

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 August 27, 2025, 1:00 p.m.</p>
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Present: Virginia L. Korte, Chairman, District 2
Earl V. Wilcox, Vice Chairman, District 5
Martin C. Demos, Director, District 1
Barbara R. Mundell, Director, District 3
J. Woodfin Thomas, Director, District 4

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
Ijana Harris, JD, Senior Vice President, General Counsel

**Guest Presenters/
Speakers:** Michael Fronske, Legislative and Governmental Affairs Director
Crystal Garcia, MBA/HCM, RN, Vice President, Specialty Services, Quality Patient Safety

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 all five voting members of the Maricopa County Special Health Care District Board of Directors were present, which represented a quorum.

Pledge of Allegiance

Vice Chairman Wilcox led the Pledge of Allegiance.

Call to the Public

Chairman Korte called for public comment. There were none.

Mission Statement

Director Thomas read the Mission Statement aloud.

**Maricopa County Special Health Care District Board of Directors
Meeting Minutes – General Session – August 27, 2025**

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 June 19, 2025
- ii. Approve Maricopa County Special Health Care District Board of Directors meeting minutes dated June 25, 2025
- iii. Approve Maricopa County Special Health Care District Board of Directors meeting minutes dated August 8, 2025

b. Contracts:

- i. Approve amendment #1 to the contract (90-25-079-1-01) between the Arizona Department of Health Services (ADHS) and Maricopa County Special Health Care District dba Valleywise Health to fund HIV testing in the ambulatory clinics
- ii. Approve amendment #3 to the agreement (90-24-212-1-03) between Xanitos Inc. and Maricopa County Special Health Care District dba Valleywise Health for environmental services
- iii. Approve amendment #1 to the agreement (90-25-125-1-01) between Philips Healthcare, a division of Philips North America LLC and Maricopa County Special Health Care District dba Valleywise Health for additional maintenance and service for radiology equipment
- iv. Approve amendment #1 to the subcontract agreement (90-25-319-1-01) between Mercy Care and Maricopa County Special Health Care District dba Valleywise Health for additional funding for the mental health block grant (MHBG) for the First Episode Center

c. Governance:

- i. Approve revisions and/or renewals of the following Board policies:
 - a. Policy 99014 G – Budget ~ Operating and Capital
 - b. Policy 99305 G – Board Member Conflict of Interest and Gift Policy
- ii. Approve affidavits appointing Angela Le, DO and Christina Singh, MD as Deputy Medical Directors in the Department of Psychiatry
- iii. Approve Home Assist Health's Amended and Restated Bylaws
- iv. Appoint Heather Burton to Replace Sherry Stotler on the Home Assist Health Board of Directors
- v. Approve Change in Scope of Service: Reduce the Hours of the Valleywise Health Mobile Health Clinic to Four Hours per Month, Effective August 2025
- vi. Approve a settlement agreement in the amount of \$99,099.03 for gross charges of \$7,788,679.76 for a Federal Emergency Services claim for patient with medical record ending in # 6184, valid for claim with date of service July 1, 2020 through August 26, 2023

**Maricopa County Special Health Care District Board of Directors
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General Session, Presentation, Discussion and Action, cont.:

1. Approval of Consent Agenda, cont.

c. Governance, cont.:

- vii. Approve Maricopa County Special Health Care District dba Valleywise Health 415(m) Qualified Excess Benefit Arrangement
- viii. Approve Valleywise Health Compensation Plan
- ix. Approve the appointment of Beth Beckman as Valleywise Health's Senior Vice President and Chief Nursing Officer
- x. Approve filing of petition for review to the Arizona Supreme Court in Claim Number MM204605041700
- xi. Approve Amended and Restated Maricopa County Special Health District Risk Management Insurance and Self-Insurance Plan
- xii. Approve revisions to the Maricopa County Special Health Care District Approval, Authorization and Responsibility Matrix
- xiii. Approve revisions to the Maricopa County Special Health Care District Procurement Code

d. Medical Staff:

- i. Approve Valleywise Health's Medical Staff credentials for July and August 2025
- ii. Approve Valleywise Health's Advanced Practice Clinician/Allied Health Professional Staff credentials for July and August 2025
- iii. Approve revisions to the Department of Internal Medicine – Critical Care Medicine Delineation of Privileges
- iv. Approve revisions to the Department of Internal Medicine Delineation of Privileges
- v. Approve revisions to the Department of Surgery – General Surgery Privileges
- vi. Approve the Department of Psychiatry – Clinical Psychologist Delineation of Privileges/Practice Prerogatives
- vii. Approve renewal of policy #39027 S - Practitioner Health Policy
- viii. Approve revisions to policy #39017 T– Medical Staff Funds and Associated Dues and Assessments
- ix. Approve revisions to policy #39026 T – Operational Credentialing Policy
- x. Approve revisions to policy #31200 T – Medical Staff Bylaws

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

1. Approval of Consent Agenda, cont.

e. Capital:

- i. Approve Capital Expenditure Request (CER) #26-414 to purchase a new Essenz heart lung cardiopulmonary bypass machine for \$378,328
- ii. Approve Capital Expenditure Request (CER) #26-416 to purchase 48 Stryker stretchers for \$518,173.49
- iii. Approve Capital Expenditure Request (CER) #26-417 for the purchase and installation of 9 Stryker surgical monitors for \$250,828.18
- iv. Approve Capital Expenditure Request (CER) #26-426 for the purchase of 5 GE Logiq ultrasound units for \$902,375
- v. Approve Capital Expenditure Request (CER) #26-428 for Pure Storage Array for \$1,143,975.80
- vi. Approve Capital Expenditure Request (CER) #26-429 for Infoblox appliance for \$366,779.98
- vii. Approve Capital Expenditure Request (CER) #26-302 for Guadalupe renovation and refresh budget increase of \$289,964.06

MOTION: Director Thomas moved to approve the consent agenda. Vice Chairman Wilcox seconded.

VOTE: 5 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Demos, Director Mundell,
Director Thomas

0 Nays

Motion passed.

2. Discussion and Possible Action on Valleywise Health's 2025 Legislative Agenda and/or the Maricopa County Special Health Care District's position regarding proposed State and Federal legislative items

Mr. Fronske reviewed the statistics of the legislative session, which concluded on June 27, 2025, noting the general effective date of the passed legislation was September 26, 2025. The budget passed with no healthcare items that would negatively impact the organization.

On a federal level, Congress passed HR.1, also known as the One Big Beautiful Bill, in early July 2025 and he explained that there would be significant changes to the Medicaid program that would have a major impact on the organization. He mentioned that several healthcare associations, including but not limited to America's Essential Hospital, American Hospital Association, and Arizona Hospital and Healthcare Association released summaries of the potential impact of those changes.

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Meeting Minutes – General Session – August 27, 2025**

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

3. Discuss, Review and Approve Valleywise Health's Annual Quality Improvement and Patient Safety Plan for Fiscal Year 2026; Approve Indicators on Which to Measure Quality for Fiscal Year 2026

Ms. Garcia reviewed the quality priorities and goals for fiscal year (FY) 2026, which included a continual focus on reducing hospital-acquired conditions. Staff would strive to decrease the standardized infection ratio (SIR) of clostridium difficile (c. diff), maintain hand hygiene compliance, decrease the surgical site infection (SSI) colon infection rate, decrease the time for STEMI door to balloon time, and decrease the percentage of hypoglycemia events.

With regard to patient safety indicators (PSI), staff would focus on improving the rate of PSI-03, pressure injuries. In the ambulatory setting, the goal was to better control high blood pressure.

Ms. Garcia outlined the areas of focus to improve patient experience survey results, including inpatient, inpatient and outpatient behavioral health services, the Federally Qualified Health Centers (FQHCs) and specialty clinics.

She reviewed the processes and plans in place to assist staff in achieving the FY 2026 quality and patient experience goals. She reviewed the dashboard that would be used to monitor the progress made throughout the year.

Director Mundell asked how regulatory survey results, such as DNV, factored into identifying quality priorities.

Ms. Garcia stated that when regulatory agencies identified areas of improvement, a corrective action plan was developed and submitted to the regulatory agency. She noted that all major findings from regulatory agencies were reported to the Board.

MOTION: Director Thomas moved to approve Valleywise Health's annual Quality Improvement and Patient Safety Plan and Indicators on Which to Measure Quality for fiscal year 2026. Vice Chairman Wilcox seconded.

VOTE: 5 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Demos, Director Mundell, Director Thomas
0 Nays
Motion passed

4. Discuss and Review the Quarterly Quality Report and Metrics Dashboard, including but not limited to Patient Safety and Hospital Consumer Assessment of Healthcare Providers and Systems Score

Ms. Garcia outlined the results of the quality metrics for the fourth quarter and 2025 fiscal-year-end, noting many of the quality metrics met the established benchmarks. While the STEMI door to balloon metric did not meet the benchmark for the fourth quarter, she highlighted the improvement from the prior quarter. In the ambulatory setting, the metric related to controlling high blood pressure did not meet the benchmark, and she stated staff would continue to prioritize improving the results in the upcoming fiscal year.

She reviewed the PSIs that did not meet the benchmarks for the fourth quarter and fiscal-year-end. PSI-12, postoperative pulmonary embolism (PE) or deep vein thrombosis (DVT), did not meet the benchmark for the fourth quarter, however, the metric met the fiscal-year-end benchmark. While PSI-14, postoperative wound dehiscence, did not meet the fiscal-year-end benchmark, there were no cases since July 2024, and Ms. Garcia commended the improvement made. PSI-03, pressure ulcer rate, did not meet the fourth quarter or fiscal-year-end benchmark. PSI-09, perioperative hemorrhage or hematoma, did not meet the fourth quarter benchmark, resulting in the fiscal-year-end benchmark being missed. PSI-14, postoperative wound dehiscence rate in abdominopelvic surgeries, missed the benchmark for the fourth quarter, however, the fiscal-year-end benchmark was met.

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

4. Discuss and Review the Quarterly Quality Report and Metrics Dashboard, including but not limited to Patient Safety and Hospital Consumer Assessment of Healthcare Providers and Systems Score, cont.

Ms. Garcia reviewed how staff addressed each of the metrics that did not meet the benchmarks and the plans in place to improve results.

She provided an overview of Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) survey results received between October 2024 and May 2025, noting that the organization was within the 90th percentile among safety net hospitals, a significant improvement from prior years. The survey return rate was approximately 10.5%, with staff utilizing both mail and email options.

She outlined the patient experience results for the FQHCs and specialty clinics and mentioned the areas for improvement. She explained the action plans in place to improve the patient experience survey responses.

5. Discuss and Review Quarterly Infection Control Metrics Dashboard

Ms. Garcia reviewed the 2025 fiscal-year-end infection control quality metrics. For the fiscal-year-end, all but two metrics met the established benchmarks. Hand hygiene compliance and surgical site infection (SSI) – colon surgery missed the fiscal-year-end benchmarks. She outlined the plans in place to improve the results for those metrics.

6. Discuss and Review Valleywise Health's Preliminary June 2025 Fiscal Year End Financials and Statistical Information, July 2025 Financials and Statistical Information, and Annual Investment of Funds Report

Ms. Agnew reviewed statistical information for June 2025, noting admissions were approximately one percent better than budget, emergency department visits missed budget by 1.5%, primarily at Valleywise Health Emergency Department-Maryvale, and ambulatory visits missed budget by less than one percent. For the fiscal-year-end, admissions were nine percent better than budget, emergency department visits were four percent better than budget, and ambulatory visits were better than budget by 1,936 visits, or breakeven with budget.

In reviewing the payer mix, Ms. Agnew mentioned a decrease in Medicaid reimbursement, noting higher commercial insurance and self-pay utilization.

Chairman Korte asked if the decrease in emergency department visits at Valleywise Health Emergency Department-Maryvale was related to the current political landscape.

Ms. Agnew was unsure and noted that individuals seeking care at Valleywise Health Emergency Department-Maryvale had a lower acuity, however, admissions to Valleywise Health Medical Center from the Valleywise Health Emergency Department-Maryvale had remained consistent throughout the year.

She reviewed the fiscal-year-end financial statement, highlighting the five percent positive variance in net patient service revenue and the 24.6% positive variance in other revenue. She explained that the other revenue included Safety Net Services Initiative (SNSI) funds, the 340B program, and retail pharmacy sales. Total revenue was 14.1% better than budget. Operating expenses missed budget by 1.4% due to large negative variances in supplies and utilities. The normalized assets, excluding bond related expenses, increased by \$89,646,030, compared to a budgeted increase of \$18,681,376, resulting in a positive variance of \$70,964,654. The fiscal year ended with 113.9 days of cash on hand and 54.8 days in accounts receivable.

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

6. Discuss and Review Valleywise Health's Preliminary June 2025 Fiscal Year End Financials and Statistical Information, July 2025 Financials and Statistical Information, and Annual Investment of Funds Report, cont.

Ms. Agnew provided a detailed overview of the services provided to patients throughout the fiscal year, including the number of surgeries, endoscopy and cath lab procedures, and deliveries. She noted the length of stay in acute and behavioral health services were better than budget, as well. She applauded staff for caring for the community every day.

She reviewed the statistical information for July 2025, noting total admissions were 4.9% better than budget, emergency department visits were better than budget by 14 visits, and ambulatory visits were 10% better than budget.

In reviewing the financial statements for July 2025, she noted a 2.1% positive variance in net patient service revenue, a negative one percent variance for other revenue. Total revenue was 0.5% better than budget. Operating expenses missed budget by 0.4%, resulting in a decrease in net assets of \$685,502, compared to a budgeted decrease of \$890,449, resulting in a positive variance of \$204,947.

Ms. Agnew outlined the investment of funds report, noting an overall yield of four percent. She explained the limitations in investment opportunities, which were done by the Maricopa County Treasurer.

7. Reports to the Board of Directors:
 - a. Quality Management Council Meeting Minutes (April 2025)
 - b. Care Reimagined Capital Purchases Report
 - c. Semi-annual Valleywise Health's Finance, Audit and Compliance Committee Activities Report

There were no questions or comments related to the reports.

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

Mr. Purves announced that Dr. Kevin Foster and the Diane & Bruce Halle Arizona Burn Center were recently featured in nationwide outlets such as *The New York Times* and *CBS News*, educating the public on the dangers of contact burns due to the high summer temperatures.

He noted that Ms. Harris was recognized by *The Phoenix Business Journal's* 2025 list of 40 under 40 for outstanding professionals. Dr. Frank LoVecchio, an emergency medicine physician, was honored with *The Phoenix Business Journal's* 2025 Healthcare Heroes Lifetime Achievement Award, and Ms. Shasa Jackson, manager of specialty behavioral health services, was a finalist in the non-physician category for her work in behavioral health services.

Becker's Hospital Review also acknowledged Valleywise Health and its employees, including Ms. Garcia being named amongst the 2025's Patient Safety Champions, Ms. Agnew named as a Hospital Chief Financial Officer to Know for the second year in a row, and Valleywise Health Medical Center was listed as one of the 100 great community hospitals in the nation.

He informed the Board that Ms. Lisa Hartsock was named as Valleywise Health Foundation's Chief Executive Officer, and Dr. David Wisigner, Chair of Internal Medicine, would step-down from his position in the summer 2026.

***Maricopa County Special Health Care District Board of Directors
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General Session, Presentation, Discussion and Action, cont.:

MOTION: Director Thomas moved to recess general session and reconvene in executive session at 2:02 p.m. Vice Chairman Wilcox seconded.

VOTE: 5 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Demos, Director Mundell,
Director Thomas
0 Nays
Motion passed.

General Session, Presentation, Discussion and Action:

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

Adjourn

MOTION: Chairman Korte moved to adjourn the August 27, 2025, Maricopa County Special Health Care District Board of Directors General and Executive Session meeting. Director Thomas seconded.

VOTE: 5 Ayes: Chairman Korte, Vice Chairman Wilcox, Director Demos, Director Mundell,
Director Thomas
0 Nays
Motion passed

Meeting adjourned at 3:18 p.m.

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