

Minutes

<p>Maricopa County Special Health Care District Board of Directors Meeting Virginia G. Piper Charitable Trust Pavilion 2609 East Roosevelt Street, Phoenix, Arizona 85008 3rd Floor, Board Room October 22, 2025, 1:00 p.m.</p>

Present: Virginia L. Korte, Chairman, District 2
Earl V. Wilcox, Vice Chairman, District 5
Barbara R. Mundell, Director, District 3
J. Woodfin Thomas, Director, District 4

Absent: Martin C. Demos, Director, District 1

Others Present: Steve Purves, FACHE, President & Chief Executive Officer
Michael D. White, MD, MBA, Executive Vice President, Chief Clinical Officer
Claire Agnew, CPA, MBA, Executive Vice President, Chief Financial Officer
Lia Christiansen, MBC, Executive Vice President, Chief Administrative Officer
Beth Beckman, DNP, MSN, BSN, Senior Vice President, Chief Nursing Officer
Ijana Harris, JD, Senior Vice President, General Counsel

**Guest Presenters/
Speakers:** Crystal Garcia, MBA/HCM, RN, Vice President, Specialty Services, Quality Patient Safety
Martha Steiner, MSN-L, RN, Vice President, Behavioral Health Nursing and Clinical Care

Recorded by: Melanie Talbot, Chief Governance Officer; and Clerk of the Board
Cynthia Cornejo, Senior Deputy Clerk of the Board

Call to Order:

Chairman Korte called the meeting to order at 1:00 p.m.

Roll Call

Ms. Talbot called roll. Following roll call, she noted four of the five voting members of the Maricopa County Special Health Care District Board of Directors were present, which represented a quorum.

Pledge of Allegiance

Director Mundell led the Pledge of Allegiance.

Call to the Public

Chairman Korte called for public comment. There were none.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025**

Mission Statement

Vice Chairman Wilcox read the Mission Statement aloud.

General Session, Presentation, Discussion and Action:

1. Approval of Consent Agenda:
 - a. Minutes:
 - i. Approve Maricopa County Special Health Care District Board of Directors meeting minutes dated September 24, 2025
 - b. Contracts:
 - i. Approve amendment #2 to the hospital and professional services agreement (MCO-20-024-02) between Imperial Insurance Companies, Inc. and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - ii. Approve amendment #3 to the provider agreement (MCO-20-026-03) between Aetna Network Services, LLC and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - iii. Approve a new agreement (MCO-25-009-VBP) between Equality Health Network, LLC and Maricopa County Special Health Care District, dba Valleywise Health, for value-based contract quality performance
 - iv. Approve amendment #11 to the provider service agreement (90-13-242-1-11) between Health Choice Arizona and Maricopa County Special Health Care District dba Valleywise Health, for value-based contract quality and shared savings terms
 - v. Approve amendment #3 to the physician hospital organization participation agreement (MCO-20-032-03) between Humana and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - vi. Approve amendment #1 to the health system participation agreement (MCO-25-003-01) between Gold Kidney of Arizona and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - vii. Approve amendment #3 to the network provider agreement (90-19-077-1-03) between Molina Complete Care of Arizona and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - viii. Approve amendment #1 to the participation agreement (MCO-20-041-01) between Eternal Health of Arizona, Inc. and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025**

General Session, Presentation, Discussion and Action, cont.:

1. Approval of Consent Agenda, cont.
 - b. Contracts, cont.:
 - ix. Approve a new FQHC participation agreement (MCO-25-010-MSA) between Arizona Physician IPA, Inc. dba UnitedHealthcare Community Plan and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - x. Approve amendment #1 to the integrated delivery participation agreement (IDS) (MCO-20-036-01) between Devoted Health, Inc. and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - xi. Approve amendment #5 to the professional participation agreement (90-14-062-1-05) between Banner University Health Plans and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services
 - xii. Approve amendment #1 to the intergovernmental agreement (90-26-056-1-01) between Arizona Health Care Cost Containment System (AHCCCS) and Maricopa County Special Health Care District dba Valleywise Health, to participate in the administration of the Access to Professional Services Initiative (APSI) on behalf of RCHP-Sierra Vista, and to remove and replace Attachment A and B, which updates the funding of the IGA from \$23,080 to \$23,190. This amendment is effective on October 1, 2025
 - xiii. Approve amendment #1 to the intergovernmental agreement (90-26-057-1-01) between Arizona Health Care Cost Containment System (AHCCCS) and Maricopa County Special Health Care District dba Valleywise Health, to participate in the support of the Access to Professional Services Initiative (APSI) on behalf of RCHP-Sierra Vista, and to remove and replace Attachment A and B, which updates the funding of the IGA from \$577,000 to \$579,800. This amendment is effective on October 1, 2025
 - xiv. Approve amendment #1 to the intergovernmental agreement (90-26-054-1-01) between Arizona Health Care Cost Containment System (AHCCCS) and Maricopa County Special Health Care District dba Valleywise Health, to participate in the administration of the Access to Professional Services Initiative (APSI) on behalf of Abrazo, and to remove and replace Attachment A and B, which updates the funding of the IGA from \$154,540 to \$155,300. This amendment is effective on October 1, 2025
 - xv. Approve amendment #1 to the intergovernmental agreement (90-26-055-1-01) between Arizona Health Care Cost Containment System (AHCCCS) and Maricopa County Special Health Care District dba Valleywise Health, to participate in the support of the Access to Professional Services Initiative (APSI) on behalf of Abrazo, and to remove and replace Attachment A and B, which updates the funding of the IGA from \$3,149,312.01 to \$3,168,062.01. This amendment is effective on October 1, 2025

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025**

General Session, Presentation, Discussion and Action, cont.:

1. Approval of Consent Agenda, cont.

b. Contracts, cont.:

- xvi. Approve amendment #1 to the intergovernmental agreement (90-26-050-1-01) between Arizona Health Care Cost Containment System (AHCCCS) and Maricopa County Special Health Care District dba Valleywise Health, for Valleywise Health to participate in the administration of the Access to Professional Services Initiative (APSI), and to remove and replace Attachment A and B, which updates the funding of the IGA from \$353,000 to \$354,700. This amendment is effective on October 1, 2025
- xvii. Approve amendment #1 to the intergovernmental agreement (90-26-051-1-01) between Arizona Health Care Cost Containment System (AHCCCS) and Maricopa County Special Health Care District dba Valleywise Health, for Valleywise Health to participate in the support of the Access to Professional Services Initiative (APSI), and to remove and replace Attachment A and B, which updates the funding of the IGA from \$8,671,665.53 to \$8,714,315.53. This amendment is effective on October 1, 2025
- xviii. Approve amendment #1 to the participating network agreement (MCO-25-008-1) between Creighton University and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive medical services
- xix. Approve amendment #2 to the intergovernmental agreement (90-23-107-1-02) between Arizona Department of Health Services (ADHS) and Maricopa County Special Health Care District, dba Valleywise Health, for Pre-Exposure Prophylaxis (PrEP) Patient Navigation funding
- xx. Approve amendment #2 to hospital agreement (MCO-20-033-02) between Mercy Care and Maricopa County Special Health Care District dba Valleywise Health, for the provision of comprehensive healthcare services

c. Governance:

- i. Approve a Change in Scope to add expanded services to Health Resources and Services Administration Form 5A: add Pediatric Specialty Services – Cardiology
- ii. Approve Board Resolution No. 2025-10-22-001 and Affidavit of Compliance Regarding the November 4, 2025 General Election
- iii. Approve a no objection letter to the proposed property tax reclassification of real and personal property of JX Advanced Metals USA, Inc., and Proposed Foreign Trade Zone Designation

d. Medical Staff:

- i. Approve Valleywise Health's Medical Staff credentials for October 2025
- ii. Approve Valleywise Health's Advanced Practice Clinician/Allied Health Professional Staff credentials for October 2025

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025**

General Session, Presentation, Discussion and Action, cont.:

1. Approval of Consent Agenda, cont.

d. Medical Staff, cont.:

- iii. Approve revisions to the Department of Anesthesiology Delineation of Privileges
- iv. Approve revisions to the Department of Family & Community Medicine Delineation of Privileges

e. Capital:

- i. Approve Capital Expenditure Request (CER) #26-443 for the design and construction of a hybrid operating room at Valleywise Health Medical Center for \$10,250,000

Chairman Korte requested consent agenda item 1.c.ii., Board Resolution 2025-10-22-001 and Affidavit of Compliance regarding the November 4, 2025 General Election, be removed and voted on separately.

MOTION: Director Thomas moved to approve the consent agenda minus item 1.c.ii. Vice Chairman Wilcox seconded.

VOTE: 4 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Mundell, Director Thomas
0 Nays
1 Absent: Director Demos
Motion passed.

MOTION: Director Mundell moved to approve consent agenda item 1.c.ii., Board Resolution No. 2025-10-22-001 and Affidavit of Compliance Regarding the November 4, 2025 General Election and authorized staff to make technical changes to comply with the statutes based on prior actions of the Board of Directors. Director Thomas seconded.

VOTE: 4 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Mundell, Director Thomas
0 Nays
1 Absent: Director Demos
Motion passed.

2. Discussion on Understanding Centers for Medicare & Medicaid Services (CMS) Hospital Star Ratings

Ms. Garcia provided an overview of the Centers for Medicare & Medicaid Services (CMS) hospital star rating system, highlighting the intent was to provide patients with information to make informed choices about health care and to quickly identify differences in quality. She explained the various components that contributed to the overall Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) star rating, including communication, cleanliness, staff responsiveness, and overall recommendation, noting the contribution categories would be revised in October 2026.

An analysis conducted by America's Essential Hospitals (AEH) reported that of the 3,118 publicly reported hospitals, 43% received a three-star rating, noting hospitals with fewer Medicaid patients received higher star ratings, and hospitals with a larger percentage of Medicaid patients often received lower star ratings. Safety net hospitals were five times more likely to receive a one-star rating.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025**

General Session, Presentation, Discussion and Action, cont.:

2. Discussion on Understanding Centers for Medicare & Medicaid Services (CMS) Hospital Star Ratings, cont.

Key considerations stemming from the analysis included questioning whether the star ratings served the intended purpose, determining if the star rating presented an accurate representation of the hospital's performance, and if changes to the star rating reporting protocols were needed.

Ms. Garcia mentioned that CMS implemented changes to the HCAHPS surveys in January 2025, such as the ability for patients to receive the surveys via email, administering surveys in English and Spanish, extending the time to complete the survey, and changing the survey questions. She expressed the importance of increasing survey response rates and having appropriate representativeness, as the reported information was available to the public, including payers.

She reviewed additional considerations to address the patterns identified through the analysis, including comparing like-hospitals against one another, determining how the public uses the star ratings to inform their decisions in selecting hospitals, and developing policies to support hospitals with lower response rates. Staff would be working with AEH and offering support when needed.

Chairman Korte asked if there were discussions to implement caveats for safety net hospitals.

Mr. Purves stated there were numerous factors that were unique to safety net hospitals, including but not limited to the complexity of the patients treated, various social determinants of health, language barriers, and limited funding and resources available. He noted that AEH had provided scientific research to demonstrate the disparity, and the star rating program did not adequately represent the care provided at specific hospitals. However, Valleywise Health had achieved a three-star rating and there were plans in place to achieve that rating again.

3. Update on Behavioral Health Programs and Services at Valleywise Health

Ms. Steiner provided an update on behavioral health services provided throughout Valleywise Health, noting that 94% of the inpatient behavioral health licensed beds were in use, with eight more beds opening in November 2025. She showcased the three-year trends related to admissions, average daily census, average length of stay, and occupancy rates, which demonstrated the continued growth over the years.

She provided an overview of the Maricopa County court ordered evaluation statistics, stating that of the approximate 1,000 admissions to the Crisis Centers per month, 44% were admitted to Valleywise Health for court ordered evaluations, highlighting the organization's key role in treating the mentally ill.

With the transition to Press Ganey, staff were able to compare patient experience surveys to similar facilities. Using the data received, new processes were implemented for patients to complete the survey, and staff were working together to improve the scores received.

The employee engagement survey response rate for the behavioral health department was 67%, which was better than the national average for safety net hospitals. Action plans were developed to focus on employee recognition, decrease behavioral health technician first-year turnover rate, and develop a behavioral health technician preceptor program to train future behavioral health technicians.

Ms. Steiner provided an overview of the action plans in place to improve quality and financial performance within the behavioral health department.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025**

General Session, Presentation, Discussion and Action, cont.:

3. Update on Behavioral Health Programs and Services at Valleywise Health, cont.

Dr. White provided an update on the outpatient behavioral health programs, including the Assertive Community Treatment (ACT) program in Mesa and the Forensic Assertive Community Treatment (FACT) program in Maryvale, noting the FACT program specialized in individuals who were recently released from a correctional facility. He noted that both locations were fully staffed, were expected to reach full capacity soon, and announced that Mesa ACT had achieved an excellent score on the most recent Mercy Care Fidelity Audit.

Director Mundell asked if there had been a decrease in the recidivism rate among previously incarcerated individuals.

Dr. White was unaware of specific statistics; however, he would gather information and report back to the Board.

Director Thomas questioned how staff addressed patients who had difficulties with transportation.

Dr. White explained that ACT and FACT team members had the ability to go to the patient, if needed. Staff also coordinated transportation for patients to get to and from their appointments.

He provided an update on the two First Episode Centers, highlighting several success stories from the individuals treated.

Chairman Korte asked if there were discussions to expand the program and open a third location.

Dr. White said that staff continued to evaluate the need for services and determine if the organization had adequate resources to properly serve the population.

The services provided at the Seriously Mentally Ill (SMI) Health Homes were highlighted and he noted that potential expansion opportunities at Valleywise Behavioral Health Centers-Maryvale and Mesa locations were being reviewed.

He highlighted the continued increase in integrated behavioral health visits throughout the Federally Qualified Health Centers (FQHCs).

4. Reports to the Board of Directors:

a. Semi-annual Marketing and Communications Report

There were no questions or comments related to the reports.

MOTION: Director Mundell moved to recess general session and convene in executive session at 1:36 p.m. Director Thomas seconded.

VOTE: 4 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Mundell, Director Thomas
0 Nays
1 Absent: Director Demos
Motion passed.

***Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025***

General Session, Presentation, Discussion and Action:

Chairman Korte reconvened general session at 3:18 p.m.

5. Discuss, Review and Approve Amended and Restated Statement of Work #1 - Hospital Based Services, for Master Services Agreement (90-23-177-1) between Maricopa County Special Health Care District dba Valleywise Health, and District Medical Group, effective November 1, 2025

MOTION: Director Thomas moved to approve amended and restated Statement of Work #1 – Hospital Based Services, for Master Services Agreement (90-23-177-1) between Maricopa County Special Health Care District dba Valleywise Health, and District Medical Group, effective November 1, 2025. Vice Chairman Wilcox seconded.

VOTE: 4 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Mundell, Director Thomas
0 Nays
1 Absent: Director Demos
Motion passed

6. Discuss, Review and Approve Amended and Restated Statement of Work #2 - FQHC Services, for Master Services Agreement (90-23-177-1) between Maricopa County Special Health Care District dba Valleywise Health, and District Medical Group, effective November 1, 2025

MOTION: Director Thomas moved to approve amended and restated Statement of Work #2 – FQHC Services, for Master Services Agreement (90-23-177-1) between Maricopa County Special Health Care District dba Valleywise Health, and District Medical Group, effective November 1, 2025. Vice Chairman Wilcox seconded.

VOTE: 4 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Mundell, Director Thomas
0 Nays
1 Absent: Director Demos
Motion passed

7. Discuss, Review and Approve Amended and Restated Statement of Work #3 - Call Coverage, for Master Services Agreement (90-23-177-1) between Maricopa County Special Health Care District dba Valleywise Health, and District Medical Group, effective November 1, 2025

MOTION: Director Thomas moved to approve amended and restated Statement of Work #3 – Call Coverage, for Master Services Agreement (90-23-177-1) between Maricopa County Special Health Care District dba Valleywise Health, and District Medical Group, effective November 1, 2025. Vice Chairman Wilcox seconded.

VOTE: 4 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Mundell, Director Thomas
0 Nays
1 Absent: Director Demos
Motion passed

***Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – October 22, 2025***

General Session, Presentation, Discussion and Action, cont.:

8. Closing Comments
 - a. Chairman and Board Members
 - b. President and Chief Executive Officer Summary of Current Events

Director Thomas announced that he attended the Arizona Burn Symposium, which was well attended and highlighted the tremendous service available for the entire community.

Vice Chairman Wilcox expressed his appreciation for those who attended Chicanos Por La Causa's 56th Anniversary Dinner that honored former District Board member, Ms. Mary Rose Wilcox, for her years of public service.

Adjourn

MOTION: Director Thomas moved to adjourn the October 22, 2025, Maricopa County Special Health Care District Board of Directors General and Executive Session meeting. Vice Chairman Wilcox seconded.

VOTE: 4 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Mundell, Director Thomas
0 Nays
1 Absent: Director Demos
Motion passed

Meeting adjourned at 3:25 p.m.

Virginia L. Korte, Chairman
Maricopa County Special Health Care District
Board of Directors