

Webb County Indigent Health Care Services Dept.



Nancy Cadena- Salinas
Indigent Health Care Services Director

EDUCATION:

- * *Texas A & M International University*
Bachelor of Arts Degree
Major in Sociology
Minor in Criminal Justice
- * *Laredo Community College*
Associates in Applied Science Degree
Major in Criminal Justice

BOARD MEMBER:

- * *Texas Indigent Health Care Association (TIHCA)*
- * *Area Health Education Center (AHEC)*
- * *United Way/Federal Emergency Management Agency (FEMA)*
- * *Area Agency on Aging Advisory Council*

COMMITTEE MEMBER:

- * *Webb County 1115 Waiver Committee*
- * *Webb County Health & Environmental Committee*
- * *Webb County Legislative Affairs Committee*
- * *Webb County Emergency Management Committee*
- * *City of Laredo/Webb County Blue Ribbon Committee*
- * *Laredo of Tomorrow Coalition*
- * *Community Advisory Board (CAB)*
- * *Family Assistance & Community Empowerment (FACE) Coalition.*

1. Directory / Organizational Structure

2. Department Budget

County Programs:

3. County Indigent HealthCare Program

4. Pharmacy Benefits Management Service:

5. Emergency Medication Program
Medical Assistance Program

6. Pharmaceutical Assistance Program

7. Indigent Burial/Cremation Program

8. Public Health Services
Immunizations/ Tuberculosis Programs

State/Federal Programs:

9. Upper Payment Limit Program

10. TX Healthcare Transformation & Quality Improvement Program (Waiver)

11. Health Care Funding District/
Local Provider Participation Fund

12. Tobacco Settlement Distribution Report

Webb County Indigent Health Care Services Dept.

Organizational Structure/ Directory

DIRECTOR
Nancy Cadena, Director
(956) 523-4741 13 yrs.

MANAGEMENT
Reyna Carrillo, Assistant Director
(956) 523-4739 5 yrs.

Nora Prado Peñaloza, Supervisor
(956) 523-4743 15 yrs.

Debbie Ornelas, IHC Coordinator
(956) 523-4744 10 yrs.

Sandra Ibarra, Office Manager
(956) 523-4733 8 yrs.

NURSING STAFF
Pat Pedraza, Licensed Vocational Nurse
(956) 523-4745 1 yr.

Evangelina Guerra, Registered Nurse
(956) 523-4745 1 yr.

CASE MANAGERS
Sandra Soto
(956) 523-4730 22 yrs.

Patricia Aguilar
(956) 523-4732 25 yrs.

CASEWORKERS
Mary Lou Herrera
(956) 523-4740 1 yr.

Nelly Siller
(956) 523-4737 10 yrs.

Gladys Cepeda
(956) 523-4733 7 mo.

Adriana De Leon
(956) 523-4736 12 yrs.

Amanda Rodriguez
(956) 523-4738 7 mo.

Cassandra Reyes
(956) 523-4733 2 Mo.

SUPPORT STAFF
Manuel Garza
Outreach Investigator
(956) 523-4725 5 yrs.

Javier Paredes
Mobile Clinic Driver
(956) 771-8615 14 yrs.

Raul Diaz
Front Desk Coordinator
(956) 523-4747 4 yrs.

DEPARTMENT PROGRAMS

Newly Implemented Programs

Existing Programs

The County Indigent Health Care Program is an unfunded state mandate program, that obligates counties to provide medical coverage for basic healthcare services to qualifying individuals based on established eligibility criteria: **Annual Budget = \$2,009,000**

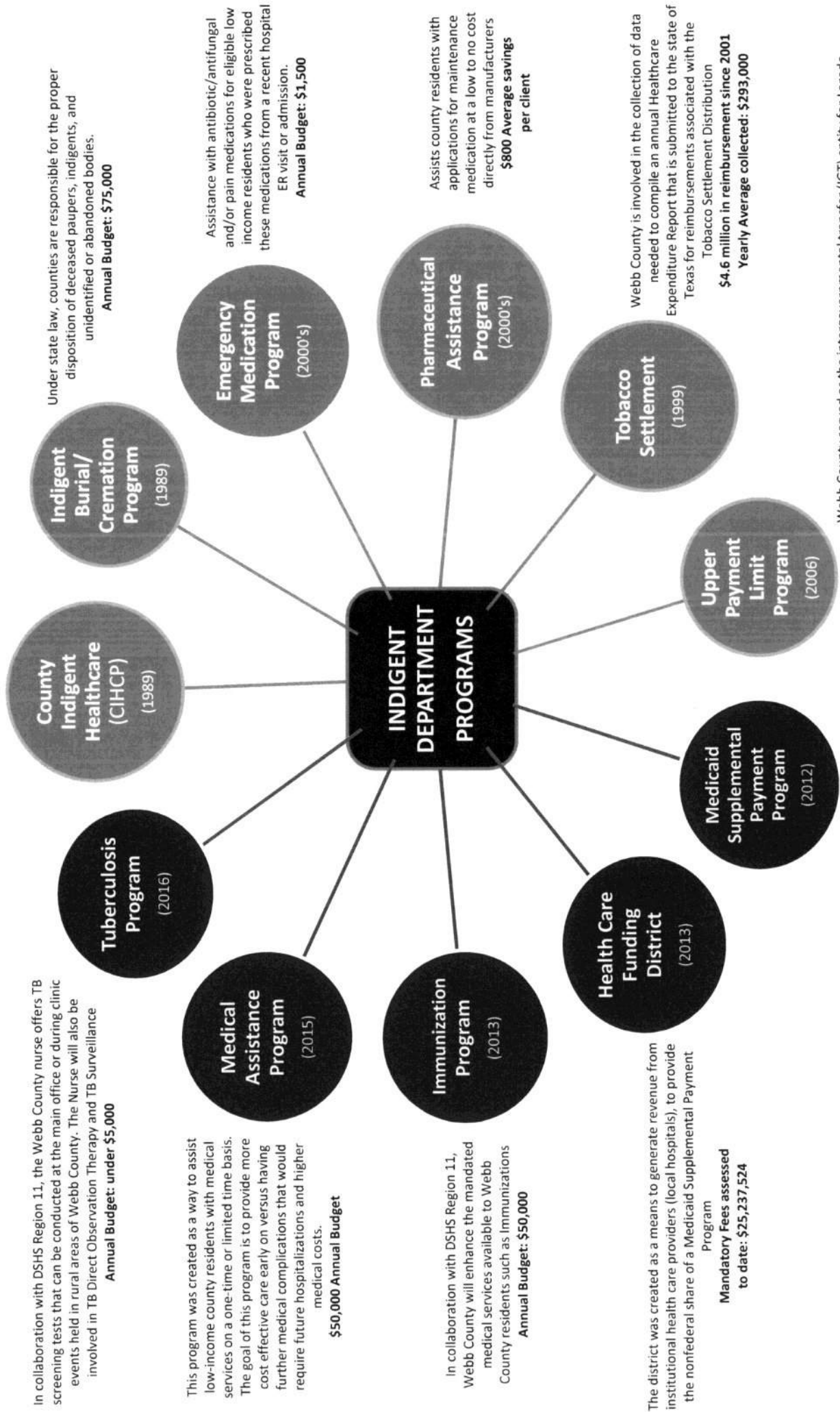
In collaboration with DSHS Region 11, the Webb County nurse offers TB screening tests that can be conducted at the main office or during clinic events held in rural areas of Webb County. The Nurse will also be involved in TB Direct Observation Therapy and TB Surveillance
Annual Budget: under \$5,000

This program was created as a way to assist low-income county residents with medical services on a one-time or limited time basis. The goal of this program is to provide more cost effective care early on versus having further medical complications that would require future hospitalizations and higher medical costs.
\$50,000 Annual Budget

In collaboration with DSHS Region 11, Webb County will enhance the mandated medical services available to Webb County residents such as Immunizations
Annual Budget: \$50,000

The district was created as a means to generate revenue from institutional health care providers (local hospitals), to provide the nonfederal share of a Medicaid Supplemental Payment Program
Mandatory Fees assessed to date: \$25,237,524

Webb County serves as the Anchor Entity for RHP 20 (Webb, Jim Hogg, Maverick & Zapata Counties) to oversee DSRIP projects to enhance health care access, improve quality and cost-effectiveness of care. **26 approved projects valued at over \$94.3 million**



Under state law, counties are responsible for the proper disposition of deceased paupers, indigents, and unidentified or abandoned bodies.
Annual Budget: \$75,000

Assistance with antibiotic/antifungal and/or pain medications for eligible low income residents who were prescribed these medications from a recent hospital ER visit or admission.
Annual Budget: \$1,500

Assists county residents with applications for maintenance medication at a low to no cost directly from manufacturers
\$800 Average savings per client

Webb County is involved in the collection of data needed to compile an annual Healthcare Expenditure Report that is submitted to the state of Texas for reimbursements associated with the Tobacco Settlement Distribution
\$4.6 million in reimbursement since 2001
Yearly Average collected: \$293,000

Webb County served as the intergovernmental transfer (IGT) entity for Laredo Medical Center and Doctors Hospital of Laredo to draw down matching federal funds
\$5.7 million in County funds were contributed to HHSC.

County Programs:

COUNTY INDIGENT HEALTH CARE PROGRAM- (OVER 25 YRS. 1989-present)

Under this program, we provide eligible county residents with medical coverage for assistance to consult with physicians, hospital inpatient services, hospital outpatient services, lab/x-ray's services as well as prescription medication. This includes financial payment assistance for emergency room visits, hospitals admissions, surgical procedures, laboratory and x-ray exams, physician consultation fees, medical treatments (i.e. chemotherapy, radiation, etc.), and prescription medications.

Revenues: \$25,000

Budget: \$1,900,000

Expense: \$1,300,000

MEDICAL SERVICES

- Emergency Medications- (OVER 10 YRS.) This program was created as a way to assist low-income county residents with antibiotic / antifungal and/or pain medications prescribed to them upon discharge from the hospital or emergency clinic in an effort to avoid them returning to the emergency room with further complications.

Revenues: \$0

Budget: \$1,500

Expense: \$1,250

- ☆ Medical Services- (1ST YR. 2014-present) This program was recently established on October 1, 2014 as a way to assist low-income county residents with temporary assistance for minor urgent medical care as a cost effective measure to reduce costs associated with the development of further complications. It is intended to assist clients who may no longer qualify under the CIHCP or to provide others with the necessary medical assistance so they are able to get back into workforce and not depend on on government assistance.

Revenues: \$5,000

Budget: \$50,000

Expense: \$1,000

BURIAL / CREMATION (OVER 25 YRS.)

This program provides for the final disposition of indigent and pauper decedents who die in Webb County. Our Department works in conjunction with the Medical Examiner's Office, Mexican Consulate, Laredo City Cemetery and local funeral homes. Webb County incurs the expense for both the funeral home and the cemetery (average cost per: burial \$2,100/ Cremation \$1,000).

Established under Chapters 694 and 711 of the Health & Safety Code and local county policies.

Revenues: \$0

Budget: \$75,000

Expense: \$69,000

PHARMACEUTICAL ASSISTANCE PROGRAM - (OVER 10 YRS.)

Through this program, we assist county residents with completing and submitting an application for assistance for long-term/maintenance medication that participants receive directly from the manufacturer at little or no cost to the clients.

(Over 150 residents assisted in 2014 with an average savings of \$800 per applicant with their medication cost)

Revenues: \$0

Budget: \$0

Expense: \$0

☆ PUBLIC HEALTH SERVICES- (2ND YR. 2014-PRESENT)

This program was created effective October 1, 2013 as a means to enhance the mandated health care services available to Webb County residents in collaboration with the Texas Department of State Health Services. These services include Immunizations, Family Planning, Tuberculosis (TB) Direct Observation Therapy, TB Surveillance, Sexually Transmitted Diseases (STD) diagnosis/treatment, and Infectious and Communicable Disease investigation/treatment.

Revenues: \$0

Budget: \$101,104

Expense: \$27,000

State/Federal Programs:

(MEDICAID) UPPER PAYMENT LIMIT PROGRAM - (6 YRS. 2005-2011)

Federal/ State Medicaid Supplemental Payment Program that leveraged millions of dollars in federal funds for Uncompensated Care to local Safety Net Hospitals (Laredo Medical Center, Doctors Hospital of Laredo) to increase access to healthcare and improve the quality of care. (Since 2006 over \$15 million dollars in federal funds have been distributed to local hospitals)

Revenues: \$0

Budget: \$5,760,187

Expense: \$5,760,187

☆ TEXAS HEALTH TRANSFORMATION & QUALITY IMPROVEMENT PROGRAM/ 1115 WAIVER- (5 YRS. 2011-2016)

Webb County serves as the Anchor entity for Regional Healthcare Partnership (RHP 20) that consists of Webb, Zapata, Jim Hogg, and Maverick counties. As Anchors for this region, we are responsible for the submission and oversight of the regional plan and approved projects totaling over \$94 million dollars. We also serve as the liaison between the Texas Health and Human Services Commission and the healthcare providers. (Healthcare partners in the 4 counties include: Local Hospitals, Mental Health Authorities, Academic Health Science Centers, Health Departments, and Hospital Districts)

Revenues: \$1,441,751

Budget: \$854,958

Expense: \$586,793

☆ HEALTH CARE FUNDING DISTRICT- (3 YRS. 2013-2016)

The Webb County Health Care Funding District was established in July 09, 2013 with the passage of Senate Bill 1623 which amended Chapter 288 of the Texas Health and Safety Code. The purpose of the district is to generate revenue with a mandatory payment free required from local institutional health care providers. (Implemented in July 2013- Over \$6,700,000 in revenues have been collected and used to draw down an additional \$10,008,846 in federal funds)

Revenues: \$5,737,942

Budget: \$5,737,942

Expense: \$5,737,942

TOBACCO SETTLEMENT- (16 YRS. 1999-PRESENT)

Webb County compiles an annual Healthcare Expenditure Report that is submitted to the State of Texas for reimbursements associated with the Tobacco Settlement Distribution.

(On average, our yearly reimbursement amount is approximately \$293,000 with a total of over \$4.6 Million dollars collected since 2001)

Revenues: \$95,000

Budget: \$0

Expense: \$0

	2011 Actual	2012 Actual	2013 Actual	2014 Actual Budget	2015 Actual Budget	2016 Request	2016 Adopted Budget	Difference
<u>County Indigent Health Care Program</u>								
1300 Intergovernmental Revenues	108,673	106,269	114,098	123,885	123,805	108,100	119,300	11,200
3100 Operating Expenditures	(1,066,991)	(1,359,110)	(1,442,563)	(1,269,740)	(1,754,681)	(1,968,820)	(1,959,000)	9,820
	(958,318)	(1,252,841)	(1,328,465)	(1,145,855)	(1,630,876)	(1,860,720)	(1,839,700)	21,020
<u>County Indigent Department</u>								
3000 Personnel Costs	(708,948)	(731,918)	(755,236)	(773,897)	(799,088)	(888,193)	(885,669)	2,524
3100 Operating Expenditures	(130,467)	(121,004)	(179,530)	(161,401)	(145,193)	(192,800)	(186,950)	5,850
	(839,415)	(852,922)	(934,766)	(935,298)	(944,281)	(1,080,993)	(1,072,619)	8,374
<u>Public Health Services</u>								
1300 Co-payment Revenues					0	2,000	6,000	4,000
3000 Personnel Costs					(33,246)	(69,216)	(68,884)	332
3100 Operating Expenditures					(8,781)	(27,342)	(24,800)	2,542
					(42,027)	(94,558)	(87,684)	6,874
<u>Salary Savings</u>								
Vacant Positions						0	0	0
Fringe Benefits (estimated)						0	0	0
						0	0	0
	(2,263,231)			(2,081,153)	(2,617,184)	(3,036,271)	(3,000,003)	36,268
					12%	-16%	1%	
<u>Local Provider Participation Fund</u>								
1300 Intergovernmental Revenues	0	0	231,590	5,046,488	5,988,511	19,900,000	19,900,000	0
1300 Intergovernmental Revenues	0	0	156,911	3,419,180	4,051,847	14,000,000	14,000,000	0
1300 Intergovernmental Revenues	0	0	64,719	1,410,272	1,680,199	5,000,000	5,000,000	0
1300 Intergovernmental Revenues	0	0	9,960	217,036	256,465	900,000	900,000	0
<u>3100 Operating Expenditures</u>								
3100 Operating Expenditures	0	0	(211,590)	(3,144,564)	(6,586,256)	(19,920,860)	(19,920,860)	0
Administrative Fee	0	0	(143,360)	(2,334,045)	(3,987,333)	(14,000,000)	(14,000,000)	0
3100 Operating Expenditures	0	0	(59,130)	(702,419)	(2,305,766)	(5,000,000)	(5,000,000)	0
Administrative Fee	0	0	(9,100)	(108,100)	(293,157)	(900,860)	(900,860)	0
3100 Operating Expenditures	0	0				(860)	(860)	0
3000 Personnel Costs	0	0	0	0	0	(1,922)	(1,922)	0
3100 Operating Expenditures	0	0	0	0	0	(23,500)	(23,500)	0
3200 Capital Outlay	0	0	0	(26,720)	(1,005)	(26,853)	(26,853)	0
			20,000	1,875,204	(598,750)	(73,135)	(73,135)	0
<u>RHP 20 Anchor Fund</u>								
1300 Intergovernmental Revenues	0	0	1,441,751	0	0	0	0	0
3000 Personnel Costs	0	0	(11,326)	(53,978)	(45,411)	(59,438)	(59,438)	0
3100 Operating Expenditures	0	0	(618,462)	(94,624)	(78,803)	(260,897)	(260,897)	0
3200 Capital Outlay	0	0	0	(44,052)	(134,455)	(124,214)	(124,214)	0
			811,963	(192,654)	(258,669)	(444,549)	(444,549)	0

County Indigent Health Care Program

1300 Intergovernmental Revenues
3100 Operating Expenditures

County Indigent Department

3000 Personnel Costs
3100 Operating Expenditures

Public Health Services

1300 Co-payment Revenues
3000 Personnel Costs
3100 Operating Expenditures

Salary Savings

Vacant Positions
Fringe Benefits (estimated)

Local Provider Participation Fund

1300 Intergovernmental Revenues
1300 Intergovernmental Revenues
1300 Intergovernmental Revenues
1300 Intergovernmental Revenues

3100 Operating Expenditures

3100 Operating Expenditures
Administrative Fee
3100 Operating Expenditures
Administrative Fee
3100 Operating Expenditures
Administrative Fee

3000 Personnel Costs
3100 Operating Expenditures
3200 Capital Outlay

RHP 20 Anchor Fund

1300 Intergovernmental Revenues
3000 Personnel Costs
3100 Operating Expenditures
3200 Capital Outlay

Webb County Indigent Health Care Program

Chapter 61, Texas Health and Safety Code

What is the Webb County Indigent Health Care Program (CIHCP)?

The CIHCP is a State Mandated/County Funded Program-administered locally by the county to provide basic health care services to eligible county residents.

In 1986 the State of Texas- under Chapter 61 of the Texas Health and Safety Code, passed a law that obligates counties to provide Basic Health Care Services to qualifying individuals based on established **ELIGIBILITY CRITERIA:**

- **Residency-** Must be a resident of Webb County.
- **Income-** Cannot exceed 30% of the Federal Poverty Guidelines (FPG).
- **Household Composition:** Applicant + household members; excluding disqualified members.
- **Resources-** Homestead is except other resources cannot exceed \$2,000 or (\$3,000 if an aged or disabled person lives in the home).

The CIHCPm provides eligible county residents with assistance in obtaining the following **MEDICAL SERVICES:**

- * Physician Services
- * Lab/X-ray services
- * Prescription Medication
- * Inpatient Hospital Services
- * Outpatient Hospital Services

The State of Texas mandates all counties to set aside **8%** of their General Revenue Tax Levy (GRTL), less some specified deductions, for Indigent Health Care Services. This mandate is outlined in Chapter 61 of the Texas Department of Health Handbook.

In Webb County, **8%** of the GRTL for fiscal year 2015-2016 is approximately \$7,474,165. The amount budgeted for the Indigent Health Care Program is **\$1,959,000** (2.1% of the GRTL) (26% of the 8% GRTL)

Table 1- Webb County GRTL Totals

Webb County GRTL Totals			
General Revenue Tax Levy	2013-2014	2014-2015	2015-2016
	\$83,661,823	\$90,626,878	\$93,427,068
8%	6,692,946	7,250,150	7,474,165
2%	2,009,000	1,968,820	1,959,000
	-4,683,946	-5,281,330	-5,515,165

The state established minimum income standard is 21% of the Federal Poverty Level. In Webb County, the Commissioners Court approved an income guideline of 30% FPL (net income after standard deductions).

Table 2- Income Guideline Standard

Maximum Gross Monthly Income (approx. \$600.00)

HH Size	100% FPL	Monthly Income Guidelines		Yearly
		State	Webb	Net Income
		21% FPG	30% FPG	
1	\$11,880	\$208	\$297	\$3,564
2	\$16,032	\$280	\$401	\$4,810
3	\$20,160	\$353	\$504	\$6,048
4	\$24,312	\$425	\$608	\$7,294

Table 3- Basic Health Care Services Covered by Webb County

BASIC HEALTH CARE SERVICES

Counties must provide assistance for the following basic health care services:

✓ Physician Services		
Anesthesiology	Neurology	Pediatric urology
Cardiology	Neurosurgery	Podiatry
Emergency Medicine	Oncology	Primary care
Endocrinology	Ophthalmology	Pulmonology
Gastroenterology	Orthopedic	Radiation Oncology
General Surgery	Otolaryngology	Radiology
Gynecology	Pain Management	Rheumatology
Hematology	Pathology	Urology
Infectious Disease	Pediatric medicine	Wound Care
Internal Medicine	Pediatric cardiology	Other
Nephrology	Pediatric neurology	
<hr/>		
✓ Lab/ X-Rays		
X-rays	MRI	Thallium stress test
CAT scans	Ultrasound	Laboratory exams
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✓ In-patient Hospital Services		
Surgery	Infectious diseases	Chemotherapy treatments
<hr/>		
✓ Out-patient Hospital Services		
Surgical services	Ultrasound	Radiation therapy
X-rays	Thallium stress test	Wound care
MRI	Laboratory exams	
CAT scan	Chemotherapy treatment	
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✓ Prescription Medications		
Hypertension	Pain relievers	Anti-seizure
Diabetes	Cholesterol	Allergy treatment
Hormonal treatment	Antibiotics	Acid reducers
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? Annual Physical Examinations- (Gateway Clinic)		
Immunizations- (Webb County Public Health Services)		
Medical Screening- (Gateway Clinic) blood pressure, blood sugar, cholesterol screening-		
Family Planning Services- (Women's Health/ City Of Laredo/ Gateway Clinic)		
Skilled Nursing Facility Services- (Medicaid/Medicare/DADS)		
Rural Health Clinics- (none in Webb County)		

Table 4- Optional Health Care Services NOT Covered by Webb County

OPTIONAL HEALTH CARE SERVICES

Counties may elect to provide these optional health care services: (Webb County does not)

- ✗ **Advanced practice nurse services provided by:** Nurse Practitioners, Certified Nurse Midwives, Clinical Nurse Specialists, and Certified Registered Nurse Anesthetists;
- ✓ **Ambulatory surgical center services;** (Commissioners Court Approved November 10, 2014)
- ✗ **Diabetic and colostomy medical supplies and equipment;**
- ✗ **Durable medical equipment;**
- ✗ **Home and community health care services;**
- ✗ **Social work services;**
- ✗ **Psychological counseling services;**
- ✗ **Dental care;**
- ✗ **Vision care, including eyeglasses;**
- ✗ **Federally qualified health centers,**
- ✗ **Emergency medical services;**
- ✗ **Physical and occupational therapy services; and**
- ✓ **Any other appropriate health care service identified by department rule that may be determined to be cost-effective.** (FY15/16 Budget/ Medical Services Account)

County Indigent Health Care Program

Department Annual Budget: **\$1,959,000**

Texas Health and Safety Code- (**Chapter 61**)- In 1986 the State of Texas passed a law that obligates counties to provide Basic Health Care Services to qualifying individuals based on the following :

Eligibility Criteria:

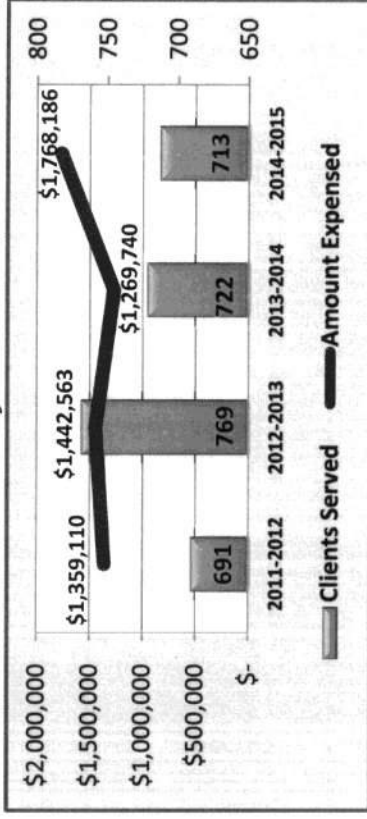
1. RESIDENCY-
2. HOUSEHOLD SIZE-
3. INCOME-
4. RESOURCES-

- Legal residency is not a requirement
- Citizenship is not a requirement
- Must reside in Webb County
- 30% FPL
- Resources may not exceed \$2,000
- homestead is exempt

2016 Federal Poverty Guidelines

	YEARLY INCOME		MONTHLY INCOME	
	100%	30%	Gross	Net
1	\$11,880	\$3,564	\$566	\$297
2	\$16,032	\$4,810	\$722	\$401
3	\$20,160	\$6,048	\$877	\$504
4	\$24,312	\$7,294	\$1033	\$608

Financial Analysis 2011-2015



This program helps serve an average of 600 residents each year. Clients are limited to services up to \$30,000 per fiscal year. Medical claims are paid at Medicaid rates. The CIHCP is the payor of last resort; clients are referred to apply for any other assistance available (Medicaid, Social Security, Medicare, Workmen's Comp. etc.).

Types of Medical Services Covered:

Physician Services

Anesthesiology
 Cardiology
 Emergency Medicine
 Endocrinology
 Gastroenterology
 General Surgery
 Gynecology
 Hematology
 Infectious Disease
 Internal Medicine
 Nephrology
 Neurology
 Neurosurgery
 Oncology
 Ophthalmology
 Orthopedic

Hospital Services

Hospital Admissions
 Emergency Room
 Surgeries
 Intensive Care Unit
 Wound care
 hyperbaric treatments
 chemotherapy
 radiation therapy
 other

Labs/ X-Ray Services

Blood work
 X-rays
 MRI's
 CT Scans
 CAT scans
 Ultrasounds
 Thallium stress test
 Laboratory exams
 other

Prescription Medications

Antibiotics
 Pain relievers
 Hypertension
 Diabetes
 Cholesterol
 Anti-seizure
 Antifungals
 Allergy treatment
 Acid reducers
 Hormonal treatment
 Renal failure
 Thyroidism
 other

Amount Billed : **\$2,538,461**
 Amount Paid: \$ 631,149
 % Paid: 24%

Amount Billed : **\$17,452,296**
 Amount Paid: \$ 2,150,769
 % Paid: 12%

Amount Billed : \$ 716,715
 Amount Paid: \$ 173,868
 % Paid: 24%

Amount Billed : \$ 98,002
 Amount Paid: \$ 88,043
 % Paid: 89%



County Indigent Health Care Program

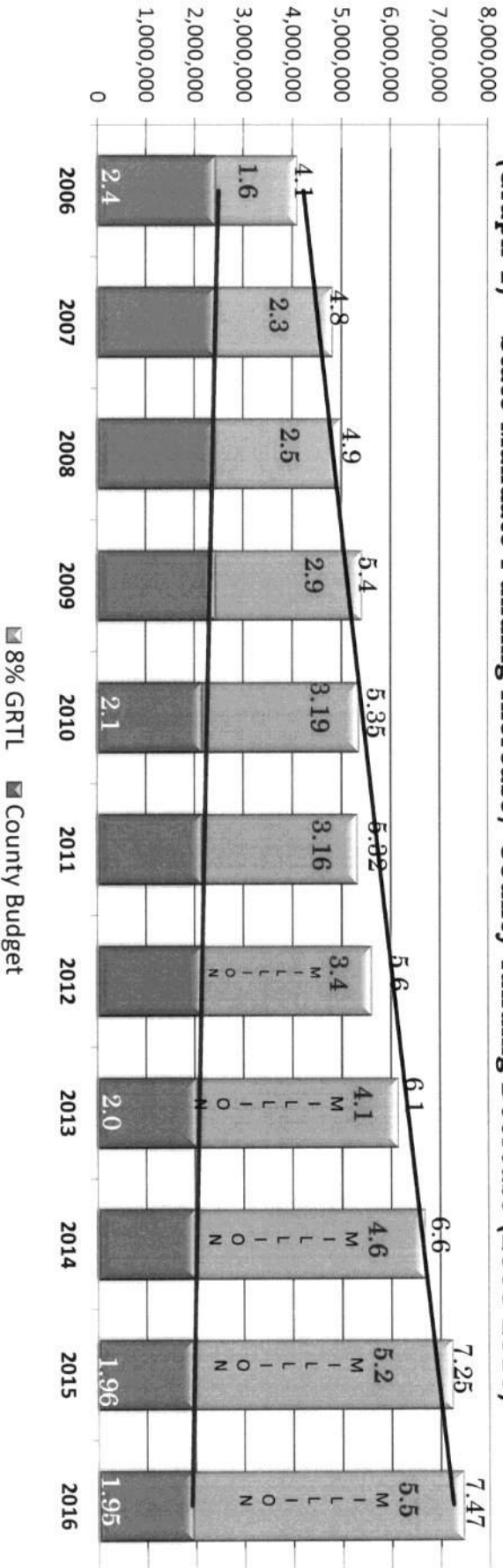
- CHAPTER 61 - INDIGENT HEALTH CARE AND TREATMENT ACT (1989)
- Texas Health and Safety Code, Title 2, Health, Subtitle C.
- Texas Administrative Code, Title 25, Part 1, Chapter 14 (program rules)

(Table-1) IHC Dept. Program Budget vs. 8% GRTL Amount (2006-2016)

Webb GRTL	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
51,262,513	60,311,228	62,396,143	67,755,223	66,998,339	66,572,749	70,186,908	76,934,906	83,661,823	90,626,878	93,427,068	
8% GRTL	4,101,001	4,824,898	4,991,691	5,420,418	5,359,867	5,325,823	5,614,953	6,154,793	6,692,946	7,250,150	7,474,165
IHC Budget	2,440,000	2,440,000	2,440,000	2,440,000	2,164,750	2,164,750	2,164,750	2,050,000	2,009,000	1,968,820	1,959,000
Difference	-1,661,001	-2,384,898	-2,551,691	-2,980,418	-3,195,117	-3,161,073	-3,450,203	-4,104,793	-4,683,946	-5,281,330	-5,515,165

% GRTL	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
% GRTL	4.76%	4.05%	3.91%	3.60%	3.23%	3.25%	3.08%	2.66%	2.40%	2.17%	2.10%

(Graph-1) State Mandate Funding Increase / County funding Decrease (2006-2016)



Pharmacy Benefits Management Services

On September 9, 2013 the Webb County Commissioners Court approved to solicit Requests for Proposals for a Pharmacy Benefit Management (PBM) Services.

Pharmacy Benefit Manager (PBM) is a third party administrator of prescription drug programs. PBM's are primarily responsible for processing and paying prescription drug claims. They are also responsible for developing and maintaining a formulary, contracting with pharmacies, and negotiating discounts and rebates with drug manufacturers.

All PBMs offer a core set of services to manage the cost and utilization of prescription drugs and improve the value of plan sponsors' drug benefits.

Pharmacy networks — PBMs build networks of retail pharmacies, known as preferred pharmacy network, to provide consumers convenient access to prescriptions at discounted rates.

Formularies — PBMs use panels of independent physicians, pharmacists, and other clinical experts to develop lists of drugs approved for reimbursement in order to encourage clinically appropriate and cost-effective prescribing; PBM clients always have the final say over what drugs are included on the formulary that they offer to their employees or members.

Manufacturer discounts — PBMs pool purchasing power to negotiate substantial discounts from pharmaceutical manufacturers in order to lower benefit costs for clients and consumers.

Pharmacy discount cards — PBMs are able to offer the uninsured their pre-negotiated drug prices through the use of a pharmacy discount card. These discount cards can save users without insurance from between 10% and 75% on prescription medications.

The Request for Proposal was awarded to H-E-B RxTra Advantage, and based on their proposal; we had estimated a possible savings of approximately 30% in our prescription costs. We are pleased to report that since the conversion we have noticed a significantly higher amount of savings than we had originally anticipated.

In just the first few months the average savings have been almost **53%** for the cost of prescription medications dispensed.

Not only is Webb County saving a substantial amount of money in our prescription services, but our clients also greatly benefit as they now have access to more pharmacy providers and they are able to purchase additional medications (in excess of the three covered by our program) at the same reduced cost and savings that Webb County receives.

PROS – WEBB COUNTY

- Lower rates on prescription medications / Approximately 32% savings
- Prescription information can be imported directly to IHS for claims processing
- County can designate which medications are not covered and which require preauthorization
- Pre-authorizations can be done via PBM website
- Will prevent clients from "pharmacy hopping" since all prescriptions will be run thru PBM
- Client termination/deactivation can be done instantly via website. Once client is terminated from CIHCP, they are deactivated and cannot fill prescriptions under CIHCP but can still get CIHCP rate for self-pay
- Can restrict pharmacies to local (Webb County) pharmacies only or close network to certain pharmacies

PROS – INDIGENT CLIENTS

- More selection in pharmacies / currently only two pharmacies (Med Center & Laredo Downtown Pharmacy) accept CIHCP
- Will be able to purchase additional medications at lower IHC rate
- File can show temporary/permanent preauthorization for certain medications so no need to wait to get approval from CIHCP office
- Ability to substitute previously filled prescription billed to CIHCP for newer, more expensive prescription and pay for less expensive one (i.e. filled \$20 RX yesterday but needs \$40 RX today – PBM can be authorized to switch out medication billed to CIHCP for \$40 RX instead of \$20 RX)

Table 1 – PBM Savings since January 2013 (implemented December 2013)

Month	CIHCP Pymt	Total PBM Pymt	Savings	% Savings
FY 13-14	\$49,469.55	\$22,967.40	\$26,502.15	53.57%
FY 14-15	\$107,721.99	\$44,297.85	\$63,424.14	58.88%
Oct 2015	\$14,121.34	\$7,778.54	\$6,342.80	44.92%
Nov 2015	\$10,187.43	\$4,323.58	\$5,863.85	57.56%
Dec 2015	\$12,458.81	\$5,077.70	\$7,381.11	59.24%
Jan 2016	\$8,827.23	\$4,524.20	\$4,303.03	48.75%
Feb 2016	\$11,860.86	\$5,174.42	\$6,686.44	56.37%
Mar 2016	\$12,109.68	\$4,408.64	\$7,701.04	63.59%
Apr 2016	\$13,634.66	\$5,585.65	\$8,049.01	59.03%
	\$240,391.55	\$104,137.98	\$136,253.57	55.77%

Total PBM Savings

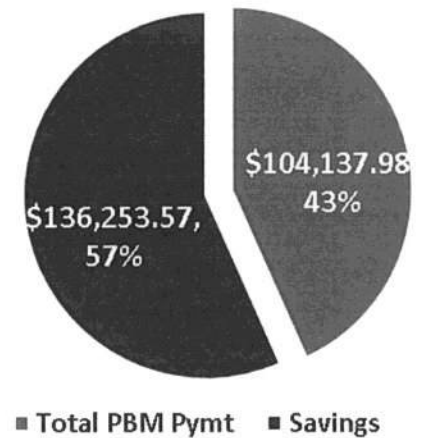


Table 2 – PBM Pharmacy provider listing

Webb County Indigent Health Care: Pharmacy Providers		
Pharmacy Name	Physical Address	Phone Number
HEB Pharmacy: #1 (Downtown)	1002 Farragut St.	(956) 791-3571
HEB Pharmacy: #2 (Guadalupe)	1301 Guadalupe St.	(956) 724-1126
HEB Pharmacy: #3 (White Top)	4801 San Dario	(956) 725-0171
HEB Pharmacy: #4 (Del-Mar/IH35)	210 West Del Mar Blvd.	(956) 712-3251
HEB Pharmacy: #5 (Saunders)	2310 Saunders	(956) 724-1126
HEB Pharmacy: #6 (South)	2314 S. Zapata Hwy.	(956) 795-0700
HEB Pharmacy: #7 (Del-Mar/McPherson)	7811 McPherson Rd.	(956) 712-8053
HEB Pharmacy: #8 (HEB Plus)	1911 E. Bob Bullock	(956) 764-5050
El Rio Family Center Pharmacy	2100 Corpus Christi	(956) 723-2001
El Rio Pharmacy	6801 McPherson Rd	(956) 796-9600
Family Pharmacy	7210 McPherson	(956) 722-2273
Family Pharmacy South	4151 Bob Bullock Loop	(956) 722-0288
HarvestField Pharmacy	201 W Del Mar Blvd., Unit 1B	(956) 568-4208
Lakeside Pharmacy	2337 Endeavor Drive	(956) 725-6337
Lakeside Pharmacy South	1901 Frees	(956) 724-2090
Laredo Downtown Pharmacy	1219 Matamoros	(956) 726-4512
Laredo Pharmacy	3507 Loop 20 Suite 4	(956) 729-9993
Martinez Pharmacy	1407 Jacaman Rd	(956) 722-7600
MedCenter Pharmacy	1419 E. Bustamante St.	(956) 791-1991
Medical Plaza Pharmacy	10710 McPherson Road	(956) 718-1030

Webb County Medical Assistance Program

The Webb County Medical Assistance Program was expanded from the Emergency Medication Program for FY 2014-2015 to assist eligible county residents with limited medical services on a temporary basis. It is an expansion of our Emergency Medication Assistance Program.

This program was created as a way to assist low-income county residents with medical services on a one-time or limited time basis. The aim of this program was to provide assistance with physician consultations, exams, medical procedures, and possibly minor surgeries. The goal of this program is to provide more cost effective care early on versus having further medical complications that would require future hospitalizations and higher medical costs.

Since this is a new program, we are focused on finding a way to try to help clients in these special cases that need "temporary assistance" (not long term or ongoing). We established this discretionary fund so that we would have a little more flexibility in helping people with temporary minor/urgent medical care.

Eligible County residents: County residents with no other medical coverage (Medicare, Medicaid, private insurance, etc) who meet program income/resource limits.

Covered services: This program is limited to doctor consultations, exams, medical procedures, and possibly minor surgeries.

Since the inception of this program in October 2014, we have assisted four (4) patients with medical services of approximately \$2,000.

These clients were provided with the following services:

- Minor child with fracture to leg – assisted with physician consultations and wound care to prevent possible amputation of leg due to infection
- Adult (former CIHCP client) needing release to return to work – assisted with one physician consultation to receive release to return to work with no restrictions. Client reimbursed program for expenses paid on his behalf once he returned to work.
- Adult with complications to non-biodegradable drug delivery implant – Patient had implant inserted by City of Laredo Health Department Family Planning Program but was unable to receive follow-up care or services to remove device due to complications as she no longer resided within city limits.
- Adult (former CIHCP client) needing post-discharge consultation and medications – assisted with one physician consultation and medications after release from hospital. Patient had exhausted 30 day inpatient limit for FY 2014-2015 under Webb CIHCP program. Patient was subsequently approved for retroactive Medicaid so once Medicaid information is in system, will request reimbursement from state for services paid by Webb CIHCP on behalf of client.

Webb County Pharmaceutical Assistance Program

The Webb County Pharmaceutical Assistance Program

assists county residents with completing and submitting an application for assistance for long-term/maintenance medication directly from the manufacturer at little or no cost to the clients.

Webb County does not have a say in the ultimate determination of eligibility for assistance or in the availability of medications on these programs. This determination is the sole responsibility of the respective Pharmaceutical Company.

Webb County PAP staff helps determine which medications the client may potentially qualify for and assist in completing the application, obtaining the required physician signature/prescription and submitting the application along with all required documentation.

In the event an application is denied, staff will submit a formal request for reconsideration, citing the patient's specific economic hardships that render them unable to purchase the medication on their own.

Pharmaceutical Assistance Programs (PAPs): Patient assistance programs are run by pharmaceutical companies to provide free medications to people who cannot afford to buy their medicine.

Covered medications: This program is limited to medications that are designated as available by the respective pharmaceutical companies and manufacturers.

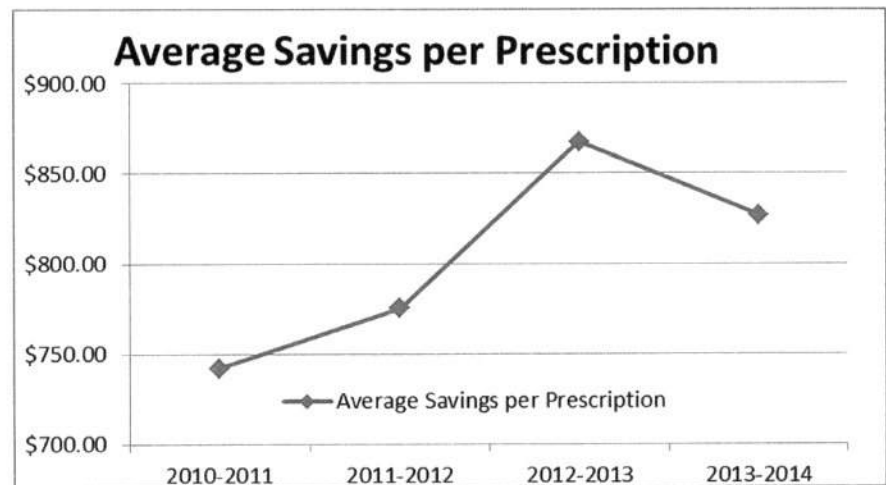
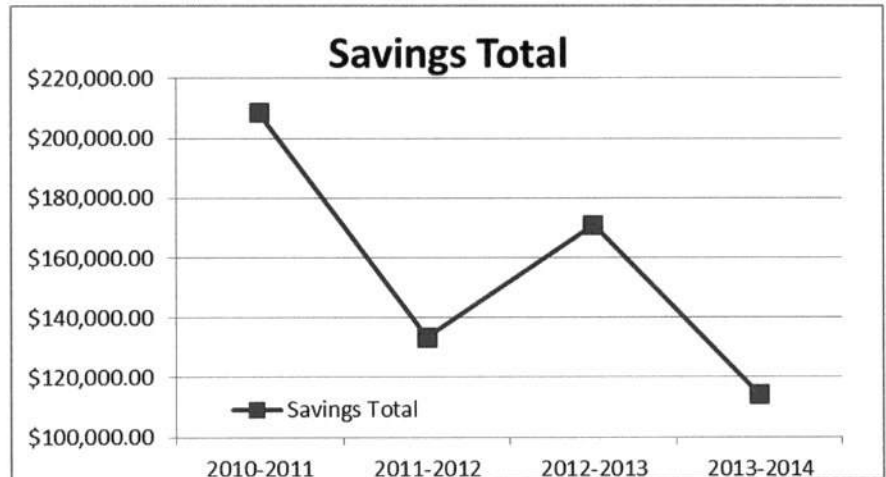
Eligible clients: The determination for eligibility is at the discretion of the respective pharmaceutical company. Webb County has no decision-making authority in the eligibility of an applicant or the types of medications available on these programs.

Eligibility parameters: Though each PAP has its own eligibility criteria, the majority of these programs have the following requirements:

- U.S. Residency (some require a valid Social Security No.)
- Income limits ranging from 250% to 400% of the FPL (proof of income required)
- Valid prescription issued by U.S. licensed physician
- No form of public/private insurance coverage (Medicare Part D, Medicaid, private insurance, etc)

Affordable Care Act implications: With the implementation of the Affordable Care Act, the number of eligible clients will continue to decrease as more and more people are able to obtain private insurance coverage and thereby ineligible for assistance.

STATISTICS



Webb County Indigent Burial/Cremation Program

Chapter 694.002 of the Texas Health and Safety Code- states that Counties are responsible for the proper disposition of deceased paupers.

The Webb County Indigent Burial Program will assume financial responsibility of the following decedents:

- *unidentified bodies (John/Jane Doe's)
- *Illegal border crossers found along the Texas/Mexico border,
- *paupers, and
- *abandoned bodies.

The Webb County Indigent Cremation Program may assume financial responsibility of indigent decedents if the family members meet the proper income/resource eligibility criteria.

Webb County will bear the expense of both the funeral home and the cemetery (if applicable). Webb County works with the City of Laredo Cemetery and all local funeral home facilities to provide these services and as such, partial assistance is not available. If approved, services are limited to a direct burial/cremation and no other funeral services are included/allowed such as: embalming/viewing of the body, church and rosary ceremony, and vehicle procession to cemetery. In addition, decedents are not buried in a standard casket.

Texas Health and Safety Code §711.002(d) and (e) - the county in which the death occurred is responsible for the cost of interment only if there is no person with a higher priority of responsibility.

DEFINITIONS

* **Paupers:** Decedents who have been properly identified but there is no known family/next of kin who will take responsibility for their funeral expenses.

* **Indigents:** Decedents with known family/next of kin but who are unable to pay for the funeral expenses due to lack of financial means.

(For indigent a next a kin will come in to apply. Verses a pauper does not have any one come in)

* **Veteran:** Decedent who served in the military and was discharged under Honorable conditions. They are eligible for burial in the Veterans Section of the cemetery and receive full military honors at the time of burial.

* **Unknown i.e. John/Jane Doe-** Decedents who are not able to be officially identified either due to lack of identifying documentation or advanced state of decomposition. The Medical Examiner's office keeps DNA samples for future comparison in the event a family member comes forward after the deceased has been buried. Unknown decedents cannot be cremated and must be buried.

* **Infants-** Decedents who are less than 1 year of age but were at least 20 weeks gestation at time of death.

* **Cremations:** The irreversible process of reducing human remains to bone fragments through extreme heat and evaporation, which may include the processing or the pulverization of bone fragments.

* **Next of Kin:** Persons, in the order of priority, who have the right to control the disposition of the decedent's remains:

- persons designated in written instrument signed by decedent (i.e. durable power of attorney);
- decedent's surviving spouse;
- any of the decedent's adult children;
- either one of the decedent's surviving parent;
- any of the decedent's adult siblings;
- any adult in the next degree of kinship in the order named by law to inherit estate;
- a public administrator

COMMUNITY PARTNERS

CONTACTS	ADDRESS	PHONE
Government Entities		
Laredo City Cemetery	3200 Meadow Ave	(956) 795-2070
Mexican Consulate	1612 Farragut St.	(956) 723-6369
Webb County Medical Examiners	HWY 59-Loop 20	(956) 722-7054
Funeral Homes		
Fred Dickey Funeral-Cremation	4502 Thomas Ave	(956) 723-3611
Gamez & Sons Funeral-Cremation	1029 Bob Bullock Lp	(956) 701-3549
Hernandez Lopez & Sons Funeral	800 Boston St	(956) 723-2978
Hillside Funeral Home	310 W Hillside Rd	(956) 724-6060
Joe Jackson Heights Funeral	719 N Loring Ave	(956) 722-0001
Nieto Dickey Funeral Home	802 Coke St	(956) 723-3723
Nursing Homes		
Retama Manor Nursing Home-West	1200 E. Lane St.	(956) 722-0031
Regent Care Center	7001 McPherson	(956) 723-7001
Laredo Nursing & Rehab Center	Tournament Trail	(956) 727-3422
Hospital Facilities		
Doctors Hospital	10700 McPherson	(956) 796-5000
Laredo Medical Center	1700 E. Saunders	(956) 523-2000
Laredo Specialty Hospital	2005 E. Bustamante	(956) 753-5353

TABLE 2 - FEE SCHEDULE

	CITY OF LAREDO CEMETERY				+	FUNERAL HOME	=	GRAND TOTAL
	Plot Fee	+	Grave Services	= TOTAL				
Indigent/Pauper	\$ 900	+	\$ 360	= \$ 1,260	+	\$ 1,000	=	\$ 2,260
John/Jane Doe	\$ 900	+	\$ 170	= \$ 1,070	+	\$ 1,000	=	\$ 2,070
Veteran	\$ 185	+	\$ 0	= \$ 185	+	\$ 1,575	=	\$ 1,760
Infant (medium)	\$ 425	+	\$ 170	= \$ 595	+	\$ 500	=	\$ 1,095
Infant (small)	\$ 275	+	\$ 170	= \$ 445	+	\$ 500	=	\$ 945
Cremations (ALL)						\$ 1,000	=	\$ 1,000

TABLE 3 - STATISTICS

Year	Cases
2011	64
2012	54
2013	46
2014	50
2015	92
2016	47
Total	353
Avg./Yr	59

Approved	Denied	Withdrew
47	11	6
42	7	5
35	11	0
40	6	4
48	12	32
21	15	10
233	62	57
39	10	10
77%	16%	7%

Burial	Cremation
32	15
31	11
21	14
24	16
36	18
12	9
156	83
26	14
66%	34%

Table 4 - APPLICANTS VS. APPROVED CASES PER YEAR

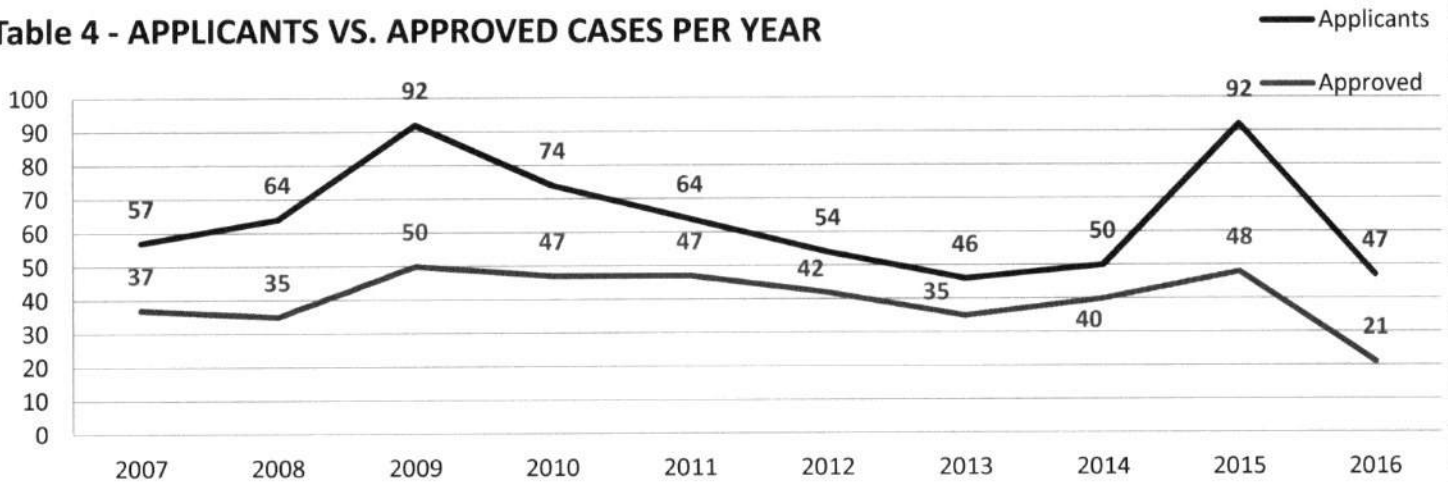
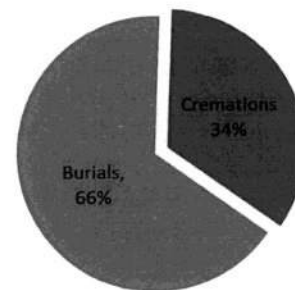
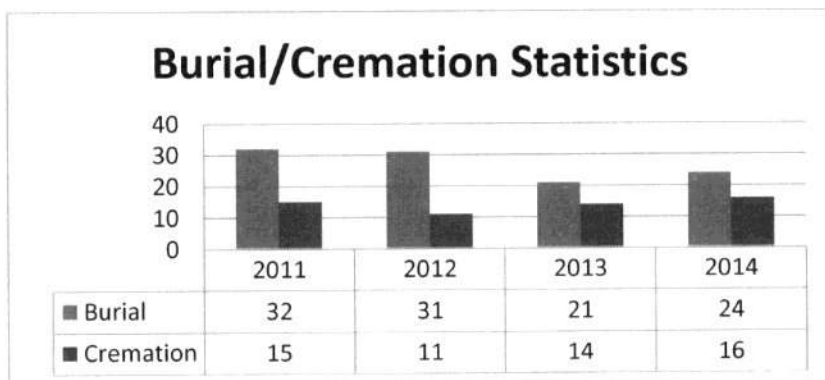


Figure 5 - BURIAL CASES VS. CREMATION CASES



Cost Analysis/ Funeral Home(s) Increase Proposal

Table 1- Total Approved Cases (Burial & Cremation) %

FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15		TOTAL (5yrs)	AVERAGE	+/-
11	14	8	11	8	Nieto Dickey	52	10	15
10	8	10	7	4	Joe Jackson	39	8	2
11	8	7	7	5	Hernandez Lopez	38	8	1
8	7	5	6	4	Hillside	30	6	-7
7	5	5	7	4	Fred Dicky	28	6	-9
47	42	35	38	25		187	37	

Table 2- Total Amount Paid to each Funeral Home

FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15		TOTAL (5yrs)	AVERAGE	+/-
\$ 9,610	\$ 10,318	\$ 7,185	\$ 13,271	\$ 6,500	Nieto Dickey	\$ 46,884	\$ 9,377	\$ 12,979
\$ 8,759	\$ 8,075	\$ 8,687	\$ 6,700	\$ 3,500	Joe Jackson	\$ 35,721	\$ 7,144	\$ 1,816
\$ 10,800	\$ 6,500	\$ 7,260	\$ 6,650	\$ 3,936	Hernandez Lopez	\$ 35,146	\$ 7,029	\$ 1,241
\$ 6,500	\$ 5,000	\$ 5,000	\$ 7,000	\$ 3,500	Fred Dicky	\$ 27,000	\$ 5,400	\$ (6,905)
\$ 7,500	\$ 5,000	\$ 4,500	\$ 4,775	\$ 3,000	Hillside	\$ 24,775	\$ 4,955	\$ (9,130)
\$ 43,169	\$ 34,893	\$ 32,632	\$ 38,396	\$ 20,436		\$ 169,527	\$ 33,905	

Chart 1- Total Approved Cases per Funeral Home

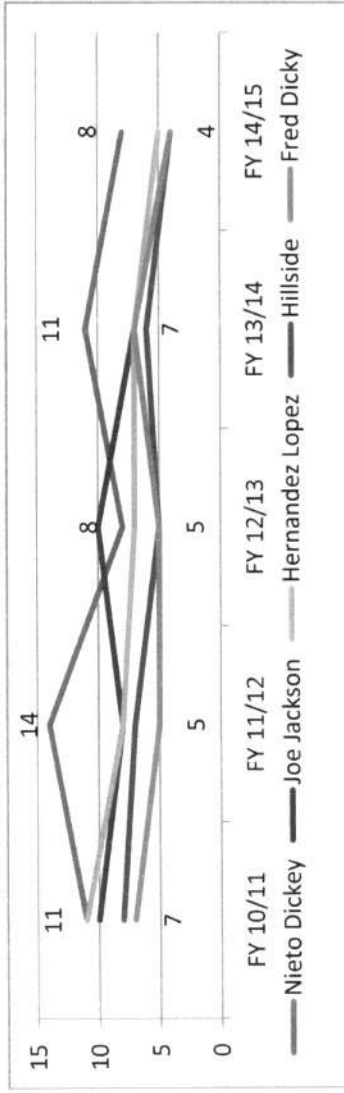
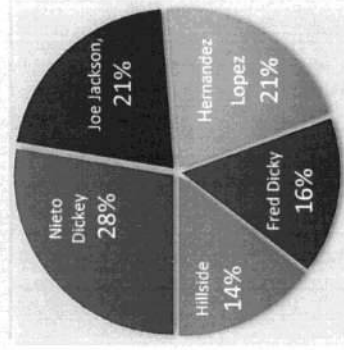


Chart 2- Total Paid to Funeral Homes



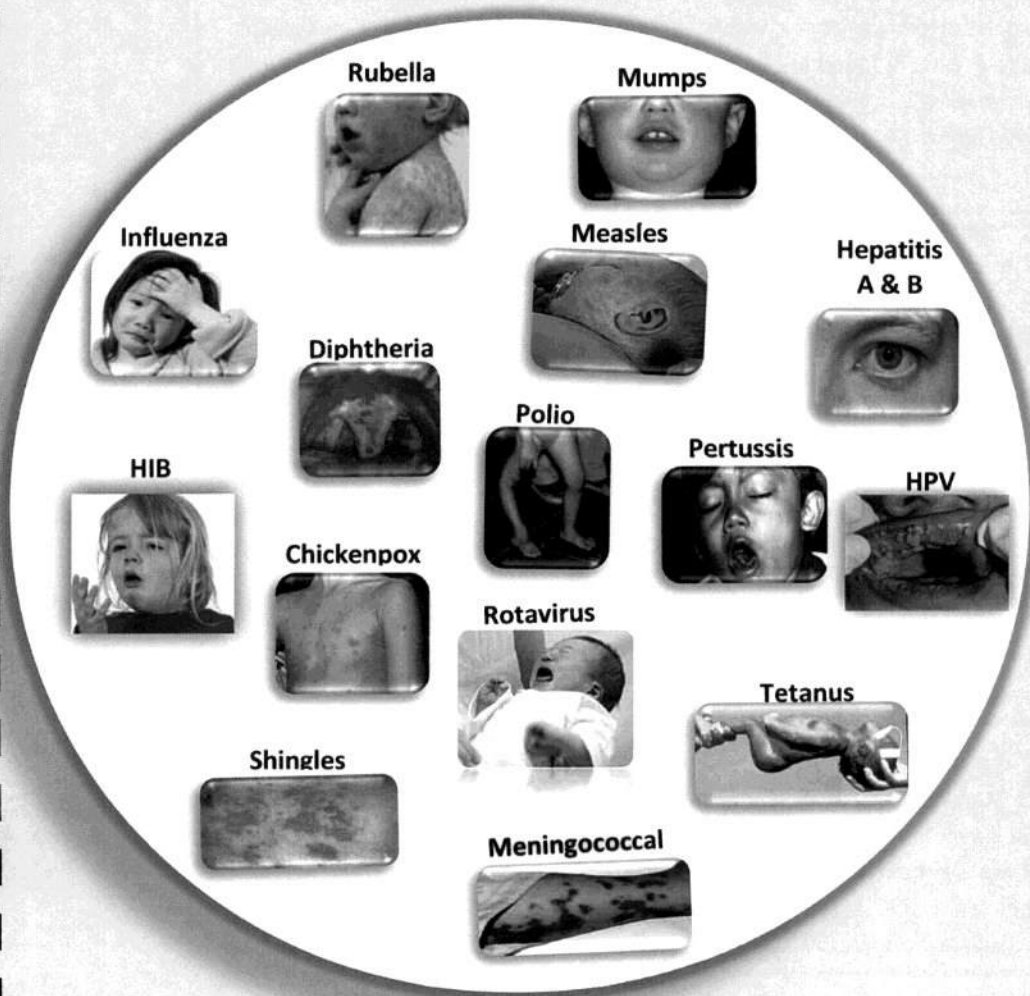
WEBB COUNTY

Indigent Health Care Services Dept.



PUBLIC HEALTH SERVICES

**ANNUAL
REPORT
2014-2015**



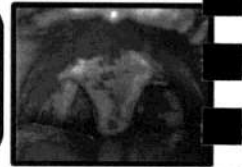
- IMMUNIZATION PROGRAM
- TUBERCULOSIS PROGRAM

INFECTIOUS & COMMUNICABLE DISEASES

CHICKENPOX - (Vaccine: Varicella) a disease that causes an itchy rash of blisters and a fever. A person with chickenpox may have a lot of blisters — as many as 500. The rash can spread over the whole body—even inside the mouth, eyelids, or genital area. Chickenpox can be serious and even life-threatening, especially in babies, adults, and people with weakened immune systems. Chickenpox spreads easily through the air when a person who has chickenpox coughs or sneezes. It can also spread by touching an infected person's blisters. Chickenpox can be spread 1 to 2 days before the infected person gets a rash until all the blisters have formed scabs.



DIPHTHERIA - (Vaccine: DtaP) a serious disease caused by a toxin (poison) made by bacteria. It causes a thick coating in the back of the nose or throat that makes it hard to breathe or swallow. It can be deadly. *Diphtheria spreads when an infected person coughs or sneezes. The disease can be spread for up to 2 weeks after infection.*



HEPATITIS A - (Vaccine: Hepatitis A) a serious liver disease caused by the hepatitis A virus. Children with the virus often don't have symptoms, but they often pass the disease to others, including their unvaccinated parents or caregivers. These individuals can get very sick. Hepatitis A virus is found in the stool of a person who has the virus. *It spreads when a person puts something in his or her mouth that has the hepatitis A virus on it. Even if the item looks clean, it can still have virus from stool on it that can spread to others. The amount of virus can be so tiny that it can't be seen with the naked eye. You can get it by touching objects or eating food that has the virus on it.*



HEPATITIS B - (Vaccine: Hepatitis B) a contagious liver disease caused by the hepatitis B virus. When a person is first infected with the virus, he or she can develop an "acute" (short-term) infection. Acute hepatitis B refers to the first 6 months after someone is infected with the hepatitis B virus. This infection can range from a very mild illness with few or no symptoms to a serious condition requiring hospitalization. Some people are able to fight the infection & clear the virus. Hepatitis B virus spreads through blood or other body fluids that contain small amounts of blood from an infected



HAEMOPHILUS INFLUENZA (HIB) - (Vaccine: Hib) a serious illness caused by the bacteria *Haemophilus influenzae* type B. Babies and children younger than 5 years old are most at risk for Hib disease. It can cause lifelong disability and be deadly. *Hib spreads when an infected person coughs or sneezes. Usually, the Hib bacteria stay in a person's nose and throat and do not cause illness. But if the bacteria spread into the lungs or blood, the person will get very sick. Spread of Hib is common among family members and in childcare centers.*



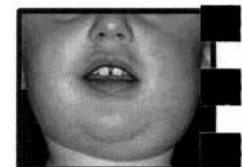
HUMAN PAPILLOMA VIRUS - (Vaccine: HPV) a very common virus that spreads between people when they have sexual contact with an infected person. About 14 million people, including teens, become infected with HPV each year. HPV infection can cause cervical, vaginal, and vulvar cancers in women and penile cancer in men. HPV can also cause anal cancer, throat cancer, and genital warts in both men and women. *The vaccine serves as a protection from most of the cancers caused by human papillomavirus (HPV) infection.*



MEASLES - (Vaccine: MMR) a serious respiratory disease (in the lungs and breathing tubes) that causes a rash and fever. It is very contagious. In rare cases, it can be deadly. *Measles spreads when a person infected with the measles virus breathes, coughs, or sneezes. It is very contagious. You can catch measles just by being in a room where a person with measles has been, up to 2 hours after that person is gone. And you can catch measles from an infected person even before they have a measles rash. Almost everyone who has not had the MMR shot will get measles if they are exposed to the measles virus.*



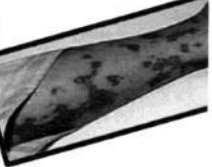
MUMPS - (Vaccine: MMR) a contagious disease caused by a virus. It spreads easily through coughing and sneezing. There is no treatment for mumps, and it can cause long-term health problems. *Mumps spreads when an infected person coughs or sneezes. Mumps can spread before swollen glands appear and for 5 days afterward.*



RUBELLA (Vaccine: MMR) sometimes called "German measles," is a disease caused by a virus. The infection is usually mild with fever and a rash. But, if a pregnant woman gets infected, the virus can cause serious birth defects. *Rubella spreads when an infected person coughs or sneezes.*



MENINGOCOCCAL - (Vaccine: MCV4) refers to any illness that is caused by the type of bacteria called Neisseria meningitis, also known as meningococcus. These illnesses are often severe and include infections of the lining of the brain and spinal cord (meningitis) and bloodstream infections. *Meningococcus bacteria spreads through the exchange of respiratory and throat secretions like spit.*



POLIOMYELITIS (POLIO) - Vaccine: Polio (IPV) a disease caused by polio virus. It can cause lifelong paralysis in parts of the body, and it can be deadly. *Poliovirus is very contagious. It spreads through contact with the stool of an infected person and droplets from a sneeze or cough. If you get stool or droplets from an infected person on your hands and you touch your mouth, you can get infected. Also, if you put objects, like toys, that have stool or droplets on them into your mouth, you can get infected.*



PNEUMOCOCCAL - Vaccine: PCV an illness caused by bacteria called pneumococcus. It is often mild but can cause serious symptoms, lifelong disability, or death. Children younger than 2 years of age are among those most at risk for the disease. *Pneumococcal disease spreads when an infected person coughs or sneezes. Some children may not even feel sick, but they could have the bacteria in their noses and throats. These children can still spread pneumococcal disease.*



ROTAVIRUS - Vaccine: Rotavirus a virus that causes severe diarrhea and vomiting. It affects mostly babies and young children. Diarrhea and vomiting can lead to serious dehydration (loss of body fluid). If dehydration is not treated, it can be deadly. *Rotavirus spreads easily. The virus is in the stool of people who are infected with the virus. It is spread by hands, diapers, or objects like toys, changing tables, or doorknobs that have a small amount of the stool on them. The disease commonly spreads in families, hospitals, and childcare centers.*



TETANUS - Vaccine: Td/DTap/Tdap a serious disease caused by a toxin (poison) made by bacteria. It causes painful muscle stiffness and can be deadly. *Tetanus does not spread from one person to another.*



PERTUSSIS (WHOOPIING COUGH) - (Vaccine: DTaP) - a very serious respiratory infection (in the lungs and breathing tubes) caused by the pertussis bacteria. It causes violent coughing you can't stop. Whooping cough is most harmful for young babies and can be deadly. Whooping cough spreads easily through the air when a person who has whooping cough breathes, coughs, or sneezes. Almost everyone who is not immune to whooping cough will get sick if exposed to it. *A person can spread the disease from the very beginning of the sickness (when he has cold-like symptoms) and for at least 2 weeks after coughing starts.*



INFLUENZA (FLU) - (Vaccine: Influenza) - an illness caused by influenza viruses. Flu viruses infect the nose, throat and lungs. Flu spreads easily and can cause serious problems, especially for very young children, older people, pregnant women, and people with certain long-term medical conditions like asthma & diabetes. *Flu spreads when people who have the flu talk, cough, or sneeze, and droplets of saliva that have the virus in them land in the mouths or noses of people nearby. You may also get the flu by touching an object with flu virus on it- and then touching your own eyes, nose, or mouth. People can spread the flu to others from 1 day before they have symptoms to 5-7 days after they get sick. People who have the flu should stay home and away from others until 24 hours after their fever is gone.*



HERPES ZOSTER (SHINGLES) - (Vaccine: Zoster) caused by the varicella zoster virus, the same virus that causes chickenpox. After a person recovers from chickenpox, the virus stays dormant (inactive) in the body. For reasons that are not fully known, the virus can reactivate years later, causing shingles. Shingles is not caused by the same virus that causes genital herpes, a sexually transmitted disease. *Shingles cannot be passed from one person to another. However, the virus that causes shingles, the varicella zoster virus, can be spread from a person with active shingles to another person who has never had chickenpox. In such cases, the person exposed to the virus might develop chickenpox, but they would not develop shingles. The virus is spread through direct contact with fluid from the rash blisters caused by shingles.*



IMMUNIZATION PROGRAM

DESCRIPTION:

Since October 1, 2013, the Webb County Indigent Health Care Services Department has been coordinating immunization clinics (targeting the rural areas of Webb County) to provide residents with vaccines that offer protection against diseases such as: influenza, measles, mumps, rubella, diphtheria, pertussis, tetanus, polio, shingles, hepatitis A & B and meningococcal.

VACCINE PREVENTABLE DISEASES					
Influenza	Measles	Mumps	Rubella	Diphtheria	Pertussis
Tetanus	Polio	Shingles	Hepatitis A	Hepatitis B	Meningococcal

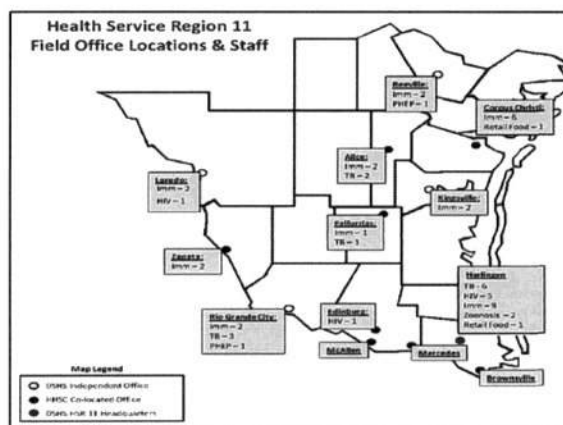
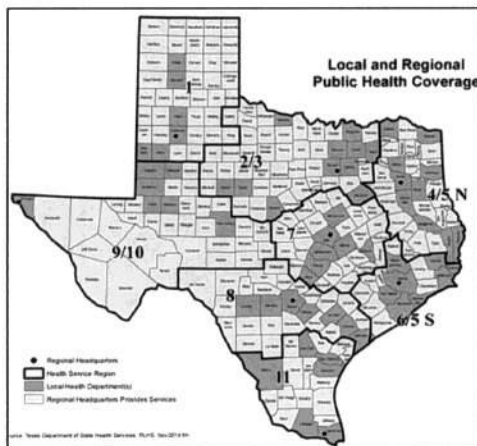
DISEASE STATISTICS:

Vaccine preventable diseases (VPDs) are conditions which are preventable through vaccines available to protect against these diseases. Vaccines are counted among the greatest public health achievements of the twentieth century. Countless lives have been saved and many diseases have been prevented because of vaccines. Today, vaccine preventable disease levels are at record lows. Even though most infants and toddlers have received all recommended vaccines by age 2, many under-immunized children remain, leaving the potential for outbreaks of disease. Many adolescents and adults are under-immunized as well, missing opportunities to protect themselves against diseases such as Hepatitis B, influenza, and pneumococcal disease. Be wise, immunize and protect yourself and your loved ones. (http://www.dshs.state.tx.us/idcu/health/vaccine_preventable_diseases/)

TRANSITION OF HEALTH SERVICES:

As of October 1st, 2013, the transition of health services shifted from the local City Health Department to the State Department of Health Services (DSHS) Region 11. Communicable & Infectious Diseases is a state responsibility; the state has a duty to protect the public health under Chapter 81 of the Texas Health and Safety Code.

Texas DSHS has a decentralized system in which they contract with local Health Departments throughout the state in different regions. DSHS provides health depts. with free vaccines under the Texas Vaccines for Children and Adult Safety Net Programs. The City of Laredo was receiving federal and or state grants/funding for providing services in all of Webb County and other surrounding counties. The City of Laredo amended some of their grants to exclude the unincorporated areas of Webb County and other municipalities such as the cities of Rio Bravo and El Cenizo.



CLINICS SUMMARY

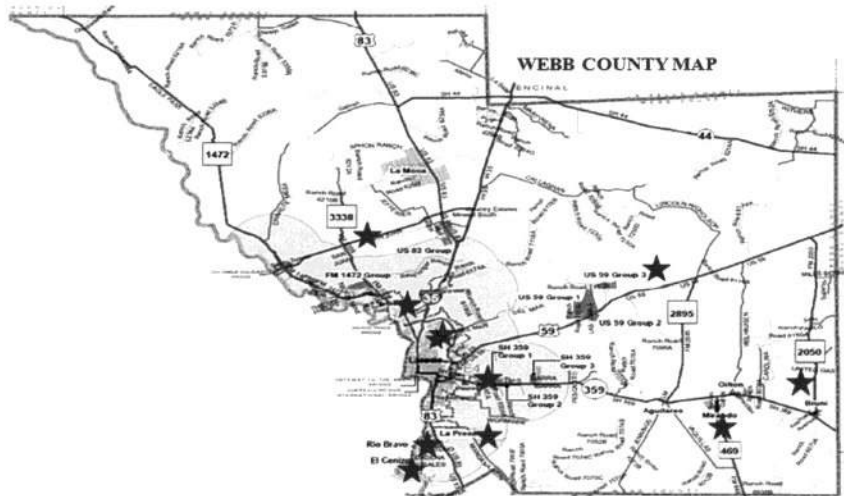
STATE/COUNTY COORDINATED CLINICS:

The Webb County Indigent Department worked closely with DSHS Region 11 staff to coordinate clinics, using county owned community center buildings. DSHS Region 11 had 2 immunization personnel in Webb County, but unfortunately they did not have a nurse who could administer vaccines. However, they would use existing nursing staff from surrounding counties such as Zapata, Falfurrias, or Alice TX, to coordinate clinics in the rural areas of Webb County.

LESSONS LEARNED:

For FY 2014-2015, 1,243 vaccines were administered to 1,113 county residents at forty (40) immunization clinics held in community centers and locations around Webb County – a decision that was applauded by rural area residents who do not have access to medical care in their areas. During the first half of FY 2014-2015, our office continued to collaborate with DSHS Region 11 to host the immunization clinics staffed by DSHS nurses. It was during these clinics that we were able to dialogue with the county residents taking advantage of these services and became aware of the unique barriers that these residents faced in obtaining health care services:

- **Distance:** Lack of reliable transportation to travel to Laredo to obtain vaccines
- **Affordability:** Health Department charged \$20 administrative fee for immunizations
- **Lack of knowledge:** Rural residents were not aware of the services available to them at the health department and had never taken advantage of these services
- **Time:** It was difficult for residents to travel to Laredo and then be told that they would not be seen as the slots for the day had already been given out earlier in the day.



Community Center Locations

Rio Bravo Community Ctr	17 miles / 34 miles RT
La Presa Community Ctr	17 miles / 34 miles RT
El Cenizo Community Ctr	19 miles / 38 miles RT
Ernesto J. Salinas Cm. Ctr	34 miles / 68 miles RT
Bruni Community Ctr	43 miles / 86 miles RT
Larga Vista Cm Ctr	6 miles / 12 miles RT
Santa Teresita Cm Ctr	9 miles / 18 miles RT
Fred & Anita Bruni Cm Ctr	16 miles / 32 miles RT
El Ladrillito Activity Ctr	2 miles / 4 miles RT

TRANSITION FROM STATE TO COUNTY:

It was during this time that our office approached DSHS about what alternatives they recommended to further expand the services available to rural Webb County residents since we had to work around the schedules and availability of state nurses who already had their own clinics. DSHS staff advised us that other counties, such as McMullen, had opted to hire a nurse that would serve their county but would be practicing under the medical direction of the Medical Director for DSHS Region 11 (formerly Dr. Brian Smith; currently Dr. Julie Graves). We researched the average salaries paid for immunization nurses employed with both the City of Laredo Health Department as well as with the State of Texas and presented a proposal to the Webb County Commissioners Court for approval to hire a nurse (initially on a part time basis) that would work under the direction of the Regional Medical Director and would permit our office to become a provider under the Texas Vaccines for Children (TVFC) and Adult Safety Net (ASN) programs. The Commissioners Court graciously approved a full-time county nurse slot to be included in the FY 2014-2015 budget, and the purchase of necessary equipment and supplies. Webb County was certified as a TVFC/ASN provider in February 2015.

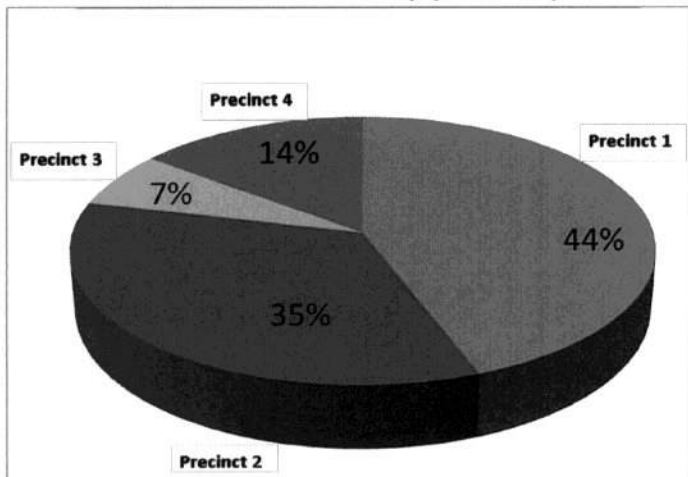
TEXAS VACCINES FOR CHILDREN (TVFC) AND ADULT SAFETY NET (ASN) PROVIDER:

Since becoming a TVFC/ASN provider, Webb County immunization staff reviewed 397 immunization records for completion and provided 298 immunizations to 174 county residents. A total of 21 clinics were held in community centers around Webb County. The majority of residents were seen in Precinct 1 (44%) and Precinct 2 (35%) since they have the highest population of rural Webb County residents.

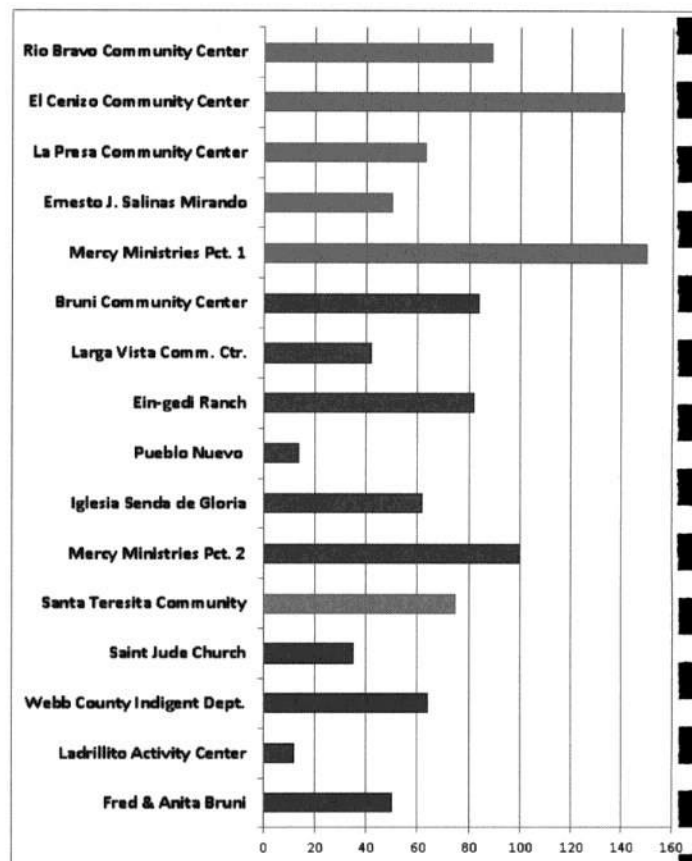
Total clinics held:

- Precinct 1: 17 clinics in 5 locations
- Precinct 2: 11 clinics in 6 locations
- Precinct 3: 3 clinics in 1 location
- Precinct 4: 9 clinics in 4 locations

Total Persons vaccinated (by Precinct)



Persons vaccinated (by Community Center)

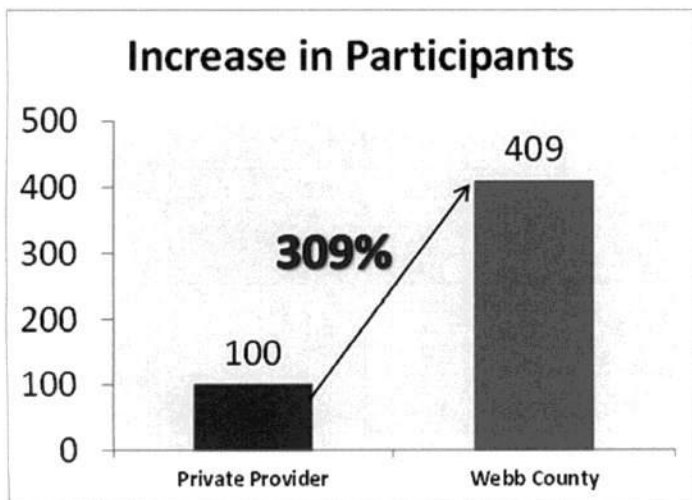
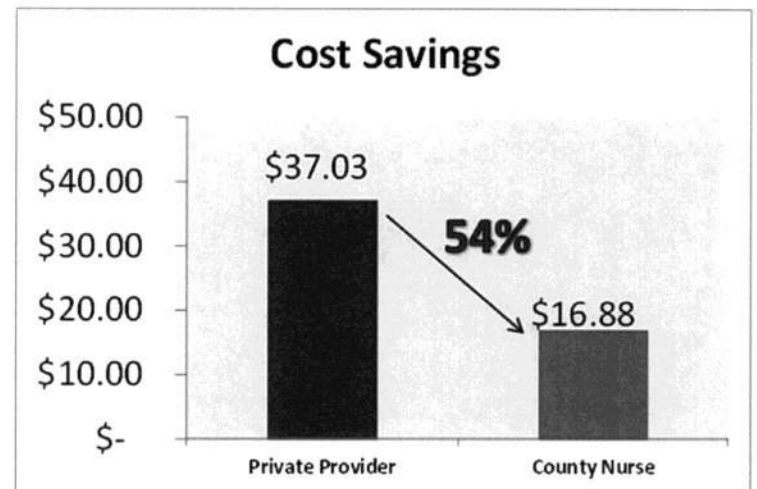


EMPLOYEE FLU VACCINES

WEBB COUNTY EMPLOYEE FLU VACCINE CLINICS:

For the 2015-2016 Flu Season, our department approached the Administrative Services Department to discuss what we could do to reduce costs associated with providing the flu vaccine to employees as well as improve participation. During discussions with Ms. Cynthia Mares and Gaby Villarreal with Administrative Services, we were advised that, on average, 100 employees received their flu shots during the flu vaccine clinics held with a private provider at a cost of \$37.03 per dose that was paid by Blue Cross Blue Shield. We spoke with several employees and were advised that one of the major barriers to attending the flu vaccine clinics were the clinic times and locations – especially for those employees who were housed at facilities away from the downtown hub. In order to minimize the disruption to departments by having employees leave the office to attend the flu vaccine clinic, the county nurse was sent to each department to administer the vaccines to the employees without inconveniencing the department or public.

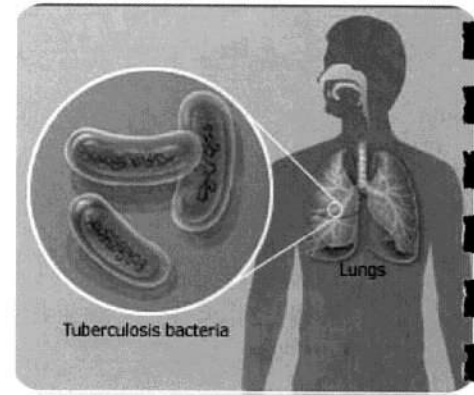
A total of 65 departments were visited by the county nurse and as of November 25, 2015, **426 employees** (and dependents) received their flu vaccine. The cost savings realized by transitioning from a private provider to our county nurse was \$8,141.55 (54%) plus the participation by employees and dependents increased by over 300%.



TUBERCULOSIS TESTING/SCREENING

Tuberculosis

Tuberculosis (TB) is an infectious disease that usually infects the lungs, but can attack almost any part of the body. Tuberculosis is spread from person to person through the air. It is not easy to become infected with tuberculosis. Usually a person has to be close to someone with TB disease for a long period of time. TB can be fatal if it's not treated, but taking medicine as directed can almost always cure TB.



Tuberculosis Testing/Screening



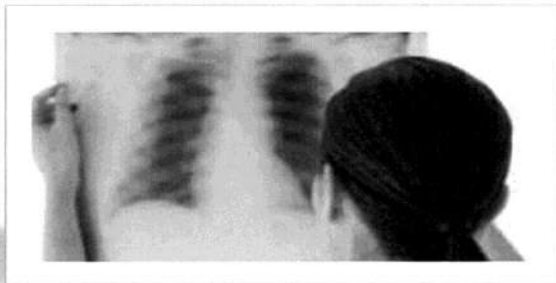
- County nurse trained by DSHS Region 11
- Focus will be to residents in rural areas of Webb County
- High demand for TB testing due to lack of providers
- Potentially self-sustaining based on fees charged to patients

Public Tests administered: 30

TB Screening/Testing

TOTAL
30

	1	2	10	7	10	
	DEC	JAN	FEB	MAR	APR	
	Age	Age	Age	Age	Age	
Female	43 yr.	17 yr.	24 yr.	13 yr.	4 yr.	
			5 yr.	12 yr.	4 yr.	
			6 yr.	8 yr.	4 yr.	
			56 yr.	5 yr.	3 yr.	
			17 yr.	41 yr.	3 yr.	
			53 yr.	46 yr.	5 yr.	
			53 yr.			
Male		11 yr.	7 yr.	10 yr.	8 yr.	
			7 yr.		4 yr.	
			7 yr.		4 yr.	
					3 yr.	



Employee Tests administered: 16 (no fee assessed)

Upper Payment Limit (UPL) Program

Collaboration

Federal/ State/ County/ Hospitals

Funding-

15 Million Dollars Pool at the federal level was created to fund participating entities in Texas.

Participating Hospitals:

- Laredo Medical Center
- Doctors Hospital of Laredo

Intergovernmental Entity-

Webb County served as the intergovernmental transfer (IGT) entity for Laredo Medical Center and Doctors Hospital of Laredo.

Intergovernmental Transfers-

The IGT funds were transferred to the State of Texas Health & Human Services Commission as the non-federal share to draw down matching federal funds.

These supplemental payments were to help the hospitals offset the uncompensated costs they encumbered for care provided to patients who did not have any type of medical coverage (private insurance, Medicare/Medicaid, CIHCP, etc.). The amount of the supplemental payments was meant as a means for the hospitals to recoup the difference between Medicare payments and Medicaid payments.

From October 2005 thru September 2011, Webb County participated in the Private Hospital- Upper Payment Limit Program (UPL) which was a funding mechanism that enabled local hospitals to receive additional funding from the State of Texas Health & Human Services Commission (HHSC) and the Centers for Medicare and Medicaid Services (CMS).

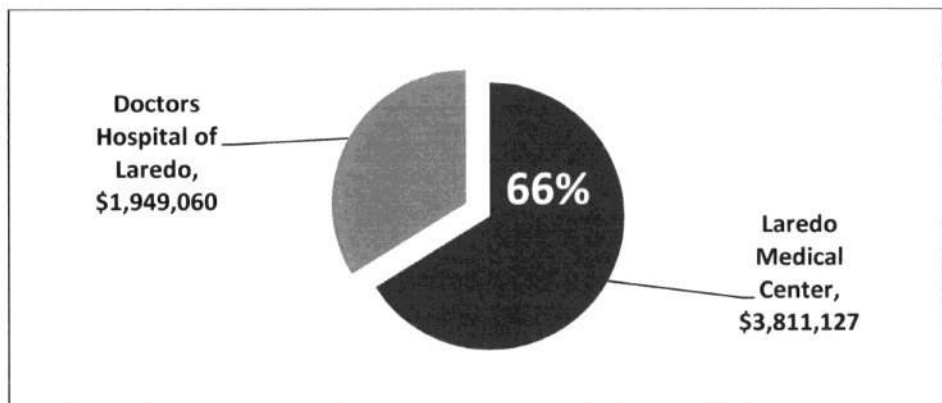
Webb County had historically submitted payments for services rendered to eligible CIHCP clients directly to the hospital providers on a fee-for-service basis. Through the UPL Program, these funds were redirected to the state/HHSC to be used as the non-federal match required to draw down matching federal funds. Hospitals were unable to use their own funds as the source of the non-federal match as it was required that public funds be used.

Certain counties have elected to contribute their entire CIHCP budget (up to 8% of their GRTL) to local hospitals to be used as the non-federal share. Webb County opted to base the amount of the contributions on the services rendered to eligible Webb County Indigent Health Care Services Program clients by both local hospitals.

Table 1- Webb County Contributions and Matching Funds received by Hospitals

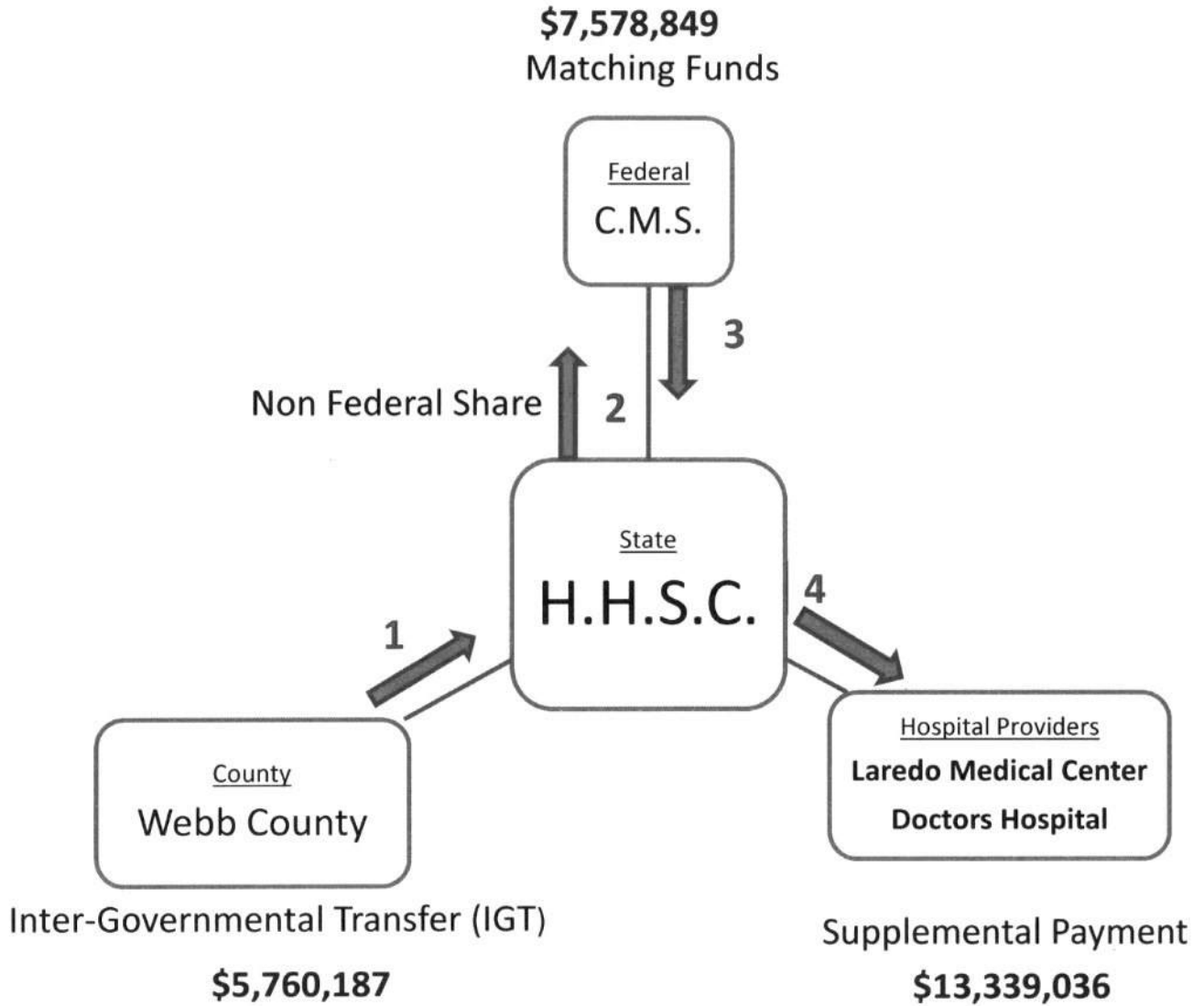
Upper Payment Limit (UPL) Contributions			
Fiscal Year	Webb Contribution	Matching Funds	Total Received by Hospitals
2006	\$896,180.72	\$1,398,041.92	\$2,294,222.64
2007	\$848,674.89	\$1,323,932.83	\$2,172,607.72
2008	\$1,245,993.73	\$0.00*	\$1,245,993.73
2009	1,078,520.51	\$1,367,797.35	\$2,446,317.86
2010	\$999,018.26	\$2,330,592.78	\$3,329,611.04
2011	\$691,798.98	\$1,158,484.85	\$1,850,283.83
TOTAL	\$5,760,187.09	\$7,578,849.73	\$13,339,036.82

Figure 1- Webb County Contributions by hospital provider



*Upper Payment Limit (UPL) Program
(2005-2011)*

Supplemental Payment Flow Chart



- *CMS- Centers for Medicaid and Medicare Services*
- *HHSC- Texas Health and Human Services Commission*

Regional Health Care Partnership (RHP) 20

Established Effective:
Oct. 2011- Sep. 2016

In December 2011, Texas received federal approval of an 1115 waiver that would preserve Upper Payment Limit (UPL) funding under a new methodology, but allow for managed care expansion to additional areas of the state.

The purpose of the 1115 Healthcare Transformation waiver, supplemental payment funding, managed care savings, and negotiated funding will go into two statewide pools now worth \$29 billion (all funds) over five years.

Participating Counties:

- Webb County
- Jim Hogg County
- Maverick County
- Zapata County

Webb County providers:

- Laredo Medical Center
- Doctors Hospital of Laredo
- Border Regional BH
- City of Laredo Health Dept.
- UTHSC-San Antonio
- Driscoll Children's Hospital

Maverick County providers:

- Maverick Co. Hospital Dist.
- Camino Real Comm. Svcs.
- Fort Duncan Reg. Med. Ctr.

Zapata County providers:

- Laredo Medical Center

In December 2011, the Centers for Medicaid and Medicare (CMS) approved the Texas Healthcare Transformation and Quality Improvement Program (1115 Waiver) under Section 1115 of the Social Security Act that allows CMS and states more flexibility in designing programs to ensure delivery of Medicaid services.

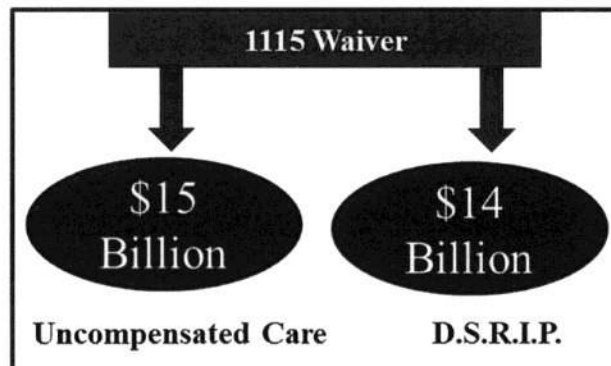
Incentive payments are made available for Delivery System Reform Incentive Payment (DSRIP) projects under the 1115 Waiver to enhance access to health care, increase the quality of care, the cost-effectiveness of care provided and the health of the patients and families served.

1115 Waiver Goals-

- Increase access to healthcare
- Improve quality of care
- and reduce unnecessary emergency room visits

Funding

- \$29 Billion in funding over five year waiver program
- Two pools of additional funding to providers:
 - Uncompensated Care (UC)
 - Delivery System Reform Incentive Payment (DSRIP)



Projects eligible for incentive payments must come from the DSRIP menu, be included in an HHSC and CMS-approved RHP plan and have corresponding metrics and milestones.

In March 2012- Webb County formed a Regional Healthcare Partnership (RHP) with the following counties:

- Webb,
- Jim Hogg,
- Maverick,
- Zapata.

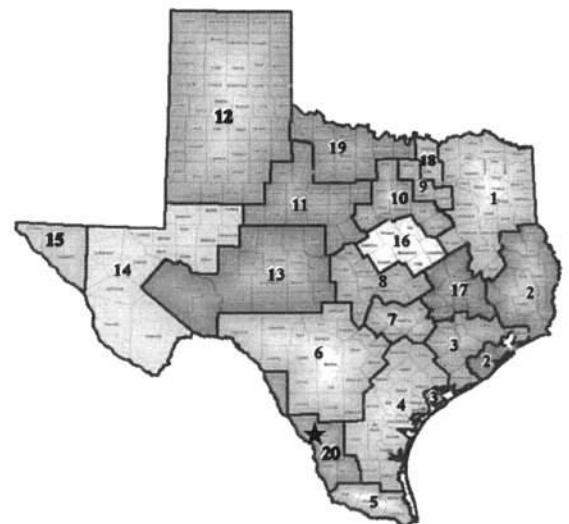
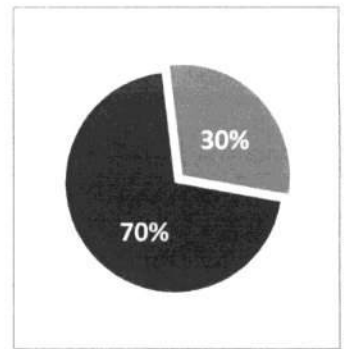


Table 1- Webb County Uncompensated Care Contributions

1115 Waiver - Uncompensated Care Contribution Log			
All Hospital Totals			
Fiscal Year	Webb Contribution	Matching Funds	Total Received by Hospitals
2012	\$618,859.78	\$928,289.67	\$1,547,149.45
2013	\$1,310,318.41	\$1,965,477.62	\$3,275,796.03
2014	\$1,156,000.00	\$1,734,000.00	\$2,890,000.00
2015	\$1,191,864.69	\$1,787,797.04	\$2,979,661.73
TOTALS	\$4,277,042.88	\$6,415,564.33	\$10,692,607.21



70 % Laredo Medical Center
30 % Doctors Hospital

Table 2- Webb County Uncompensated Care Contributions by Hospital

Fiscal Year	Laredo Medical Center			Doctors Hospital		
	Webb Contribution	Matching Funds	Total Received	Webb Contribution	Matching Funds	Total Received
2012	\$500,710	\$751,066	\$1,251,776	\$118,149	\$177,224	\$295,373
2013	\$792,773	\$1,189,161	\$1,981,934	\$517,545	\$776,317	\$1,293,862
2014	\$835,950	\$1,253,925	\$2,089,875	\$320,050	\$480,075	\$800,125
2015	\$888,879	\$1,333,318	\$2,222,197	\$314,421	\$471,632	\$786,053
Total	\$3,018,312	\$4,527,470	\$7,545,782	\$1,270,165	\$1,905,248	\$3,175,413

Table 3 - RHP 20 DSRIP Projects by County

RHP 20:	25 DSRIP PROJECTS	\$94,388,219
Webb County \$69,671,310 (74%)		
Border Region Behavioral Health		\$19,980,567
* Telemedicine	* Crisis Stabilization	
* Provider recruitment	* Behavioral Health Intervention	
* Integration of Primary and Behavioral Health Care Services		
City of Laredo Health Department		\$3,146,743
* Managed Care: Diabetes and hypertension	* Primary Care Capacity	
Doctors Hospital of Laredo (Webb County)		\$10,000,000
* Expand primary care capacity	* Expand mobile clinics	
* Patient care navigation program		
Driscoll Children's Hospital		\$13,650,000
* Education/support for high risk pregnancies	* Oral Health services	
* Specialty care accessibility: Maternal Fetal program (congenital heart defects)		
Laredo Medical Center		\$19,880,000
* Expand primary care capacity	* Expand mobile clinics	
* Expand OB/Gyn specialty services	* Expand Telemedicine Program	
UT Health Science Center- San Antonio		\$3,014,000
* Specialty care accessibility: Epilepsy Clinic		
Maverick County \$15,991,899 (17%)		
Camino Real Community Services		\$15,705,330
* Crisis Stabilization	* Veteran's Services	
* Integration of Primary & Behavioral Health Care Services		
* Wrap around Intensive Assertive Community Treatment		
* Intervention for Autism Spectrum Disorders / Intellectual Developmental Disabilities		
Maverick County Hospital District		\$286,569
* Specialty care accessibility: Oncology clinic		
Zapata County \$8,725,010 (9%)		
Laredo Medical Center (Zapata County)		\$8,725,010
* Improve Patient Experience	* Disease Prevention	

Webb County Health Care Funding District/ Local Provider Participation Fund

Established July 09, 2013

Senate Bill 1623- passed in 2013 relates to the creation and operations of Health Care Funding Districts in certain counties located on the Texas-Mexico border

Participating Counties:

- **Hidalgo County**
- **Cameron County**
- **Webb County**

With the enactment of this legislation, Webb, Cameron, and Hidalgo Counties are able to create a funding district that allows counties to impose a fee on the local hospitals based on their Outpatient Services. Fees collected by the Counties would in turn be used for the 1115 Waiver as (IGT) Inter-Governmental Transfers.

District Commission-
Honorable Tano E. Tijerina,
Webb County Judge

Honorable Frank Sciaraffa,
Commissioner Pct 1

Honorable Rosaura "Wawi" Tijerina,
Commissioner Pct 2

Honorable John C. Galo,
Commissioner Pct 3

Honorable Jaime Canales,
Commissioner Pct 4

On July 9th, 2013 the Webb County Commissioners Court approved the creation of the Webb County Health Care Funding District that was enacted under Senate Bill 1623 which amended Chapter 288 of the Texas Health and Safety Code.

The purpose of the district is to generate revenue from a mandatory payment required by the district from institutional health care providers (local hospitals), to provide the nonfederal share of a Medicaid Supplemental Payment Program.

The district is governed by a commission consisting of the Commissioners Court of the county in which the district is created and each year, the commission may require an annual mandatory payment to be assessed quarterly on the net patient revenue of paying hospitals located in the district.

A public hearing is held on the proposed amount of the mandatory payment required of paying hospitals for each fiscal year and how the revenue derived from those payments is to be spent.

The Webb County Health Care Funding Districts has established the following rates for each of the following years:

Table 1- Mandatory Payment Rate/ Fees Collected

Local Provider Participation Fund (LPPF)				
Date	Rate	Mandatory Fees Collected	Matching Funds (appx.)	Total Received by Hospitals (appx.)
2013	0.005 %	\$211,590	\$317,385	\$528,975
2014	1.200 %	\$5,025,934	7,538,901	12,564,835
2015	1.370 %	\$5,757,942	8,636,913	14,394,855
2016	5.000 %	\$20,000,000	30,000,000	50,000,000
TOTAL		\$30,995,466	\$46,493,199	\$77,488,665

Table 2- Webb County Yearly Administrative Fees (IHC Dept. Revenues)

To cover the administrative expenses of the district, each year Webb County is able to retain the lessor of four percent of the total revenue generated from the mandatory payment OR \$20,000.

Administrative Fees Generated for Webb County	
2013	\$20,000
2014	\$20,000
2015	\$20,000
2016	\$20,000
TOTAL	\$80,000



Webb County Press Release

Wednesday, July 31, 2013

Webb County Building a Stronger Hospital Safety-Net System

On July 9, 2013, the Webb County Commissioners Court approved the creation of the Webb County Healthcare Funding District and established the Webb County Local Provider Participation Fund. "The district was created in accordance to Chapter 288 of the Health & Safety Code, which was amended by Senate Bill 1623 that provides a mechanism for local safety-net hospitals to access available federal funds," said Marco Montemayor, County Attorney. "The Commissioners Court will serve as the Commission for this district in addition to their regular and normal duties as elected officials representing the best interests of Webb County." Authored by Senator Juan Hinojosa (D-McAllen), and sponsored by Representative Bobby Guerra (D-McAllen), Senate Bill 1623 was specifically developed to address the unique needs of the South Texas border region by giving Webb, Cameron, and Hidalgo counties the option to assess a mandatory payment on local safety-net hospitals. The County could then utilize the revenue from the mandatory payment to help draw down the federal funds available to the hospitals. "For years, our local hospitals were unable to gain fair access to the available federal funds. We are grateful for the leadership of the South Texas Legislative Delegation and Health & Human Services Commissioner Kyle Janek for giving our community the ability to access this funding" added Danny Valdez, County Judge. Because of the obvious need for an innovative solution to the unique problems facing the region, SB 1623 received near unanimous support in the legislature. Governor Rick Perry (R-Texas) signed the legislation into law on June 14, 2013. "The Webb County Local Provider Participation Fund is a new and innovative solution that will strengthen the local healthcare system by allowing local hospitals to access supplemental funding that similar providers in other parts of the state accessed for years," said Jaime Canales, Commissioner Precinct 4. "The additional funds that the hospitals will be able to gain will come from a mandatory payment assessed to local hospitals. In accordance to Chapter 288, this mandatory payment cannot be passed on to the patients in the form of a surcharge."

In December 2011, the federal government approved the implementation of the Texas Transformation & Quality Improvement Program/ Medicaid 1115 Waiver. The 1115 Waiver made approximately \$800 million over five years available to the South Texas border region. Without adequate local dollars to access these federal matching funds, any unclaimed allocations will be redistributed to wealthier regions around the State of Texas.

"Region 20, of which Webb County is the anchor, has an allocation of approximately \$157 million but was only able to access \$42 million in projects under the Delivery System Reform Incentive Payment (DSRIP) program, leaving almost \$115 million of unclaimed funds. By being able to assess these mandatory payments, Webb County is in a better position to assist the local hospitals to receive additional federal funds that will help improve health care access to the indigent, uninsured and Medicaid populations," added John Galo, Commissioner Precinct 3.

Although the South Texas border region has the highest levels of patients without insurance, the region has only been able to access approximately 13% of the money available. Communities with more wealth, however, are able to access 100% of the money made available to them, while the poorest communities found it difficult to access much if any of the available funds. "Laredo Medical Center, Doctors Hospital of Laredo, and Laredo Specialty Hospital fully support this initiative. At a public hearing that was held on July 22, hospital representatives addressed the court as they see firsthand the need for improved access to healthcare as well as the rising cost of uncompensated care," said Mike Montemayor, Commissioner Precinct 1. Nancy Cadena, Indigent Health Care Services Director stated "The creation of the Health Care District and the Local Provider Participation Fund was made possible with the cooperation, assistance, and support received from the Commissioners Court, County Attorney's, County Auditor's, and County Treasurer's offices as they had to work within very tight deadlines set by the state." "What makes this legislation especially compelling is that it helps our local hospitals gain fair access to the Waiver, while at the same time prohibiting that any costs be passed on to patients," said Rosaura "Wawi" Tijerina, Commissioner Precinct 2. "It's a win for Webb County, a win for Texas, and a win for the local hospitals. This is government at its best."



Webb County Contributions/ Texas Health & Human Services Commission

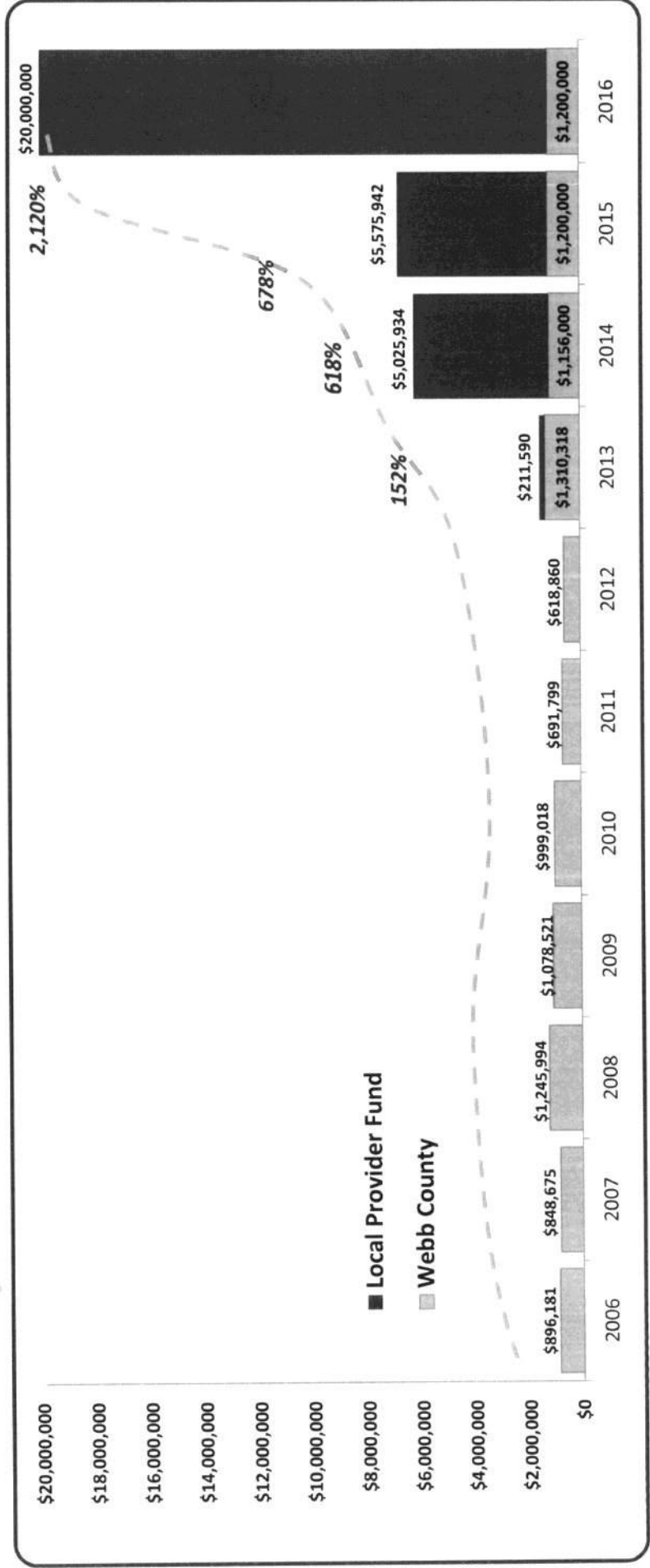
- 2006-2011/ Upper Payment Limit Program
- 2012-2015/ Texas Healthcare Transformation and Quality Improvement Program/1115 Waiver
- 2013-2015/ Health Care Funding District/ Local Provider Participation Fund

Table-

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Webb County	\$896,181	\$848,675	\$1,245,994	\$1,078,521	\$999,018	\$691,799	\$618,860	\$1,310,318	\$1,156,000	\$1,200,000	\$1,200,000
Provider Fund								\$211,590	\$5,025,934	\$5,575,942	\$20,000,000
Total	\$896,181	\$848,675	\$1,245,994	\$1,078,521	\$999,018	\$691,799	\$618,860	\$1,521,908	6,181,934	6,775,942	\$21,200,000
Average yearly Co. Contribution:	90%	85%	125%	108%	100%	69%	62%	152%	618%	678%	2,120%

\$1,000,000

Graph-



Tobacco Settlement Report

Background:

In 1996, Texas filed a federal lawsuit accusing the tobacco industry of violating conspiracy, racketeering, consumer protection, and other provisions of state and federal law.

The state sought to recover billions of tax dollars it had spent to treat tobacco-related illnesses. In settling the lawsuit, the industry agreed to pay the state \$15 billion over 25 years and to pay about \$2.3 billion through 2003 to Texas counties and hospital districts based on their provision of indigent health care. Actual payments by the industry are subject to adjustment formulas related to tobacco sales, inflation, and industry profitability. Under Texas' settlement terms, payments from the industry rise or fall in proportion to U.S. consumption of cigarettes each year as compared to consumption in 1997." <http://www.dshs.state.tx.us/tobacco/settlement.shtm>

On July 24, 1998 a trust account was set up under the agreement filed under Title 25, Chapter 102 of the Texas Administrative Code that stipulates that out of the \$2.3 billion, \$450 million was set into a trust account which is disbursed pro rata along with any income earned through the investment of the trust account.)

Since 2000, the Indigent HealthCare Services Department has prepared a Pro Rata Tobacco Settlement Distributions County Expenditure Statement report that is submitted to the Texas Department of State Health Services (DSHS) on an annual basis.

Our department compiles allowable unreimbursed healthcare expenditures that are provided to the general public, either directly by Webb County or via a third party contract, throughout each calendar year. Our final report includes backup documentation consisting of over 180 pages of data and it takes our department approximately 2-3 months to complete. We are very appreciative of the cooperation and assistance we receive from the Auditor's department and others such as County Attorney's, Treasurer's, Sheriff's, Road & Bridge, County Clerk's, Veteran's Service, and Fire & EMS departments. I would like to thank everyone for all your support.

Once reports are submitted to the state by all political subdivisions, monies available are disbursed to each entity based on a percentage of expenditures reported. Webb County's share for this reporting period was \$109,557.77 received in April 2015. Since 1999, Webb County has received over \$4.5 Million. Below is a breakdown of the Tobacco Settlement Distributions that Webb County has received since the first disbursement.

I have also attached a Briefing Document that will provide a more detail explanation.

Year	Amount Reported	Amount Received
1999	Population Based	\$2,353,143.76
2000	\$4,725,044.79	\$422,595.15
2001	\$5,149,529.27	\$268,874.19
2002	\$3,743,787.08	\$45,012.50
2003	\$5,026,759.56	\$69,324.97
2004	\$6,127,079.19	\$105,944.97
2005	\$5,219,132.87	\$148,319.14
2006	\$4,976,156.25	\$214,579.58
2007	\$4,426,089.15	\$192,999.64
2008	\$4,381,356.47	\$195,143.95
2009	\$4,809,648.55	\$186,793.55
2010	\$5,159,676.11	\$91,716.15
2011	\$5,426,944.46	\$104,799.02
2012	\$4,985,287.12	\$97,998.71
2013	\$5,333,249.06	\$102,761.86
2014	\$5,103,934.87	\$95,856.19
2015	\$5,819,996.89	\$109,557.77
2016	\$6,246,218.06	pending
TOTAL RECEIVED BY WEBB COUNTY		\$4,805,421.10

Background:

On July 18, 1998, the State of Texas and the American Tobacco Company, et al, entered into an agreement that created two fund pools for the distribution of settlement funds for the exclusive benefit of political subdivisions: a Lump Sum Trust Account and a Permanent Trust Account. Political subdivisions are defined as hospital districts, other local political subdivisions owning and maintaining public hospitals such as counties or cities, and counties responsible for indigent care to the general public.

Lump Sum Trust Account payment schedule:		Permanent Trust Account payment schedule:	
January 4, 1999	\$300 million	January 3, 2000	\$ 501.5 million
January 3, 2000	\$100 million	January 2, 2001	\$ 551.5 million
January 2, 2001	\$ 50 million	January 2, 2002	\$ 551.5 million
		January 2, 2003	\$ 201.4 million
Total	\$450 million	Total	\$1,805.9 million (\$1.8 billion)

The initial distribution in January 1999 was paid to hospital districts, counties, and cities based on population. Beginning in 2000 and continuing thereafter, all payments to the hospital districts, counties, and cities are made on a pro rata cost reimbursement basis. Counties that administer Indigent Health Care programs receive a distribution based on unreimbursed health care expenditures, hospital districts receive distributions based on the amount of taxes collected, and cities or counties with public hospitals receive distributions based on the amount of money the city or county contributes to the public hospital.

Political subdivisions annually submit a completed expenditure statement to the Department of State Health Services (DSHS) by March 31, documenting eligible expenditures for the preceding calendar year. DSHS calculates and certifies to the Comptroller of Public Accounts no later than April 15 of each year the percentage of the annual distribution to be paid to each eligible political subdivision. Funds are distributed to the political subdivisions by the Comptroller's Office no later than April 30 of each year.

In 1999 the 76th Texas Legislature, established the Tobacco Settlement Permanent Trust Account and created two committees. The Investment Advisory Committee advises the Comptroller's Office with respect to managing the trust account, whereas the Administration Advisory Committee advises DSHS on the implementation of that agency's duties under the legislation.

Activities-to-Date

- In January of 1999, **\$300 million** was paid to political subdivisions from the Lump Sum Trust Account
- In April of 2000, **\$100 million** was paid to political subdivisions from the Lump Sum Trust Account
- In April of 2001, **\$64.3 million** was paid to political subdivisions (**\$50 million** from the Lump Sum Trust Account and **\$14.3 million** from the Permanent Trust Account)

NOTE: The State of Texas will not be receiving any additional monies from the tobacco industry for deposit into the Lump Sum Trust Account. This account ceased to exist after the 2001 distribution. Beginning in 2002 and continuing thereafter, distributions are based only upon earnings from the Permanent Trust Account. The funds available for distribution are determined annually by the *Investment Advisory Committee* and are distributed in April of each year.

- In 2002, **\$17.76 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2003, **\$22.04 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2004, **\$28.52 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2005, **\$50.291 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2006, **\$72.071 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2007, **\$82.691 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2008, **\$92.304 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2009, **\$92.304 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2010, **\$46.152 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2011, **\$51 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2012, **\$50 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2013, **\$50 million** was paid to political subdivisions from the Permanent Trust Account.
- In 2014, **\$50 million** was paid to political subdivisions from the Permanent Trust Account.

Distributions ranged from a high of approximately **\$10.9 million** to Harris Health System, to a low of **\$17.75** to Roberts County. Distribution amounts and percentages for the three types of political subdivisions were: **Hospital Districts \$43,972,711 (87.95%)- Counties \$5,978,731 (11.96%)- Cities \$48,558 (.09%)= Total \$50,000,000**