing eligibility based on the requirements set forth in the 340B Act and applicable laws and regulations; (b) eligibility for processing based on a financial analysis of the Claim using Administrator's criteria for no net loss to the Entity on an average Claim basis for a dispensing and reporting period (including 340B cost of the Covered Drugs and all applicable fees); (c) eligibility based on the commonality of Claims so as to reduce the instances of inventory true-up; and (d) any other criteria established by and between Entity and Administrator.
- 1.3. Drugs classified as C-2s will be specifically excluded unless Entity and Contract Pharmacy request, in writing for them to be included.
- 1.4. Upon completion of Claim qualification; eligible Claims identified by Administrator shall be processed in coordination with Contract Pharmacy. Contract Pharmacy shall manage ineligible claims in the same manner as such claim would traditionally be managed absent Entity's 340B Pharmacy Program and outside of this Agreement.

2. CONTRACT PHARMACY REMITTANCE

- 2.1. From all Patients on the Date of Service, Contract Pharmacy shall collect the applicable Co-payment due based on system messaging received at the time of Claim Adjudication or in subsequent payment reconciliation statements from a Third Party Payor or their designated Claims processor. Contract Pharmacy is prohibited from: (a) waiving or discounting Co-payments; and (b) collecting amounts from Patients in excess of what is indicated at the time of Claim Adjudication or in subsequent payment reconciliation statements.
- 2.2. From Third-Party Payors, Contract Pharmacy shall, through its standard billing and remittance process, collect all contracted reimbursement amounts due in connection with such Claim irrespective of whether amounts are due from a primary or subsequent payer.

3. CONTRACT PHARMACY DISPENSING FEE

- 3.1. Contract Pharmacy shall receive a Dispensing Fee for each eligible prescription filled, and the Dispensing Fee shall be the Contract Pharmacy's exclusive and sole reimbursement for pharmacy services provided pursuant to this Agreement.
- 3.2. As invoiced, Contract Pharmacy shall remit to Administrator the total amounts collected for each Covered Drug dispensed as outlined in Section 2 of this Schedule, less its Dispensing Fee calculated by Administrator as follows:
 - 3.2.1. For Third Party Claims a Dispensing Fee of twenty-five point eight percent (25.8%) of the difference between the total amount collected for each 340B Covered Drug dispensed and the 340B cost for such drug calculated based on the Date of Service (i.e., the "Spread")
 - 3.2.2. For Claims that fall under the Community Benefit Program a Dispensing Fee of \$135.00
- 3.3. The Community Benefit Program for uninsured and/or underinsured program will be established through the Community Benefit Program Authorization Form.
- 3.4. The current Specialty Drugs as well as updates are available through Wellpartner's Wellpartner Clarity.
- 3.5. The Dispensing Fee shall be exclusive of the actual cost of goods for the Covered Drug dispensed as Covered Drugs will be resupplied to Contract Pharmacy by Entity per the replenishment and reconciliation process.
- 3.6. In the event Administrator and Entity coordinate the payment of the Dispensing Fee due with any Third-Party Payors, then Contract Pharmacy's Dispensing Fee shall be remitted by the applicable Third-Party Payor, in place of its Third-Party Payor contracted reimbursement.

4. OTHER TERMS

- 4.1. With respect to Covered Drugs dispensed by Contract Pharmacy to Patients that are not replenished because they do not constitute a full "package" size (based on the 11-digit National Drug Code [NDC] of the product dispensed), or that cannot be replenished, Administrator shall complete a true-up of said covered drugs at the ninety (90) day point.

- 4.2. When a true-up is required for Covered Drugs, the Parties agree that the true-up shall be based on the remaining dispensed units at the 11-digit NDC level, provided, however, that any true-up amount shall not be adjusted by the Dispensing Fee or Administrative Fee. All true-ups shall be at the NADAC price as follows:
- 4.2.1. The NADAC price in effect on the Date of Service, or
- 4.2.2. When the NADAC price in effect on the Date of Service is not available:
- 4.2.2.1. Brand Drugs: Average Wholesale Price minus 18%
- 4.2.2.2. Generic Drugs: Average Wholesale Price minus 65%
- 4.3. The Parties recognize that in certain cases the 340B cost of goods used at the time of Claim qualification and calculation of fees (the Service Fees and Dispensing Fee) may differ from the time when Entity replenishes or completes a true-up of inventory. Entity shall in all cases be responsible for any such shortfalls and shall at all times undertake replenishment and/or true-up reconciliation of dispensed Covered Drugs according to the terms of this Agreement.
- 4.4. In the event of any change in industry standards related to the reimbursement and/or payment terms set forth in this Schedule, then the Parties agree as necessary to adopt any such change as necessary to ensure the intended economics of this Agreement are maintained. If the Parties cannot agree on what changes are appropriate, then either Party may terminate this Agreement upon the provision of ninety (90) days prior written notice to the other Party.

5. CONTRACT PHARMACY NETWORK

The terms set forth in this Schedule 1 to Exhibit A, shall apply only to the provision of Pharmacy Services on behalf of the Covered Entity by all Contract Pharmacies pharmacy locations below.

Contract Pharmacy Name:	Westchase Asset and Escrow Ltd, Co
Contract Pharmacy D/B/A Name:	Southside Pharmacy 8
Corporate Address:	7700 Main St, Houston TX 77030
Remittance Address:	7700 Main St, Houston, TX 77030

Store Number	DEA, NPI, NCPDP	Pharmacy Name	Street Address City/State/Zip
8	1821159906, BS9794276, 4541151	Southside Pharmacy 8	707 23 RD Street, Suite F, Galveston, TX 77550

~Signatures on following page~

Contract Pharmacy 340B Pharmacy Program Election:

Westchase Asset and Escrow Ltd, Co, the Contract Pharmacy, assents to the terms set forth in this Schedule I to Exhibit A and the Agreement and elects to participate as a Contract Pharmacy in undersigned Entity's 340B Pharmacy Program.



Signature: Nandan Kumar

Name: NANDAN KUMAR

Title: Director of Pharmacy Operations (340B)



(THIS SECTION ONLY TO BE COMPLETED BY THE 340B ELIGIBLE ENTITY)

Covered Entity 340B Pharmacy Program:

The undersigned Entity assents to the terms set forth in this Schedule I to Exhibit A and the Agreement and elects to receive Pharmacy Services for the benefit of its Patients from the above-referenced Contract Pharmacy.

Name of Covered Entity: Coastal Health & Wellness
Address of Covered Entity: 9850-A Emmett F. Lowry Expressway, Suite A108, Texas City, TX 77591
340B ID: CH061610

The undersigned certifies that they have legal authority to bind Entity.

Signature: _____
Name: _____
Title: _____
Date: _____

Contract Pharmacy 340B Pharmacy Program Election:

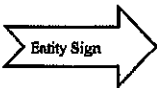
Westchase Asset and Escrow Ltd, Co, the Contract Pharmacy, assents to the terms set forth in this Schedule 1 to Exhibit A and the Agreement and elects to participate as a Contract Pharmacy in undersigned Entity's 340B Pharmacy Program.



Signature: _____

Name: _____

Title: _____



(THIS SECTION ONLY TO BE COMPLETED BY THE 340B ELIGIBLE ENTITY)

Covered Entity 340B Pharmacy Program:

The undersigned Entity assents to the terms set forth in this Schedule 1 to Exhibit A and the Agreement and elects to receive Pharmacy Services for the benefit of its Patients from the above-referenced Contract Pharmacy.

Name of Covered Entity: Coastal Health & Wellness

Address of Covered Entity: 9850-A Emmett F. Lowry Expressway, Suite A108, Texas City, TX 77591
340B ID: CH061610

The undersigned certifies that they have legal authority to bind Entity.

Signature: Mary Michure

Name: Mary Michure

Title: Interim Executive Director, CHW Business Director

Date: 11/11/17

EXHIBIT B
SPECIALTY DRUG LIST
LAST UPDATED NOVEMBER 4, 2016

**~SPECIALTY DRUG LIST AND UPDATES ARE AVAILABLE VIA WELLPARTNER
CLARITY~**

EXHIBIT C
HIPAA BUSINESS ASSOCIATE AGREEMENT

THIS HIPAA BUSINESS ASSOCIATE AGREEMENT (the "BAA") is entered into by and between Administrator (the "Business Associate") and Entity (the "Covered Entity") and effective as of the Effective Date of the Agreement.

Business Associate may perform functions or activities on behalf of Covered Entity involving the use and/or disclosure of protected health information received from Covered Entity, or created by Business Associate on behalf of Covered Entity. Therefore, Business Associate agrees to the following terms and conditions set forth in this HIPAA Business Associate Agreement ("BAA").

This BAA is not intended to represent the Parties exclusive obligations with respect to the use and/or disclosure of Protected Health Information ("PHI") and/or Confidential Information and the absence of a specific requirement in this BAA shall not relieve a Party of its responsibility to be aware of and comply with any other applicable laws, rules and/or regulations.

1. **Definitions.** For purposes of this BAA, any terms used herein, unless otherwise defined, shall have the same meanings as used in the Privacy and Security Standards of HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (Title XIII of the American Recovery and Reinvestment Act of 2009) and its implementing regulations ("HITECH").
2. **Scope and Interpretation.** The terms and conditions of this BAA shall supplement and amend the Agreement and relationships between the parties ("Base Agreement" or collectively "Base Agreements") which provide for Business Associate's receipt, transmission, maintenance, creation, Use and Disclosure of PHI, in any form or medium, including electronic PHI, in Business Associate's capacity as a "Business Associate" to the Covered Entity. Any ambiguity in this BAA shall be resolved to permit Covered Entity to comply with HIPAA. In case of any inconsistency or conflict between the Base Agreement(s) and the terms and conditions of this BAA, the terms and conditions of this BAA shall control. Except as supplemented and/or amended, the terms of the Base Agreement(s) shall continue to apply and effect to govern the matters addressed in the Base Agreement(s).
3. **Compliance with Applicable Law.** Beginning with the relevant effective dates, to the extent Business Associate meets the definition of a "Business Associate" of Covered Entity as such term is defined under HIPAA, Business Associate shall comply with its obligations under this BAA and with all obligations of a business associate under HIPAA, HITECH and other related laws, for so long as Business Associate uses, possesses, accesses or maintains PHI.
4. **Permissible Use and Disclosure of Protected Health Information.** In addition to the uses and disclosures permitted by the Base Agreement, Business Associate may use and disclose PHI: (i) for its own proper management and administration and (ii) to carry out its legal responsibilities. If Business Associate discloses PHI to a third party for either reason above, prior to making any such disclosure, Business Associate shall obtain: (a) reasonable assurances from the receiving party that such PHI will be held confidential and be disclosed only as Required By Law in accordance with HIPAA or for the purposes for which it was disclosed to such receiving party; and (b) an agreement from such receiving party to immediately notify Business Associate of any known breaches of the confidentiality of the PHI.
5. **Limitations on Uses and Disclosures of PHI.** Business Associate shall not, and shall ensure that its directors, officers, employees, and agents do not, use or disclose PHI in any manner that is not

permitted or required by the Base Agreement or this BAA, or as Required By Law. All uses and disclosures of, and requests by Business Associate for, PHI are subject to the Minimum Necessary rule of the Privacy Standards and shall be limited to the information contained in a Limited Data Set, to the extent practical, unless additional information is needed to accomplish the intended purpose, or as otherwise permitted in accordance with Section 13405(b) of HITECH, and any other subsequently adopted guidance.

6. **Required Safeguards To Protect PHI.** Business Associate agrees that it will implement appropriate safeguards in accordance with the Privacy Standards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of this BAA.
7. **Reporting of Improper Use and Disclosures of PHI.** Business Associate shall report to Covered Entity, within five (5) business days of discovery, a use or disclosure of PHI not provided for in this BAA by Business Associate, its officers, directors, employees, or agents, or by a third party to whom Business Associate disclosed PHI.
8. **Reporting of Breaches of Unsecured PHI.** Business Associate shall report to Covered Entity, within five (5) business days of discovery, a breach of unsecured PHI in accordance with the requirements set forth in 45 C.F.R. §§ 164.400-414. Business Associate shall fully cooperate with Covered Entity's breach notification and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities.
9. **Mitigation of Harmful Effects.** Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this BAA, including, but not limited to, compliance with any state law or contractual data breach requirements.
10. **Agreements by Third Parties.** Business Associate shall enter into an agreement with any agent or subcontractor of Business Associate that will have access to PHI hereunder. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this BAA with respect to such PHI.
11. **Access to Information.** To the extent applicable, within ten (10) business days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 C.F.R. § 164.524. In the event any individual delivers a request for access to PHI directly to Business Associate, Business Associate shall, within five (5) business days, forward such request to Covered Entity.
12. **Availability of PHI for Amendment.** Within ten (10) business days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 C.F.R. § 164.526. In the event any individual delivers directly to Business Associate a request for amendment to PHI, Business Associate shall, within five (5) business days, forward such request to Covered Entity.
13. **Documentation of Disclosures.** Business Associate agrees to document uses and disclosures of PHI and information related to such uses and disclosures as required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

14. **Accounting of Disclosures.** Within ten (10) business days of notice by Covered Entity to Business Associate that Covered Entity has received a request for an accounting of disclosures of PHI regarding an individual during the six (6) year period prior to the date on which the accounting was requested, Business Associate shall make available to Covered Entity information to permit Covered Entity to respond to the request for an accounting of disclosures of PHI, as required by 45 C.F.R. § 164.528. In the case of an electronic health record maintained or hosted by Business Associate on behalf of Covered Entity, the accounting period shall be three (3) years and the accounting shall include disclosures for treatment, payment and health care operations, in accordance with the applicable effective date of Section 13402(a) of HITECH. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall forward such request to Covered Entity within five (5) business days of receipt.
15. **Restrictions.** Business Associate shall comply with any restrictions on disclosure of PHI requested by an individual and agreed to by Covered Entity in accordance with 45 C.F.R. §164.522.
16. **Security.** To the extent that Business Associate creates, receives, maintains or transmits electronic PHI on behalf of Covered Entity, Business Associate shall:
 - a. Comply with the security provisions found at 45 C.F.R. §§164.308, 310, 312, and 316 in the same manner as such provisions apply to Covered Entity, pursuant to Section 13401(a) of HITECH, and otherwise implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI;
 - b. Ensure that any agent to whom Business Associate provides electronic PHI agrees to implement reasonable and appropriate safeguards in writing to protect such PHI; and
 - c. Report to Covered Entity within five (5) business days any Security Incident of which Business Associate becomes aware and which results in a use or disclosure of electronic PHI in violation of the Base Agreement or this BAA. For those Security Incidents that do not result in a use or disclosure of electronic PHI in violation of the Base Agreement or this BAA, reports may be made in the aggregate on at least quarterly basis. In this context, the term "Security Incident" shall have the same meaning as such term as defined in 45 CFR 164.304.
17. **Judicial and Administrative Proceedings.** In the event Business Associate receives a subpoena, court or administrative order or other discovery request or mandate for release of PHI, Business Associate shall notify Covered Entity in writing prior to responding to such request to enable Covered Entity to object. Business Associate shall notify Covered Entity of the request as soon as reasonably practicable, but in any event within two (2) business days of receipt of such request.
18. **Availability of Books and Records.** Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI available to the Secretary of the Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy Standards.
19. **Breach of Contract by Business Associate.** In addition to any other rights Covered Entity may have in the Agreement, this BAA or by operation of law or in equity, Covered Entity may, upon a breach or violation of this BAA, provide a reasonable opportunity for Business Associate to cure or

end any such violation within the time specified by Covered Entity. If cure is not possible or if the Business Associate does not cure such breach or violation, Covered Entity may immediately terminate the Agreement. Covered Entity's option to have a breach cured shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this BAA or by operation of law or in equity.

20. **Effect of Termination of Agreement.** Upon the termination of the Agreement or this BAA for any reason, Business Associate shall return all PHI created by Business Associate or received from Covered Entity to Covered Entity or, at Covered Entity's direction, destroy all PHI received from Covered Entity that Business Associate maintains in any form, recorded on any medium, or stored in any storage system. This provision shall apply to PHI that is in the possession of Business Associate, its agents and subcontractors. Business Associate shall retain no copies of the PHI. Business Associate shall remain bound by the provisions of this BAA, even after termination of the Agreement or BAA, until such time as all PHI has been returned or otherwise destroyed as provided in this Section.
21. **Injunctive Relief.** Business Associate stipulates that its unauthorized use or disclosure of PHI while performing services pursuant to this BAA would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled to institute proceedings in any court of competent jurisdiction to obtain damages and injunctive relief.
22. **Indemnification.** Business Associate shall indemnify and hold harmless Covered Entity and its officers, trustees, employees, and agents from any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate of its obligations under this BAA.
23. **Owner of PHI.** Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI of Covered Entity.
24. **Obligations of the Covered Entity.** Covered Entity shall: (i) notify Business Associate of any limitation(s) in Covered Entity's Notice of Privacy Practices in accordance with 45 C.F.R. § 164.520, to the extent such limitations affect Business Associate's Use or Disclosure of PHI; (ii) notify Business Associate of any changes in, or revocation of, permission by an Individual to Use or Disclose PHI, if and to the extent such changes affect Business Associate's Use and Disclosure of PHI; and (iii) notify Business Associate of any restriction on the Use or Disclosure of PHI that covered entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent such restriction may affect Business Associate's Use or Disclosure of PHI.
25. **Third Party Rights.** The terms of this BAA do not grant any rights to any third parties.
26. **Independent Contractor Status.** For the purposed of this BAA, Business Associate is an independent contractor of Covered Entity, and shall not be considered an agent of Covered Entity.
27. **Changes in the Law.** The parties shall amend this BAA to conform to any new or revised legislation, rules and regulations to which Covered Entity is subject now or in the future including, without limitation, HIPAA, HITECH, the Privacy Standards, Security Standards or Transactions Standards.

[Back to Agenda](#)

Governing Board

April 2019

Item #7

Policies Approved by United Board of Health as Authorized Under the Shared Services Agreement

- a.** Computer and Digital Communications Usage
- b.** Hours Worked and Compensatory Overtime
- c.** Employee Ethics, Standards of Conduct, and Conflict of Interest

Computer and Digital Communications Usage

Audience

This policy applies to all Galveston County Health District (GCHD), Galveston Area Ambulance Authority, and Coastal Health & Wellness (collectively “the District”) employees, volunteers, students and contractors (business associates).

Communication Equipment and Services

This policy applies to all electronic devices mail (e-mail), voice mail, facsimiles, telephone systems, cellular-phones, tablet PCs, computers, removable storage devices, networks, Internet, computer files, photocopiers, printers, and other forms of written or oral communications devices including personal devices.

Policy

Health District communication equipment and services are provided for business purposes only and may not be used for activities that violate federal or state laws and/or Health District policy. Information stored on Health District communication equipment is the property of the Health District. Employees should not have any expectation of privacy.

The use of GCHD resources for personal use is prohibited in order to safeguard GCHD’s internal systems and databases. Personal use includes access to web-based email programs, social media sites, online shopping or any other site for personal use.

Acknowledgement to Monitor

The use of GCHD furnished equipment and information systems constitutes the consent to monitoring and auditing of the use of the equipment/systems always. Monitoring includes the tracking of transactions within GCHD networks and external transactions such as Internet access. It also includes auditing of stored data on local and network storage devices as well as removable media. Users must understand that there is no expectation of privacy when using or storing data on GCHD information systems.

Network and Computer Resources

Network and computer resources refer to Internet connectivity, wide area network components, local area network components, servers, shared folders, e-mail, personal computers, laptops, portable devices and software.

Employees shall not introduce unlicensed or unauthorized software (examples -games, phone apps, iTunes, etc.) or hardware (usb drives, smart phones, external drives, cd’s, etc.) into the health district’s computer system for any reason. All software and hardware must be cleared by the Information Technology Department before installation on a health district computer. Existing unlicensed or unauthorized software or hardware must be immediately removed or similarly cleared through the Information Technology Department.

Employee Accounts & Passwords

Employees are responsible for activity conducted under their username and password.

Therefore, it is each employee's responsibility to:

- keep his/her passwords and workstation secure;
- lock or logoff from the PC if the PC will be unattended or is in an area with high volumes of traffic; and
- change passwords frequently, but at least once every 60-days.

**Tip: You can lock or log out of your computer by pressing the CTRL-ALT-DEL keys, and then clicking on either the "Log Off" or "Lock Computer" buttons.*

Encryption

Encryption is the process of converting (encoding) information from a readable form (plain text) that can be read by everyone into an unreadable form (cipher text) that can only be read by the information owner and/or other authorized persons.

All confidential and personal information transmitted to an email address outside of the GCHD domain (i.e. one that does not end in "@gchd.org") must be encrypted. The only exception, is email sent to utmb.edu addresses, which are already secure. Confidential information is defined as information that is given in confidence and/or is not publicly known. Confidential and personal information can include but is not limited to Financial Data (credit card or bank account numbers), Personal Health Data (actual medical information or personal data about patients) Private Individual Data (social security numbers, addresses or phone numbers). Confidential and personal information sent through electronic media must be encrypted.

Where unclear the CEO or designee will determine if information is considered confidential. In all circumstances, all employees are expected to consult with their supervisor and/or the ePHI Security Officer to determine if encryption is appropriate to send information. GCHD employees who breach the transmittal of confidential information will be subject to disciplinary action, up to and including termination.

E-mail Guidelines

E-mail is considered an official means of routing communications among internal and external parties that have access to e-mail. GCHD maintains the right to read an employee's e-mail in the event of need. Employees should not have any expectation of privacy.

Employees accessing Internet mail from home or outside of the network connections are responsible for the security of their systems and must use reasonable caution to prohibit viruses from being introduced into the e-mail system. Employees should bear in mind that their e-mail messages may be read by someone other than the person to whom they are sent and may even someday have to be disclosed to outside parties or in court if related to a legal issue. Accordingly, employees must take care to ensure that their messages are courteous and professional.

Each employee is responsible for the content of all text, audio or images that he or she places on or sends over the Health District's e-mail, internet or extranet systems. Employees must not hide their identities or represent that any e-mail or other electronic communications were sent from someone else or another organization. Employees should be sure that their name appears in all messages communicated on the Health District's e-mail, or Internet systems. Any messages or information sent by an employee to another individual outside the Health District via the Health District's e-mail or Internet system (including bulletin boards, online services, or Internet sites) are statements that reflect on the Health District. Despite personal "disclaimers" in electronic messages, any statements may be tied to the Health District.

Software

All software installed on a Health District device including and not limited to computers, laptops, servers and smart phones may only be used in ways consistent with the licenses and copyrights of the vendor, author or owner of the material. Prior to installing any additional software, approval must be obtained, in writing, from the employee's immediate supervisor and the Director of IT. Downloading entertainment software, games, or any other software unrelated to work is prohibited.

Internet Usage

It is the practice of the Galveston County Health District to provide or contract for communication services and equipment necessary to promote the efficient conduct of its business. Internet access provided by GCHD is to be used in a responsible manner.

The employee's supervisor may revoke the employee's access to the Internet in the event the employee is using the Internet in excess, for non-business reasons, or is accessing questionable sites. A "questionable" web site would be one that hosts offensive or illegal material.

Downloading files from the internet is prohibited.

All Internet communications can be traced back to the Health District if it is done through Health District access. Employees and contract workers with Health District Internet access are required to follow professional ethics in their use of Internet communications. Employees and contract workers should refrain from engaging in posting non-factual information and/or opinions that harm the goodwill and reputation of the Health District and/or Health District personnel.

Physical Security

Users will not remove GCHD computer systems or software from GCHD facilities without expressed permission of the Director of Information Technology or asset custodian. Portable equipment such as laptop computers or Personal Digital Assistants (PDAs) will be accounted for with a property pass prior to removal from GCHD facilities. Users are responsible for providing adequate physical security protection of portable equipment when outside GCHD facilities and keeping these items under their exclusive control.

Remote Access

To improve employee productivity while away from GCHD facilities, a secure remote access capability will be available within GCHD. Designated users are required to protect dial-in telephone numbers and Internet access addresses as well as passwords. As technology becomes available within GCHD, strong Identification & Authentication and encryption controls will be introduced into the remote access capability.

GCHD owned equipment is strongly recommended when remotely accessing GCHD network resources. However, if personal equipment is used, the user must employ virus protection methods that are FIPS Certified and all other connections to untrusted networks (i.e. the Internet) must be terminated prior to remotely accessing the GCHD networks.

Employees are expected to seek supervisor approval prior to performing work duties outside their regular work hours (unless an emergency situation makes prior approval impractical). *Reference Hours Worked and Compensatory/Overtime policy*

Reporting Requirements

Users will promptly report to the Director of Information Technology any suspicious activity, malicious code, or perceived compromise effecting GCHD computer systems or networks. Any loss, theft, or damage to computer systems must be promptly documented and reported to the Director of Information Technology and asset custodian.

Retention

Employees are required to follow all *Record Retention* guidelines, including, but not limited to, storing email, ePHI and electronic data that meets *Record Retention* guidelines. It is the Health District's policy to follow all state and federal laws and rules for electronic record retention.

Reference "Records Management Plan"

IT Manager Responsibilities

It is the IT Manager's responsibility to:

- ensure systems meet state *Record Retention* rules;
- grant access to Health District programs, telephone systems, data security groups, e-mail, etc., upon receipt of an approved *Staff Inventory Checklist* issued by HR,
- terminate employees network login id, access rights, and e-mail accounts upon notification from Human Resources;
- establish, maintain, and update security groups only upon receipt of an approved *Staff Inventory Checklist*;
- Address any employee reports (i.e. suspicious activity, loss, theft, etc.)
- keep up-to-date with rules, regulation and laws; and
- maintain confidentiality in all Health District-related IT processes.

Employee Responsibilities

It is the employee's responsibility to:

- understand and follow this policy;
- perform ethical behavior regarding the communication of confidential data or e-mail to which the employee has access;
- adhere to and sign a computer use statement;
- contact the IT Help Desk via phone at **x2210** or e-mail (helpdesk@gchd.org) for technical support related to computers or software;
- consult with his/her supervisor for guidance on the information addressed in this policy;
- inform the IT Manager and immediate supervisor if he/she suspects another person is accessing his/her account;
- complete ePHI -HIPAA Security training, if she/she has access to ePHI; and
- follow all GCHD HIPAA and ePHI policies.

Supervisor Responsibilities

It is the supervisor's responsibility to:

- understand and follow this policy;
- Complete the appropriate "Staff Inventory Checklist" for employees who need access to approved resources necessary to perform requisite job duties;
- ensure this policy is carried out in a uniform manner;
- ensure employees are following record retention guidelines and rules (if problems are identified in meeting requirements, report to Risk and Safety Coordinator); and
- take or recommend appropriate corrective action when necessary.

General Rules/Guidelines

Violation of any of the following rules will be considered adequate justification for corrective disciplinary action, up to and including termination. This is not an all-inclusive list.

Employees must not:

- search, read, copy, alter, or delete computer files to which he/she has not been granted access, permission, or authorization;
- perform malicious destruction or deletion of organizational data;
- intentionally or recklessly compromise the privacy or security of electronic information;
- release proprietary or confidential information;
- interfere with or disrupt the computer or network accounts, services, or equipment of others (examples of this include: the intentional introduction of computer "worms" and "viruses; engaging in denial of service attacks, and broadcasting to large numbers of individuals or hosts);
- send or store material that may be considered obscene, hateful, harmful, malicious, hostile, threatening, abusive, vulgar, defamatory, profane, or racially, sexually, or ethnically objectionable
- forward spam or chain mail;
- use utilities to collect information from the network such as password cracking programs, keystroke loggers, and network sniffing utilities (unless part of the employee's job description);

- perform unauthorized scanning of networks or ports for security vulnerabilities, intercept or alter network packets;
- forward GCHD e-mail that contains ePHI, confidential, or proprietary information to personal non-business e-mail accounts;
- send e-mail that contains ePHI or company confidential information to an external e-mail address without encryption or authorization;
- use company e-mail to subscribe to services that generate large volumes of “junk mail”, such as giveaways, sweepstakes, and chain mail;
- forward e-mail with warnings of viruses (IT should be contacted about questionable e-mails);
- use Health District computer resources for personal financial gain (such as for a personal for-profit business);
- attempt to perform unauthorized upgrades or repairs to computer resources;
- view streaming video and/or streaming audio radio stations unless it is for business purposes and has been approved by the supervisor (on a case-by-case basis);
- download tool bars, screen savers, peer-to-peer file swapping software, use Health District computer resources to design, create, or spread malicious computer programs (such as viruses, worms, or Trojan Horses);
- Charge non GCHD issue communication devices on GCHD computers i.e. iPhone, etc.; and
- Attach unapproved usb/jump drives into the GCHD computing environment via computer or other network access.
- Duplicate or remove copyrighted software from GCHD equipment without the expressed written permission of the System Administrator or Director of Information Technology. The individual will be personally liable for any software copyright violations committed on GCHD systems under their control.

Violation

Violation of this policy may result in corrective disciplinary action, up to and including suspension or dismissal.

Hours Worked and Compensatory/Overtime

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness (collectively “the District”) employees.

Policy

This policy is for routine (non-disaster) circumstances only. (*For emergencies or disaster circumstances refer to the GCHD Emergency Operations policy*). It is the District’s policy to work within the Fair Labor Standards Act and Texas Payday Laws. While this policy focuses on routine circumstance, GCHD expects that employees will work in excess of standard hours when requested and necessary to meet business needs or respond to public emergencies. Failure to do so may result in corrective disciplinary action.

Employee Categories and Definitions

FLSA Exempt Employee – an employee who **is not subject** to the overtime provisions of the FLSA due to an executive, administrative, or professional exemption.

FLSA Non-exempt Employee – an employee who **is subject** to the overtime provisions of the FLSA.

	Employee Leave (Vacation, Sick, etc.)	Medical, Dental & Vision Insurance	LTD, AD&D, & Dependent Life	TCDRS	457 Deferred Compensation Plan
Health District, Coastal Health & Wellness, and GAAA Administrative Staff					
Full-time with benefits (at least 40 hours per week)	Full benefits in accordance with <i>Employee Leave</i> policy	Yes	Yes	Yes	Yes
Part-time with benefits (at least 29 hours per week)	No	Yes	No	Yes	No
Part-time without benefits (less than 29 hours per week)	No	No	No	Yes	No
*Temporary/Seasonal	No	No	No	No	No
GAAA Field Staff					
Full-time with benefits (at least 48 hours per week)	Full benefits in accordance with <i>Employee Leave</i> policy	Yes	Yes	Yes	Yes
Part-time (at least 24 hours per month)	No	No	No	Yes	No

**Temporary/Seasonal Employee* – an employee who is hired for the duration of a specific project, to fill a position until a non-temporary candidate is hired, is a seasonal position, or is free to accept or decline a work offer on a daily basis.

Compensatory Time – hours worked over 40 hours ***actually** worked in a workweek that are accrued at time and one-half and can be used as time off (for FLSA non-exempt employees).

Overtime – time and one-half compensation for time worked that puts the employee over 40 hours ***actually** worked in the workweek (for FLSA non-exempt employees).

Flex-time – for exempt employees only. Flex-time is an adjustment of the employee’s routine schedule in consideration of pre-approved time worked beyond routine (ex. beyond 8-5) to achieve a minimum workweek of 40 hours. Flex-time must be pre-approved by the supervisor and typically occurs in the same work week. Flex-time does not accumulate beyond the two week pay period.

Alternate Work Schedule – set work hours which do not fall within the District’s normal business hours.

Hours of Operation

The normal business hours of the District are 8:00 A.M. to 5:00 P.M. Monday through Friday. Regular District office hours for most employees correspond to these hours with one hour for lunch for a total workweek of 40 hours. Coastal Health & Wellness hours include additional evening and weekend hours per Health Resources and Services Administration (HRSA) and Governing Board policy (Reference: *CHW Clinic Operational policy*). GAAA field hours of service are 24/7. A typical workweek is two shifts, 24 hours in length with one to three days off in between (Reference: *GAAA Standard Operating Guidelines*).

Alternate Work Schedule

All employees should be scheduled in such a way that business needs are met, and business continues. Executive managers may implement alternate work schedules for employees if such implementation is feasible, within operating budget, and does not impact service delivery. Should an employee desire to work an alternate work schedule that falls outside of the District’s standard hours of operation (8:00 am to 5:00 pm), the employee must submit a written request to their manager seeking approval.

The Fair Labor Standards Act

The Fair Labor Standards Act (FLSA) is a federal law that governs wages, hours and working conditions. The District’s workweek for FLSA purposes includes the time between 12:01 A.M. Thursday morning and 12:00 midnight Wednesday.

FLSA Exempt Employee

For District purposes, a **FLSA exempt employee** is one who **is not subject** to the overtime provisions of the FLSA due to an executive, administrative or professional exemption.

In consideration of excess hours worked due to extenuating circumstances, administrative leave may be granted on a case-by-case basis by the Chief Executive Officer or designee. Such leave may be with or without pay. Compensatory and overtime pay does not apply to exempt employees. The next level of supervision may approve flex-time for exempt employees as defined above. (*For emergencies or disaster circumstances refer to the GCHD Emergency Operations policy*).

FLSA Non-exempt Employee

For District purposes, a **FLSA non-exempt employee** is one who **is subject** to the overtime provisions of the FLSA. When such an employee works extra hours, the employee is eligible for:

- equivalent compensation (hour-for-hour compensatory time) for time worked which does not put the employee over 40 hours ***actually** worked in the workweek;
- time and one-half compensation (overtime) for time worked that puts the employee over 40 hours ***actually** worked in the workweek; or
- time and one-half off (compensatory time) for time worked that puts the employee over 40 hours ***actually** worked in the workweek.

***Actual hours worked** are those hours an employee is performing District duties/business. Such hours do not include time the employee is on leave or off duty due to a holiday.

A FLSA non-exempt employee **must** be compensated (either in pay or in time off) for all time worked. If approval is not received to work the extra time, the employee must be counseled regarding the requirement to receive proper approval and informed that corrective disciplinary action up to and including dismissal may be taken for future incidents.

Time worked over 40 hours will be compensated with compensatory time. However, programs designated by the Chief Executive Officer or designee may receive paid overtime if budget allows and it is within state and federal requirements. GAAA employees will receive paid overtime for working special events in lieu of comp time.

Holidays

Employees on Part-time Status

An employee who is part-time does not receive holiday pay. Should a part-time employee work on a District recognized holiday, he/she will receive straight pay for those hours worked.

Should the holiday fall on a day that the employee is not regularly scheduled to work, he/she will not receive holiday pay.

Employees on Full-time Status

A full-time with benefits employee receives holiday pay at straight rate equal to eight hours for holidays not worked.

Should the employee work on a District recognized holiday, and already worked 40 regular hours that pay week, he/she will receive time and one half (compensatory time) for the time worked on the holiday and eight hours holiday pay at straight rate.

Should the employee work on a District recognized holiday and did not work 40 regular hours that pay week, he/she will receive straight pay for the time worked on the holiday and eight hours holiday pay at straight rate.

Examples:

1. *The pay week is Thursday – Wednesday. The employee works the following schedule:*

*Thursday 8 hours
Friday Holiday(works six hours)
Saturday Off
Sunday Off
Monday 8 hours
Tuesday 8 hours
Wednesday 8 hours*

The employee will be paid the following:

*32 regular hours
8 hours holiday pay at straight rate
6 hours (straight time) for time worked on the holiday will be added to the employee's comp-time balance*

2. *The pay week is Thursday – Wednesday. The employee works the following schedule:*

*Thursday 10 hours
Friday Holiday(works 6 hours)
Saturday 8 hours
Sunday Off
Monday 10 hours
Tuesday 10 hours
Wednesday 8 hours*

The employee will be paid the following:

*40 regular hours
9 overtime hours (6 hours at time and a half) added to the employee's comp-time balance
9 overtime hours (6 hours at time and a half for time worked on the holiday) added to the employee's comp-time balance
8 holiday hours added to the employee's comp-time balance*

3. *The pay week is Thursday – Wednesday. The employee works the following schedule:*

*Thursday 8 hours
Friday Holiday(works 6 hours)
Saturday Off
Sunday Off
Monday 8 Vacation
Tuesday 8 sick Leave
Wednesday 8 hours*

The employee will be paid the following:

16 regular hours

6 hours (straight time) for time worked on the holiday

8 vacation hours

8 sick hours

8 hours of holiday pay will be added to the employee's comp-time balance

Remember: Time worked over 40 hours will be compensated with either compensatory time or overtime, if budget allows and it is within state and federal requirements.

GAAA field employees receive up to eight hours of holiday pay at the straight time rate for time worked on the holiday.

Employees on Alternate Work Schedules Due to Requirement in Program Area

A full-time with benefits employee on an alternate work schedule receives up to eight hours of holiday pay for holidays not worked. The remainder of regularly scheduled time will be taken from either vacation or compensatory time (whichever is available). Sick leave is not allowed.

Should the employee work on a District recognized holiday, and already have worked 40 regular hours that pay week, he/she will receive time and one half (compensatory time) for the time worked on the holiday and eight hours holiday pay.

Should the employee work on a District recognized holiday and has not worked 40 regular hours that pay week, he/she will receive straight pay for the time worked on the holiday and eight hours holiday pay.

Examples:

- 1. The employee is regularly scheduled to work ten-hour days Monday through Thursday and the District recognized holiday falls on a Monday. The employee will receive 30 regular hours, eight holiday hours, and must use vacation, or compensatory time to make up the remaining two hours.*
- 2. Should the employee be regularly scheduled to work ten-hour days Monday through Thursday, and the District recognized holiday falls on a Friday, the employee will have eight hours (for the holiday) added to his/her comp-time balance at straight rate.*

Administrative Leave

Early Dismissal

In the event that the Chief Executive Officer or designee allows for an early dismissal (usually before a holiday), administrative leave will be allowed be with the immediate supervisor's approval. The amount of admin leave granted will be determined based on the time dismissed and will be based on an 8-hour day from the time early dismissal was allowed up to 5:00 pm. Employees will only be able to record administrative leave if they were scheduled to work during the time admin leave was granted and only if admin leave is needed to meet a 40 hour work week. If the employee worked 40 or more hours in that week, then they will not receive any admin leave. Also, if an employee was scheduled to be off during this time, admin leave does not apply and the time off should be recorded using other applicable leave (vacation, sick or wellness).

Examples:

1. You were scheduled to work from 8:00 am to 5:00 pm (with a 1-hour lunch) and were dismissed at 3:00 pm. Then you would record: 6 hours worked and 2 hours admin leave. Weekly total is 40 hours or less.
2. You were scheduled to work from 8:00 am to 5:00 pm (with a 1-hour lunch) and were dismissed at 3:00 pm. However, you stayed and worked until 4:00 pm. Then you would record: 7 hours worked and 1-hour admin leave. Weekly total is 40 hours or less.
3. You were scheduled to work from 8:00 am to 5:00 pm (with a 1-hour lunch) and were dismissed at 3:00 pm. However, you have worked over 40 hours for the week. Then you record your hours worked and will not receive admin leave.
4. You are on an alternate work schedule and were scheduled to work from 8:00 am to 7:00 pm (with a 1-hour lunch) and were dismissed at 3:00 pm. Then you would record: 6 hours worked, 2 hours admin leave, 2 hours vacation or comp leave (if available). Sick leave will not be allowed. Weekly total is 40 hours or less.

Employee Responsibilities

Both Exempt and Non-Exempt employees are responsible for filling out timesheets within the deadlines set for each pay period. Every other Wednesday timesheets should be submitted by the established deadline. Each department may have its own expectations on the payroll deadline. Occasionally, due to holidays, the deadline will be altered, but proper notification shall be sent to all staff by the Accounting Team. If an employee neglects to fill out a timesheet or misses the set deadline, they may face disciplinary action up to and including termination.

It is the employee's responsibility to:

- receive approval from his/her supervisor **prior** to performing work duties outside the regular work hours (unless an emergency situation makes prior approval impractical);
- record compensatory time and overtime in accordance with leave reporting instructions provided by the accounting department (Reference: *GCHD All Hazards Emergency Management Plan*);
- report timesheet issues and concerns to their supervisor and the IT Help desk;
- in the event of an emergency or after hour situation, the employee is to report time worked to the immediate supervisor the following business day; and
- follow time clock procedures, if applicable.

Supervisor Responsibilities

It is the Supervisor's responsibility to:

- review the bi-weekly leave report provided by payroll to ensure excessive compensatory time and/or vacation hours are not being accrued that may impact budget;
- inform employees of carryover limits per the Employee Leave policy and possible loss of accrued time (Reference: *GCHD Employee Leave policy*);
- counsel the employee regarding the requirement to receive proper approval for working hours in excess of 40 during a work week and inform the employee that corrective disciplinary

action up to and including dismissal may be taken for future incidents if prior approval is not received to work extra time;

- only approve paying overtime according to budgetary limits and with the approval of the Chief Executive Officer or designee;
- ensure staff are appropriately compensated for time spent performing duties as a District employee outside regular working hours;
- ensure electronic timesheets are completed properly and submitted according to deadlines;
- allow employees to take compensatory time when requested, provided that its use does not disrupt necessary work activities; and
- grant the use of flex time when appropriate.

Excessive compensatory time balances may have a negative financial impact on the budget and program. Supervisors are responsible for monitoring the accrual and use of compensatory time to ensure that excessive amounts of compensatory time are not being accrued by employees. In general, balances of over 40 hours are considered excessive. As a result, supervisors are expected to work with employees to ensure time off is scheduled within a reasonable time period after compensatory time is accrued.

Recording and Use of Compensatory and Overtime

Compensatory time and overtime are recorded and used in 15-minute (one quarter of an hour) increments. Compensatory and/or overtime earned and/or used must be reported on the electronic timesheet during the pay period it is earned and/or used.

Payment for Compensatory and Overtime

Accrued but unused compensatory time will be paid when the FLSA non-exempt employee leaves employment with the District for any reason, transfers from one payroll fund to another, or transfers to an exempt position or part-time non-exempt position.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal.

Law

It is the intent of this policy to be in compliance with the Fair Labor Standards Act and Texas Payday Laws.

Employee Ethics, Standards of Conduct, and Conflict of Interest

-Approved
UBOH 03/27/2019
-Effective 10/01/2004

Audience

This policy applies to all Galveston County Health District, Galveston Area Ambulance Authority, and Coastal Health & Wellness (collectively “the District”) employees, volunteers, students and contractors (business associates).

Policy

It is the District’s policy that the highest level of ethics be maintained by employees in accomplishing their duties while serving our customers and the residents of Galveston County.

General Conduct

The District employees must avoid any action that might result in or give the appearance of:

- using their public positions for private gain;
- giving unlawful preferential treatment to anyone;
- losing objectivity or impartiality;
- making a governmental decision outside of official channels;
- adversely affecting the public’s confidence in government; or
- doing personal activities while on the District’s business and paid duty.

The District’s employees must **not**:

- participate in gambling, betting, or lotteries on the District’s property;
- intentionally subject another to mistreatment or to arrest, detention, search, seizure, dispossession, assessment, or lien that they know is unlawful;
- make a terrorist threat or threat of retaliation against another employee, supervisor, or manager;
- intentionally deny or impede another in the exercise or enjoyment of any right, privilege, power, or immunity, knowing their conduct is unlawful;
- acquire or aid another to acquire a pecuniary interest in any property, transaction, or enterprise that may be affected by information to which they have access in their official capacities and which has not been made public;
- speculate or aid another to speculate on the basis of information to which they have access in their official capacities and which has not been made public;
- coerce another public servant in the performance of his/her official duty or to violate a known legal duty;
- privately address a communication to any public servant who exercises or will exercise official discretion in an adjudicatory proceeding (court or administrative) in order to influence the outcome on a basis other than as allowed by law;
- influence a witness or prospective witness in an official proceeding to lie, withhold evidence, or fail to appear at the proceeding;
- harm or threaten to harm another person by any unlawful act in retaliation for the person being a public servant, witness, or informant;
- use Health District property for political activity;

- review, inspect, or determine eligibility of a relative seeking governmental benefits. Employees are expected to defer relative to another worker or seek supervisory review and approval of the final determination of service eligibility;
- manage, supervise or participate in the hiring process of a relative through affinity (marriage) or consanguinity (blood); or
- engage in any form of romantic relationship as a supervisor and subordinate employee that could potentially have the appearance of creating or promoting favoritism or special treatment for the subordinate employee.

Personal Interests, Employment, and Business Activity

The District employees must **not**:

- have any interest or engage in any business activity or employment that conflicts or interferes with the performance of their duties for the District;
- have, either directly or indirectly, any financial or other personal interest in any contract or subcontract in connection with a District project if authorized in their official capacity to take part in negotiating, making, accepting, or approving such contract or subcontract or performing any duty for the District in connection with such contract or subcontract;
- accept other employment or engage in business or professional activities that could require or cause them to reveal confidential information acquired through their official position;
- accept other employment or compensation that could hinder their independence of judgment in the performance of their official duties;
- make personal investments that create or could reasonably be expected to create a substantial conflict between their personal interests and the public interest;
- use official information that is not available to the public for the purpose of furthering their own private interests;
- take part in any personal or business financial transaction that relies on information obtained through their official position; or
- mis-apply anything of value belonging to the District that has come into their custody or possession by virtue of his or her employment. The employee must use government property for governmental purposes, not for personal or private purposes.

Acceptance of Honorarium

Section 36.07 of the Texas Penal Code provides in part:

- (a) A public servant commits an offense if the public servant solicits, accepts, or agrees to accept an honorarium in consideration for services that the public servant would not have been requested to provide but for the public servant's official position or duties.

Therefore, District employees must not solicit, accept, or agree to accept an honorarium in consideration for services that the employee would not have been requested to provide but for the employee's official position or duties. This does not prohibit an employee from accepting transportation, meals, and lodging expenses in connection with a conference or similar event when allowed by law for official District business.

A District employee may accept an honorarium if the employee is asked to provide services which are not requested because of the employee's official status. In such cases, the employee must receive advance approval, take appropriate leave, and not use District resources in performing the services (e.g., a District employee is asked to speak at a conference solely because of his/her recognition as an expert in a particular field and not because of his/her official District position).

Prohibition of Gifts, Benefits, and Favors

District employees must **not**:

- solicit, accept, or agree to accept any benefit, gift, favor, or service that might reasonably influence them in the performance of their duties;
- solicit, accept, or agree to accept any benefit, gift, favor, or service that he or she knows or should know is being offered for the purpose of influencing his or her official conduct or for having performed official duties in favor of another;
- solicit, accept, or agree to accept any benefit, gift, or favor from a person or business who is regulated by the District;
- offer, confer, or agree to confer on another person or solicit, accept, or agree to accept from another person or business any benefit as consideration for the recipient's decision, opinion, recommendation, vote, or other exercise of discretion or for a violation of a duty imposed by law on an employee;
- solicit, accept, or agree to accept any benefit from a person or business against whom the District has litigation pending or contemplated;
- solicit, accept, or agree to accept any benefit from a person or business interested in any contract, purchase, payment, claim, or transaction involving the exercise of the employee's discretion; or
- solicit, accept, or agree to accept any benefit from a person or business interested in any District matter before the employee.

District employees who are or will be witnesses in an official proceeding must **not** solicit, accept, or agree to accept any benefit on the understanding that the employee will lie, withhold evidence, or fail to appear at the hearing.

Use of Health District Vehicles

When using a District-owned vehicle, District employees will:

- only use the vehicle for official District business;
- not drive the vehicle under the influence of alcohol or illegal drugs;
- not drive the vehicle when taking medication that impairs their ability to drive safely;
- not use the vehicle to transport illegal substances;
- not smoke in the vehicle; and
- comply with other specifics listed in the *Safety and Risk Management* policy and Safety Manual.

Standards of Conduct and Conflict of Interest

District employees must adhere to the following regulation which is from Section 572.051 of the Government Code, titled *Standards of Conduct and Conflict of Interest*:

A District employee should not:

- accept or solicit any gift, favor, or service that might reasonably tend to influence the officer or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the officer's or employee's official conduct;
- accept other employment or engage in a business or professional activity that the officer or employee might reasonably expect would require or induce the officer or employee to disclose confidential information acquired by reason of the official position;
- accept other employment or compensation that could reasonably be expected to impair the officer's or employee's independence of judgment in the performance of the officer's or employee's official duties;
- make personal investments that could reasonably be expected to create a substantial conflict between the officer's or employee's private interest and the public interest; or
- intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the officer's or employee's official powers or performed the officer's or employee's official duties in favor of another.

Political Contributions

No funds or assets of the District may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office. The direct or indirect use of any funds or other assets of the District for political contributions in any form, whether in cash or other property, services, the use of facilities, or the use of any computer software or hardware, is strictly prohibited. The District also cannot be involved with any committee or other organization that raises funds for political purposes. This rule applies both inside and outside the United States, except in those cases permitted by law and expressly authorized by the Galveston County United Board of Health and/or County Judge.

Following are examples of prohibited activities:

- Contributions by an employee that are reimbursed through expense accounts or in other ways.
- Purchase by the District of tickets for political fundraising events.
- Contributions in kind, such as lending employees to political parties or using District assets in political campaigns.
- Indirect contributions by the District through suppliers, funding sources, or agents.
- Printing of political information for distribution or other political activities.

Government Officials

The District is legally prohibited from offering, promising, or bestowing money, gifts, loans, rewards, services, jobs, use of facilities, lavish or extensive entertainment, or other favors to a governmental official, employee, or potential employee with a view toward influencing or inducing such official or employee to use his/her influence to effect an action or decision.

This includes any employee of a federal, state or local government agency.

No employee of the District will offer, give, or promise to offer or give, directly or indirectly, any money, gratuities or other thing of value to any governmental employee with current or possible

responsibility on an award of the District. A gratuity includes any gift, favor, entertainment or other item having monetary value. This phrase includes services, conference fees, vendor promotional training, transportation, lodging and meals, as well as discounts and loans not available to the general public.

Bribery: As a public servant, you commit the offense of bribery if you solicit, offer, or accept a “benefit” in exchange for your decision, opinion, recommendation, vote, or other exercise of official discretion. District employees must:

- not make a payment either directly or indirectly or as a kickback to influence someone else;
- not accept anything of value from someone who wants to do business with the District; and
- report the matter to his/her supervisor immediately if he/she is asked to make or accept a payment or gift in any form prohibited by this policy.

Political Activity

The Hatch Act and the Intergovernmental Personnel Act of 1970 preclude federal funds from being used for partisan political purposes of any kind by any person involved in the administration of federally assisted programs.

Employees of the District are precluded, during periods of compensated time, from lobbying, preparing political publications or materials, making partisan political speeches or engaging in related lobbying activities intended to influence legislation or to promote a political party or candidate.

Employee Responsibilities

It is the employee’s responsibility to:

- review the District policies and procedures;
- request clarification when necessary;
- adhere to the policies;
- notify his/her supervisor of any actions that are or have the appearance of being unethical;
- defer relative to another worker or seek supervisory review and approval of the final determination of service eligibility;
- submit a written request for dual employment through his/her supervisor to Human Resources for executive management review and consideration; and
- notify their next level manager immediately, as well as the Human Resource Manager, if they are engaged in a form of romantic relationship as a supervisor and subordinate employee, at which time executive management will review on a case-by-case basis to prevent any actual or potential conflict of interest.

Supervisor Responsibilities

It is the supervisor’s responsibility to:

- understand and follow this policy;
- inform existing employees about this policy;
- refer employee’s written request for dual employment to Human Resources for executive management consideration.

- counsel employees who need guidance or redirection; and
- take or recommend appropriate corrective disciplinary action when necessary.

Exceptions

An employee may request a review of proposed activity, in writing, to the Chief Compliance Officer in advance of the start of the activity for approval. Certain activities deemed as employee betterment activities will also be considered.

Violation

Violation of this policy may result in appropriate corrective disciplinary action, up to and including suspension or dismissal; and/or, in some instances, a referral to federal, state and/or local law enforcement agencies.

Laws

It is the intent of this policy to be in compliance with OMB Circular A-102, Section 572.051 of the Government Code, the Texas Penal Code, the Intergovernmental Personnel Act of 1970, the Hatch Act, and all relevant provisions set forth by the Texas Ethics Commission.

[**Back to Agenda**](#)



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

**Governing Board
April 2019
Item #8
Consider for Approval Quarterly
Investment Report**

**Coastal Health & Wellness
Investment Report
For the period ending March 31, 2019**

Coastal Health & Wellness	Money Market Account		
	<u>January</u>	<u>February</u>	<u>March</u>
Beginning Balance	\$1,803,624	\$1,597,171	\$2,040,403
Deposits	191,700	441,500	601,500
Withdrawals	(400,000)	0	(470,000)
Interest Earned	1,847	1,732	2,170
Ending Balance	<u>\$1,597,171</u>	<u>\$2,040,403</u>	<u>\$2,174,074</u>
Current Annual Yield	1.41%	1.41%	1.41%
Previous Quarter Yield (10/2018 - 12/2018)	0.90%	1.41%	1.41%

Tex Pool Investments			
	<u>January</u>	<u>February</u>	<u>March</u>
	\$3,059,817	\$3,066,026	\$3,071,664
	0	0	0
	0	0	0
	6,209	5,638	6,304
	<u>\$3,066,026</u>	<u>\$3,071,664</u>	<u>\$3,077,968</u>
	2.39%	2.40%	2.42%
	2.14%	2.20%	2.29%

FY18 Summary	Interest Earned	Avg Balance	Yield
October 1, 2018 to December 31, 2018	\$22,372	4,793,793	0.47%
January 1, 2019 to March 31, 2019	\$23,901	4,677,963	0.51%
April 1, 2019 to June 30, 2019			
July 1, 2019 to September 30, 2019			
YTD Totals	<u>\$46,273</u>	<u>\$4,735,878</u>	0.98%

Coastal Health & Wellness	Q1	Q2	Q3	Q4	YTD Comparison
Interest Yield Year to Year Comparison	Oct 1-Dec 31	Jan 1-Mar 31	Apr 1-June 30	Jul 1-Sept 30	Total as of 9/30
FY2016	0.13%	0.12%	0.12%	0.13%	0.50%
FY2017	0.13%	0.12%	0.12%	0.13%	0.50%
FY2018	0.14%	0.20%	0.30%	0.38%	1.02%
FY2019 (Current year)	0.47%	0.51%			0.98%

[Back to Agenda](#)



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

April 2019

Item #9

**Consider for Approval Removal of the Sign Prohibiting Firearms at
Governing Board Meetings**

[Back to Agenda](#)



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

**Governing Board
April 2019
Item #10
Executive Report**



April 2019

A monthly newsletter about Galveston County's Community Health Center, Coastal Health & Wellness.

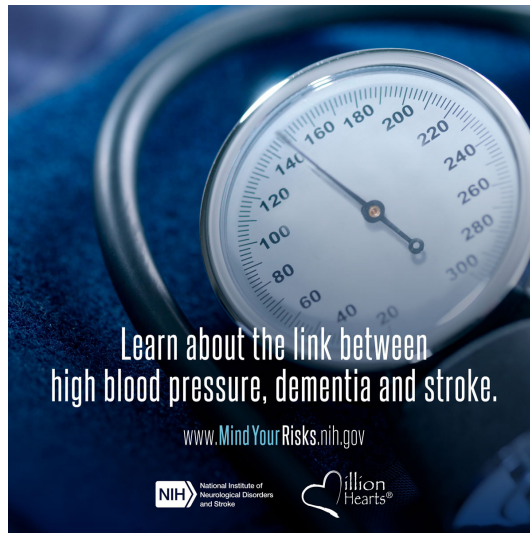
Uncontrolled high blood pressure can lead to health risks

What you don't know about high blood pressure could hurt you.

High blood pressure affects one in three Americans, yet many people with the condition don't know they have it.

Uncontrolled high blood pressure raises the risk for heart disease and stroke, which are leading causes of death in the United States. Fortunately, high blood pressure is treatable and preventable.

To lower your risk, get your blood pressure checked regularly and take action to control your blood pressure if it is too high.



Possible links to dementia

Recent studies show that high blood pressure is linked to a higher risk for dementia, a loss of cognitive function. Timing seems to matter. Some evidence suggests having uncontrolled high blood pressure during midlife (age 45 to 65) creates a higher risk for dementia later in life.

Young people can have high blood pressure, too

High blood pressure doesn't just happen to older adults. About one in four men and nearly one in five women age 35 to 44 has high blood pressure. Experts think the

Blood Pressure page 2

Employee spotlight features CHW dental hygienist

This month's Employee Spotlight features Coastal Health & Wellness (CHW) Dental Hygienist Jamie Trinh, RDH.

Trinh works with patients to help them develop good oral health habits, which can also have a positive affect on their overall health. She says she's made for the job and likes to talk patients through what steps she's taking to help educate them, but also to put them at ease.

April marks Oral Health



Month while the second week of the month was National Dental Hygienists Week.

Employee Spotlight is a monthly video series highlighting the employees of Galveston County Health

District (GCHD), GCHD EMS, Galveston County Animal Resource Center and CHW.

This series introduces co-workers and the community to the wonderful employees protecting and promoting the optimal health and well-being of Galveston County. This month's video is available on CHW social media and the GCHD's YouTube channel, where past Employee Spotlight videos may also be found.





Hats off to CHW’s awesome nurses!

National Nurses Week, May 6-12

During National Nurses Week, Coastal Health & Wellness extends a special Thank You to our nurses who continue to provide the highest level of quality care to our patients.

All nurses deserve special recognition for their efforts in delivering compassionate care while embodying the principles of ethical practice in their profession.

“Tell me something good...”

Below are comments from Coastal Health & Wellness patients following their visit at our clinics.

“(Behavioral Health Counselor Lisa Tigrett LBSW, M Ed, LPC) is helping a lot and providing so much work, giving me worksheets and going over them with me.” (Counseling services)

“They are good and provide me copies of what they are going to do.” (Medical services)

“(Dr. Leonard Nagorski) always goes above and beyond.” (Medical services)

“I’m thankful for the service at a low cost. I’m on disability income.” (Dental services)

“(Dental Hygienist Jamie Trinh, RDH) is very professional and kind.” (Dental services)

“Love the staff. Everyone was helpful, kind and understanding.” (Medical services)

Blood Pressure

increased risk for stroke among young adults is a direct result of the rising rates of obesity, high blood pressure and diabetes.

“Silent Killer” lacks symptoms

High blood pressure is sometimes called the “silent killer.” Most people with high blood pressure don’t have any symptoms, such as sweating or headaches. Because many people feel fine, they don’t think they need to get their blood pressure checked. Even if you feel normal, your health may be at risk. Talk to your doctor about your risk for high blood pressure.

Many cases go undiagnosed

About 11 million U.S. adults with high blood pressure aren’t even aware they have it and are not receiving treatment to control their blood pressure. Most people with uncontrolled blood pressure have health insurance and visit a health care provider at least twice a year.

Women and minorities face unique risks

Women with high blood pressure who become pregnant are more likely to have complications during pregnancy than those with normal blood pressure. Women with high blood pressure who want to become pregnant should work with their health care team to lower their blood pressure before becoming pregnant. African American men and women have higher rates of high blood pressure than any other race or ethnic group. These individuals are also more likely to be hospitalized for high blood pressure. Experts think this is related to higher rates of obesity, diabetes, and stroke among this group.

Week reminds women to make their health a priority

Coastal Health & Wellness (CHW) is encouraging women to take steps to improve their health as it celebrates National Women's Health Week, May 12-18.

The week serves as a reminder for women to make their health a priority and to build positive health habits.

Taking care of mental health can lead to feeling better physically as mental and physical health go hand-in-hand.

It's never too early or too late to work toward a healthier you.

Women tend to care for others, often forgetting to make sure they are doing OK. Take the time each day to do something you enjoy. This will help reduce stress levels dramatically.

Get active

Women need two-and-a-half hours of moderate



Pick healthier options.

Try whole-grain bread over white bread and brown rice instead of white rice. Eat whole fruits like apples and oranges instead of fruit-flavored snacks. Drink water instead of fruit drinks and sodas.

intensity physical activity every week. That amounts to about 30 minutes a day. But, fewer than 50 percent of women get enough aerobic activity and only 20 percent get enough muscle-strengthening activity, the Office on Women's Health reports.

Taking 30 minutes a day for a brisk walk is enough to lower the risk of breast cancer. Women who get enough physical activity can reduce their risk of heart disease and cancer – the most common diseases that affect women. Walk to work if possible, take

the stairs instead of the elevator. Every little bit helps.

Eat healthy

Nearly two out of three women 20 years and older are overweight or obese. Foods like vegetables, fruits, whole grains, low-fat dairy products and lean protein have the nutrients needed without having too many calories.

We make about 200 decisions about food each day. It's not always easy to make healthy decisions, but it's definitely important and worth it. Choose water instead of soda. Use a smaller plate when eating to control your portions.

Schedule your well-woman visit

Nearly one out of three women report not visiting a doctor because of cost, but most health plans are

Women's Health page 4

Healthy lifestyle can reduce risk, impact of diabetes

Each year, 1.5 million Americans are diagnosed with diabetes.

Diabetes is one of the leading causes of disability and death in the United States with one in 10 Americans having diabetes and another 84 million adults at high risk for developing type 2 diabetes.

Although there isn't yet a cure for diabetes, a healthy lifestyle as recommended by your doctor can reduce its impact on your life.

Everyday actions like eating a healthy diet, being physically active and taking

prescribed medications help you stay on track.

From what they'll wear to what they'll eat and how they'll take care of themselves, it's important to note the day-to-day impact diabetes makes on nearly every decision a diabetic makes.

There are three main types of diabetes – type 1, type 2 and gestational.

Roughly 90 percent of people who have diabetes have type 2, which can often be delayed or prevented with lifestyle changes.

Type 2 affects a body's ability to use insulin well and makes it unable to regulate blood sugar levels.

Risk factors include:

- Being overweight;
- Being 45 years or older;
- Having a parent, brother or sister with type 2 diabetes;
- Being physically active less than three times a week; and
- Ever having gestational diabetes or giving birth to a baby who weighed more

Diabetes page 4

PROTECT WHAT MATTERS MOST
DEFEND AGAINST ZIKA

THE ZIKA VIRUS CAN CAUSE BIRTH DEFECTS IN UNBORN AND NEWLY BORN BABIES.

You can **Fight the Bite** by wearing
EPA-approved insect repellent,
wearing long sleeves and pants
at dawn and dusk,
and removing standing water
from your home.

GCHD.ORG/ZIKA



Diabetes

than nine pounds.

Those who show any risk signs should contact their doctor to see if they should be tested for diabetes.

Race and ethnicity also matter: African Americans, Hispanic/ Latino Americans, American Indians, Pacific Islanders and some Asian Americans are at higher risk for type 2 diabetes.

Uncontrolled, diabetes can cause blindness, nerve damage, kidney disease and other health problems.

The sooner you find out if you have diabetes, the sooner you can start making health changes that will benefit you now and in the future.

Symptoms

- Urinating often
- Feeling very thirsty
- Feeling very hungry – even though you are eating
- Extreme fatigue
- Blurry vision
- Cuts/ bruises that are slow to heal
- Weight loss – even though you are eating more (type 1)
- Tingling, pain or numbness in the hands/ feet (type 2)

Early detection and treatment of diabetes can decrease the risk of developing the complications of diabetes.

Women's Health

required to cover an annual well-woman visit at no cost to the patient. More than 75 percent of women 40-60 years old have at least one risk factor for heart disease, the most common cause of death in women in the United States.

Remember to bring a list of current medications to the well-woman visit. It's also a good idea to make a list of questions and concerns you want to ask the doctor.

A well-woman visit is a time to discuss family history and family planning.

Schedule necessary tests, including screenings for high blood pressure, high cholesterol, sexually transmitted diseases and more.

Now is time to prepare for 2019 hurricane season

Storm surge, high winds, tornadoes and flooding are all hazards related to hurricanes. With the start of hurricane season just around the corner.

Being aware is not being prepared. National Hurricane Preparedness Week, observed May 5-11, is a time to help residents learn more about prepping before the storm.

“Developing an evacuation plan, checking on insurance coverage, planning for your pets, all of this should be done before the start of hurricane season,” said Randy Valcin, director of epidemiology and public health emergency preparedness for Galveston County Health District.

There are 13 named storms in the 2019 season with five hurricanes and two major hurricanes expected, according to the Colorado State University Tropical Meteorology Project. The Atlantic hurricane season begins June 1 with peak season August-September.

“Now is the time to get a plan together. You don’t want to be preparing for a storm when it’s on its way,” Valcin said. “Find out if you live in a hurricane evacuation zone. If so, plan an evacuation route – where to go and how to get there. You need to leave immediately when ordered to evacuate.”

Put together a disaster kit

From food and water to medicine, cash, batteries, radios and chargers, gather supplies before hurricane season begins. Be sure to have enough food and water for each person for at least one week.

Plan on one gallon of water per day per person. Fill prescriptions and have medicine on hand. Other items to have include a flashlight with extra batteries, a portable battery-operated radio with extra batteries, first aid kit and manual, sturdy shoes, gloves and a whistle.

For more information on putting together a disaster kit, visit

<http://www.gchd.org/public-health-services/public-health-preparedness/natural-disasters>.

Get an insurance checkup

Check in with your insurance agent before hurricane season. Remember, flood insurance must be purchased separately. Information about the National Flood Insurance Program can be found through insurance agents or the local

emergency management office. There is normally a 30-day waiting period before a new policy becomes effective. Homeowner policies do not cover damage from the flooding that accompanies a hurricane.

Strengthen homes

There are several ways to protect homes from the strong winds that come with hurricanes. Well ahead of the approaching storm, trim trees on property, shop for approved window coverings, collect loose outdoor items, secure all doors on property and find a safe location for



vehicles.

Teach each family member how and when to turn off gas, electricity and water. When covering windows, remember permanent shutters are the best protection. A lower-cost approach is to put up plywood panels.

Remember your four-legged family

In the hustle of dealing with a natural disaster, pets sometimes fall to the end of the list, or left off until the last minute. Plan for your pets now.

Have copies of vaccination records, a current photo of your pet, an ample supply of food and water, a carrier or cage, medication, muzzle, collar and leash.

For more information when planning for hurricane season and natural disasters, visit <http://www.gchd.org/public-health-services/public-health-preparedness/natural-disasters> and www.ready.gov.



WHEN DRIVING, PUT YOUR PHONE AWAY

Every day, at least 9 Americans die and 100 are injured in distracted driving crashes.

MYTH

**DRIVERS
CAN MULTITASK.**

**SPEAKING
HANDS-FREE IS
SAFE TO USE
WHILE DRIVING.**

**I ONLY USE MY
PHONE AT STOP
LIGHTS
SO IT'S OK.**

**VOICE-TO-
TEXT IS SAFE
TO DO WHILE
DRIVING.**

FACT

The human brain cannot do two things – like drive and hold a phone conversation – at the same time without reaction time slowing down.

Drivers talking on cell phones can miss seeing up to 50% of their driving environments, including pedestrians and red lights.

It's important to stay alert at red lights.

A recent American Automobile Association (AAA) study shows that people continue to be distracted up to 27 seconds after they finish sending a voice text.

It's very distracting. Not only are you mentally distracted, but you're visually distracted due to common auto-correct errors.

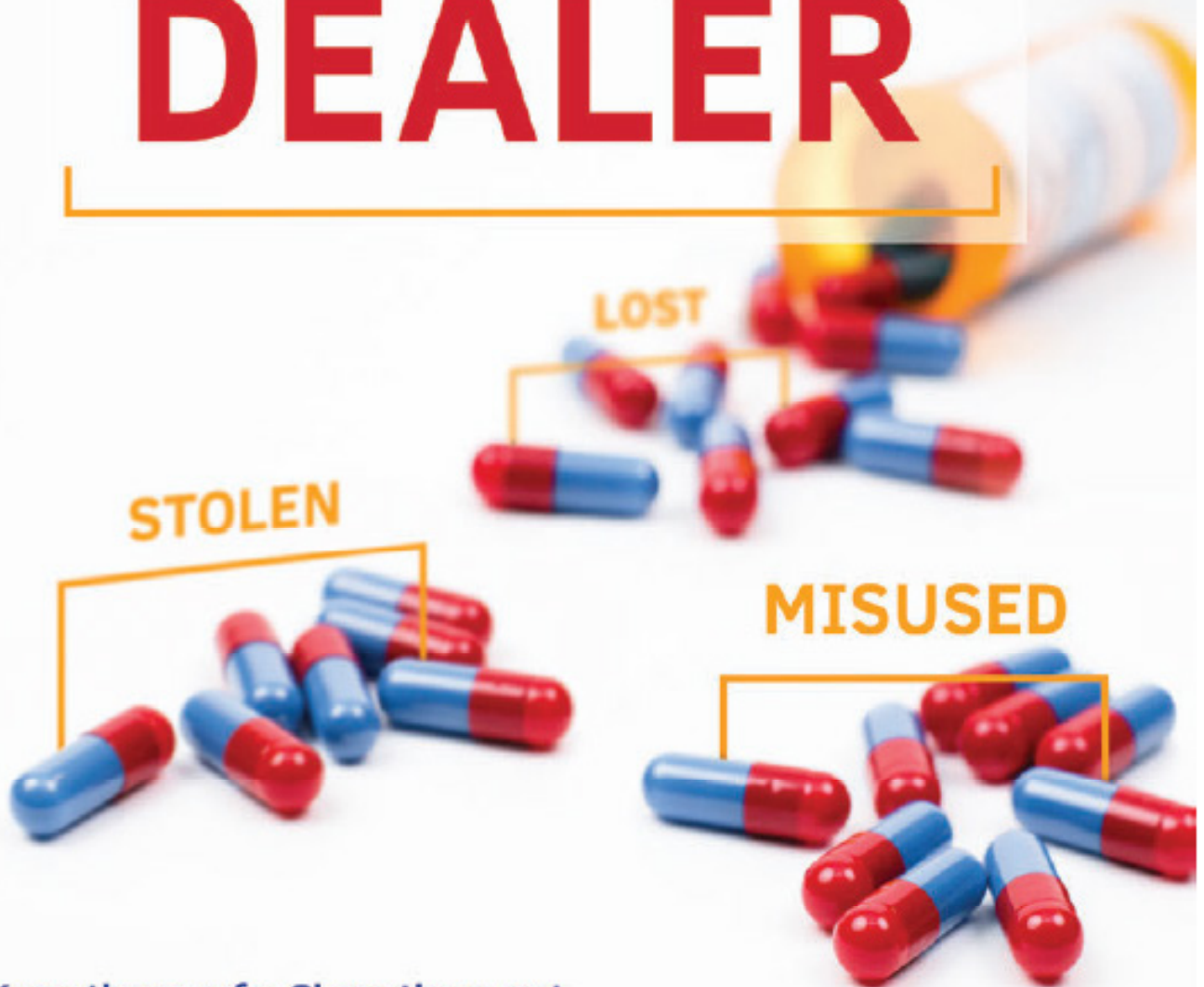


#JUSTDRIVE

Learn more at www.nsc.org



DON'T BE THE DEALER



Keep them safe. Clean them out.
Take them back.

Saturday, April 27
10 a.m.–2 p.m.



Visit DEATakeBack.com for a collection site near you.

Coastal Health & Wellness Updates

Insurance Contract Updates –

Dental

- Liberty- Pending 1 provider (Lindskog)
- MCNA-Rec credentialing all providers.

Behavioral Health

- Texas Children’s Health Plan- Pending (Tigrett & Bailey)
- Molina- Pending (Tigrett & Bailey)

Medical

- Superior Health Plan- Pending 4 providers (Ripsin, Billingsley, Patel, Coulter)
- Blue Cross Blue Shield- Pending 1 provider (Ripsin)
- Community Health Choice- Pending 1 provider (Ripsin)
- Texas Children’s Health Plan- Pending 4 providers (Ripsin, Patel, Billingsley, Coulter)

Committees –

- *Quality Assurance (QA)/Performance Improvement (PI)* – Monthly meetings are being held to review data related to various performance measures/audits and to make sure that guidelines are updated to reflect current processes. Incident reports are also reviewed and discussed to determine if any process changes are needed.
- *Infection Control / Environment of Care /Joint Commission Committee (IEJ)*– Monthly meetings are being held to review infection control audits and environment of care compliance. New information related to Joint Commission standards is also discussed. Currently, infection prevention and control program goals are being developed and will be brought back to the Board QA Committee for review.
- *Patient Centered Medical Home (PCMH) Committee* – The Coastal medical team continues to meet and develop new processes related to this initiative. Most recently, color teams have been formed, made up of providers, nurses, medical aides and support staff. Daily and weekly huddles between these teams are also occurring to better manage patient care and improve communication among team members. The Contact Center staff is currently being trained on tasking so that calls coming into the contact center can be routed to the appropriate color team through the electronic health record system. CHW staff will continue to learn more about this process through weekly and in-service meetings.

HRSA Deliverables / Updates –

- Participated in quarterly check-in call with HRSA Project Officer on 4/3/19. Discussed progress on SUD-MH program and PCMH initiative. The HRSA diabetes performance measure and our progress related to this measure were also discussed. Based on 2018 UDS data, 36.4% of Coastal patients either had an HbA1c of greater than 9% or were not tested during this period. The Healthy People 2020 goal is 16.1%. Progress related to this goal will continue to be monitored through staff and board QA meetings.
- Substance Use Disorder-Mental Health (SUD-MH) grant – We are in the process of finalizing a contract with CARMAhealth to provide tele-psychiatry services through a board-certified psychiatrist who is also board certified in addiction medicine. Provider credentialing has been completed and reviewed by the Medical Director. A full-time LVN that dedicated to this program will be in place on 5/2/19. Existing clinical space is being converted into a room that will service patients through this program. The request to add psychiatry to our scope of services, which was approved by the Board last month, has been approved by HRSA.
- Capital Assistance for Hurricane Response and Recovery Efforts (CARE) Grant – continue to acquire equipment and supplies budgeted through this grant.
- We were recently made aware of a HRSA grant funding opportunity that will provide funding for oral health infrastructure. Applicants can request up to \$300,000 in one-time funding. We plan to submit an application to HRSA for dental equipment and supplies that will allow us to enhance and expand dental services currently being provided. Applications must be submitted by 5/21/19 and HRSA anticipates awarding funds on or around September 1, 2019. Funds would need to be utilized within a 2-year period.
- Federal Financial Report (FFR) for grant period ending 3/31/19 is due 7/30/19.

Miscellaneous Updates –

- We are continuing to encourage patients to enroll in the patient portal and will be monitoring the number of active patients who are enrolled on a monthly basis.
- The patient satisfaction survey has been setup electronically and patients who have an email address on file are being sent an email with the survey link after their visit. Those who do not have an email address are being asked to fill out a paper copy of the survey. Survey results can now be viewed on a daily basis and shared with managers.
- Calls received during the evening and Saturday clinics are no longer being routed to the answering service and are now being answered by Coastal staff.
- The transition from walk-in medical appointments to acute-care medical appointments during evening and Saturday clinic seems to be working well. Walk-in appointments for Dental are still offered and available to those seeking dental care on Saturday.
- After submitting the 2019 Intracycle Monitoring profile to the Joint Commission, a conference call was scheduled on 5/22/19 to check-in with us to see how things were going and to see if we had any questions regarding sustained compliance.
- The Coastal Dental Director presented a dental educational class in the WIC department this month. This new initiative is focused on increasing referrals to both departments and bringing new dental material and education to WIC program participants.
- We are working with J2 Strategic Solutions on scheduling training for Coastal Health & Wellness Board members.

Communications –

- **News Releases/ Website News Posts**
 - National Infant Immunization Week
 - National STD Awareness Month
 - Multi-state E. coli outbreak – what you need to know
- **Social Media**
 - CHW accepted insurance
 - CHW clinic locations
 - Patient Portal
 - Handwashing education
 - National Infant Immunization Week
 - WIC Mother’s Milk Club
 - Good Friday closures
 - Diabetes awareness and education
 - WIC Incredible Years
 - Zika awareness – pregnancy
 - Zika awareness – travel education
 - World Autism Day
 - Did You Know? Autism awareness
 - Distracted Driving education
 - WIC cooking series
- **Video**
 - Employee Spotlight – Jamie Trinh, dental hygienist
 - Zika – pregnancy education
 - Zika – travel education

CHW Career Opportunities:

March 22-April 17, 2019

CHW Career Opportunities:

- **Employee Onboarding** – Human Resources conducted new employee orientation for the following employee(s):
- **Job Offers** – The following candidate(s) were extended job offers and have future start dates:
 - Debra Howey, RN – Infection Control Nurse
 - Jennifer Nolley – Electronic Records Specialist
 - Jeanette Moody, LVN – LVN-Case Management
 - Angela Mendoza - Patient Care Community Health Worker (Bilingual)
- **Current Vacancies:**
 - CHW Vacancies:
 - Dental – Dental Assistant full-time
 - CHW Lab & X-Ray
 - Phlebotomist
 - CHW Electronic Records
 - Unit Receptionist I -Medical (Bilingual)
 - Nursing
 - Registered Nurse
 - Medical Aide (Bilingual) (4)

- Medical Aide
- Providers
 - Physician (2)
 - Mid-level

** 1 Mid-level On Hold pending review of Business Needs*

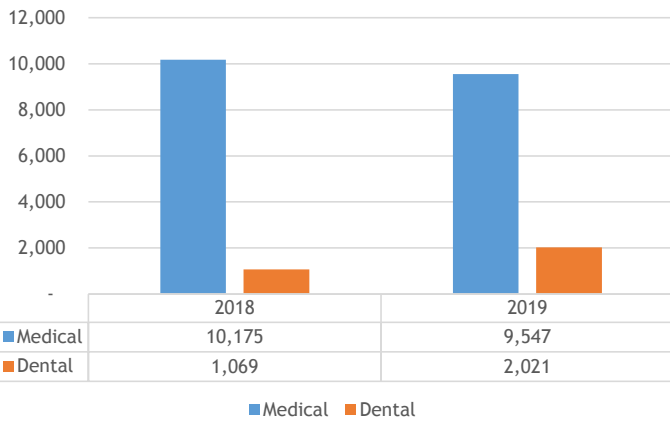
CHW Executive Contract Report: April 2019

1. The U.S. Department of Health and Human Services Health Resources and Services Administration (HRSA) renewed Grant number H80CS00344 in the amount of \$3,127,400.00 for Coastal Health and Wellness as part of the Health Center Program. The project period began on April 1, 2002 and continues until March 31, 2022. The funds awarded are designated for the years 2019 and 2020 and will allow Coastal to continue serving the medically underserved in the community.
2. A Physician (Provider) Agreement was executed between Community Health Choice and Coastal Health and Wellness to replace the existing Agreement between the parties. The new Agreement includes codes for behavioral health and removed the HMO Marketplace.
3. The American Cancer Society extended the term of their Crucial Catch grant to afford time for the existing allotted funds to be fully utilized. The grant is extended through September 30, 2019. No cost extension was granted.
4. CHCA Clear Lake, L.P. d/b/a HCA Houston Healthcare Mainland (formerly Mainland Medical Center) renewed the Case Manager (Patient Care Coordinator) funding effective April 1, 2019 in the amount of \$16,208.00. The Case Manager serves as the liaison between the Clinic and the patient to facilitate appropriate follow-up and continuity of care.
5. An Agreement for media tracking services was signed with Meltwater Services. The cost of the services is split between Coastal Health and Wellness and Galveston County Health District in the amount of \$6800 each and includes social media, influencer and broadcast services. These services allow GCHD and CHW to track the day to day media discussions regarding public health and assist with being in touch with the community in times of crisis.

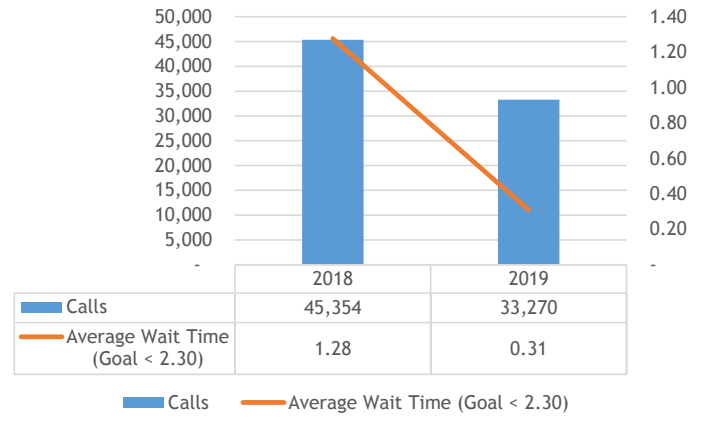
March 2019
YTD Comparison Report (January to March)

Patient Services - Patients Checked-In	2018	2019	% Change
Medical	10,175	9,547	-6%
Dental	1,069	2,021	89%
Contact Center	2018	2019	% Change
Calls	45,354	33,270	-26.6%
Average Wait Time (Goal < 2.30)	1.28	0.31	-76%
Electronic Records	2018	2019	% Change
Record Requests	2,712	2,783	3%
County Indigent Program	2018	2019	% Change
Applied	376	447	19%
Referrals	1361	723	-47%
Avg Total Patients on Program	236	265	12%
Case Management	2018	2019	% Change
Referrals	3,453	2,784	-19%

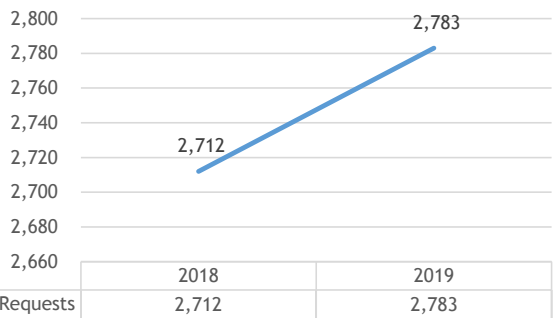
Patient Services-Total Patients Checked-In



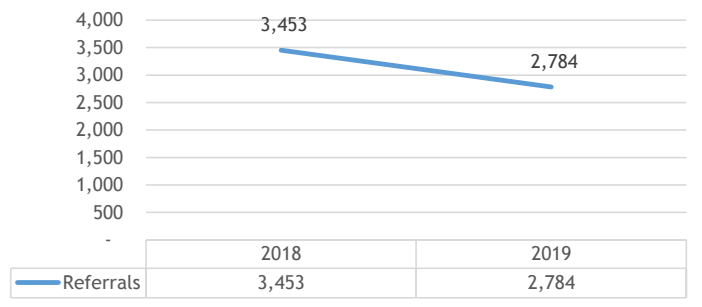
Contact Center - Calls and Wait Time



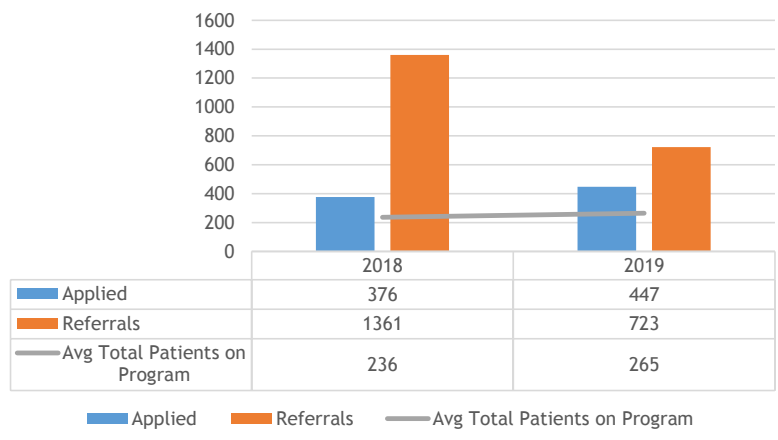
Electronic Record Requests



Case Management Referrals



County Indigent Program



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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

**Governing Board
April 2019
Item #11
Consider for Approval March 2019
Financial Report**

COASTAL HEALTH & WELLNESS

Governing Board



FINANCIAL SUMMARY

For the Period Ending March 31, 2019

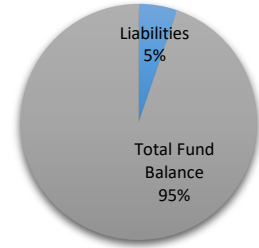
April 25, 2019

GCHD Board Room | 9850-A Emmett F. Lowry Expy. | Texas City, TX 77591

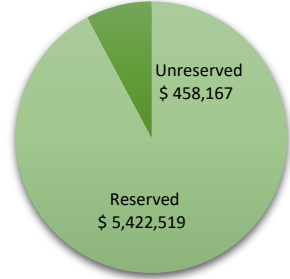
CHW - BALANCE SHEET as of March 31, 2019

	Current Month Mar-19	Prior Month Feb-19	Increase (Decrease)
ASSETS			
Cash & Cash Equivalents	\$5,373,163	\$5,335,997	\$37,166
Accounts Receivable	1,891,303	\$1,882,542	8,761
Allowance For Bad Debt	(1,088,000)	(\$1,088,000)	0
Pre-Paid Expenses	67,774	\$89,471	(21,698)
Due To / From	(36,528)	\$44,389	(80,917)
Total Assets	\$6,207,712	\$6,264,399	(\$56,688)
LIABILITIES			
Accounts Payable	\$97,626	\$234,237	(\$136,611)
Accrued Salaries	216,339	203,597	12,742
Deferred Revenues	13,061	16,471	(3,410)
Total Liabilities	\$327,025	\$454,305	(\$127,279)
FUND BALANCE			
Fund Balance	5,813,682	5,813,682	0
Current Change	67,004	(3,588)	70,591
Total Fund Balance	\$5,880,686	\$5,810,095	\$70,591
TOTAL LIABILITIES & FUND BALANCE	\$6,207,712	\$6,264,399	(\$56,688)

Current Period Assets



Total Fund Balance



CHW - REVENUE & EXPENSES as of March 31, 2019

	Actual Mar-19	Budgeted Mar-19	PTD Budget Variance	YTD Budget Variance
REVENUE				
County Revenue	\$324,071	\$324,070	\$1	\$5
DSRIP Revenue	0	79,167	(79,167)	(391,875)
HHS Grant Revenue	350,141	260,617	89,524	115,028
Patient Revenue	275,087	1,352,449	(1,077,362)	(13,468,742)
Other Revenue	11,818	11,187	630	64,796
Total Revenue	\$961,117	\$2,027,490	(\$1,066,373)	(\$13,680,788)
EXPENSES				
Personnel	\$580,572	\$652,685	\$72,113	\$651,737
Contractual	73,274	60,260	(13,015)	(25,183)
IGT Reimbursement	0	37,500	37,500	212,609
Supplies	111,682	106,440	(5,242)	(33,054)
Travel	1,752	2,510	758	(33)
Bad Debt Expense	0	1,084,467	1,084,467	13,013,367
Other	123,246	83,628	(39,618)	(173,160)
Total Expenses	\$890,526	\$2,027,490	\$1,136,964	13,646,285
CHANGE IN NET ASSETS	\$70,591	\$0	\$70,591	(\$34,503)

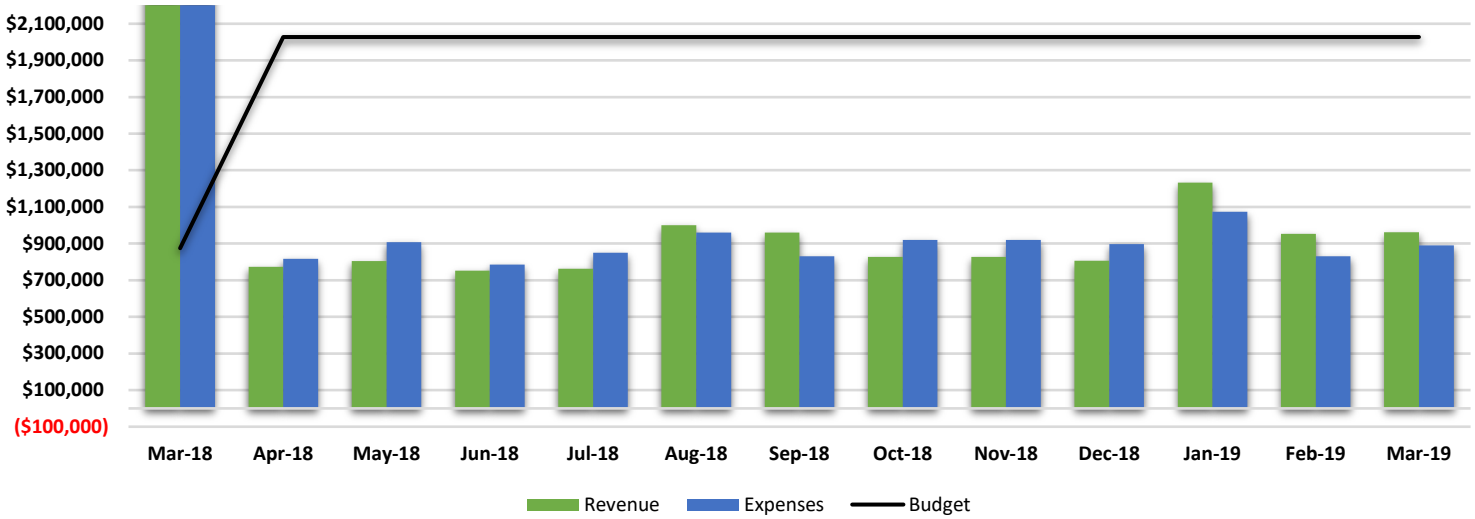
Current Month Revenue & Expenses Actual



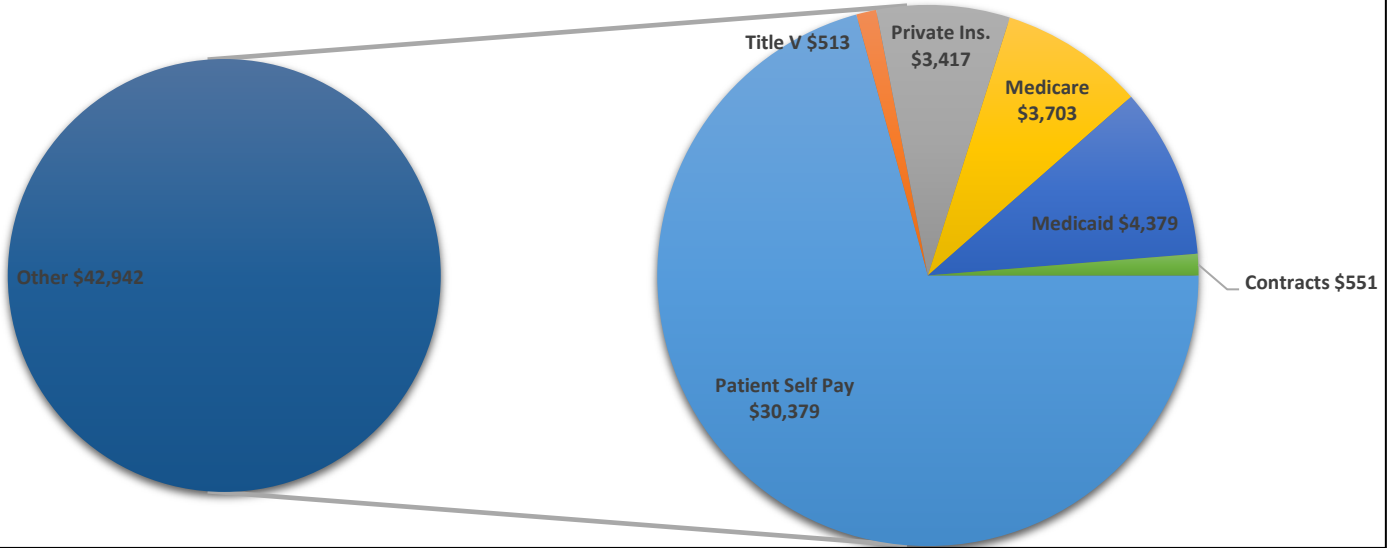
HIGHLIGHTS

- MTD increase in Fund Balance of \$70,591. YTD Net loss of (\$34,503) for grant period 4/1/18 thru 3/31/19.
- Revenues were adjusted per auditors, resulting in a decrease in revenue MTD of (\$1,066,373) compared to budget, and a decrease in expenses MTD of \$1,136,964 compared to budget.
- MTD personnel expenses were underbudget by \$72,113. Contractual expenses were over budget due to fees paid for IT consulting and the MAG compensation study. Supply expenses were overbudget due to expenses incurred for CARE Grant (\$36,896) and IT Firewall (\$1,713) which were offset by savings in pharmaceutical supplies.
- Other expenses incurred include the purchase of a colposcope in the amount of \$17,989 which was covered by QI funding, and payment to TACHC in the amount of \$5,000 for Medical Director position referral.
- Total Fund Balance was \$5,880,686 as of 3/31/19.

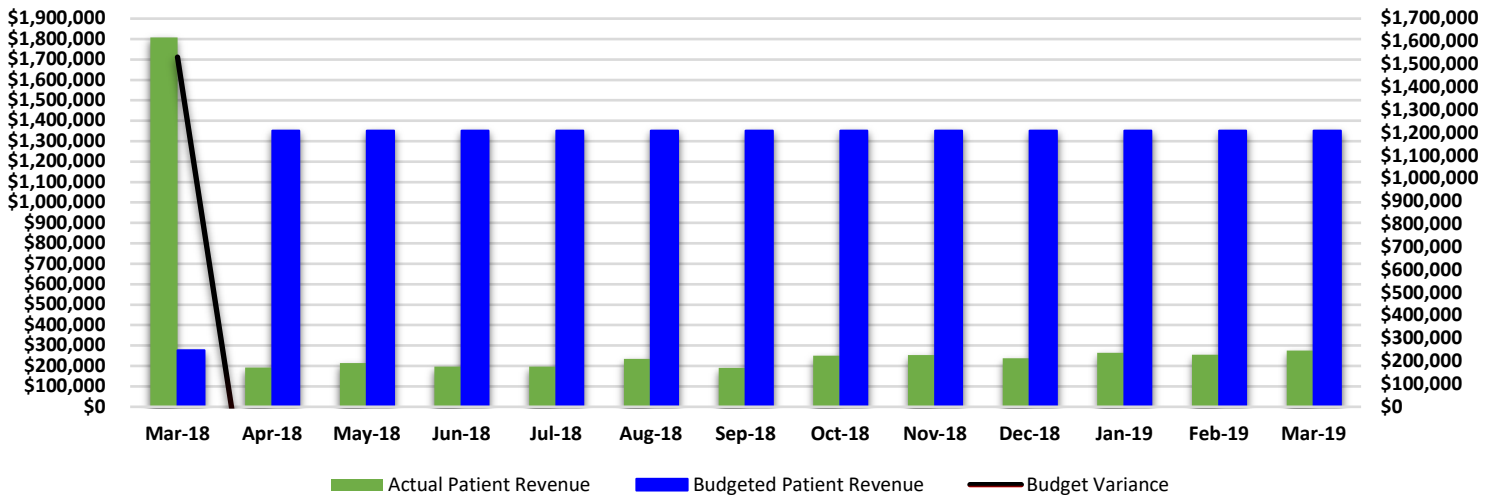
Actual Revenue & Expenses in Comparison to Budget



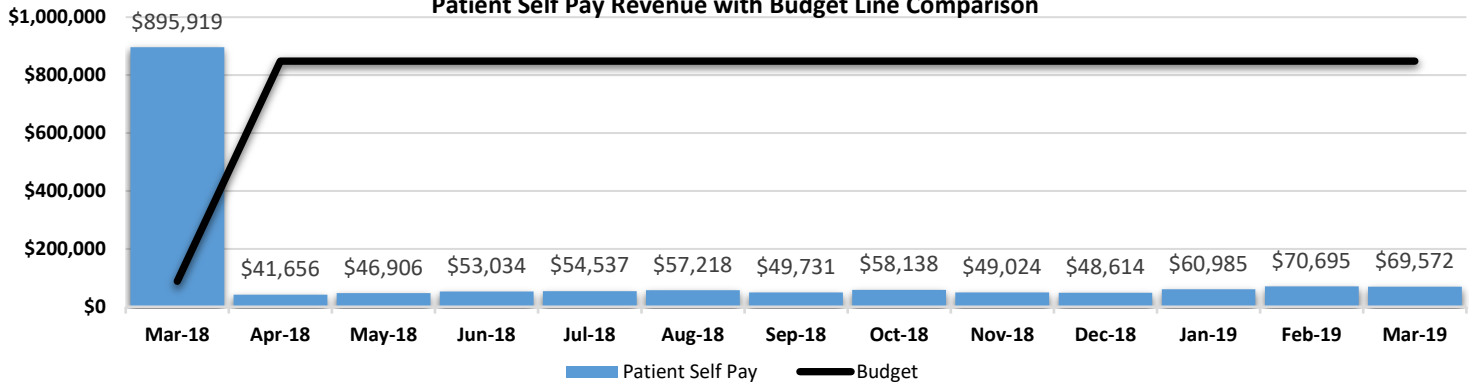
Current Period Patient Revenue with Third Party Contributions Identified



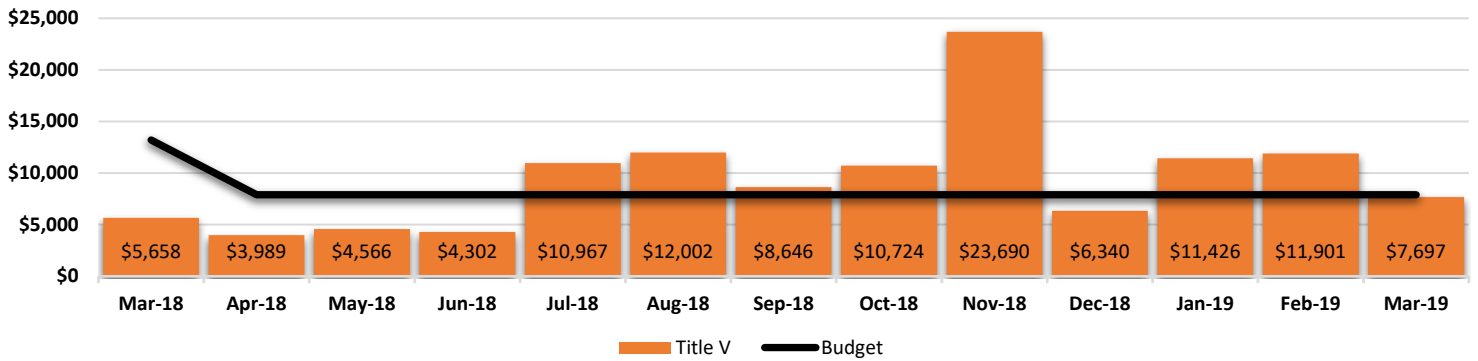
Actual Patient Revenue Rec'd vs Budget with Variance



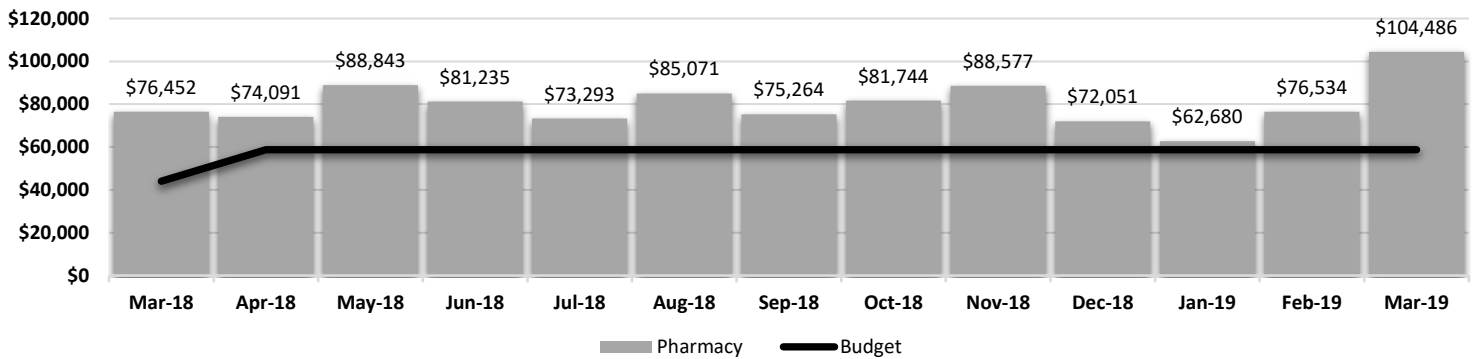
Patient Self Pay Revenue with Budget Line Comparison



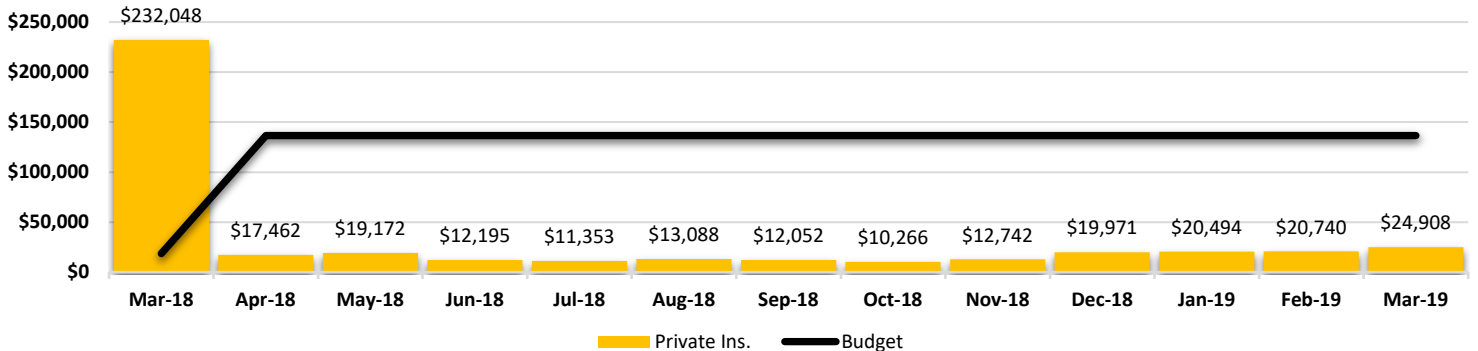
Title V Revenue with Budget Line Comparison



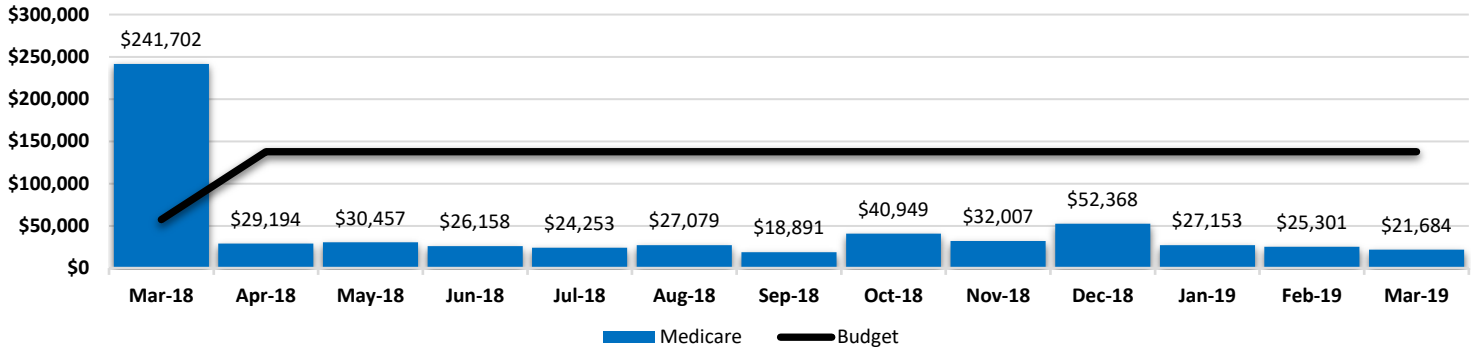
Pharmacy Revenue with Budget Line Comparison



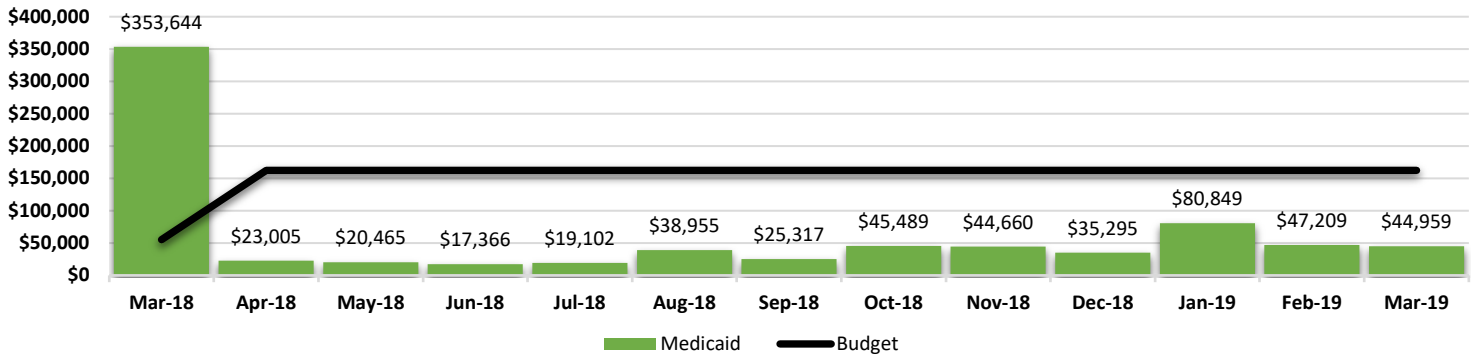
Private Insurance Revenue with Budget Line Comparison



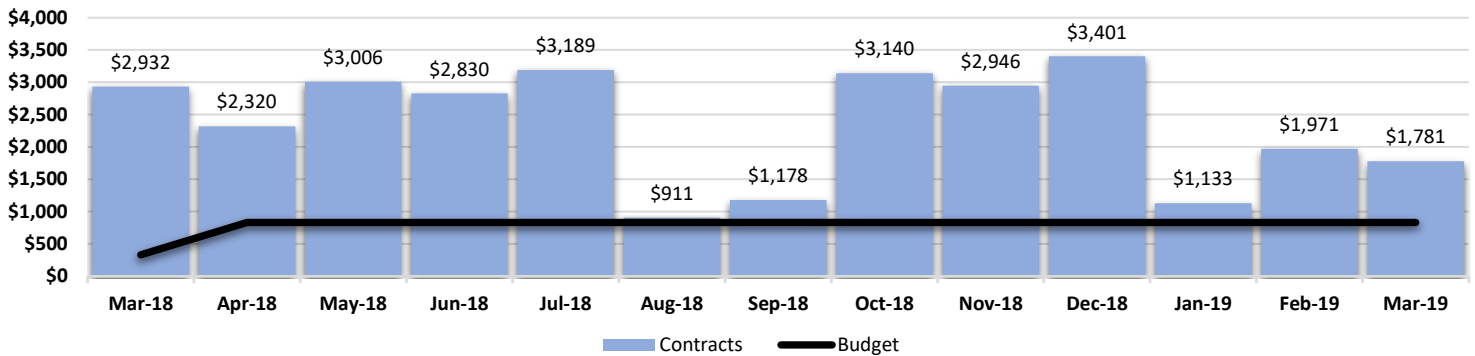
Medicare Revenue with Budget Line Comparison



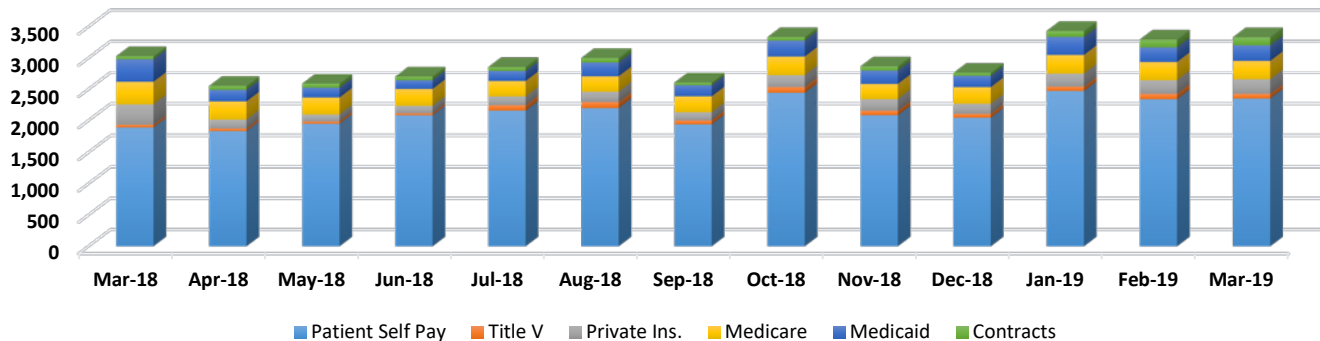
Medicaid Revenue with Budget Line Comparison



Contract Revenue with Budget Line Comparison



Total Number of Patient Visits



Coastal Health & Wellness
Statement of Revenue and Expenses for the Period ending March 31, 2019

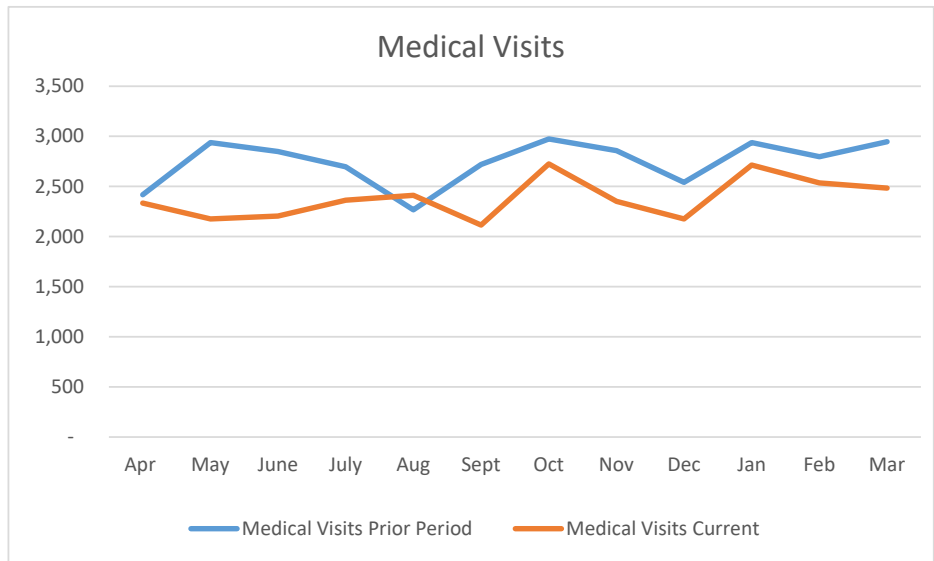
	<i>Description</i>	<i>Period Ending 3/31/2019</i>	<i>MTD Budget</i>	<i>MTD Budget Variance</i>	<i>YTD Actual</i>	<i>YTD Budget</i>	<i>YTD Budget Variance</i>	<i>Annual Budget</i>
Grouping	REVENUE							
HRSA	HHS GRANT REVENUE - Federal	\$350,141	\$260,617	\$89,524	\$3,242,428	\$3,127,400.00	\$115,028	\$3,127,400
Patient Rev	GRANT REVENUE - Title V	\$7,697	\$7,905	(\$208)	\$116,250	\$94,855	\$21,395	\$94,855
Patient Rev	PATIENT FEES	\$69,572	\$848,258	(\$778,686)	\$660,110	\$10,179,092	(\$9,518,982)	\$10,179,092
Patient Rev	PRIVATE INSURANCE	\$24,908	\$136,556	(\$111,647)	\$194,444	\$1,638,668	(\$1,444,224)	\$1,638,668
Patient Rev	PHARMACY REVENUE - 340b	\$104,486	\$58,750	\$45,736	\$963,869	\$705,000	\$258,869	\$705,000
Patient Rev	MEDICARE	\$21,684	\$137,727	(\$116,042)	\$355,497	\$1,652,723	(\$1,297,226)	\$1,652,723
Patient Rev	MEDICAID	\$44,959	\$162,421	(\$117,462)	\$442,670	\$1,949,049	(\$1,506,379)	\$1,949,049
Other Rev.	LOCAL GRANTS & FOUNDATIONS	\$1,351	\$2,701	(\$1,351)	\$81,416	\$32,416	\$49,000	\$32,416
Other Rev.	MEDICAL RECORD REVENUE	\$1,365	\$1,354	\$10	\$24,016	\$16,250	\$7,766	\$16,250
Other Rev.	MEDICAID INCENTIVE PAYMENTS	\$0	\$0	\$0	\$3,025	\$0	\$3,025	\$0
County	COUNTY REVENUE	\$324,071	\$324,070	\$1	\$3,888,849	\$3,888,844	\$5	\$3,888,844
DSRIP	DSRIP REVENUE	\$0	\$79,167	(\$79,167)	\$558,125	\$950,000	(\$391,875)	\$950,000
Other Rev.	MISCELLANEOUS REVENUE	\$0	\$0	\$0	\$541	\$0	\$541	\$0
Other Rev.	OTHER REVENUE - SALE OF FIXED ASSET	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Rev.	INTEREST INCOME	\$8,794	\$2,083	\$6,711	\$84,092	\$25,000	\$59,092	\$25,000
Patient Rev	CONTRACT REVENUE	\$1,781	\$833	\$947	\$27,805	\$10,000	\$17,805	\$10,000
Other Rev.	LOCAL FUNDS / OTHER REVENUE	\$308	\$0	\$308	\$5,952	\$0	\$5,952	\$0
Other Rev.	CONVENIENCE FEE	\$0	\$670	(\$670)	\$0	\$8,040	(\$8,040)	\$8,040
Other Rev.	Fund Balance	\$0	\$4,378	(\$4,378)	\$0	\$52,540	(\$52,540)	\$52,540
	Total Revenue	\$961,117	\$2,027,490	(\$1,066,373)	\$10,649,090	\$24,329,877	(\$13,680,788)	\$24,329,877
	EXPENSES							
Personnel	SALARIES	\$461,667	\$515,172	\$53,505	\$5,729,014	\$6,182,060	\$453,046	\$6,182,060
Personnel	SALARIES, Merit Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00
Personnel	SALARIES, PROVIDER INCENTIVES	\$0	\$4,400	\$4,400	\$3,000	\$52,800	\$49,800	\$52,800.00
	SALARIES, supplemental	\$0	\$0	\$0	\$40,750	\$0	(\$40,750)	\$0.00
Personnel	SALARIES, O/T	\$4,144	\$5,000	\$856	\$36,282	\$60,000	\$23,718	\$60,000.00
Personnel	SALARIES, PART-TIME	\$8,716	\$19,149	\$10,432	\$102,851	\$229,782	\$126,931	\$229,782.00
Personnel	Comp Pay	\$15	\$0	(\$15)	\$800	\$0	(\$800)	\$0.00
Personnel	FICA EXPENSE	\$34,915	\$41,595	\$6,680	\$422,626	\$499,135	\$76,509	\$499,135.00
Personnel	TEXAS UNEMPLOYMENT TAX	(\$4,987)	\$92	\$5,080	\$11,455	\$1,107	(\$10,348)	\$1,107.00
Personnel	LIFE INSURANCE	\$1,451	\$1,222	(\$229)	\$17,028	\$14,659	(\$2,369)	\$14,659.00
Personnel	LONG TERM DISABILITY INSURANCE	\$1,060	\$1,125	\$65	\$12,401	\$13,496	\$1,095	\$13,496.00
Personnel	GROUP HOSPITALIZATION INSURANC	\$32,934	\$48,838	\$15,904	\$378,642	\$586,055	\$207,413	\$586,055.00
Personnel	WORKER'S COMP INSURANCE	\$1,126	\$2,719	\$1,593	\$6,936	\$32,623	\$25,687	\$32,623.00
Personnel	EMPLOYER SPONSORED HEALTHCARE	\$7,504	\$0	(\$7,504)	\$86,940	\$0	(\$86,940)	\$0.00
Personnel	HRA EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00
Personnel	PENSION / RETIREMENT	\$10,047	\$13,376	\$3,329	\$139,327	\$160,506	\$21,179	\$160,506.00
Contractual	OUTSIDE LAB CONTRACT	\$17,004	\$26,500	\$9,496	\$253,820	\$318,000	\$64,180	\$318,000.00
Contractual	OUTSIDE X-RAY CONTRACT	\$2,916	\$3,850	\$934	\$31,020	\$46,200	\$15,180	\$46,200.00
Contractual	MISCELLANEOUS CONTRACT SERVICES	\$27,267	\$14,720	(\$12,547)	\$214,925	\$176,634	(\$38,291)	\$176,634.00
Personnel	TEMPORARY STAFFING	\$21,982	\$0	(\$21,982)	\$192,435	\$0	(\$192,435)	\$0.00
Contractual	CHW CONTRACT BILLING SERVICE	\$8,733	\$8,400	(\$333)	\$82,615	\$100,800	\$18,185	\$100,800.00
IGT	IGT REIMBURSEMENT	\$0	\$37,500	\$37,500	\$237,391	\$450,000	\$212,609	\$450,000.00
Contractual	JANITORIAL CONTRACT	\$13,742	\$2,800	(\$10,942)	\$121,120	\$33,600	(\$87,520)	\$33,600.00
Contractual	PEST CONTROL	\$80	\$80	(\$0)	\$961	\$960	(\$1)	\$960.00
Contractual	SECURITY	\$3,533	\$3,910	\$378	\$43,835	\$46,920	\$3,085	\$46,920.00
Supplies	OFFICE SUPPLIES	\$5,123	\$5,115	(\$8)	\$90,480	\$61,376	(\$29,104)	\$61,376.00
Supplies	OPERATING SUPPLIES	\$49,697	\$19,500	(\$30,197)	\$360,515	\$234,000	(\$126,515)	\$234,000.00
Supplies	OUTSIDE DENTAL SUPPLIES	\$1,334	\$2,000	\$666	\$9,294	\$24,000	\$14,706	\$24,000.00
Supplies	PHARMACEUTICAL SUPPLIES	\$55,335	\$78,850	\$23,515	\$844,993	\$946,200	\$101,207	\$946,200.00
Supplies	JANITORIAL SUPPLIES	\$0	\$375	\$375	\$1,754	\$4,500	\$2,746	\$4,500.00
Supplies	PRINTING SUPPLIES	\$18	\$200	\$183	\$598	\$2,400	\$1,802	\$2,400.00
Supplies	UNIFORMS	\$175	\$400	\$225	\$2,695	\$4,800	\$2,105	\$4,800.00
Other	POSTAGE	\$611	\$667	\$55	\$8,337	\$8,000	(\$337)	\$8,000.00
Other	TELEPHONE	\$3,705	\$4,055	\$350	\$47,386	\$48,660	\$1,274	\$48,660.00
Other	WATER	\$31	\$31	\$1	\$366	\$372	\$6	\$372.00
Other	ELECTRICITY	\$1,217	\$2,083	\$866	\$20,339	\$25,000	\$4,661	\$25,000.00
Travel	TRAVEL, LOCAL	\$134	\$375	\$241	\$4,137	\$4,501	\$364	\$4,501.00
Travel	TRAVEL, OUT OF TOWN	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00
Travel	LOCAL TRAINING	\$218	\$417	\$199	\$7,532	\$5,000	(\$2,532)	\$5,000.00
Travel	TRAINING, OUT OF TOWN	\$1,400	\$1,719	\$319	\$18,489	\$20,624	\$2,135	\$20,624.00
Other	RENTALS	\$2,960	\$3,044	\$84	\$36,773	\$36,528	(\$245)	\$36,528.00
Other	LEASES	\$43,121	\$43,702	\$581	\$520,935	\$524,424	\$3,489	\$524,424.00
Other	MAINTENANCE / REPAIR, EQUIP.	\$9,759	\$6,609	(\$3,150)	\$91,812	\$79,310	(\$12,502)	\$79,310.00
Other	MAINTENANCE / REPAIR, AUTO	\$0	\$42	\$42	\$3,023	\$500	(\$2,523)	\$500.00
Other	FUEL	\$0	\$42	\$42	\$0	\$500	\$500	\$500.00
Other	MAINTENANCE / REPAIR, BLDG.	\$950	\$417	(\$533)	\$14,100	\$5,000	(\$9,100)	\$5,000.00
Other	MAINT/REPAIR, IT Equip.	\$0	\$0	\$0	\$186	\$0	(\$186)	\$0.00
Other	MAINTENANCE / Preventative, AUTO	\$0	\$42	\$42	\$0	\$500	\$500	\$500.00
Other	INSURANCE, AUTO/Truck	\$200	\$166	(\$34)	\$2,293	\$1,992	(\$301)	\$1,992.00
Other	INSURANCE, GENERAL LIABILITY	\$1,026	\$750	(\$276)	\$10,502	\$9,000	(\$1,502)	\$9,000.00
Other	INSURANCE, BLDG. CONTENTS	\$1,484	\$1,380	(\$104)	\$17,778	\$16,560	(\$1,218)	\$16,560.00
Other	COMPUTER EQUIPMENT	\$14,916	\$0	(\$14,916)	\$23,421	\$0	(\$23,421)	\$0.00

Coastal Health & Wellness
Statement of Revenue and Expenses for the Period ending March 31, 2019

	<i>Description</i>	<i>Period Ending 3/31/2019</i>	MTD Budget	MTD Budget Variance	YTD Actual	YTD Budget	YTD Budget Variance	Annual Budget
Other	OPERATING EQUIPMENT	\$17,989	\$0	(\$17,989)	\$17,989	\$0	(\$17,989)	\$0.00
Other	BUILDING IMPROVEMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00
Other	NEWSPAPER ADS	\$570	\$1,500	\$930	\$20,591	\$18,000	(\$2,591)	\$18,000.00
Other	SUBSCRIPTIONS, BOOKS, ETC	\$0	\$125	\$125	\$2,085	\$1,500	(\$585)	\$1,500.00
Other	ASSOCIATION DUES	\$2,667	\$2,883	\$216	\$35,927	\$34,592	(\$1,335)	\$34,592.00
Other	IT SOFTWARE, LICENSES, INTANGIBLES	\$13,937	\$12,712	(\$1,226)	\$242,308	\$152,540	(\$89,768)	\$152,540.00
Other	PROF FEES/LICENSE/INSPECTIONS	\$5,050	\$191	(\$4,859)	\$11,628	\$2,288	(\$9,340)	\$2,288.00
Other	PROFESSIONAL SERVICES	\$426	\$1,342	\$916	\$24,406	\$16,100	(\$8,306)	\$16,100.00
Other	MED/HAZARD WASTE DISPOSAL	\$524	\$483	(\$41)	\$5,370	\$5,800	\$430	\$5,800.00
Other	TRANSPORTATION CONTRACT	\$951	\$650	(\$301)	\$7,242	\$7,800	\$558	\$7,800.00
Other	BOARD MEETING OPERATIONS	\$0	\$29	\$29	\$174	\$350	\$176	\$350.00
Other	SERVICE CHG - CREDIT CARDS	\$1,151	\$685	(\$466)	\$8,153	\$8,220	\$67	\$8,220.00
Other	CASHIER OVER / SHORT	(\$0)	\$0	\$0	(\$5)	\$0	\$5	\$0.00
Other	LATE CHARGES	\$0	\$0	\$0	\$0	\$0	\$0	\$0.00
Other	BAD DEBT EXPENSE	\$0	\$1,084,467	\$1,084,467	\$236	\$13,013,603	\$13,013,367	\$13,013,603.00
Other	MISCELLANEOUS EXPENSE	\$0	\$0	\$0	\$3,578	\$0	(\$3,578)	\$0.00
	Total Expenses	\$890,526	\$2,027,490	\$1,136,964	\$10,683,594	\$24,329,877	\$13,646,285	\$24,329,877
	Net Change in Fund Balance	\$70,591	\$0	\$70,591	(\$34,503)	\$0	(\$34,503)	\$0

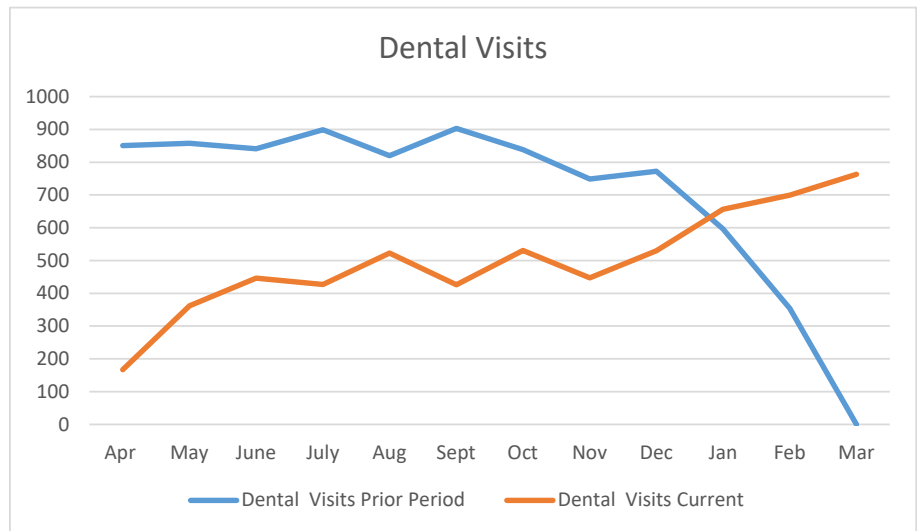
Medical Visits

	<u>Prior Period</u>	<u>Current</u>
Apr	2,417	2,334
May	2,939	2,177
June	2,850	2,205
July	2,696	2,363
Aug	2,267	2,413
Sept	2,720	2,115
Oct	2,974	2,725
Nov	2,857	2,351
Dec	2,542	2,175
Jan	2,939	2,714
Feb	2,798	2,534
Mar	2,946	2,484
	32,945	28,590



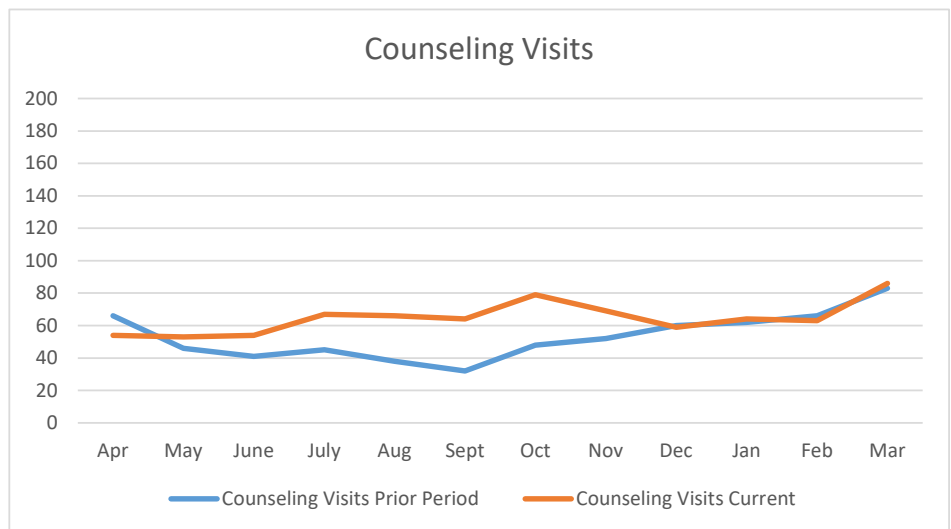
Dental Visits

	<u>Prior Period</u>	<u>Current</u>
Apr	851	167
May	858	362
June	841	446
July	899	427
Aug	820	523
Sept	903	426
Oct	838	531
Nov	749	447
Dec	772	530
Jan	597	656
Feb	354	699
Mar	0	763
	8,482	5,977



Counseling Visits

	<u>Prior Period</u>	<u>Current</u>
Apr	66	54
May	46	53
June	41	54
July	45	67
Aug	38	66
Sept	32	64
Oct	48	79
Nov	52	69
Dec	60	59
Jan	62	64
Feb	66	63
Mar	83	86
	639	778



Vists by Financial Class - Actual vs. Budget
As of March 31, 2019 (Grant Year 4/1/18-3/31/19)

	Annual HRSA		Over/(Under)		YTD	Over/(Under)		% Over/ (Under)
	Grant Budget	MTD Actual	MTD Budget	MTD Budget		YTD Actual	YTD Budget	
Medicaid	4,379	249	365	(116)	2,499	4,379	(1,880)	-43%
Medicare	3,703	294	309	(15)	3,288	3,703	(415)	-11%
Other Public (Title V, Contract)	1,064	206	89	117	1,720	1,064	656	62%
Private Insurance	3,417	231	285	(54)	2,004	3,417	(1,413)	-41%
Self Pay	30,379	2,353	2,532	(179)	25,831	30,379	(4,548)	-15%
	42,942	3,333	3,579	(246)	35,342	42,942	(7,600)	-18%

Unduplicated Patients - Current vs. Prior Year
UDS Data Calendar Year
January through December

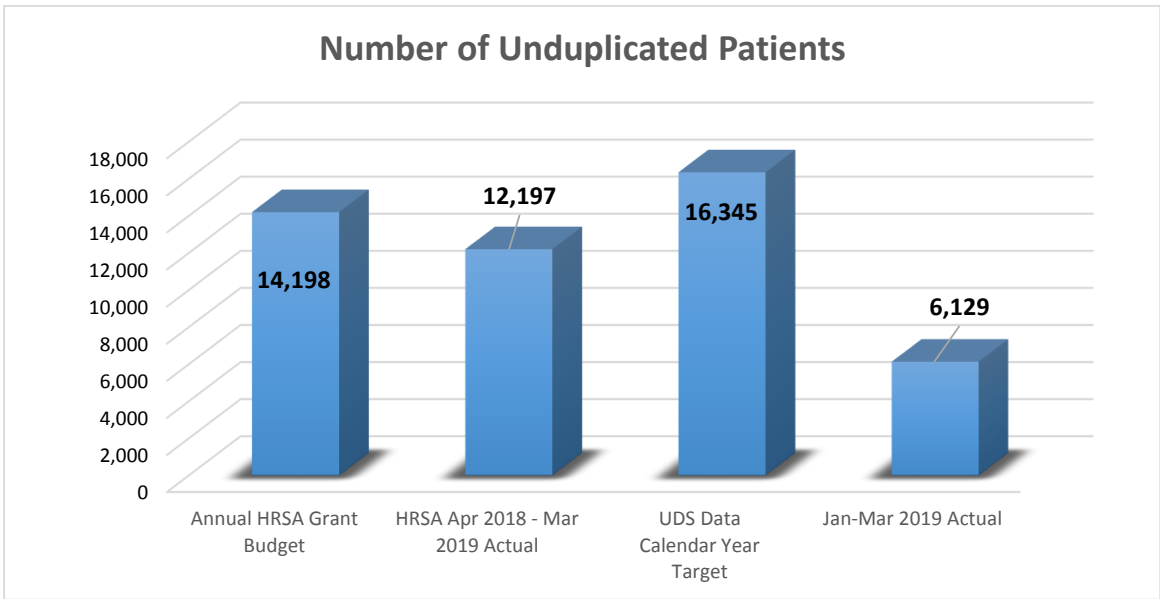
	Current Year Annual Target	Jan-Mar 2018 Actual	Jan-Mar 2019 Actual	Increase/ (Decrease) Prior	% of Annual Target
				Year	
Unduplicated Patients	16,345	6,324	6,129	(195)	37%

Unduplicated Patients - Current vs. Prior Year
HRSA Grant Year
April through March

	Annual HRSA Grant Budget	Apr 2017 -	Apr 2018 -	Increase/ (Decrease) Prior	% of Annual Target
		Mar 2018 Actual	Mar 2019 Actual	Year	
Unduplicated Patients	14,198	13,906	12,197	(1,709)	86%

* The Texas City Dental Clinic reopened on April 16, 2018.

* The Galveston Dental Clinic reopened on December 18, 2018.



[Back to Agenda](#)

Governing Board

April 2019

Item #12

**Consider for Approval Quarterly Visits and Collections Report
Including a Breakdown by Payor Source for Recent New Patients**

**Coastal Health & Wellness - Quarterly Visit & Analysis Report
for the period ending March 31, 2019**

**based on UDS Reporting period (January 1 to December 31)*

Total Visits by Financial Class	March 2019	March 2018	% Change	* YTD Average		% Change	* YTD Payor Mix		% Change
				2019	2018		2019	2018	
Self Pay	2,354	1,891	24%	2,386	2,130	12%	71.1%	64.9%	6.2%
Medicare	294	362	-19%	295	355	-17%	8.8%	10.8%	-2.0%
Medicaid	249	359	-31%	258	369	-30%	7.7%	11.2%	-3.5%
Contract	130	49	165%	117	52	126%	3.5%	1.6%	1.9%
Private Insurance	231	326	-29%	220	317	-30%	6.6%	9.6%	-3.1%
Title V	76	42	81%	78	60	29%	2.3%	1.8%	0.5%
Total	3,334	3,029	10.1%	3,354	3,283	2%	100%	100%	0.0%

Department	* YTD Total Visits		% Change
	2019	2018	
Medical	7,731	8,687	-11.0%
Dental	2,119	951	123%
Lab Only	-	-	0%
Nursing	-	-	0%
Counseling	213	211	1%
Total	10,063	9,849	2%

Unduplicated Visits	* YTD Total Users		% Change
	2019	2018	
Medical	4,932	5,713	-13.7%
Dental	1,136	521	118%
Counseling	61	78	-22%
Total	6,129	6,312	-2.9%

NextGen / Crystal Reports - Summary Aging by Financial Class for the period ending March 31, 2019 (based on encounter date)										Goal is 45-75 days	
										Days in A/R	
	0-30	31-60	61-90	91-120	121-150	151-180	181-up	Total	%	Current Period	Last Qtr
Self Pay	\$29,744	\$63,825	\$65,046	\$45,493	\$49,670	\$47,166	\$548,880	\$849,825	75%	277	337
Medicare	26,484	25,106	10,280	6,468	6,027	7,060	24,518	\$105,944	9%	66	95
Medicaid	16,905	14,068	3,105	690	1,087	(620)	(33,651)	\$1,584	0%	1	85
Contract	2,517	25,893	25,053	4,752	6,741	13,381	69,978	\$148,315	13%	209	371
Private Insurance	17,849	20,977	10,718	5,488	3,035	3,729	18,476	\$80,272	7%	63	113
Title V	2,986	8,941	8,737	2,528	-	-	1,146	\$24,337	2%	91	181
Unapplied	(72,164)							(72,164)	-6%	-----	-----
Totals	\$24,321	\$158,811	\$122,939	\$65,419	\$66,560	\$70,716	\$629,348	\$1,138,114	100%	118	197

Previous Quarter Balances	\$37,741	\$98,550	\$102,368	\$96,535	\$74,216	\$51,380	\$779,571	\$1,240,361
% Change	-36%	61%	20%	-32%	-10%	38%	-19%	-8%

Charges & Collections	March 2019	March 2018	% Change	* YTD 2019	YTD 2018	% Change
Billed	\$874,782	\$754,487	16%	\$2,615,300	\$2,438,289	7.26%
Adjusted	(615,691)	(504,516)	22%	(1,857,737)	(1,653,143)	12.38%
Net Billed	\$259,091	\$249,972	4%	\$757,563	\$785,146	-3.51%
Collected	\$170,601	\$185,111	-8%	\$550,457	\$481,228	14%
% Net Charges collected	66%	74%	-11%	73%	61%	19%

Goal = > 70%

Payor	YTD Current Period				YTD Prior Year			
	Visits	Payor Mix	Net Revenue per Visit	(Net Billed) Net Revenue	Visits	Payor Mix	Net Revenue per Visit	(Net Billed) Net Revenue
Self Pay	8,291	70.7%	\$33.36	\$276,571	7,379	64.8%	\$31.98	\$235,960
Medicare	985	8.4%	\$147.05	144,842	1,214	10.7%	\$145.57	176,726
Medicaid	896	7.6%	\$148.09	132,684	1,254	11.0%	\$144.34	181,004
Contract	505	4.3%	\$126.76	64,014	208	1.8%	\$67.50	14,039
Private Insurance	771	6.6%	\$149.80	115,492	1,129	9.9%	\$143.81	162,364
Title V	276	2.4%	\$86.81	23,959	200	1.8%	\$75.27	15,053
Total	11,724	100%	\$64.62	\$757,563	11,384	100%	\$68.97	\$785,146

Item	2019	2018
Self Pay - Gross Charges	\$1,714,438	\$1,400,850
Self Pay - Collections	\$201,251	\$182,072
% Gross Self Pay Charges Collected	11.7%	13.0%
% Net Self Pay Charges Collected	72.8%	77.2%

Adjusted for Bad Debt Expense

Coastal Health & Wellness
New Patients By Financial Class
From 1/1/2019 to 3/31/19

Summary	Current Period		Prior Period 2018	
	New Patients	Current %	New Patients	%
Self Pay	877	77.1%	693	71.4%
Medicaid	76	6.7%	67	6.9%
Medicare	40	3.5%	54	5.6%
Private Insurance	96	8.4%	135	13.9%
Title V	28	2.5%	14	1.4%
Contracts	21	1.8%	7	0.7%
Total	1,138	100.0%	970	100.0%

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

**Governing Board
April 2019
Item #13
Consider for Approval Quarterly
Access to Care Report**

**Coastal Health & Wellness - Access to Care Report
January to March 2019**

Texas City	Available Appts	# Appts Scheduled	% Utilization	# Appts Kept	% Appts Kept	# No Shows	% No Shows
Medical	7,915	7,039	89%	5,553	79%	1,486	21%
Dental	2,429	2,388	98%	1,692	71%	696	29%
Dental Hygienist	371	344	93%	268	78%	76	22%
Counseling	915	346	38%	226	65%	120	35%
Galveston	Available Appts	# Appts Scheduled	% Utilization	# Appts Kept	% Appts Kept	# No Shows	% No Shows
Medical	2,737	2,223	81%	1,769	80%	454	20%
**Dental	349	325	93%	250	77%	75	23%
Dental Hygienist	48	47	98%	38	81%	9	19%
Counseling	427	92	22%	56	61%	36	39%

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

April 2019

Item #14

**Consider for Approval Quarterly Patient Satisfaction
Survey Results**

Patient Satisfaction Survey Summary

January 1, 2019 to March 31, 2019

- 882 Total Responses – 14% Response Rate
 - Texas City Medical – 353 (9%)
 - Galveston Medical – 408 (32%)
 - Texas City Dental – 81 (8%)
 - Galveston Dental – 20 (14%)
 - Texas City Counseling – 9 (12%)
 - Galveston Counseling – 4 (3%)

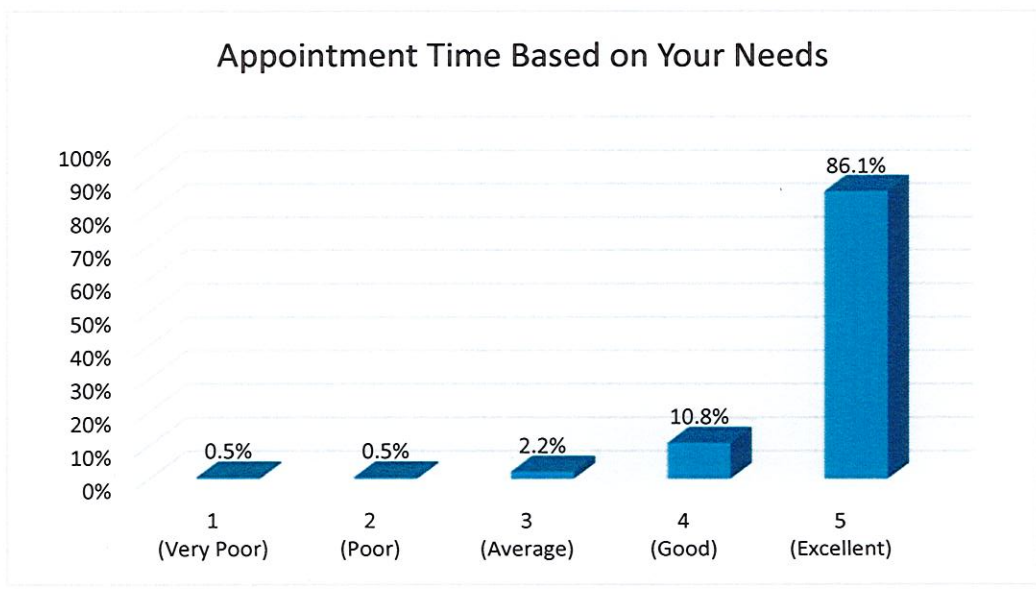
- Majority of comments were overwhelmingly favorable as indicated by some of the comments listed below:
 - Medical – they made me feel like I am more than a number! The moment Lyn called me in I felt like a friend. Thanks for being great.
 - Dental – never had a bad visit. Always a great experience when I come in
 - Medical – everyone was extremely nice and helpful. Everyone truly made me feel like they really care and love to help people
 - Medical – I have never been to a better clinic
 - Dental – they were excellent. Made me feel really comfortable and greeted me with a pleasant attitude
 - Every employee was helpful and nice. They have a very friendly staff. Love this place.
 - Comment section included numerous references to “excellent” and “great” when describing their patient experience

- Received very few unfavorable comments:
 - Comments Included:
 - Should teach check-in registers to multitask while waiting on other patients paperwork
 - MA was rude. She needs to learn how to speak to the patients. She speaks demanding and childlike. I did correct her (let her know at one point)
 - Took 5 minutes and didn’t really check me
 - Galveston needs painting

- Electronic version of the survey will be implemented in the April to June quarter

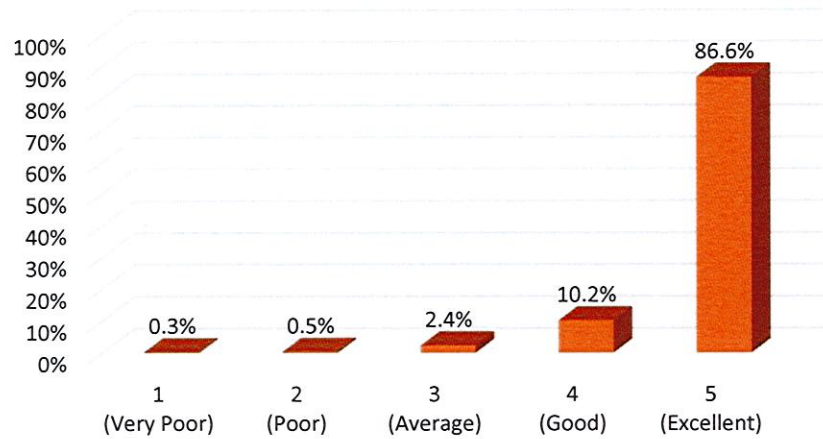
Coastal Health Wellness Patient Satisfaction Survey Results
January 1, 2019 to March 31, 2019

	Total # of Answers	1 (Very Poor)	2 (Poor)	3 (Average)	4 (Good)	5 (Excellent)	Total
The appointment time based on your needs	878	0.5%	0.5%	2.2%	10.8%	86.1%	100.0%
The appointment check-in process	879	0.3%	0.5%	2.4%	10.2%	86.6%	100.0%
The staff on being friendly and helpful	880	0.3%	0.2%	1.0%	8.3%	90.1%	100.0%
How well did staff explain things to you so you could understand	881	0.3%	0.1%	1.2%	8.4%	89.9%	100.0%
The quality of care you received today	879	0.5%	0.1%	0.5%	8.1%	90.9%	100.0%
Th clinic on being clean and sanitary	879	0.2%	0.1%	0.9%	9.1%	89.6%	100.0%
Likelihood to recommend	876	0.2%	0.2%	0.7%	8.9%	90.0%	100.0%

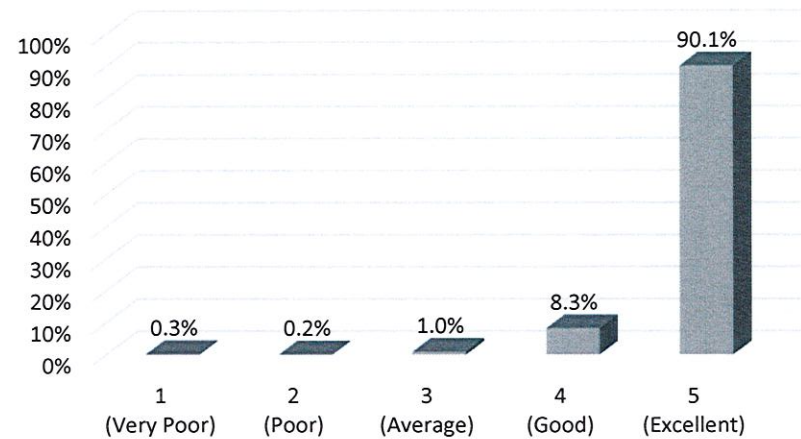


Coastal Health Wellness Patient Satisfaction Survey Results
January 1, 2019 to March 31, 2019

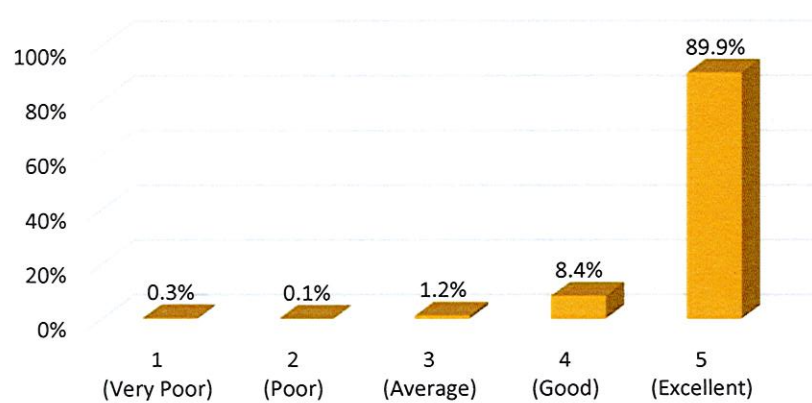
The Appointment Check-in Process



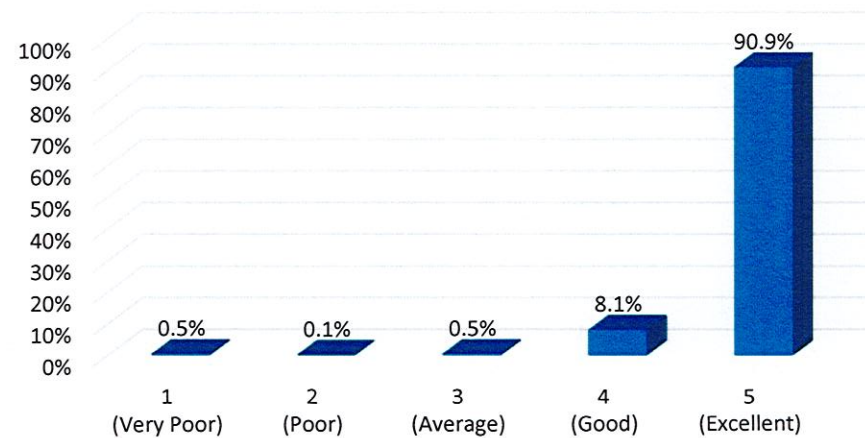
The Staff On Being Friendly & Helpful



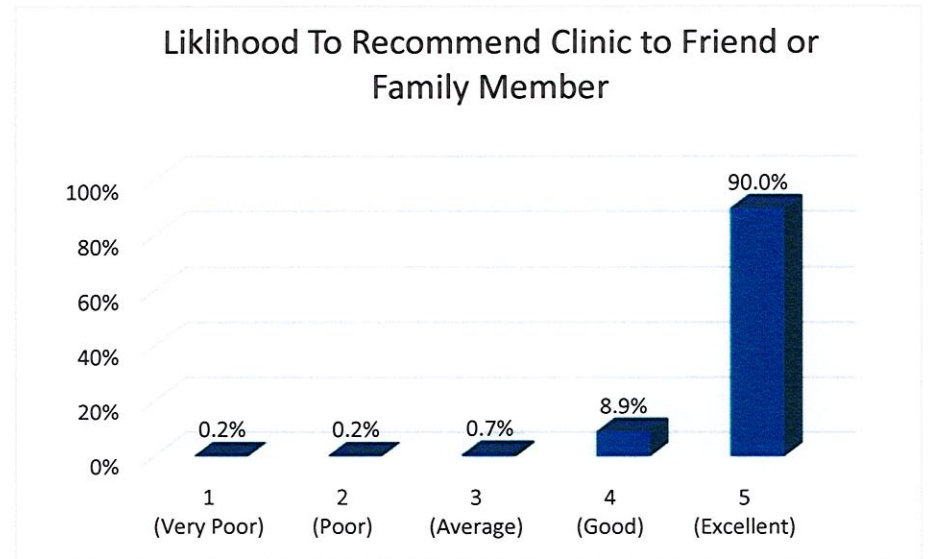
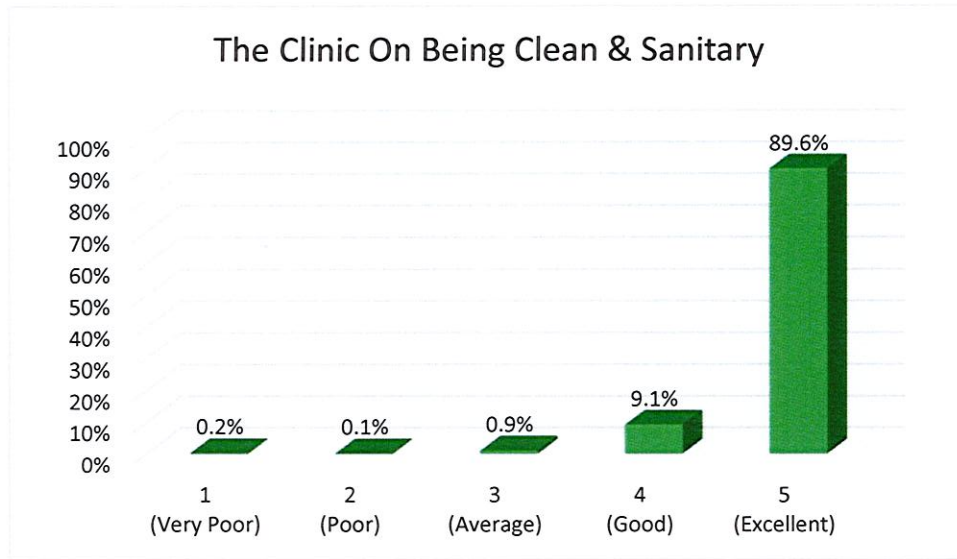
How Well Did Staff Explain Things To You So You Could Understand



The Quality of Care You Received Today



Coastal Health Wellness Patient Satisfaction Survey Results
January 1, 2019 to March 31, 2019



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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

**Governing Board
April 2019
Item #15
Consider for Approval Quarterly
Compliance Report**

Coastal Health & Wellness Governing Board Quarter 4, FY19 – Compliance Report

*Nothing to report in the following areas: External Audits; HIPAA Breaches

Internal Audits

<i>DEPARTMENT- DATE CONDUCTED</i>	<i>TYPE OF AUDIT & FINDINGS</i>	<i>ACTION TAKEN</i>
Patient Services Director - January 2019 – March 2019	Financial Screening Audit: <ul style="list-style-type: none"> • Financial screening audits were performed by randomly pulling ten applications monthly to establish the accuracy and completeness of said applications. • An inclusive application requires the CHW Patient Service Specialists to ensure the accurate completion of ten different fields within each application, all of which are reviewed during the audit. • Amongst the 30 applications reviewed, which collectively encompass 300 individual fields, there were two inaccurate findings – yielding a 99% rate of accuracy. 	<ul style="list-style-type: none"> • Continue operating under current protocol.
Patient Services Director - January 2019 – March 2019	Title V Audit: <ul style="list-style-type: none"> • Title V audits were performed by randomly pulling Title V patient applications and charts during each month of the quarter to determine accuracy and inclusiveness of the documentation. • An inclusive Title V application and chart requires the CHW Patient Service Specialists to ensure the accurate completion of nine different fields contained within the documents, all of which are reviewed during the audit. • Amongst the 101 applications and charts reviewed, which collectively encompass 909 individual fields, there were fifteen inaccuracies cited – yielding a 98% rate of accuracy. 	<ul style="list-style-type: none"> • The majority of errors were found in charts completed by a new employee. The Patient Services Director has since provided one-on-one coaching to the employee, and will continually assist the employee with charting procedures over the coming weeks. • Continue operating under current protocol.

**Coastal Health & Wellness Governing Board
Quarter 4, FY19 – Compliance Report**

<p>Nursing Director/ Business Office Manager - January 2019 – March 2019</p>	<p>340B Medication Audit:</p> <ul style="list-style-type: none"> • The Nursing Director and Business Office Manager jointly performed a 340B medication audit to determine the comprehensiveness of charting 340B ordered meds, which requires documentation reflecting consistency in medication logs, NextGen and billing activities. • Of the 20 charts analyzed (ten at each of the two sites), there were no cited errors, yielding a 100% compliance rate. 	<ul style="list-style-type: none"> • Continue operating under current protocol.
<p>Risk & Safety Coordinator – January 2019 – March 2019</p>	<p>Environmental, Risk and Safety Assessments (ERSAs):</p> <ul style="list-style-type: none"> • ERSAs, each consisting of thirty elements stemming from The Joint Commission Environment of Care standards, were performed at both clinic locations during each month of the quarter. • Collectively there were fourteen adverse findings, all of which were reported to the appropriate personnel within 24 hours (as mandated by CHW’s Utilities Management Plan). • All reported problems have been corrected. 	<ul style="list-style-type: none"> • Staff was reminded to be proactive while inspecting surroundings for potential safety concerns, such as trip hazards. • Staff was reeducated about the defined protocol to follow when on-the-job injuries are incurred. It’s the goal of Risk & Safety that employees be aware of this protocol in its entirety and without the need to reference procedures (albeit, additional signage delineating the steps has been posted throughout the facilities).

**Coastal Health & Wellness Governing Board
Quarter 4, FY19 – Compliance Report**

Incident Reports		
<i>DEPARTMENT – DATE OCCURRED</i>	<i>SUMMARY</i>	<i>FOLLOW-UP</i>
Medical – February 4, 2019	A patient presented to the Texas City clinic to report an alleged prescription error. The patient was directed by Check-In staff to speak with a nurse at medical intake about the matter. The patient became hostile with the consulting nurse during the conversation, and a Code Blue was signaled, at which time CHW security intervened and escorted the patient from the facility. <ul style="list-style-type: none"> • Non-Preventable Incident 	<ul style="list-style-type: none"> • The patient’s provider contacted the patient later in the day to affirm that the issued prescription was accurate, and to answer additional questions the patient had regarding the medication. • CHW administration issued a letter to the patient noting that threatening behavior was impermissible and that any recurrences could result in termination of the patient’s right to be seen.
Dental – February 14, 2019	A patient fainted during the check-out process, striking her head on an end table and the floor as she fell. <ul style="list-style-type: none"> • Non-Preventable Incident 	<ul style="list-style-type: none"> • A Code Red was called and CHW medical providers tended to the unconscious patient until EMS arrived and transported the patient to a local emergency room.
Dental – February 22, 2019	A dental assistant sustained a potential exposure after inadvertently scratching herself with a scaler while affixing a sharps cover to it. <ul style="list-style-type: none"> • Preventable Incident 	<ul style="list-style-type: none"> • A workers’ compensation claim was filed and the assistant was treated accordingly.

**Coastal Health & Wellness Governing Board
Quarter 4, FY19 – Compliance Report**

<p>Dental - March 4, 2019</p>	<p>A dental assistant sustained a potential exposure after inadvertently scratching herself with a scaler while affixing a sharps cover to it.</p> <ul style="list-style-type: none"> • Preventable Incident 	<ul style="list-style-type: none"> • A workers’ compensation claim was filed and the assistant was treated accordingly. • Due to the recurrent nature of this issue, it was determined that larger tip protectors, which are easier to handle and consequently safer for assistants to use, should be purchased to replace the smaller protectors which had been used. • Dental assistants are now also required to wear finger cots under their gloves during the instrument cleaning and sterilization process. • The Dental Director also addressed the matter, including best practices for instrument handling, with staff.
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Warning and Termination Letters

<i>REASON</i>	<i>TYPE OF LETTER</i>
Debt Collection Policy	Suspensions: 215; Reinstatements: 128
Behavioral Letters Issued	Terminations: 0; Warnings: 1

NOTE: Various issues were discussed in peer review.

Incidents involving quality of care issues, In accordance with Section 161 et seq., Health and Safety Code, are reviewed such that proceedings and records of the quality program and committee reviews are privileged and confidential.



COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

April 2019

Item #16

**Consider for Approval Request to add a
Staff Part-Time Hygienist**

Dental Clinic - Need for Hygienist

- Coastal Health and Wellness currently employs 1 full time Hygienist
- The average number of patients seen per day by the Hygienist has been increasing over the last 3 months (See chart 1)
- The Hygienist No Show Rate has also been decreasing (See chart 2)
- As of 4/9/2019, the next available Hygienist appointment for a cleaning is 6/11/2019, more than two months from now.
- We would like to hire a part time (20 hours/week) Hygienist to help meet patient needs.

Chart 1

Month	Jan	Feb	March
Total Days in Month	15.5	18.5	19.5
Total Kept Appts	74	108	122
Average per Month	4.77	5.84	6.26

Chart 2

Month	Jan	Feb	March
No Show Rate	32.11%	20%	15.86%

- The cost to fund this position based on current budget numbers would be as follows:
 - Salary \$36,212.80
 - Benefits 3,777.54 (FICA/SUTA/WC/Pension)
 - Total \$39,990.34
- We are estimating that this position would see approximately 45 patients/month and would generate approximately \$2,552 in revenue, based on the current payer mix.

Proposed Action: We are requesting Board approval to hire a Part-Time Dental Hygienist for 20 hours per week to be funded from current year fund balance surplus. This position would then be funded as part of the operating budget for the next funding period.

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COASTAL HEALTH & WELLNESS

GOVERNING BOARD

9850-A.106 Boardroom Emmett F. Lowry Expressway, Texas City

Governing Board

April 2019

Item #17

**Consider for Approval Re-Privileging Rights for
Leonard Nagorski, MD**



Date: April 25, 2019
To: CHW Governing Board
Thru: Kathy Barroso, CPA
Executive Director
From: Cynthia Ripsin, MS, MPH, MD
Medical Director
Re: Re-Privileging

A large, stylized handwritten signature in black ink, likely belonging to Kathy Barroso, CPA, Executive Director.

Upon review of the completed credentialing file of Leonard E. Nagorski, MD by Judie Olivares, Human Resources Generalist and myself (Cynthia Ripsin, MD), we would like to recommend that the Coastal Health & Wellness Governing Board approve privileging for Leonard Nagorski, MD based on the following information:

- Leonard E. Nagorski, MD is a Licensed Medical Physician (Pediatrician) who will practice full-time at both clinic sites. Dr. Nagorski graduated from Creighton University School of Medicine in 1978 with a Doctor of Medicine degree. He completed a Pediatric Residency program at Brooke Army Medical Center at Fort Sam Houston in Texas. Dr. Nagorski requests general family practice and pediatric privileges.

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Governing Board


April 2019

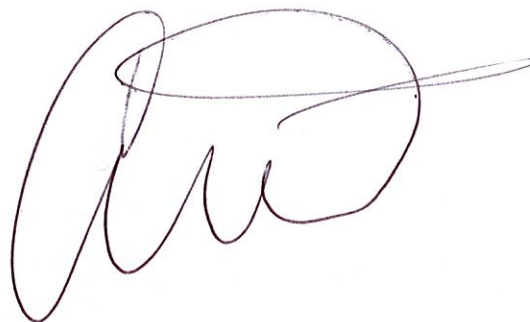
Item #18

**Consider for Approval Privileging Rights for the following Contract
Provider Providing Tele-Psychiatry Services:**

- a. Carlos Tirado, MD**



Date: April 25, 2019
To: CHW Governing Board
Thru: Kathy Barroso, CPA 
Executive Director
From: Cynthia Ripsin, MS, MPH, MD
Medical Director
Re: Privileging



Upon the review of the completed credentialing file of Carlos Tirado, MD by Judie Olivares, Human Resources Generalist, and myself (Cynthia Ripsin, MD), we would like to recommend that the Coastal Health & Wellness Governing Board approve privileging for Carlos Tirado, MD based on the following information:

- Carlos Tirado, MD is a licensed Professional Doctor of Medicine who will practice part-time in the Texas City clinic. Carlos Tirado, MD graduated from the University of Texas Southwestern Medical Center, Dallas Texas in 2003. Dr. Carlos Tirado is requesting Medical privileges.

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Governing Board

April 2019

Item #19

**Consider for Approval Privileging Rights for the
following UTMB Residents**

- a.** Shelby Payne, MD
- b.** Stacy Leung, MD
- c.** Alexander Ondari, MD
- d.** Aubrey Palmer, MD




Date: April 25, 2019
To: CHW Governing Board
Thru: Kathy Barroso, CPA
Executive Director
From: Cynthia Ripsin, MS, MPH, MD
Medical Director
Re: Privileging

Upon the review of the completed credentialing file of Shelby Payne, MD, by Judie Olivares, Human Resources Generalist, and myself (Cynthia Ripsin, MD), we would like to recommend that the Coastal Health & Wellness Governing Board approve privileging for Shelby Payne, MD, based on the following information:

- Shelby Payne, MD, is a licensed Physician IN TRAINING who will practice and train part-time at the Texas City Coastal Health & Wellness Medical Clinic. Dr. Shelby Payne graduated from University of Texas Medical Branch, Galveston Texas in 2018 with a Doctor of Medicine degree. Dr. Shelby Payne requests medical privileges on a part-time basis at the Texas City site.



Date: April 25, 2019
To: CHW Governing Board
Thru: Kathy Barroso, CPA 
Executive Director
From: Cynthia Ripsin, MS, MPH, MD
Medical Director
Re: Privileging



Upon the review of the completed credentialing file of Stacy Leung, MD, by Judie Olivares, Human Resources Generalist, and myself (Cynthia Ripsin, MD), we would like to recommend that the Coastal Health & Wellness Governing Board approve privileging for Stacy Leung, MD, based on the following information:

- Stacy Leung, MD, is a licensed Physician IN TRAINING who will practice and train part-time at the Texas City Coastal Health & Wellness Medical Clinic. Dr. Stacy Leung graduated from American University of Antigua College of Medicine, New York in 2016 with a Doctor of Medicine degree. Dr. Stacy Leung requests medical privileges on a part-time basis at the Texas City site.




Date: April 25, 2019
To: CHW Governing Board
Thru: Kathy Barroso, CPA
Executive Director
From: Cynthia Ripsin, MS, MPH, MD
Medical Director
Re: Privileging

Upon the review of the completed credentialing file of Alexander Ondari, MD, by Judie Olivares, Human Resources Generalist, and myself (Cynthia Ripsin, MD), we would like to recommend that the Coastal Health & Wellness Governing Board approve privileging for Alexander Ondari, MD, based on the following information:

- Alexander Ondari, MD, is a licensed Physician IN TRAINING who will practice and train part-time at the Texas City Coastal Health & Wellness Medical Clinic. Dr. Alexander Ondari graduated from Indiana-University School of Medicine, Indianapolis Indiana a Doctor of Medicine degree. Dr. Alexander Ondari requests medical privileges on a part-time basis at the Texas City site.



Date: April 25, 2019
To: CHW Governing Board
Thru: Kathy Barroso, CPA 
Executive Director
From: Cynthia Ripsin, MS, MPH, MD
Medical Director
Re: Privileging



Upon the review of the completed credentialing file of Aubrey Palmer, MD, by Judie Olivares, Human Resources Generalist, and myself (Cynthia Ripsin, MD), we would like to recommend that the Coastal Health & Wellness Governing Board approve privileging for Aubrey Palmer, MD, based on the following information:

- Aubrey Palmer, MD, is a licensed Physician IN TRAINING who will practice and train part-time at the Texas City Coastal Health & Wellness Medical Clinic. Dr. Aubrey Palmer graduated from Howard University College of Medicine, Washington DC in 2017 with a Doctor of Medicine degree. Dr. Aubrey Palmer requests medical privileges on a part-time basis at the Texas City site.

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