

HARRIS HEALTH SYSTEM

**ORIGINAL
DO NOT REMOVE**

HARRIS HEALTH SYSTEM

MINUTES OF THE BOARD OF TRUSTEES MEETING

Thursday, February 23, 2017

Board Room – Administration Building

Members Present:

Ms. Anne Clutterbuck, Chair
Dr. Kimberly Monday, Vice-Chair
Ms. Daisy Stiner, Secretary
Mr. Lawrence Finder
Mr. Elvin Franklin, Jr.
Ms. Carol Graebner
Dr. Ewan Johnson
Ms. Carolyn Truesdell

Members Absent:

Mr. Brandon Capetillo

Others Present:

Mr. George Masi, President & Chief Executive Officer
Mr. Michael Norby, Executive Vice President & Chief Financial Officer
Dr. Parikshet Babber, Executive Vice President & Chief Medical Officer
Mr. Tim Tindle, Executive Vice President & Chief Information Officer
Dr. Ericka Brown, Executive Vice President & Administrator, Ben Taub Hospital
Dr. Michael Gardner, Executive Vice President & Administrator, Ambulatory Care Services
Mr. Alan Vierling, Executive Vice President & Administrator, Lyndon B. Johnson Hospital
Dr. Jose Garcia, General Director, AMS, and Interim Chief of Staff, Lyndon B. Johnson Hospital
Dr. David Robinson, Chair, Medical Executive Board
Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office
Ms. Carole Lamont, Commissioner Steve Radack's Office
Mr. Paul Shanklin, Commissioner Jack Cagle's Office
Mr. August Williams, Commissioner Jack Mormon's Office
Ms. Andrea Usanga, Commissioner Rodney Ellis's Office
Administrative Staff
Guests
(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Ms. Anne Clutterbuck, Chair, called the meeting to order at 9:05 a.m., and noted that a quorum was present. The attendance was recorded.

II. Approval of the Minutes of Previous Meeting

Motion 17.02-18

Moved by Elvin Franklin, Jr., seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve the minutes of the January 26, 2017 regular and special called Board of Trustees meetings.

III. Oath of Office

Ms. Clutterbuck announced that Ms. Carolyn Truesdell was officially sworn in prior to the convening of the Board meeting.

IV. Announcements / Special Presentations

- A. Special Recognition** – Ms. Anne Clutterbuck recognized Mr. Elvin Franklin, Jr. for his thirty-one (31) years of service as a member of the Harris Health System Board of Trustees and for his two (2) terms as Board Chair. She expressed her gratitude on behalf of the Board to Mr. Franklin for mentoring new Board members and for his dedication to the needs of the underserved in the community. Ms. Clutterbuck presented him with a crystal gavel and a signed and framed photograph of the Board. Mr. Franklin thanked the Board for the recognition and stated that his work with Harris Health and Harris County has been rewarding. He emphasized that Harris Health has an obligation to care for its patients, especially the patients who are indigent and/or homeless. Mr. Franklin also stated that Harris Health must ensure that its employees and volunteers are appreciated, respected, and protected.

(Agenda item VI. was taken out of order)

VI. Approval to Rename the Harris Health System Administration Building, Located at 2525 Holly Hall, Houston, Texas 77054, the “Elvin Franklin, Jr. Administration Building”

Motion 17.02-19

Moved by Ms. Daisy Stiner, seconded by Ms. Carol Graebner, and unanimously passed that the Board approve the renaming of the Harris Health System Administration Building, located at 2525 Holly Hall, Houston, Texas 77054, the “Elvin Franklin, Jr. Administration Building.”

- B. Special Recognition** – Dr. Ericka Brown, Executive Vice President and Administrator, Ben Taub Hospital, recognized Dr. Felicia Tornabene and Ms. Barbara Pullar for their participation in the America’s Essential Hospitals (AEH) Essential Women’s Leadership Academy internship program. She explained that AEH is an advocacy organization devoted to public health and to ensuring access for all to high-quality healthcare. Dr. Brown stated that Harris Health is partnering with AEH to develop women to become

future leaders in the national public health system through the Essential Women's Leadership Academy. She introduced Dr. Felicia Tornabene, Hospital Medical Director, Contra Costa Health Services, and Ms. Barbara Pullar, Director of Nutrition Services, Harborview Medical Center, as participants in the Essential Women's Leadership Academy.

- C. Special Recognition** – Mr. Terry Reeves, Senior Vice President of Corporate Compliance, recognized Dr. Stacey Mitchell, Administrative Director of Risk Management and Patient Safety and Forensic Nursing Services, for her contributions to the Forensic Nursing Program at Harris Health System. He announced that Dr. Mitchell accepted an associate professorship with the Texas A&M University College of Nursing, which will begin March 1, 2017. Mr. Reeves stated that Dr. Mitchell established the forensic nursing program at Harris Health and he expressed gratitude for her hard work and dedication. He highlighted that she is nationally known as an expert in forensic nursing and that she received the Virginia A. Lynch Pioneer Award in 2016 from the International Association of Forensic Nurses. Several Board members thanked Dr. Mitchell for her expertise, leadership, and professionalism, and her contributions to Harris Health.

Dr. Michael Gardner, Executive Vice President and Administrator, Ambulatory Care Services, recognized Mr. Pete Rodriguez, former Director of HIV Services and the Health Care for the Homeless Program, for his years of service with Harris Health. He stated that Mr. Rodriguez began his tenure at Harris Health in 1992 as an HIV/AIDS case manager at Ben Taub Hospital, that he developed Harris Health's HIV Services program, and that he became the Director of HIV Services and the Thomas Street Health Center in 2007. Dr. Gardner also stated that Mr. Rodriguez joined the Ryan White Planning Council of Harris County, which advocates for and administers Ryan White federal grant funding in the Harris County area. He announced that upon Mr. Rodriguez's retirement from Harris Health in December 2016, he began working as a consultant for the United States Health Resources & Services Administration.

V. Hear from Citizens

Ms. Cynthia Cole, Executive Director, Local #1550 – AFSCME, American Federation of State, County, and Municipal Employees, presented an overview of a letter she distributed to the Board concerning employee relations issues. She requested that the Board explore options to improve workplace safety for Harris Health's employees. Ms. Cole stated that employees do not feel valued and that many report instances of age and gender discrimination, inconsistent applications of disciplinary measures, position reassignments without prior notification, wage disparities, and manipulation of performance evaluations. She further stated that the majority of Harris Health's employees love their jobs but many feel that their future career growth and development opportunities are limited or nonexistent due to a lack of communication and guidance. Ms. Cole requested that the Board address these issues and that the Board encourage management to include employees in plans regarding the future of Harris Health.

Mr. Joseph Urquiaga, former Harris Health employee of the Monroe Clinic, stated that he was terminated four (4) weeks ago due to a claim of harassment. He stated that he was not afforded due process since he was not accompanied by union representation at the time of

his questioning and he stated that the questions being asked were biased. Mr. Urquiaga mentioned that he possessed letters of support from co-workers at the Monroe Clinic who felt that his termination was unjust. Ms. Clutterbuck requested that Mr. Urquiaga submit his documentation to the Board Office for further review.

VII. Approval of Appointments to the 2017 Board of Trustees' Standing and Special Committees

Motion 17.02-20

Moved by Mr. Lawrence Finder, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve the following changes to the Board of Trustees' Standing and Special Committees, subject to the amendment that the Performance Improvement and Patient Safety Committee will meet bimonthly but will present a monthly quality report at every Board of Trustees meeting:

STANDING COMMITTEES:

Joint Conference Committee

Ms. Carol Graebner, Chair
Mr. Elvin Franklin, Jr., Member
Dr. Kimberly Monday, Member
Ms. Carolyn Truesdell, Member

Performance Improvement and Patient Safety Committee

Dr. Kimberly Monday, Chair
Ms. Carol Graebner, Member
Dr. Ewan Johnson, Member

Information Technology Committee

Dr. Ewan Johnson, Chair
Ms. Daisy Stiner, Member
Ms. Carolyn Truesdell, Member

Budget and Finance Committee

Ms. Carolyn Truesdell, Chair
Mr. Lawrence Finder, Member
Ms. Daisy Stiner, Member

Planning and Operations Oversight Committee

Mr. Lawrence Finder, Chair
Mr. Elvin Franklin, Jr., Member
Dr. Ewan Johnson, Member
Dr. Kimberly Monday, Member
Ms. Daisy Stiner, Member

Corporate Compliance and Audit Committee

Mr. Elvin Franklin, Jr., Chair
Mr. Lawrence Finder, Member
Ms. Carol Graebner, Member
Ms. Carolyn Truesdell, Member

SPECIAL COMMITTEES:

Strategic Planning Committee

Ms. Daisy Stiner, Chair
Mr. Elvin Franklin, Jr., Member
Ms. Carol Graebner, Member
Dr. Kimberly Monday, Member

Governance Committee

Ms. Carol Graebner, Chair
Mr. Lawrence Finder, Member
Dr. Ewan Johnson, Member
Dr. Kimberly Monday, Member

Joint Boards Workgroup

Ms. Anne Clutterbuck, Chair
Ms. Carol Graebner, Member

HCHD Foundation Workgroup

Ms. Anne Clutterbuck, Chair

Ms. Clutterbuck presented the 2017 Board of Trustees' standing and special committees membership list. She explained that she proposed modifications to the Board committee structure to ensure that the committees reflect the current status of medical care in our community, to increase the Board's efficiency and effectiveness, and to ensure that each committee operates to advance Harris Health's strategic plan. Dr. Kimberly Monday expressed concern regarding the proposal that the Performance Improvement and Patient Safety Committee (PI/PS Committee) decrease its meeting schedule from monthly to bimonthly. Significant discussion ensued. Mr. George Masi, President and Chief Executive Officer, stated that much of the quality information that the PI/PS Committee reviews demonstrates trends in Harris Health's quality indicators and he concluded that it may be more efficient for the committee to present trend analysis on a bimonthly basis. Ms. Carolyn Truesdell suggested that the PI/PS Committee meet bimonthly but continue to submit monthly quality reports for inclusion on the Board meeting agendas. The Board members agreed with Ms. Truesdell's recommendation.

Ms. Daisy Stiner inquired regarding the purpose of the proposed special committee, Harris County Hospital District Foundation (HCHD Foundation) Workgroup. Ms. Clutterbuck responded that the workgroup would be tasked with scheduling a joint meeting annually between the Harris Health Board of Trustees and the HCHD Foundation Board, procuring an annual report of the HCHD Foundation's fundraising efforts on behalf of Harris Health, and examining revisions of the HCHD Foundation's bylaws to improve the collaboration between the two organizations. Significant discussion ensued. Mr. Masi stated that Mr. Jeff Baker, Executive Director, HCHD Foundation, and Ms. Nicole Streeter, Vice President and Chief Governance Officer, are collaborating to schedule a joint meeting between the Board of Trustees and HCHD Foundation Board in May 2017. Ms. Carol Graebner requested to be removed as a designee to the Community Health Choice, Inc. Board of Directors due to time constraints. Ms. Clutterbuck agreed to do so.

A complete list of the members of the standing and special committees is attached to these minutes. Please refer to Appendix A.

VIII. Consent Agenda Items

Motion 17.02-21

Moved by Mr. Lawrence Finder, seconded by Dr. Kimberly Monday, and passed that the Board approve agenda items VIII.A(1)a. through VIII.A(1)ss. Mr. Lawrence Finder abstained from purchasing item A(1)x. and recused himself from the following purchasing items: A(1)b., A(1)c., A(1)d., A(1)e., A(1)g., A(1)h., A(1)k., A(1)o., A(1)p., A(1)q., A(1)r., A(1)s., A(1)t., A(1)w., A(1)y., A(1)z., A(1)aa., A(1)cc., A(1)ee., A(1)ff., A(1)ii., A(1)kk., A(1)ll., A(1)mm., A(1)nn., A(1)oo., A(1)qq., and A(1)ss.

A. Items Related to Purchasing

A(1). Consideration of Purchasing Recommendations Requiring Board Approval

- a. approve utilization of the contract for Ybarra's Real Estate Services, LLC d/b/a Millenium Contractors and Drywall to provide painting services and related work in the estimated amount of \$370,000 for the term March 1, 2017 through February 28, 2018.
- b. approve award on the basis of product standardization for STERIS Corporation [PP-OR-1296] to provide operating room lights and booms in the amount of \$236,949.
- c. approve purchase on the basis of sole source for Stryker Sales Corporation through Stryker Endoscopy Division to provide endoscopy equipment maintenance and repair services in the estimated amount of \$203,405 for a one-year initial term with four (4) one-year renewal options.
- d. approve the third of four (4) renewal options for Dräger Medical Inc. to provide preventative maintenance and repair services for Dräger anesthesia equipment in the estimated amount of \$155,066 for the term April 1, 2017 through March 31, 2018.
- e. approve the first of four (4) renewal options on the basis of sole source for FujiFilm Medical Systems, USA, Inc. to provide service and maintenance for Carbon XL computed radiography equipment in the amount of \$126,000 for the term March 1, 2017 through February 28, 2018.
- f. approve the first of four (4) renewal options for Air Filters Incorporated to provide air filtration media and related items in the estimated amount of \$102,705 for the term March 1, 2017 through February 28, 2018.
- g. approve award on the basis of only proposal received for St. Jude Medical Inc. to provide a cardiac ablation system for the Ben Taub Hospital Cath Lab in the estimated amount of \$122,125 (\$17,900 for equipment / \$104,225 for consumables) for a one-year initial term with four (4) one-year renewal options.

- h. approve the first of two (2) renewal options as an exception to the Harris Health System Purchasing Manual bid requirements for Det Norske Veritas Healthcare, Inc. d/b/a DNV Healthcare, Inc. to provide management system certification / accreditation in the estimated amount of \$150,625 for the term March 8, 2017 through March 7, 2018.
- i. approve renewal for Community Health Choice, Inc. to provide third-party administration of healthcare claims from non-affiliated providers in the estimated amount of \$70,000 for the term March 1, 2017 through February 28, 2018.
- j. approve the second of four (4) renewal options for National Research Corporation to provide patient satisfaction, CAHPS, employee, and medical staff surveys in the estimated amount of \$780,885 for the term March 26, 2017 through March 25, 2018.
- k. approve an extension for Baylor College of Medicine to provide a Clostridium difficile infection research study at Ben Taub Hospital in the estimated additional amount of \$0 for the extended term April 1, 2017 through August 31, 2017 (Board previously approved funds in the (DSHS Grant) amount of \$335,425 for the term October 1, 2015 through March 31, 2017).
- l. approve third-year funding for the GPO contract for US Foods [PP-DI-001C] to provide national foodservice distribution in the estimated amount of \$1,350,000 for the four-month term March 1, 2017 through June 30, 2017.
- m. approve renewal for Harris Health System to provide meals for patients in the space leased to The Harris Center for Mental Health and IDD (f/k/a MHMRA of Harris County) in the Neuro-Psychiatric Center at Ben Taub Hospital in the estimated revenue amount of \$235,000 for the term March 1, 2017 through February 28, 2018.
- n. approve the second of four (4) renewal options for The University of Texas Health Science Center at Houston to provide development and implementation of required learning collaborative events associated with the implementation of 1115 Waiver and Delivery System Reform Incentive Payment Program projects in the estimated amount of \$96,118 for the term March 1, 2017 through February 28, 2018.
- o. approve first-year funding on the basis of best contract for Office Depot [PP-MM-232] to provide office supplies in the estimated amount of \$764,116 for the seven-month term January 1, 2017 through July 31, 2017.
- p. ratify additional (budgeted) funds and an extension for Carefusion Solutions, LLC to provide large-volume infusion pumps in the additional (budgeted) amount of \$338,442 for the extended term December 16, 2016 through February 28, 2017 (Board previously approved funds in the amount of \$2,030,527 for the term December 16, 2015 through December 15, 2016).
- q. approve the second of four (4) renewal options for Ricoh USA, Inc. [DIR-SDD-1674] to provide copy center services in the estimated amount of \$264,380 for the term March 12, 2017 through March 11, 2018.

- r. approve first-year funding on the basis of lowest-priced contract for Cardinal Health 200, LLC [PP-OR-1354] through Cardinal Health to provide surgical and isolation masks in the amount of \$184,883 for the term January 1, 2017 through December 31, 2018.
- s. approve purchase on the basis of sole source for Boston Scientific Corporation to provide the GreenLight XPS™ Laser System and MoXy laser fibers in the estimated amount of \$100,080.
- t. approve additional (budgeted) funds and an extension for Hill-Rom Company, Inc. to provide rental of therapeutic and bariatric beds, surfaces, accessories, and services in the additional (budgeted) amount of \$366,292 for the extended term March 1, 2017 through August 31, 2017 (Board previously approved funds in the amount of \$1,245,296 for the term June 1, 2015 through February 28, 2017).
- u. approve additional (budgeted) funds and an extension for RecoverCare, LLC to provide rental of therapeutic and bariatric beds, surfaces, accessories, and services in the additional (budgeted) amount of \$80,216 for the extended term March 1, 2017 through August 31, 2017 (Board previously approved funds in the amount of \$302,246 for the term September 3, 2015 through February 28, 2017).
- v. ratify purchase as an exception to the Harris Health System Purchasing Manual bid requirements for Ascend Clinical, LLC to provide laboratory testing services for the Riverside Dialysis Clinic in the estimated amount of \$140,000 for the term August 1, 2016 through April 30, 2017.
- w. approve provision for The University of Texas MD Anderson Cancer Center to provide colposcopy and other professional medical services in the estimated amount of \$100,000 for the term March 1, 2017 through February 28, 2018.
- x. ratify additional (budgeted) funds and an extension for Haynes and Boone, LLP to provide a special counsel to represent Harris Health System in the estimated additional (budgeted) amount of \$40,000 for the extended term January 1, 2017 through December 31, 2017 (Board previously approved funds in the amount of \$40,000 for the term February 1, 2016 through December 31, 2016).
- y. ratify additional (budgeted) funds and an extension for Roche Diagnostics, Inc. to provide real-time PCR, HBV, HCV, and HIV viral load testing / PCR / genotyping, and GC chlamydia testing in the additional (budgeted) amount of \$1,264,903 for the extended term February 1, 2017 through January 31, 2018 (Board previously approved funds in the amount of \$6,132,257 for the term January 23, 2013 through January 31, 2017).
- z. approve the second of four (4) renewal options for Abbott Laboratories, Inc. to provide an automated hepatitis testing system, including analyzer(s), reagents, consumables, and services, in the estimated amount of \$1,112,470 for the term April 27, 2017 through April 26, 2018.
- aa. approve additional (budgeted) funds and an extension for Siemens Healthcare Diagnostics, Inc. [PP-LA-335] to provide chemistry and immunochemistry analyzers/integrated platform – automation, reagents, consumables, and service (CENTAUR) in the additional (budgeted) amount of \$300,000 for the term April

- 1, 2017 through September 30, 2017 (Board previously approved funds in the amount of \$7,449,050 for the term September 13, 2012 through March 31, 2017).
- bb. approve the first of four (4) renewal options for Polymedco Cancer Diagnostics Products, LLC to provide fecal occult blood immunochemical testing (manual or automated), reagents, consumables, and service in the estimated amount of \$299,300 for the term February 23, 2017 through February 22, 2018.
 - cc. approve the third of four (4) renewal options for Beckman Coulter, Inc. [PP-LA-349 f/k/a PP-LA-269] to provide urinalysis analyzers, reagents, consumables, and service in the estimated amount of \$232,777 for the term March 27, 2017 through March 26, 2018.
 - dd. approve the third of four (4) renewal options for Trinity Biotech, Inc. to provide a hemoglobin A1c testing system, including analyzer(s), reagents, consumables, and service in the estimated amount of \$127,768 for the term April 18, 2017 through April 17, 2018.
 - ee. approve additional (budgeted) funds and an extension for Becton, Dickinson and Company through BD Biosciences to provide flow cytometry analyzers, reagents, consumables, and services in the additional (budgeted) amount of \$95,146 for the extended term May 1, 2017 through October 31, 2017 (Board previously approved funds in the amount of \$1,015,433 for the term April 24, 2013 through April 30, 2017).
 - ff. approve renewal for the City of Houston through the Houston Department of Health and Human Services to provide breastfeeding peer counselors in the amount of \$0 for the term March 1, 2017 through February 28, 2018.
 - gg. approve award on the basis of low bid for Caring Commercial Cleaning Inc. to provide janitorial services at various locations in the estimated amount of \$232,260 for the term April 1, 2017 through March 31, 2018 with four (4) one-year renewal options.
 - hh. approve award on the basis of best proposal meeting requirements for Livongo to provide a comprehensive diabetes management program in the Year 1 amount of \$2,146,896 (five-year amount of \$10,734,480) for a one-year initial term with four (4) one-year renewal options.
 - ii. approve award on the basis of best proposal meeting requirements for Alliant Insurance Services, Inc. to provide human resources consulting services in the Year 1 amount of \$220,000 (five-year amount of \$1,100,000) for a one-year initial term with four (4) one-year renewal options.
 - jj. approve the first of four (4) renewal options for Clinical Micro Sensors, Inc. d/b/a Genmark Diagnostics to provide an automated genotyping system, including analyzers, reagents, consumables, supplies, and service, in the estimated amount of \$215,529 for the term April 14, 2017 through April 13, 2018.
 - kk. approve the fourth and final renewal option for Sysmex America, Inc. [PP-LA-427 f/k/a PP-LA-265] to provide hematology analyzers, reagents, consumables, supplies, and service in the estimated amount of \$138,018 for the term April 1, 2017 through March 31, 2018.

- ll. approve the fourth and final renewal option for Computer Task Group, Inc. (Categories 1, 2, and 6); Elite Computer Consultants, L.P. d/b/a ECOM (Category 2); Encore Health Resources (Categories 1 and 6); General Datatech, L.P. (Category 3); and Protiviti, Inc. (Category 7) to provide information technology consulting / contracting in the estimated multi-vendor amount of \$2,552,440 for the term March 1, 2017 through February 28, 2018.
 - mm. approve purchase on the basis of sole source for Epic Systems Corporation to provide EpicCare Ambulatory licenses and maintenance in the estimated amount of \$1,098,282.
 - nn. approve purchase on the basis of product standardization for Dell Marketing L.P. [DIR-SDD-1951] to provide Dell information technology equipment in the estimated amount of \$800,000 for the term January 9, 2017 through April 9, 2017.
 - oo. approve the first of four (4) renewal options on the basis of sole source for Kronos Incorporated to provide maintenance and additional software licenses for the time, attendance, and scheduling system in the estimated amount of \$252,153 for the term April 28, 2017 through April 27, 2018.
 - pp. approve purchase on the basis of only quote for Carahsoft Technology Corporation [GS-35F-0119Y] to provide SAP BusinessObjects software maintenance and support in the estimated amount of \$210,611 for the term March 16, 2017 through March 15, 2018.
 - qq. approve purchase on the basis of low quote for Dell Marketing L.P. [DIR-SDD-1951] to provide Symantec Vault E-Discovery software maintenance in the amount of \$110,330 for the term April 3, 2017 through April 2, 2018.
 - rr. approve purchase on the basis of only quote for Solid Border, Inc. [DIR-TSO-2700] to provide a Radware Distributed Denial of Service tool in the amount of \$175,957.
 - ss. approve additional (budgeted) funds and an extension for Language Line Services, Inc. to provide language interpretation services in the additional (budgeted) amount of \$600,000 for the extended term February 27, 2017 through May 31, 2017 (Board previously approved funds in the amount of \$2,750,000 for the term February 27, 2016 through February 26, 2017).
- A (2). Transmittals of Completed Items **[For Informational Purposes]**
- a. transmittal of award on the basis of low bid for Medfinity LLC to provide audiology booths in the amount of \$74,960.
 - b. transmittal of exemption from the competitive bid requirements for Top Echelon Contracting, LLC to provide an interim infection prevention manager in the estimated amount of \$100,000 for the term January 2, 2017 through June 1, 2017 with three (3) six-month renewal options.

- c. transmittal of third-year funding for the GPO contract for Medline Industries Inc. [PP-OR-1184] through Cardinal Health to provide topical skin adhesives in the estimated amount of \$89,413 for the term April 1, 2017 through March 31, 2018.
- d. transmittal of purchase on the basis of sole source for St. Jude Medical to provide Angio-Seal™ vascular closure devices in the estimated amount of \$89,150 for the term January 1, 2017 through December 31, 2017.
- e. transmittal of purchase on the basis of lowest-priced contract for Stryker Sales Corporation [PP-OR-1330] to provide surgical automatic tourniquet systems in the estimated amount of \$87,275 for the term November 1, 2016 through October 31, 2017.
- f. transmittal of third-year funding for the GPO contract for ACell Inc. [PP-NS-870] to provide regenerative skin grafting products in the estimated amount of \$60,503 for the term January 1, 2017 through December 31, 2017.
- g. transmittal of the corrected term for Cook Medical, Inc. to provide drug-eluting peripheral stents for the corrected term November 1, 2016 through December 31, 2018; January 1, 2017 through December 31, 2017 (as approved).
- h. transmittal of additional (budgeted) funds and an extension for Alliant Insurance Services, Inc. to provide human resources consulting services in the additional (budgeted) amount of \$65,310 for the extended term March 1, 2017 through May 31, 2017 (Board previously approved funds in the amount of \$370,079 for the term October 1, 2015 through February 28, 2017).
- i. transmittal of purchase for Gartner Research [DIR-TSO-2531] to provide information technology and business strategy research services in the amount of \$99,741 for the term February 1, 2017 through January 31, 2018.
- j. transmittal of purchase on the basis of only quote for PC Connection Sales Corporation (PCC)/MoreDirect, Inc. [PP-IT-134] to provide an Imprivata Cortext secure texting solution in the estimated amount of \$98,002 for the term January 28, 2017 through January 27, 2018.
- k. transmittal of purchase on the basis of low quote for SHI Government Solutions, Inc. [DIR-SDD-1951] to provide vulnerability management system enhancement for advanced threats in the amount of \$86,275.
- l. transmittal of purchase on the basis of only quote for Set Solutions, Inc. [15/006MP-19] to provide IBM Security QRadar maintenance and support in the amount of \$51,376 for the term July 7, 2016 through June 30, 2017.

B. Recommended Committee Approvals

Motion 17.02-22

Moved by Ms. Carolyn Truesdell, seconded by Mr. Elvin Franklin, Jr., and passed that the Board approve agenda items VIII.B.1. through VIII.B.17. Mr. Franklin recused himself from agenda items VIII.B.11. through VIII.B.15.

1. Approval of the Harris Health System Investment Policy.
2. Approval to Ratify Funding for the 5th Lease Year with Caliber Mt. Houston Borrower LLC, Inc. for Lease Space Located at 11737-C Eastex Freeway, Houston, Texas 77039 at a Monthly Rate of \$8,914.66 (\$106,975.88/Yr.) for the Term February 1, 2017 Through February 28, 2018.
3. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the Texas Department of State Health Services (Texas WIC Dietetic Internship Certification Program).
4. Approval to Ratify an Amendment to Extend the Grant Agreement Between the Texas Department of State Health Services and Harris County Hospital District d/b/a Harris Health System in the Amount of \$335,425 for a Clostridium difficile (C. diff) Research Program from October 1, 2015 Through August 31, 2017.
5. Approval to Ratify an Agreement Between the Texas Association of Community Health Centers and Harris County Hospital District d/b/a Harris Health System for Annual Membership Dues in the Amount of \$12,000 for the Term January 1, 2017 Through December 31, 2017.
6. Approval to Ratify a SubAward Amendment Between Baylor College of Medicine and Harris County Hospital District d/b/a Harris Health System for a Grant from the Cancer Prevention Research Institute of Texas (CPRIT) in the Amount of \$165,805 to Participate in a Comprehensive Cervical Cancer Screening Program for the Term December 1, 2016 Through November 30, 2017.
7. Approval to Ratify an Amendment of an Interlocal Agreement Between Harris County Public Health and Environmental Services (HCPHES) and Harris County Hospital District d/b/a Harris Health System in the Amount of \$50,000 for a Total Grant Award of \$6,932,901, Funded by Ryan White HIV/AIDS Treatment Extension Act Part A, to Provide Primary Medical Care, Psychiatric Services, Obstetric and Gynecological Care, and a Local Pharmacy Assistance Program to HIV-Positive Patients of Harris Health System for the Term March 1, 2016 Through February 28, 2017.
8. Approval to Renew an Interlocal Agreement Between Harris County Public Health and Environmental Services (HCPHES) and Harris County Hospital District d/b/a Harris Health System in an Amount Not Less Than \$1,000,000, Funded by Ryan White HIV/AIDS Treatment Extension Act Part A, to Provide Primary Medical Care, Psychiatric Services, Obstetric and Gynecological Care, and a Local Pharmacy Assistance Program to HIV-Positive Patients of Harris Health System for the Term March 1, 2017 Through February 28, 2018.
9. Approval to Extend a Facility Use Agreement Between Houston Volunteer Lawyers and Harris County Hospital District d/b/a Harris Health System Through February 28, 2018 to Provide Space at Thomas Street Health Center for Houston Volunteer Lawyers to Provide Legal Assistance and Consultation for HIV-Positive Patients.
10. Approval to Renew a Facility Use Agreement Between the Houston Food Bank and Harris County Hospital District d/b/a Harris Health System to Provide Space at Thomas Street Health Center for the Houston Food Bank to Raise Awareness and Application Assistance for All State-Funded Social and Health Services to HIV-

Positive Patients of Harris Health System, Effective April 1, 2017 Through March 31, 2018.

11. Approval of a Grant Agreement in the Amount of \$29,410 from the Harris County Hospital District Foundation Awarded to Harris County Hospital District d/b/a Harris Health System for the Balance of Funds from the 2011 Jubilee of Caring.
12. Approval of a Grant Agreement in the Amount of \$20,000 from the Harris County Hospital District Foundation Awarded to Harris County Hospital District d/b/a Harris Health System for Ultrasound Equipment at the Ben Taub Hospital Emergency Department.
13. Approval of a Grant Agreement in the Amount of \$6,966.11 from the Harris County Hospital District Foundation's Employee Contribution Small Grants Committee Awarded to Harris County Hospital District d/b/a Harris Health System for the 2017 INSPIRE Nursing Symposium.
14. Approval of a Grant Agreement in the Amount of \$5,000 from the Harris County Hospital District Foundation's Small Grants Fund Awarded to Harris County Hospital District d/b/a Harris Health System for 2017 Ben Taub Hospital Mental Health Services Pediatric School Supplies.
15. Approval of a Grant Agreement in the Amount of \$1,000 from the Harris County Hospital District Foundation's Small Grants Fund Awarded to Harris County Hospital District d/b/a Harris Health System for 2016 Misplaced/Damaged Patient Belongings Recovery.
16. Approval of a Memorandum of Understanding (MOU) – Academic Medical Programs Between the University of Houston and Harris County Hospital District d/b/a Harris Health System.
17. Approval of the Revised Harris Health System Policy No. 3.03, Signature Authority on Contracts.

{End of Consent Agenda}

IX. Strategic Discussion Issues

A. Harris Health System Legislative Initiatives

1. Update, Discussion and Possible Action Regarding Policy Issues Affecting Harris Health System Activities in Austin Relating to Legislative/Regulatory Issues Impacting Harris Health System, the 85th Legislative Session, and the Harris Health System Legislative Platform.

Mr. R. King Hiller, Vice President, Public Policy and Government Relations, led the discussion regarding activities in Austin relating to legislative/regulatory issues impacting Harris Health System. He reported that the Senate issued a proposed budget in the amount of \$103.6B and the House issued a proposed budget in the amount of \$108.9B. Mr. Hillier stated that higher education financing, Medicaid

funding, mental health funding, trauma funding, immigration policy, and property taxes are some of the issues that will drive this legislative session.

2. Update, Discussion and Possible Action Regarding Pending Federal Legislative and Policy Issues Affecting Harris Health System.

Mr. Hillier led the discussion regarding pending federal legislative and policy issues affecting Harris Health System. He provided a handout to the Board which outlined how Affordable Care Act (ACA) reform measures may impact Harris Health. Mr. Hillier forecasted that the U.S. House of Representatives will issue its version of an ACA repeal and replacement plan within the next seven (7) days. He reported that Speaker of the House Paul Ryan released the “Obamacare Repeal and Replace Policy Brief and Resources” proposal, which stated that reductions in the Medicaid Disproportionate Share Hospital program would be removed and that transitional relief will be provided to safety net healthcare providers in states without Medicaid expansion. Mr. Hillier stated that Mr. Masi participated in an ACA town hall meeting on February 17, 2017 with Congresswoman Sheila Jackson Lee and Commissioner Rodney Ellis. He further stated that on February 10, 2017, he, Ms. Clutterbuck, Mr. Masi, and Mr. Tony Essalih, Harris Health Liaison for Intergovernmental Affairs, met with U.S. Congressman Kevin Brady’s health policy director to discuss ACA repeal and replacement. Mr. Hillier announced that he, Ms. Clutterbuck, Mr. Masi, and Mr. Essalih will obtain an opportunity to discuss Medicaid reform at a reception for Representative Greg Walden, Chair of the House Energy and Commerce Committee, on March 13, 2017. He also stated that he and Mr. Essalih will participate in the Americas Essential Hospitals Policy Assembly, scheduled to be held February 28, 2017 and March 1, 2017 in Washington, D.C. Finally, Mr. Hillier reported that U.S. Congressman John Culberson invited Harris Health to submit a \$1.8M appropriations request on behalf of Ben Taub Hospital, Lyndon B. Johnson Hospital, and Ambulatory Care Services. Discussion ensued. A copy of the legislative update is available in the permanent record.

X. Board Review and Action Items

A. Action Item Related to the Ad Hoc – 1115 Waiver Committee

Motion 17.02-23

Moved by Ms. Carol Graebner, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item X.A.1.

1. Approval to Amend an Agreement for Payment of Anchor Services Between the Health and Human Services Commission and Harris County Hospital District d/b/a Harris Health System to Extend the Agreement Term to September 30, 2018.

B. Miscellaneous Review and Action Items

Motion 17.02-24

Moved by Mr. Lawrence Finder, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item X.B.1.

1. Approval to Appoint a Member of the Harris Health System Board of Trustees to Fill a Vacancy on the Governing Body of the Ambulatory Surgical Center at LBJ.

Ms. Clutterbuck announced that Dr. Ewan Johnson was selected to serve as a member of the Governing Body of the ASC at LBJ.

Motion 17.02-25

Moved by Ms. Daisy Stiner, seconded by Ms. Carolyn Truesdell, and unanimously passed that the Board approve agenda item X.B.2.

2. Acceptance of the Resignation of a Board Member from the Community Health Choice, Inc. and Community Health Choice Texas, Inc. (Collectively Called "Community") Board of Directors in Accordance with the Bylaws of Community.

Mr. Kenneth Janda, President and Chief Executive Officer, Community Health Choice, Inc. and Community Health Choice Texas, Inc., stated that Dr. Stephen L. McKernan submitted his resignation from the Community Board of Directors. He also announced that Ms. Daisy Stiner's resignation from the Community Board and the appointments of two (2) new candidates to the Community Board will be presented for approval to the Board of Trustees in March 2017.

XI. Committee Reports

A. Joint Conference Committee

Motion 17.02-26

Moved by Mr. Elvin Franklin, Jr., seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item XI.A.1.

1. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (February 2017).

Dr. David Robinson, Chair, Medical Executive Board, presented the February 2017 credentialing changes for the members of the Harris Health System medical staff. He reported that there were nineteen (19) initial applications, fifty-three (53) reappointments, sixty-seven (67) resignations, and fourteen (14) change/add privileges. Ms. Truesdell inquired regarding the reason for the high number of resignations during February 2017. Ms. Adriana Barron, Director of Medical Staff Services, responded that the increase in resignations was attributed to physicians not being in compliance with the Harris Health flu shot requirement, as stated in the Medical Staff Bylaws and mandated by state regulation. Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, stated that several notifications were sent to physicians prior to the flu shot deadline and

that the resignations represent those physicians who practiced at Harris Health on an infrequent basis. A copy of the report is available in the permanent record.

Ms. Truesdell inquired regarding the omission of the Medical Executive Board (MEB) report from the meeting agenda. Ms. Clutterbuck explained that in an effort to improve efficiencies, she recommended that the recitation of the MEB meeting minutes during Board meetings be eliminated. She stated that the MEB report should still be included as part of the Board of Trustees' meeting packet. Discussion ensued. Mr. Masi stated that the upcoming Joint Conference Committee meeting will include a discussion regarding critical clinical issues by the Board, the medical staff, and the administration.

B. Performance Improvement and Patient Safety Committee

1. Review and Discussion Regarding Harris Health System Quality Executive Summary and Scorecard.

Dr. Babber presented the Harris Health System Quality Executive Summary and Scorecard. He stated that Harris Health demonstrated significant improvement regarding its quality indicators in 2016 as compared to 2015. Dr. Babber reported that there were no fallouts regarding critical care outcomes or readmissions and that Ambulatory Care Services Connect patient satisfaction survey scores were consistently high on a monthly basis. He commented that the improvements in quality and patient safety are a testament to the input and collaborative efforts of Harris Health's senior leadership and the Board of Trustees. A copy of the report is available in the permanent record.

C. Budget and Finance Committee

Motion 17.02-27

Moved by Mr. Lawrence Finder, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item XI.C.1.

1. Acceptance of the Harris Health System January 2017 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the Harris Health System January 2017 Financial Report. He stated that the Harris County Commissioners Court approved Harris Health's Fiscal Year 2018 Operating and Capital Budget. Mr. Norby reported that Harris Health has a \$15M favorable variance year-to-date in ad valorem tax revenue. He stated that Harris Health received the final payment for Demonstration Year 5 under the Delivery System Reform Incentive Payment program in January 2017. Mr. Norby reported that total revenue for January 2017 was \$137.9M, which was 1.8% greater than budget. He stated that total expenses year-to-date were \$7.8M favorable to budget and he commended the operational management team for utilizing Harris Health's available resources to control expenses. Mr. Norby noted that the System has \$584.5M in unrestricted cash, which represents 167.5 days cash on hand. He forecasted that Harris Health will end the fiscal year with a positive margin of approximately \$20M, which will be utilized for long-delayed infrastructure improvements. Mr. Masi expressed gratitude towards the

Harris County taxpayers and to the overall organization, whose efforts allowed Harris Health to do more with less. Mr. Franklin commended the administrative team for its hard work and for ensuring that Harris Health is in a position to continue serving the underserved patients in the community. A copy of the report is available in the permanent record.

Motion 17.02-28

Moved by Ms. Anne Clutterbuck, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item XI.C.2.

2. Acceptance of the Harris Health System Fourth Quarter CY2016 Pension Plan Report.

Mr. Norby presented the Harris Health System January Fourth Quarter CY2016 Pension Plan Report. He reported that the Plan was 72.4% funded as of December 31, 2016. A copy of the report is available in the permanent record.

3. Presentation of the January 2017 Financial Statements of Community Health Choice, Inc.

Mr. Janda presented the January 2017 financial statements of Community Health Choice, Inc. (CHC, Inc.). He introduced Mr. Brian Maude as the new Chief Financial Officer for CHC, Inc. Mr. Janda reported that total membership months were \$462.6M, which was 4% greater than budget for the month. He stated that revenue totaled \$114.3M for January 2017, which was 2% below budget. Mr. Janda explained that CHC, Inc.'s earnings will be front-loaded during the first six (6) months of the year because of lower medical expenses due to deductibles and co-insurance. A copy of the report is available in the permanent record.

4. Presentation of the 2016 Year-End Review and 2017 Operational Plan of Community Health Choice, Inc.

Mr. Janda announced that he will postpone the presentation of the 2016 Year-End Review and 2017 Operational Plan of CHC, Inc. and the recommendation for approval of the FY2017 Operating and Capital Budget of CHC, Inc. until the Board of Trustees meeting scheduled for March 30, 2017. He stated that CHC, Inc. budgeted \$1.4B in revenue and approximately \$17M in net earnings for 2017. He explained that according to the Affordable Care Act's risk adjustment program, CHC, Inc. is required to pay back to the federal government \$70M in revenue from 2016. Mr. Janda stated that as CHC, Inc. increases in membership, its risk metric will more closely approximate the state average and that this will decrease CHC, Inc.'s future risk adjustment payments. Ms. Stiner requested that Mr. Janda include discussions regarding the redistribution of risk adjustment payments by the State and the ways in which CHC, Inc. can increase its utilization rate in his presentation at the March 30th Board meeting. A copy of the report is available in the permanent record.

D. Strategic Planning Committee

1. Discussion Regarding the Strategic Planning Time Line.

Mr. Masi distributed copies of the strategic planning time line to the Board members. He stated that the strategic planning Board workshop will occur March 9, 2017 and that an expanded strategic planning Board retreat will occur in May or June 2017. Mr. Masi noted that the following topics will be reviewed at the March 9th workshop: 1) Harris Health's mission; 2) employee engagement and physician engagement survey results; 3) status updates regarding the strategic imperatives from 2016; 4) the Bridge to 2020; and 5) The Way Forward, which outlines the next steps in the development of the new strategic plan. Discussion ensued. Ms. Carol Graebner proposed that instead of scheduling both the strategic planning workshop and the Board Committee meetings on March 9th, the strategic planning workshop should be held on March 9th and the Committee meetings should move to March 30, 2017, which is the same date as the Board meeting. The Board members agreed with Ms. Graebner's recommendation. Ms. Stiner requested that the Board receive copies of the updated strategic planning issue briefs from the Harris Health administration prior to the March 9th meeting date. A copy of the strategic planning time line is available in the permanent record.

XII. Executive Session

At 11:30 a.m., Ms. Clutterbuck stated that the Board would enter into Executive Session under §161.032 of the Texas Health & Safety Code, Texas Occupations Code Ann. §160.007, Texas Gov't Code Ann. §551.074, and Texas Gov't Code Ann. §551.071.

XIII. Reconvene

At 1:07 p.m., Ms. Clutterbuck reconvened the meeting and stated that no action was taken in Executive Session.

A. Report by Senior Vice President of Corporate Compliance Regarding Compliance with Medicare, Medicaid, HIPAA and other Federal and State Health Care Program Requirements and a Status of Fraud and Abuse Investigations, pursuant to Section 161.032 of the Texas Health & Safety Code, and Possible Action Upon Return to Open Session.

No action was taken.

B. Report by the Chief Medical Officer Regarding Quality of Medical and Health Care, pursuant to Texas Health & Safety Code Ann. §161.032 and Texas Occupations Code Ann. §160.007 to Receive Peer Review and/or Medical Committee Report in connection with the Evaluation of the Quality of Medical and Health Care Services, and Possible Action Upon Return to Open Session.

No action was taken.

C. Consultation with the County Attorney Regarding Grievance Procedure Policy 6.08, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

D. Consultation with the County Attorney Regarding the Transfers of Assets Policy

Between Community Health Choice, Inc. and Community Health Choice Texas, Inc., Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- E. Discussion of Personnel Matters Regarding the Senior Vice President, Corporate Compliance, and the Vice President, Chief Governance Officer, Pursuant to Texas Gov't Code Ann. §551.074, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

XIV. Adjournment

Moved by Ms. Carol Graebner, seconded by Dr. Ewan Johnson, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 1:08 p.m.

I certify that the foregoing are the Minutes of the meeting of the Board of Trustees of the Harris County Hospital District d/b/a Harris Health System held at the Administration Building in Houston, Texas on February 23, 2017.

Respectfully submitted,



Ms. Anne Clutterbuck, Chair
Board of Trustees



Ms. Daisy Stiner, Secretary
Board of Trustees