Minutes

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 28, 2026, 1:00 p.m.

Present:	Virginia L. Korte, Chairman, District 2 Earl V. Wilcox, Vice Chairman, District 5 Martin C. Demos, Director, District 1 Kelly J. Barr, Director, District 3 J. Woodfin Thomas, Director, District 4
Others Present:	Michael D. White, MD, MBA, President & Chief Executive Officer Warren Whitney, MBA, Executive Vice President, Chief Administrative Officer Frank Hemeon, Interim Executive Vice President, Chief Financial Officer Jodi Carter, MD, Interim Executive Vice President, Chief Medical Officer Beth Beckman, DNP, MSN, BSN, Senior Vice President, Chief Nursing Officer Alexzandra Hollingworth, MD, Chief of Staff Paige Pataky, JD, Assistant General Counsel
Guest Presenters/ Speakers:	Siobhan Mee, Senior Director, Revenue Cycle Jodi P. Carter, MD, Interim Executive Vice President, Chief Medical Officer Deb Sunman, SPHR, MSHR, Senior Vice President, Chief Human Resources Officer
Recorded by:	Melanie Talbot, Chief Governance Officer; 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 (Board) 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 no comments.

Mission Statement

Director Demos 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 16, 2026

        ii. Approve Maricopa County Special Health Care District Board of Directors meeting minutes dated September 23, 2026

    b. Contracts:

        i. Approve amendment #1 to the value-based purchasing agreement (MCO-25-009-VBP-1) between Equality Health Network, LLC and Maricopa County Special Health Care District dba Valleywise Health, for quality-based incentive program participation

        ii. Approve amendment #3 to the intergovernmental agreement (90-23-107-1-03) 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

    c. Governance:

        i. Approve Board Resolution No. 2026-10-28-001 and Affidavit of Compliance regarding the November 3, 2026, General Election

        ii. Retire Board Policy 99101 G – President & Chief Executive Officer Evaluation

        iii. Approve Health Resources and Services Administration Grant Application No. HRSA-27-099, for Expanding Nutrition Services

        iv. Approve Policy # 01768 S, HRSA Hyde Amendment Policy

    d. Medical Staff:

        i. Approve Valleywise Health's Medical Staff credentials for October 2026

        ii. Approve Valleywise Health's Advanced Practice Clinician/Allied Health Professional Staff credentials for October 2026

    e. Capital:

        i. Approve Capital Expenditure Request (CER) #27-440 for replacement end point workstations for a total cost of $1,077,315.82

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

1. Approval of Consent Agenda, cont.

    f. Prop 409:

        i. Approve a new Design-Build agreement (90-26-309-1) between McCarthy Building Companies, Inc and Maricopa County Special Health Care District dba Valleywise Health, for pre-construction, design and construction services related to the Roosevelt Campus Parking Garage 1 project

        ii. Approve Capital Expenditure Request (CER) #27-903 associated with contract (90-26-309-1) for pre-construction, design and construction services related to the Roosevelt Campus Parking Garage 1 project for a cost of $4,920,000

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

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

2. Discuss, Review and Approve Revisions to Policy 09004 S, Financial Assistance Self-Pay Discount Policy for Uninsured/Underinsured and Revisions to Financial Assistance & Uninsured Discount Schedules

Ms. Mee provided an overview of the revisions made to Policy 09004 S – Financial Assistance Self-Pay Discount Policy for Uninsured/Underinsured, noting that staff believed the revisions would be long standing. She explained that self-pay patients would be billed using Medicare rates as a guideline, resulting in predictable billed amounts for patients. Ancillary services, such as routine outpatient procedures and laboratory services, would require a specified co-pay, replacing the previous practice of providing estimated costs to patients.

There were also updates related to major inpatient procedures, with not-to-exceed amounts. The revisions would reduce variability in bad debt write-off amounts.

She compared Valleywise Health's charity care practices to other local hospitals, noting the organization wrote off $394.4 million as bad debt in fiscal year (FY) 2025, while other hospitals wrote off that expense as charity care.

Director Thomas asked if the revisions would impact the statuses on credit reports.

Ms. Mee stated that the organization did not report non-payment to credit bureaus.

Vice Chairman Wilcox confirmed that Valleywise Health was comparable to other hospitals.

Ms. Mee noted that the organization was more generous than other hospitals, which was to be expected as a safety net hospital. To allow for more transparent financial reporting, the discounts provided would transition from being classified as bad debt to charity care.

Director Barr clarified that there would be no change to the budget, however, the reclassification would allow the organization to better demonstrate the amount of charity care provided to the community.

Chairman Korte said the revisions simplified a complicated process and would be easier for patients to understand.

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

2. Discuss, Review and Approve Revisions to Policy 09004 S, Financial Assistance Self-Pay Discount Policy for Uninsured/Underinsured and Revisions to Financial Assistance & Uninsured Discount Schedules, cont.

MOTION: Director Barr moved to approve revisions to Policy 09004 S – Financial Assistance Self-Pay Discount Policy for Uninsured/Underinsured and revisions to Financial Assistance & Uninsured Discount Schedule. Vice Chairman Wilcox seconded.

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

Dr. White expressed his appreciation to leaders within the Finance Department and Technology and Digital Services (TDS) for addressing concerns identified throughout the organization using a patient-centered approach.

3. Valleywise Health's Centers for Medicare & Medicaid Services Overall Hospital Quality Star Rating Update

Dr. Carter provided an overview of the Centers for Medicare & Medicaid Services (CMS) Hospital Quality Star Rating program, including the five domains it contained, and the methodology used to calculate a hospital's rating. She explained the factors that contributed to the decline of Valleywise Health's rating, from 3-stars to 1-star, and highlighted the organization's areas of focus to improve over the upcoming years, including surgical complications, hospital acquired infections, readmissions, and patient experience. An executive steering committee was being developed, with individual workgroups tasked to implement action plans to restore the star rating trajectory within 12 months. Each workgroup identified an executive leader, operational leads, responsibilities, and 90-day deliverables.

She noted Patient Safety Indicator (PSI)-4, death rate among surgical inpatients with serious treatable complications, monitored a hospital's ability to rescue patients that experienced complications, not the organization's surgical competency. In prior years, the metric tracked five complications and deaths that occurred within the same hospital stay. Moving forward, the metric would transition to Inpatient Surgical Complications Mortality Rate (ISCMR), would track 50 complications, and deaths that occur within 30 days at any site. The patient safety and failure to rescue workgroup would monitor the organization's progress toward the national benchmark in the new metric.

The infection prevention workgroup would focus on surgical site infections after colon surgery and Clostridioides difficile (C. diff), with staff evaluating both physician and nursing protocols to ensure best practices were being implemented.

The readmission and care transition workgroup's goal was to improve readmission rates among congestive heart failure and pneumonia patients. The patient experience recovery workgroup would aim to improve communication, responsiveness and discharge readiness.

The data, analytics, and accountability workgroup would develop a dashboard that would monitor the progress of each workgroup, to hold the leaders accountable to the identified deliverables.

Dr. Carter emphasized that the goal was to restore the rating within 12 months, however, the efforts being made may not be reflected in the results for two years.

Director Demos expressed his appreciation for the clarity of the plans and requested quarterly updates on the progress being made.

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

3. Valleywise Health's Centers for Medicare & Medicaid Services Overall Hospital Quality Star Rating Update, cont.

Director Barr echoed the sentiment and was confident in staff's ability to improve the rating trajectory.

Chairman Korte understood that it may take up to two years for the rating to improve and questioned how it was possible to decline so rapidly.

Dr. Carter stated that the rating was determined by several factors, including how other health systems across the country performed.

Dr. White noted the methodology on how the rating was calculated was changed, specifically the weighting of each domain.

4. Discuss Workforce Overview and Priorities

Ms. Sunman provided an overview of Valleywise Health's workforce, which represented the communities served. Of the 4,844 employees, approximately 34.5% was Hispanic or Latino, 21% were 55 years old or older, 41% were Millennials, and 73% were women, with women holding 65% of the leadership roles. She commented the number of employees increased by 5.7% over prior year.

Chairman Korte asked if the increase in employees was contributed to filling vacant positions or creating new jobs.

Ms. Sunman said that the increase in employees was attributed to growth, as services expanded throughout the organization. She outlined the process and timeline to recruit and onboard new employees, noting the current focus was to reduce the time between extending an employment offer and an individual onboarding.

Director Barr asked what factors contributed to the increased time between extending the employment offer to onboarding.

Ms. Sunman stated that more time was needed to complete background checks, and there were also instances when the individual needed to provide more notice to their employer.

She reviewed the overall turnover rate, which was 17.9% and slightly better than the national average. However, there were opportunities to improve first-year voluntary turnover, specifically within clinical certified and professional licensed staff job classifications. She stated that work had been done over the course of the year and highlighted the improvements that had been made.

Chairman Korte questioned what was being done to reduce turnover for nurses.

Ms. Beckman announced the new nurse residency program had been developed to assist new nurse graduates and provide additional support in professional and personal needs. There was also time invested into developing professional governance, which is unit based and gave direct care nurses a voice in identifying issues that directly affect them and an opportunity to provide solutions.

Ms. Sunman reviewed employee tenure, with the majority of the workforce being employed less than three years, while approximately 967 employees had over 10 years of service. The goal for the current fiscal year was to create more recognition and milestone acknowledgement.

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

4. Discuss Workforce Overview and Priorities, cont.

The employee engagement survey results were reviewed. Ms. Sunman noted 81% of staff participated and there were favorable outcomes in engagement and leadership index. There were opportunities to improve in safety culture, both in prevention and reporting, as well as pride and reputation. She highlighted the survey responses that were both better than peers, and behind peers. The comments included in the survey indicated that employees were committed to the organization, but noted there were opportunities to improve pay, benefits, leadership and staffing.

Director Demos commented that the employee engagement survey indicated that employees did not feel safe reporting mistakes. He noted there were several policies in place to address that topic and asked what could be done to reassure employees that it was safe to report errors.

Ms. Sunman said that the organization had to create the culture, which was the goal of the High Reliability initiative that would be implemented over the next couple of years. Staff was also working to address the compensation concerns, although compensation at Valleywise Health was competitive within the market. In fiscal year (FY) 2026, approximately $11.6 million was invested in market adjustments, with an additional $9.6 million invested in annual increases. Staff was also working to standardize job roles and validate market competitiveness and internal equity.

She highlighted the initiatives in place to support employees in a variety of aspects by offering a variety of resources to support their entire being.

Chairman Korte asked if there was a daycare on site for employees.

Ms. Sunman said Valleywise Health did not offer daycare services.

Director Thomas said younger generations were not actively planning for retirement and asked how Valleywise Health's retirement benefit factored into the recruitment process.

Ms. Sunman acknowledged that the automatic retirement deduction could be a detractor, however, a lot of education was provided early in the recruitment process. Potential candidates were also informed of other professional development opportunities, including but not limited to tuition reimbursement.

She reviewed the upcoming priorities, including transitioning to the Workday platform, updating the compensation framework, and leadership development.

Vice Chairman Wilcox asked how vacant positions were advertised.

Ms. Sunman noted that there were a variety of avenues to advertise, including job recruitment sites, job-specific publications, and learning institutions.

5. Discuss a Future Strategic Planning Retreat

Ms. Talbot requested input on the Board's interest in scheduling a strategic planning retreat, including the topics that would be discussed, time commitment, and other logistics. Based on the input received, the potential date for the retreat would be in early 2027.

Chairman Korte recommended a detailed conversations on the implementation of Proposition 409 funding, patient safety, quality, and patient experience.

Director Barr suggested discussing H.R.1. and the impact the legislation would have on the organization. She agreed that the Board should also discuss improving the CMS Star rating and implementation of Proposition 409. She also recommended holding quarterly work sessions to discuss the variety of topics.

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

5. Discuss a Future Strategic Planning Retreat, cont.

Dr. White noted that Maricopa County provided valuable information through the Community Health Needs Assessment, which outlined community health needs across the county and would assist in the development of Valleywise Health service lines and program development, to align with Proposition 409 discussions.

Vice Chairman Wilcox requested background information on all topics that would be discussed.

Dr. White said there would be a facilitator to guide the discussions.

Director Barr questioned how previous strategic plans were developed, and the Board's involvement in that process.

Dr. White stated Valleywise Health's 5-year Strategic Plan was approved by the Board in March 2025 and outlined the organizational goals through FY 2030. There were multiple stakeholders involved, with initiatives categorized into five pillars: Quality and Safety, Patient Experience, People Engagement, Financial Performance, and Learning Environment. However, the current plan was developed prior to H.R.1. and the passage of Proposition 409 and included assumptions that may no longer be applicable. The retreat would be an opportunity to review the plan and include the Board in future planning.

Director Barr asked if the retreat would be more informational for the Board, or if their input would be incorporated into future planning.

Dr. White stated that part of the retreat would be to provide information as the foundation, which would be used to develop future plans.

Chairman Korte appreciated the feedback and would move forward in planning the retreat.

6. Discuss The Governance Institute's Board Compass Self-Assessment

Ms. Talbot requested input on the Board's interest in completing a Board Self-Assessment. She explained that the assessment was a structured way to ensure the Board had the information and processes needed to govern effectively. The self-assessment process was approximately 10 weeks and would evaluate the Board's effectiveness in carrying out their responsibilities, to the patients and community, and also strengthened oversight over quality, finance, compliance and strategic initiatives.

Chairman Korte said that the timeline to complete the assessment was dependent on the outcome of the election and recommended a future discussion. However, she was confident that the assessment would be completed in the upcoming year.

7. Discuss, Review and Approve Performance Goals for Valleywise Health's President & Chief Executive Officer, Michael D. White, for Fiscal Year 2027

Dr. White outlined his proposed performance goals for FY 2027, which included two goals for each strategic pillar. For Patient Safety and Quality, the first goal was consistent with prior year and would measure preventable harm and the percentage of encounters complications. The second goal would impact staff's efforts toward improving the CMS Star rating and would monitor ISCMR.

The goals for Patient Experience were consistent as prior year, with inpatient overall rating and ambulatory patient's likelihood to recommend the facility.

The goals for People Engagement would aim to reduce voluntary turnover and improve employee engagement and culture, specifically on safe working conditions.

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

7. Discuss, Review and Approve Performance Goals for Valleywise Health's President & Chief Executive Officer, Michael D. White, for Fiscal Year 2027, cont.

The goals for Financial Performance would hold him accountable to the approved budget, however, based on the direct payment amount received, the goal was adjusted to account for the additional revenue. The second goal would aim to reduce the number of days in account receivable.

Director Barr questioned why the goal was revenue based and not expense based, which he would have more control over.

Chairman Korte commented the goal was excess of revenue over expenses, which focused on both expenses and revenue.

The goals for Learning Environment focused on the development of the nurse residency and behavioral health academy, as well as the launch of the High Reliability initiative.

MOTION: Director Thomas moved to approve the performance goals for Valleywise Health's President & Chief Executive Officer, Michael D. White, for fiscal year 2027. Vice Chairman Wilcox seconded.

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

8. Consideration, Discussion, and Possible Action on the Performance Evaluation and Attainment of Performance Goals for Steve Purves as Valleywise Health's President & Chief Executive Officer, for Fiscal Year 2026

MOTION: Director Thomas moved that based on the Board's review of Steve Purves's performance goals for fiscal year 2026, the Board has determined that he met the midpoint target set by the Board for the people engagement goal and met the maximum target set by the Board for the quality and safety goal, part two of the patient experience goal, the financial goal, and the learning environment goal. Therefore, the Board moved to award Mr. Purves a performance bonus based on the achievements reached. Vice Chairman Wilcox seconded.

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

9. Reports to the Board of Directors:

   a. Semi-annual Marketing and Communications Report

   b. Changes to the Federally Qualified Health Centers Sliding Fee Discount Program/Policy #23624 D, and Federally Qualified Health Centers Financial Assistance Sliding Fee Discount Schedule #23624

There were no questions or comments related to the report.

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

10. Closing Comments

    a. Chairman and Board Members

    b. President and Chief Executive Officer Summary of Current Events

Director Thomas shared the events that he attended throughout the month, including WESTMARC's Best of the West Awards and Valleywise Health Foundation's A Night in the Valley fundraiser.

Chairman Korte announced that she attended Arizona Hospital and Healthcare Association's (AzHHA) Annual Conference.

Dr. White highlighted several organizational accomplishments throughout the month, including being awarded grant funding from Substance Abuse and Mental Health Services and Administration (SAMSHA) to support services at the First Episode Centers and the medication assisted treatment programs over the next four years.

The Simulation Center at Valleywise Health had achieved accreditation from the Society for Simulation in Healthcare, which is the world's largest accrediting body for healthcare simulation programs.

Valleywise Comprehensive Health Center-Peoria received the Quality of Life Enhancement Award at the WESTMARC Best of the West Awards.

To address cardiovascular rehabilitation, Valleywise Health was awarded a grant, in partnership with America's Essential Hospitals (AEH), to participate in an educational collaborative with other essential hospitals to learn best practices, as cardiovascular rehabilitation was a challenge for the population served.

He acknowledged Ms. Lisa Hartsock and applauded the successful Valleywise Health Foundation fundraising event, A Night in the Valley, for raising over $1 million to support Valleywise Health's mission.

Vice Chairman Wilcox expressed his appreciation to Dr. White and Mr. Whitney for meeting with leaders of local non-profit organizations.

Adjourn

MOTION: Director Thomas moved to adjourn the October 28, 2026 Maricopa County Special Health Care District Board of Directors General Session meeting. Director Demos seconded.

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

Meeting adjourned at 2:38 p.m.

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