Subject: {EXTERNAL} Draft Policies Before Commissioners' Court On Tuesday

Date: Monday, October 2, 2017 at 6:10:37 PM Central Daylight Time

From: Ohlendorf, Patricia

To: Sarah Eckhardt

CC: Holly Gummert, Peter Einhorn, David Escamilla, Fenves, Gregory L, Bazzell, Darrell, Johnston, Clay,

Harris, Martin, Kahlon, Mini K, Stewart, Leah B, Scheibal, Stephen S, Beverly E Hurst, Geeslin, Mike

Priority: High

Dear Judge Eckhardt,

Thank you for the opportunity to follow up on the current proposals to amend the Travis County Healthcare District Financial Policies ("Policies").

As a longstanding partner of Central Health, UT Austin has had discussions with Central Health regarding its recommendations to the Court. We appreciate Mike Geeslin, Holly Gummert, and others for having these conversations that have been cooperative and positive and have addressed several of UT Austin's concerns. Our most recent conversation was the morning of Friday, September 29. We were provided today with the draft that Central Health sent you later on Friday. And, UT Austin supports clear contractual terms in any future service contract arrangements with Central Health that set forth how the parties will meet the concepts proposed in Central Health's draft amendments to the Policies.

By contrast, some of the other proposals we have seen that were submitted to the Court are at least in part vague, appear to be at least in part in tension or conflict with the preexisting Affiliation Agreement into which UT Austin entered, or include terms that may not be workable for UT Austin as a state institution. As the Court weighs the various proposals, UT Austin agrees that the District should structure and evaluate its arrangements with third parties to make sure those arrangements comply with applicable laws and serve Central Health's purpose and mission.

UT Austin also believes the existing Affiliation Agreement among UT Austin, Central Health, and the CCC includes terms that meet these standards and looks forward to continuing our relationship with Central Health and the CCC under the terms of that Agreement and its permitted investments. And, again, UT Austin supports clear contractual terms in any future services arrangements with Central Health.

We appreciate your consideration and look forward to continued partnership with Central Health. Please know that UT Austin and its Dell Medical School have a strong commitment to — and resolve and passion for - the best educational and health care interests that support our community.

Thanks very much,

Patti Ohlendorf

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