

HARRIS HEALTH SYSTEM

HARRIS HEALTH SYSTEM

MINUTES OF THE BOARD OF TRUSTEES MEETING

Thursday, October 26, 2017

Board Room – Administration Building

Members Present:

Ms. Anne Clutterbuck, Chair
Dr. Kimberly Monday, Vice Chair
Ms. Daisy Stiner, Secretary
Ms. Carol Graebner
Dr. Ewan Johnson
Ms. Elena Marks
Ms. Linda Morales
Ms. Carolyn Truesdell

Members Absent:

Mr. Lawrence Finder

Others Present:

Mr. George Masi, President & Chief Executive Officer
Dr. Ericka Brown, Senior Vice President & Chief Operating 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. Nathan Deal, Executive Vice President & Administrator, Ben Taub Hospital
Ms. Tanya Stringer, Interim Executive Vice President & Administrator, Ambulatory Care Services
Dr. Jose Garcia, General Director, AMS, and Interim Chief of Staff, Lyndon B. Johnson Hospital
Dr. Joseph Garcia-Prats, Vice Chair, Medical Executive Board
Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital
Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson Hospital
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services
Ms. Nicole Streeter, Vice President, Chief Governance Officer
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
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 17.10-121

Moved by Dr. Ewan Johnson, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve the minutes of the September 14, 2017 and September 28, 2017 Board of Trustees meetings.

III. Hear from Citizens

Mr. Walter Protheroe stated that he requested a copy of his medical records to search for a diagnosis of arthritis prior to September 13, 2016 but that Harris Health withheld his medical records without cause. He explained that he wants to ensure that his physicians outside of Harris Health receive the information they need to properly treat him. Mr. Protheroe stated that he received some records regarding treatment he received in May 2016 but that they do not include a physical assessment for arthritis.

Dr. Bandana Chawla, Physicians Committee for Responsible Medicine (PCRM), suggested that since the McDonald's restaurant at Ben Taub Hospital (BTH) closed due to flood damage from Hurricane Harvey, BTH should seek an alternative to reopening McDonald's by either expanding their cafeteria to offer healthy plant-based meals or by partnering with a healthier restaurant chain. She stated that the American Medical Association adopted a resolution in June 2017 recommending that hospitals provide a variety of healthy foods and eliminate processed meats from menus. Dr. Chawla noted that BTH could lead the way in preventing diet-related diseases in the Harris County community.

IV. Consent Agenda Items

A. Recommended Committee Approvals

Motion 17.10-122

Moved by Ms. Daisy Stiner, seconded by Ms. Carolyn Truesdell, and passed that the Board approve agenda items IV.A.1. through IV.A.15. Ms. Elena Marks and Ms. Anne Clutterbuck recused from agenda item IV.A.1.z. Dr. Ewan Johnson recused from agenda item IV.A.3.

1. Consideration of Purchasing Recommendations Requiring Board Approval (Items A(1)a., A(1)b., and A(1)d. through A(1)pp.)
 - a. approve provision for The University of Texas Health Science Center at Houston to provide a breastfeeding peer counselor in the amount of \$0 upon execution of the Agreement through August 31, 2018.
 - b. approve award on the basis of low bid for C.F. McDonald Electric, Inc. to provide labor, equipment, and incidentals for an emergency power project at the Smith Clinic Pharmacy in the amount of \$871,715 (\$792,469 construction price / \$79,246 owner contingency).
 - c. **PULLED**
approve additional (budgeted) funds and an extension for Phillips Healthcare [PP-MM-292] to provide maintenance and support of physiological monitoring equipment in the additional (budgeted) amount of \$360,000 for the extended term December 1, 2017

through May 31, 2018 (Board previously approved funds in the amount of \$705,124 for the term December 1, 2016 through November 30, 2017).

- d. approve the fourth and final renewal option for Landscape Consultants of Texas, Inc. to provide grounds maintenance at various locations in the estimated amount of \$225,000 for the term November 1, 2017 through October 31, 2018.
- e. approve award on the basis of low bid for J.T. Vaughn Construction, LLC to provide labor, equipment, and incidentals for a public restroom refresh at Ben Taub Hospital in the amount of \$222,450.
- f. approve award on the basis of lowest-priced proposal for STERIS Corporation to provide an orthopedic surgical table and accessories in the amount of \$116,016 for a one-year initial term with four (4) one-year renewal options.
- g. approve an exemption from the competitive bid requirements for CHI St. Luke's Health to provide outsourced physician and hospital services in the estimated amount of \$500,000 for a one-year initial term with one-year renewal options.
- h. approve an exemption from the competitive bid requirements for Memorial Hermann to provide outsourced physician and hospital services in the estimated amount of \$500,000 for a one-year initial term with one-year renewal options.
- i. approve second-year funding for the GPO contract for Standard Textile Company Inc. [PP-FA-507] to provide reusable textiles and textile services in the estimated amount of \$1,201,565 for the term December 1, 2017 through November 30, 2018.
- j. approve first-year funding on the basis of best contracts for B. Braun Interventional Systems Inc. [PP-CA-300] (\$3,004 – Items 2-3), Merit Medical Systems Inc. [PP-CA-296] – Option 1 (\$145,019 – Items 504-521), Medtronic USA Inc. [PP-CA-295] – Option 1 (\$154,629 – Items 409-503), Boston Scientific Corporation [PP-CA-293] – Option 2 (\$239,241 – Items 4-115, 522-552), and Cook Medical [PP-CA-297] – Option 2 (\$494,818 – Items 116-399) to provide diagnostic and interventional radiology products in the estimated multi-vendor amount of \$1,036,711 for the term February 1, 2017 through January 31, 2018.
- k. ratify second-year funding for the GPO contracts for B. Braun Medical Inc. [PP-NS-967] (\$5,372); Becton, Dickinson and Company [PP-NS-968] (\$142,642); Smiths Medical ASD, Inc. [PP-NS-970] (\$388,549) (all through Cardinal Health) to provide safety IV catheters in the estimated multi-vendor amount of \$536,563 for the term October 1, 2017 through September 30, 2018.
- l. rescind the award for Sage Products LLC [PP-NS-958] to provide oral care for the term August 1, 2017 through July 31, 2018.
- m. rescind the award for Sage Products LLC [AS-NS-931] to provide patient cleansing and skin care (bag-based) products for the term June 1, 2017 through May 31, 2018.
- n. ratify an emergency purchase for Medline Industries Inc. to provide oral care and patient cleansing and skin care (bag-based) products in the estimated amount of \$472,786 for the term September 1, 2017 through August 31, 2018.
- o. approve third-year funding for the GPO contracts for Monaghan Medical Corporation [PP-NS-905] (\$824); Teleflex Medical Incorporated [PP-NS-904] (\$28,109); and CareFusion 2200, Inc. [PP-NS-903] (\$248,372) (all through Cardinal Health) to provide

respiratory therapy products in the estimated multi-vendor amount of \$277,305 for the term November 1, 2017 through October 31, 2018.

- p. approve additional (budgeted) funds for Baxter Healthcare Corporation to provide dialysis supplies in the additional (budgeted) amount of \$274,214 for the term September 1, 2017 through August 31, 2018 (Board previously approved funds in the amount of \$996,386 for the term September 1, 2017 through August 31, 2018).
- q. approve third-year funding for the GPO contracts for S2S Global [PP-S2-001N] (\$384); Ossur Americas, Inc. [PP-NS-910] (\$866); and DJO Global [PP-NS-908] (\$230,021) to provide orthopedic soft goods in the estimated multi-vendor amount of \$231,271 for the term December 1, 2017 through November 30, 2018.
- r. approve third-year funding for the GPO contract for Cardinal Health 200, LLC [PP-NS-892] through Cardinal Health to provide disposable non-sterile protective apparel in the estimated amount of \$225,481 for the term December 1, 2017 through November 30, 2018.
- s. approve first-year funding on the basis of best contracts for Medline Industries Inc. [PP-NS-1017] – Option 2 (\$36,459 – Items 13-15), 3M Company [PP-NS-1013] – Option 2 (\$59,560 – Items 1-2), and ConvaTec Inc. [PP-NS-1015] – Option 2 (\$87,883 – Items 3-10) to provide skin integrity products in the estimated multi-vendor amount of \$182,902 for the term April 1, 2017 through March 31, 2018.
- t. approve first-year funding on the basis of best contracts for Cook Medical, LLC [PP-CA-289] – Option 2 (\$2,160 – Item 16); Boston Scientific Corporation [PP-CA-286] – Option 2 (\$16,016 – Items 8-15); and Medtronic Inc. [PP-CA-288] – Option 1 (\$91,650 – Items 19-62) to provide peripheral and biliary stents in the estimated multi-vendor amount of \$109,826 for the term February 1, 2017 through January 31, 2018.
- u. approve funding for the GPO contract for Global Healthcare Exchange, LLC [PP-IT-175] to provide subscriptions for MetaTrade, Procurement Suite, Provider Exchange, Contract Center Xpert, and TradingNet Software in the estimated amount of \$108,700 for the term November 7, 2017 through November 6, 2018.
- v. approve the first of four (4) renewal options for Medtronic Sofamore Danek USA, Inc. to provide spinal implants and related (supplemental) products in the estimated amount of \$132,719 for the term November 18, 2017 through November 17, 2018.
- w. approve provision for the University of Houston to provide clinical neuropsychology consultation services for HIV-positive patients in the (HRSA grant funds) amount of \$69,641 for the term November 1, 2017 through October 31, 2018.
- x. approve the first of four (4) renewal options for Lepow Podiatric Medical Associates LLP to provide podiatry services in the estimated amount of \$678,200 for the term November 1, 2017 through October 31, 2018.
- y. approve purchase for the American Institute of Ultrasound in Medicine to provide obstetrics and ultrasound accreditation in the estimated amount of \$5,200 for a three-year term from the date of accreditation.
- z. ratify purchase as an exception to the Harris Health System Purchasing Manual bid requirements for Aperture Credentialing, LLC through the Texas Association of Health Plans, Inc. to provide a credentialing verification organization for Community Health

Choice, Inc. in the estimated (Year One) amount of \$120,000 for the term June 23, 2017 through June 22, 2022 with a two-year renewal option and successive two-year periods thereafter.

- aa. ratify purchase for Harris Health System to renew its membership with the Texas Hospital Association in the estimated amount of \$136,725 for the term September 1, 2017 through August 31, 2018.
- bb. approve the fourth and final renewal option for Sysmex America, Inc. [PP-LA-427 formerly PP-LA-345] to provide hematology analyzers, reagents, consumables, supplies, and service in the estimated amount of \$510,427 for the term November 19, 2017 through November 18, 2018.
- cc. approve the third of four (4) renewal options for the College of American Pathologists to provide external proficiency testing and services in the estimated amount of \$192,696 for the term December 31, 2017 through December 30, 2018.
- dd. 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 \$175,052 for the extended term November 1, 2017 through April 30, 2018 (Board previously approved funds in the amount of \$1,110,579 for the term April 24, 2013 through October 31, 2017).
- ee. approve renewal for the City of Houston to provide professional development training and other training resources for Harris Health employees in the estimated amount of \$40,000 for the term January 6, 2018 through January 5, 2019.
- ff. approve additional (non-budgeted) funds for OptumRx, Inc. to provide pharmacy benefit manager services, group medical, and stop loss coverage in the estimated additional (non-budgeted) amount of \$108,771 for the term March 1, 2017 through February 28, 2018 (Board previously approved funds in the amount of \$21,228,975 for the term March 1, 2017 through February 28, 2018).
- gg. approve award on the basis of best proposal meeting requirements for Marsh USA Inc. to provide actuarial and general risk management services in the estimated amount of \$30,500 for a one-year initial term with four (4) one-year renewal options.
- hh. approve award on the basis of low quote for Silsbee Ford [HGAC VE11-15] to provide thirteen (13) cargo vans in the amount of \$298,443.
- ii. approve renewal on the basis of sole source for FujiFilm Medical Systems USA, Inc. to provide licensing and maintenance services for the Synapse Picture Archiving and Communication System in the estimated amount of \$679,070 for the term November 1, 2017 through October 31, 2018.
- jj. approve award on the basis of low bid for Level 3 Communications, LLC to provide session initiation protocol and primary rate interface circuits in the estimated amount of \$626,349 for a three-year term with annual payments.
- kk. approve purchase on the basis of low quote for General Datatech, L.P. [DIR-TSO-2542] to provide a technology refresh of the telephone system and call center system in the estimated amount of \$548,354.

- ll. approve award on the basis of lowest complete bid for Level 3 Communications, LLC to provide data circuits for co-location sites in the estimated amount of \$472,484 for a three-year term with annual payments.
 - mm. approve the third of four (4) renewal options for Planet Technologies, Inc. [GS-35F-0360J formerly DIR-SDD-1945] to provide Microsoft SharePoint development services in the estimated amount of \$234,150 for the term November 5, 2017 through November 4, 2018.
 - nn. approve purchase on the basis of sole source for UpToDate, Inc. to provide a subscription to the UpToDate online clinical information database in the estimated amount of \$196,140 for the term November 1, 2017 through October 31, 2018.
 - oo. approve additional (budgeted) funds for Direct Packet, Inc. d/b/a OneVision Solutions [DIR-TSO-3869] to provide video infrastructure for the Epic Telemedicine platform in the additional (budgeted) amount of \$122,754 (Board previously approved funds in the amount of \$93,978).
 - pp. approve purchase on the basis of sole source for Cardinal Health 414, LLC to provide Xofigo[®] (radium Ra 223 dichloride) injections in the estimated amount of \$160,000 for the term November 1, 2017 through October 31, 2018.
2. Acceptance of the Harris Health System Third Quarter CY2017 Pension Plan Report.
 3. Approval of an Indigent Care Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Houston Northwest Operating Company, LLC d/b/a Houston Northwest Medical Center, Cy-Fair Medical Center Hospital, LLC d/b/a Cypress Fairbanks Medical Center, CHCA Pearland, L.P. d/b/a Pearland Medical Center, North Houston – TRMC, LLC d/b/a Tomball Regional Medical Center, and Houston – PPH, LLC d/b/a Park Plaza Hospital (Collectively the “Affiliated Hospitals”).
 4. Approval to Enter Into the 5th Lease Year with India House Houston for the Sareen Clinic Located at 8888 West Bellfort, Houston, Texas 77031 at a Monthly Rate of \$11,128.39 (\$133,540.72/Yr.) for the Term December 1, 2017 Through November 30, 2018.
 5. Approval to Enter Into the 3rd Lease Year with Warehouse Associates Corporate Centre Kirby III, Ltd. for the Office and Warehouse Space Located at 9240-9250 Kirby Drive, Houston, Texas 77054 at a Monthly Rate of \$222,257.69 (\$2,670,332.28/Yr.), Including an Estimated Pro-Rata Share of the Common Area Maintenance and Operating Expenses, for the Term January 1, 2018 Through December 31, 2018.
 6. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Methodist Hospital d/b/a Houston Methodist Hospital (Doctor of Pharmacy Educational Experience – Houston Methodist ASHP Residency Program).
 7. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas Health Science Center at Houston School of Public Health (Master of Public Health and Dietetic Internship Program).
 8. Approval to Ratify a SubAward Between Baylor College of Medicine and Harris County Hospital District d/b/a Harris Health System Under Grant #PP170094 from the Cancer Prevention Research Institute of Texas (CPRIT) in the Amount of \$744,593 to Expand a Community Network for Cancer Prevention to Improve Cervical and Colorectal Screening and Follow-Up Among an Urban Medically Underserved Population for the Term August

31, 2017 Through August 30, 2020.

9. Approval to Ratify a Second Addendum to a Grant Agreement Between the Parkland Health & Hospital System and Harris County Hospital District d/b/a Harris Health System for the South Central Region 6 AIDS Education and Training Center in the Amount of \$140,000, Funded Under the Ryan White HIV/AIDS Treatment Extension Act of 2009 Part F to Provide State-of-the-Art Education, Consultation, and Support to Healthcare Professionals Treating HIV-Positive Patients for the Term July 1, 2017 Through June 30, 2018.
10. Approval to Ratify Renewal of a Grant Award from the United States Department of Health and Human Services Administration to Harris County Hospital District d/b/a Harris Health System in the Amount of \$518,880, Funded Under the Ryan White HIV/AIDS Treatment Extension Act of 2009 Part D to Provide Outpatient Family-Centered Care for Women, Infants, Children, and Youth with HIV/AIDS for the Term August 1, 2017 Through July 31, 2018.
11. Approval of the Health Care for the Homeless Program Consumer Advisory Council Report for the Term June 2017 Through August 2017, as Required by the United States Department of Health and Human Services, Which Provides Funding to Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
12. Approval of a Memorandum of Understanding Between Harris County Hospital District d/b/a Harris Health System and HarborPath, Inc. to Facilitate the Access of Uninsured Individuals Living with HIV and/or Hepatitis C and Chronic Complex Conditions to Life-Sustaining Medications Necessary for Their Treatment.
13. Approval of a Resolution Committing Support by the Harris Health System Board of Trustees and the Harris Health System Administration for Level I Trauma Services at Ben Taub Hospital.
14. Approval of the Revised Harris Health System Policy No. 3.03, Signature Authority on Contracts.
15. Approval of the Revised Harris Health System Policy No. 3.06, Signature Delegation of the Duties of the President and Chief Executive Officer.

{End of Consent Agenda}

V. Strategic Discussion

A. Discussion Regarding the Harris Health System Hurricane Harvey Impact Report

Ms. Patricia Darnauer, Senior Vice President of Support Services, led the discussion regarding the Harris Health System Hurricane Harvey Impact Report. She delivered an overview of Harris Health's hurricane preparation and relief activities, the lessons that Harris Health learned from the event, and the current state of the organization's infrastructure. On August 24-25, 2017, Harris Health activated system-wide and pavilion planning measures such as initiating emergency contracts, engaging with the Catastrophic Medical Operations Center (CMOC), communicating closures with patients and staff, evacuating Quentin Mease Hospital, and identifying ride-out and recovery teams.

Between August 26th and September 1st, Harris Health established a virtual emergency operations center and Mr. George Masi, President and Chief Executive Officer, conducted calls twice daily with staff to determine the needs of the pavilions and the resources that were available to address those needs. At Harris County's request, Harris Health sent an ambulance and EMS staff to support the medical needs shelter at NRG Arena and established an Ambulatory Care Services (ACS) clinic at NRG Center. BTH experienced a pipe break and flooding due to a backflow of water from Brays Bayou and several departments were displaced, including Central Supply, Pharmacy, Trauma Services, and the kitchen and cafeteria. Lyndon B. Johnson Hospital (LBJ) experienced building damage due to high winds and horizontal rains. On August 27th, the City of Houston unexpectedly delivered over 180 evacuees to LBJ, who were cared for and eventually transported to the George R. Brown Convention Center on August 29th. ACS closed their health clinics and pharmacies on August 25th. While the majority of the clinics sustained minimal storm damage, Settegast Clinic and Monroe Clinic were impacted by theft and flooding. Harris Health began transitioning to recovery efforts on August 30, 2017. Riverside Dialysis Center and Smith Clinic reopened August 31st. The specialty clinics reopened September 1st, the primary care clinics reopened September 5th, and the NRG Center clinic closed September 22nd-23rd.

Ms. Darnauer stated that Harris Health's strengths during the storm event included the flexibility and resilience of its employees, the Send Word Now communication platform, and the system planning and logistical support. She identified the following issues as opportunities for improvement for the future: 1) the need for a greater level of communication with CMOC; 2) the safety issues presented when peace officers were recalled to other areas; 3) the challenges presented by evacuee missions; 4) the management and utilization of ride-out staff; and 4) the pre-staging of sufficient food, supplies, equipment to support the hospitals and in anticipation of additional Harris County requests. Ms. Darnauer reported that Harris Health's initial damage costs were estimated at \$12M. She stated that Harris Health established an account with the Federal Emergency Management Agency (FEMA), was assigned a project manager, and will submit a final project list to FEMA by November 13, 2017. Finally, Ms. Darnauer noted that on October 6, 2017, a Det Norske Veritas surveyor performed an unannounced assessment of Harris Health. The surveyor did not find any non-conformities and commended Harris Health for its efforts during and after the hurricane. A copy of the report is available in the permanent record.

Motion 17.10-123

Moved by Ms. Carol Graebner, seconded by Ms. Carolyn Truesdell, and unanimously passed that the Board approve the Harris Health System Strategic Plan "The Bridge to 2020."

B. Approval of the Harris Health System Strategic Plan "The Bridge to 2020"

Mr. Masi led the discussion regarding the Harris Health System Strategic Plan "The Bridge to 2020." He stated that the strategic plan is a guidepost for Harris Health and that it will require updating as additional considerations arise in the future. Ms. Carolyn Truesdell stated that since coordination of care is included in Harris Health's mission statement, Harris Health must determine what coordination of care means to the organization: Is it a direct method of care defined as coordination between primary care, specialty care, and acute care services or is it an indirect method of care

whereby Harris Health coordinates with various community health care organizations to provide care to its patients. Dr. Ericka Brown, Senior Vice President and Chief Operating Officer, stated that Harris Health will coordinate care by providing care directly to patients and by collaborating with other entities within Harris County to meet the needs of the community. Mr. Masi stated that although Harris Health is a large organization, there are limits to what it can do and that its primary focus is to deliver health care effectively while utilizing the highest standards of quality and patient safety. Ms. Elena Marks stated that coordination of care will provide great opportunities for Harris Health to work with the Federally Qualified Health Centers (FQHCs) and other organizations in the community to share the management of safety net patient care. A copy of the strategic plan is available in the permanent record.

C. Discussion Regarding Selected Goals From “The Bridge to 2020” Harris Health System Strategic Plan

1. The Pathway: Transformative Model of Patient Care Delivery

Ambulatory Care Services – Coordination of Care (Goal 5)

Dr. Brown and Ms. Tanya Stringer, Interim Executive Vice President, Administrator, ACS, led the discussion regarding the transformative model of patient care delivery. Ms. Stringer reported that Harris Health serves approximately 315,000 patients and that ACS provided more than 1.2 million ambulatory visits during Fiscal Year 2017. She stated that 60% of Harris Health’s patients are uninsured, 30% of patients are funded through Medicaid and Medicare programs, and 10% of patients receive funding through commercial or other sources. ACS includes primary and specialty care services, which are delivered in more than forty (40) clinic locations across Harris County. Harris County’s population is projected to increase in the unincorporated areas of Harris County, with the northeast and northwest regions of the area showing the greatest population growth by 2040. These projections will assist Harris Health in determining where the greatest need may arise for additional facilities or for coordinated care through other organizations.

Ms. Stringer reported that the Kaiser Family Foundation (Kaiser) published an issue brief in 2015 regarding how social determinants influence population health. Kaiser determined that behavioral choices and socioeconomic and environmental conditions are the primary factors that influence a patient’s health and risk of premature death. Dr. Brown stated that Harris Health is attempting to keep pace with the current trends in health care as the industry shifts from a traditional model of hospital-based care to a wellness and preventative model of care. Ms. Marks stated that the wellness health care model provides patients greater opportunities to make healthier choices through a health care delivery system rather than the traditional model in which health care systems intervene only after patients become ill. Ms. Stringer stated that ACS has participated in or implemented the following wellness initiatives: 1) the OB Nurse Navigator program to assist high-risk pregnancy patients; 2) the MD Anderson – Yes We Can! program to prevent childhood obesity; 3) the Fresh Foodies program to instruct diabetes patients regarding healthy food choices; and 4) the Community Centered Health Home program, which combines wellness initiatives with quality clinical services. Discussion ensued.

Ms. Stringer stated that ACS established the following goals for 2018: 1) to roll out

prescription refill mail order delivery to all ACS clinics; 2) to continue reducing specialty service wait times; 3) to expand the peritoneal dialysis program; and 4) to determine appropriate responses to possible new Delivery System Reform Incentive Payment (DSRIP) program requirements, if necessary. She outlined the following choices that ACS faces in the future: 1) how to increase funding for specialty care, 2) how to manage specialty care referrals by reducing primary care volume, 3) how to shift non-medical home patients to FQHCs and other safety net health providers in Harris County. Ms. Daisy Stiner inquired regarding the possible impact that telehealth measures will have on specialty care wait times. Mr. Tim Tindle, Executive Vice President and Chief Information Officer, responded that telehealth modules are currently integrated into Harris Health's infrastructure and that each clinical service must determine how to leverage the technology effectively to transition patients from traditional methods of care. Ms. Stringer stated that ACS is considering initiatives such as consolidating DSRIP sites, placing specialty services in existing primary care clinics, and co-locating some specialty clinics to existing FQHC sites. Dr. Brown stated that a strategic discussion regarding Harris Health's infrastructure and the ACS clinics is scheduled for the December 7, 2017 Board meeting. A copy of the presentation is available in the permanent record.

2. Pillar 3: Our Home

Infrastructure – Coordination of Care (Goal 4)

Dr. Brown and Mr. Tindle led the discussion regarding infrastructure. Mr. Tindle stated that Harris Health spent the last decade utilizing technology to improve care coordination across its care delivery system. Currently, care coordination within Harris Health includes the establishment of a medical home for patients, population health initiatives, chronic disease management, case management, internal and external medical records, referral management, and enterprise appointment scheduling. Harris Health also utilizes technology to coordinate care within the community by extending electronic health records (EHRs) to FQHCs and the Harris County Health Department, participating in Health Information Exchanges (HIEs), and sharing information with Community Health Choice, Inc. through the Epic system. Harris Health expects to strengthen care coordination in the future by transitioning from EHRs to comprehensive health records (CHRs). CHRs combine internal and external provider data to create a comprehensive record of care for patients. Mr. Tindle stated that as Harris Health adopts a transformative model of health care, it must examine its role in the community regarding patient care and community initiatives, examine its role in establishing or participating in a community resource database, and determine whether Harris Health will continue to focus its operations in Harris County or expand to a more regional scope. Discussion ensued. A copy of the presentation is available in the permanent record.

Ms. Anne Clutterbuck requested a brief recess at 11:05 a.m.

Ms. Anne Clutterbuck reconvened the Board meeting at 11:15 a.m.

D. Harris Health System Legislative Initiatives

1. Update, Discussion and Possible Action Regarding 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 stated that an agreement was reached regarding renewal of the Medicaid 1115 Waiver (1115 Waiver) but that it is uncertain whether the renewal will be extended for three (3) years or five (5) years. A copy of the report is available in the permanent record.

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 projected that Harris Health will not be significantly impacted during Fiscal Year 2018 by the presidential executive order eliminating Health Insurance Marketplace cost sharing reductions (CSRs) but that there may be greater impact in Fiscal Year 2019. Mr. Hillier reported that the reauthorization of the State Children's Health Insurance Program (SCHIP) is pending in Congress. He explained that the reauthorization is significant to Community Health Choice, Inc. (CHC, Inc.) because CHC, Inc. enrolls 40,000 of the 400,000 SCHIP participants in Texas. Mr. Hillier announced that Harris Health is scheduled to host a delegation of Chinese physicians at LBJ on November 17 and December 6, 2017. A copy of the report is available in the permanent record.

VI. Board Review and Action Items

A. Joint Conference Committee Items

Motion 17.10-124

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VI.A.1.

1. Acceptance of the Medical Executive Board Report for October 2017.

Dr. Joseph Garcia-Prats, Vice Chair, Medical Executive Board, presented the Medical Executive Board (MEB) Report for October 2017. He expressed gratitude to Baylor College of Medicine and the BTH administration for BTH's accommodation of LBJ's physicians and patients during Hurricane Harvey. Dr. Garcia-Prats stated that LBJ is almost operating at pre-hurricane levels. He reported that volumes at LBJ increased due to the closure of the East Houston Regional Medical Center, which closed after suffering flood damage from Hurricane Harvey. Discussion ensued. Dr. Garcia-Prats announced that the Harris Health medical staff retreat is scheduled to be held January 9, 2018 at 5:00 p.m. A copy of the report is available in the permanent record.

Motion 17.10-125

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VI.A.2.

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

Dr. Garcia-Prats presented the October 2017 credentialing changes for the members of the Harris Health System medical staff. He reported that there were thirty-five (35) initial appointments, sixty-four (64) reappointments, nine (9) resignations, and twenty-one (21) change/add privileges. Dr. Garcia-Prats stated that the applications of Drs. Verghese George and Jewel Appleton were removed by request of the chief of service. A copy of the report is available in the permanent record.

B. Budget & Finance Committee Items

Motion 17.10-126

Moved by Dr. Kimberly Monday, seconded by Ms. Anne Clutterbuck, and passed that the Board approve agenda item VI.B.1. Ms. Elena Marks and Ms. Anne Clutterbuck recused from agenda item VI.B.2.

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

Mr. Michael Norby, Executive Vice President, Chief Financial Officer, presented the Harris Health System September 2017 financial report. He stated that while September 2017 volumes were lower than expected due to the effects of Hurricane Harvey, volumes month-to-date for October 2017 are returning to previously projected levels. Mr. Norby reported that Harris Health received an additional distribution of \$10M in September 2017 in Uncompensated Care (UC) funds due to recalculations of UC program distributions for 2017 by the State of Texas. He stated that the \$10M payment helped offset net patient revenue for the month, which was \$6.7M less than budget. Mr. Norby reported that operating income for the month was a loss of \$7.2M, which was \$0.5M greater than budget. He stated that the preliminary news regarding the probable renewal of the 1115 Waiver inspires confidence that Harris Health will achieve a breakeven budget for Fiscal Year 2018 (FY2018). A copy of the report is available in the permanent record.

2. **DEFERRED**

Consideration of Approval of Award on the Basis of Most Qualified Vendor Meeting Requirements for BKD, LLP to Provide External Audit Services for Harris County Hospital District d/b/a Harris Health System, Community Health Choice, Inc., and Community Health Choice Texas, Inc. for a One-Year Initial Term with Four (4) One-Year Renewal Options.

Mr. Norby presented the recommendation for approval of award on the basis of most qualified vendor meeting requirements for BKD, LLP to provide external audit services for Harris County Hospital District d/b/a Harris Health System, CHC, Inc., and

Community Health Choice Texas, Inc. He explained that Harris Health adopted corporate best practices regarding its external audit services, which recommend that the engagement partners of an audit firm rotate every five (5) years. Mr. Norby delivered an overview of Harris Health's internal selection committee membership, the audit firms' bidding process, and the reasons that the committee selected BKD, LLP. He stated that an audit plan will be developed once the audit firm is awarded. Ms. Carolyn Truesdell recommended that the Board defer its decision regarding the item at this time and instead take it under consideration during a Special Called Board meeting on November 9, 2017.

C. Planning & Operations Oversight Committee Item

Motion 17.10-127

Moved by Ms. Daisy Stiner, seconded by Ms. Elena Marks, and passed that the Board approve agenda item VI.C.1. Dr. Kimberly Monday and Dr. Ewan Johnson recused from agenda item VI.C.1.

1. Approval of a Patient Transfer Agreement Between Harris County Hospital District d/b/a Harris Health System and Memorial Hermann Health System d/b/a Memorial Hermann – Texas Medical Center. A copy of the Agreement is available in the permanent record.

D. Governance Committee Items

Motion 17.10-128

Moved by Dr. Kimberly Monday, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VI.D.1.

1. Approval to Amend Appointments to the 2017 Board of Trustees' Standing and Special Committees. A copy of the 2017 Board of Trustees Committee Membership list is available in the permanent record.
2. Discussion Regarding the Harris Health System Approval and Authority Matrix and the Required Content for Meetings of the Harris Health System Board of Trustees.

Ms. Nicole Streeter, Vice President, Chief Governance Officer, led the discussion regarding the Harris Health System Approval and Authority Matrix and the required content for meetings of the Harris Health System Board of Trustees. She explained that the matrix presented an opportunity for the Board to establish a governance structure that consolidates the Board's statutory and fiduciary responsibilities and governance directives as mandated by federal and state statutes, Board Bylaws, Committee charters, and Harris Health policies. Ms. Streeter stated that if the Board deems it necessary, the matrix grants the Board members the ability to review and modify Harris Health's governance structure as the organization evolves over time. Ms. Carol Graebner requested that the Board members review the matrix and notify Ms. Streeter whether they identify opportunities to increase efficiencies and streamline responsibilities. She stated that the proposed recommendations will be presented

for the Board's consideration in January 2018. A copy of the matrix is available in the permanent record.

VII. Executive Session

At 11:54 a.m., Ms. Clutterbuck stated that the Board would enter into Executive Session under Texas Gov't Code Ann. §551.085, Texas Gov't Code Ann. §551.071, Texas Gov't Code Ann. §551.074, Texas Gov't Code Ann. §418.183, Texas Health & Safety Code §161.032, and Texas Occupations Code Ann. §160.007.

VIII. Reconvene

At 2:21 p.m., Ms. Clutterbuck reconvened the meeting and stated that no action was taken in Executive Session.

- A. Discussion Regarding Financial Planning Information Related to the Negotiation Between the Harris County Hospital District d/b/a Harris Health System and Affiliated Medical Services for the Arrangement or Provision of Medical Services, Pursuant to Texas Gov't Code Ann. §551.085, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- B. Consultation with the County Attorney Regarding Contemplated Litigation by Community Health Choice, Inc. Regarding the Non-Payment of CSRs by the Federal Department of Health and Human Services to Community Under the Affordable Care Act, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 17.10-129

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and passed that the Board approve agenda item VII.B.

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Trustees, hereby approves the filing of a lawsuit by Community Health Choice, Inc. (Community) regarding the non-payment of CSRs by the Federal Department of Health and Human Services to Community under the Affordable Care Act.

- C. Discussion Regarding a Capital Contribution Between Harris Health System and Community Health Choice Texas, Inc. To Ensure Sufficient Risk-Based Capital Requirements for Community Health Choice, Inc., Pursuant to Texas Gov't Code §551.085, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- D. Consultation with the County Attorney Regarding Harris Health System's Lease Agreement with the Harris County Hospital District Foundation for the Ben Taub Hospital McDonald's, 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 Regarding the 2017 Capital Campaign to Benefit the Ben Taub Hospital Level I Trauma Center and the Vice President, Chief Development 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.

- F. Discussion Regarding Harris Health System's Information Security Program, Pursuant to Texas Gov't Code Ann. §418.183 and Texas Gov't Code Ann. §551.074, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- G. Report by the Chief Medical Officer Regarding the 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.

- H. Report by the 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 Texas Health & Safety Code §161.032, and Possible Action Upon Return to Open Session.

No action was taken.

- I. Discussion Regarding the Employment Agreement Between the Harris County Hospital District d/b/a Harris Health System and George V. Masi, President and Chief Executive Officer, Pursuant to Texas Gov't Code Ann. §551.074, and Possible Action Upon Return to Open Session.

Motion 17.10-130

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VII.I.

The Harris Health System Board of Trustees, approves the execution of a Second Amendment to the Employment Agreement (Agreement) between George V. Masi (President/CEO) and Harris Health System to extend the term of his Agreement for his appointment as President/CEO to May 1, 2020 and increase the President/CEO's annual base salary to \$700,000, effective November 1, 2017.

IX. Adjournment

Moved by Dr. Kimberly Monday, seconded by Ms. Carolyn Truesdell, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 2:23 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 October 26, 2017.

Respectfully submitted,



Ms. Anne Clutterbuck, Chair
Board of Trustees



Ms. Daisy Stiner, Secretary
Board of Trustees

Recorded by Kenya Shields