

# HARRIS HEALTH SYSTEM

## HARRIS HEALTH SYSTEM

### MINUTES OF THE BOARD OF TRUSTEES MEETING

Thursday, September 28, 2017

Board Room – Administration Building

#### Members Present:

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

#### Members Absent:

Ms. Carol Graebner

#### Others Present:

Mr. George Masi, President & Chief Executive Officer  
Dr. Ericka Brown, Senior Executive 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  
Dr. Michael Gardner, Executive Vice President & Administrator, Ambulatory Care Services  
Dr. 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. Tien Ko, Chief of Staff, Lyndon B. Johnson 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  
Ms. Amber Weed, Commissioner 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 9:03 a.m., and noted that a quorum was present. The attendance was recorded.

## **II. Announcements / Special Presentations**

**A. Special Recognition** – Dr. Michael Gardner, Executive Vice President and Administrator, Ambulatory Care Services, recognized the Health Care for the Homeless Program (HCHP) for receiving an award from the Health Resources and Services Administration (HRSA) for quality performance during Calendar Year 2016. He commended Ms. Linda Kinchen, Director, HCHP and HIV Services; Mr. Nelson Gonzalez, Grants Project Manager, HCHP and HIV Services; and Dr. Yasmeen Quadri, Medical Director, HCHP and HIV Services, for their hard work and dedication. Dr. Gardner stated that HCHP receives approximately 10,000 patient visits per year and that its standards for quality care exceed federal standards. He announced that HRSA recognized HCHP with a monetary award in the amount of \$71K for the excellent level of care the program provides.

## **III. Hear from Citizens**

No citizens appeared to speak.

## **IV. Strategic Discussion**

### **A. Review and Discussion Regarding Selected Goals and Objectives from “The Bridge to 2020” Harris Health System Strategic Plan**

#### **1. Pillar 1: Financial Stability**

##### **Marketplace Insurance for Eligible Harris Health Patients**

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, led the discussion regarding Marketplace insurance for eligible Harris Health patients. He stated that according to provisions of the Affordable Care Act (ACA), Harris Health may subsidize insurance for eligible Harris County residents if their eligibility is based on income and not on health status. In 2017 Harris Health treated 39,000 residents who were eligible for insurance coverage under the Health Insurance Marketplace (Marketplace) and 3,700 of those patients enrolled in Marketplace insurance plans. Harris Health expects to pay \$1.2M in total subsidies and to receive \$6.9M in collections for services provided for the year. In 2018 Harris Health projects that there will be approximately 39,000 Harris County residents who will be eligible for Marketplace coverage. Two-thirds of those eligible residents are legal immigrants and one-third are United States citizens. If 100% of the 39,000 eligible patients enroll in Marketplace coverage in 2018, Harris Health will pay an estimated \$12.8M in subsidies. If Harris Health achieves an 80% enrollment rate, net patient revenue is projected to increase by \$63M. Mr. Norby stated that although Molina Healthcare (Molina) offered the most affordable insurance plan for Harris Health’s patients in 2017, Molina plans will not be an option for Harris Health in 2018 because Molina no longer accepts third-party payments. However, he stated that Harris Health and CHC, Inc. will collaborate to provide insurance coverage and subsidies for patients.

Mr. Michael Hill, Senior Vice President, Chief Business Development and Strategy Officer, delivered an overview of Harris Health's Marketplace enrollment timeline. He stated that beginning in July 2017 Harris Health corresponded with all patients who are eligible for Marketplace coverage and Harris Health subsidies through letters and emails. On October 1, 2017, CHC, Inc. will begin utilizing contracted enrollment agents to contact patients regarding Marketplace enrollment via telephone calls, email, and text messages. Beginning October 1st, eligible patients will also be given letters in person at all Harris Health service locations. The Marketplace enrollment period for 2018 begins November 1, 2017 and ends December 15, 2017. Because the enrollment period is reduced to forty-five (45) days, Harris Health's enrollment centers will be open seven (7) days per week and will operate extended evening hours Monday through Friday. A special enrollment period will be enacted between December 16, 2017 and October 31, 2018 to accommodate patients with pending enrollments or life changes that meet the eligibility requirements. Marketplace insurance coverage will begin January 1, 2018.

Mr. Kenneth Janda, President and Chief Executive Officer, Community Health Choice, Inc. (CHC, Inc.) and Community Health Choice Texas, Inc. (CHCT, Inc.), stated that Marketplace growth will be CHC, Inc.'s primary focus in 2018 because the ACA creates opportunities to bring more federal funds into the healthcare system. Mr. George Masi, President and Chief Executive Officer (CEO), stated that it would greatly benefit Harris Health to enroll more patients in Marketplace insurance plans and decrease Harris Health's uncompensated care rate from 60% to 50%. Discussion ensued. Dr. Ewan Johnson inquired regarding how patients are incentivized to seek Marketplace coverage if they receive healthcare at minimal or no cost through the Harris Health Financial Assistance Program. Mr. Norby responded that participants in the Harris Health Financial Assistance Program are required to actively seek coverage through other funding sources such as the Marketplace, Medicaid, or other sources. A copy of the Marketplace insurance report is available in the permanent record.

## **2. Pillar 2: Our Patients**

### **Effective Management of Jail Inmate Health Care**

Mr. Hill led the discussion regarding jail inmate health care. He reported that the Harris County Jail averages 8,500 inmates per month and that Harris Health treats 80% of these inmates either before, during, or after their incarceration. Harris County Jail performs 16,000 tests and fills 31,000 prescriptions on average each month. On an annualized basis, Harris County inmates make up 2,500 of Harris Health's patients, make 3,500 visits to Harris Health facilities, and incur \$18.8M in charges. Mr. Hill stated that 56% of emergency room visits by Harris County inmates are eligible for telemedicine. He recommended that Epic Systems software be installed at the Harris County Jail and that Harris Health place a clinic inside the jail since 80% of inmates have already been assigned a medical record number in Epic. Implementing Epic would facilitate inmate clinic visits, permit the utilization of telemedicine in the jail, and eliminate the security risks and transportation costs incurred when an inmate is delivered from the jail to Harris Health facilities for medical care. Mr. Hill estimated that Harris Health can perform 80% of the laboratory tests that the Harris County Jail currently pays LabCorp to do and that Harris Health can do these tests at a lower cost. Mr. Lawrence Finder expressed concern regarding what measures will be taken to protect the Harris Health staff working in a jail

clinic. Dr. Ericka Brown, Senior Executive Vice President and Chief Operating Officer, responded that there is no secure process or partnership currently in place to manage inmates when they arrive at Harris Health's facilities for health care. She stated that the jail setting offers a more controlled environment and that processes will be established to ensure that care can be provided safe manner. Mr. Finder inquired regarding the additional costs that Harris Health will incur providing health care for jail inmates. Mr. Masi stated that providing inmate health care would not be an unfunded mandate because funds will be made available to cover any additional costs. A copy of the inmate health care report is available in the permanent record.

### **3. Pillar 1: Financial Stability**

#### **Capital Campaign Fund Development Plan**

Ms. Kelli Fondren, Vice President and Chief Development Officer, led the discussion regarding the 2017 Capital Campaign fund development plan to benefit the Ben Taub Hospital (BTH) Level I Trauma Center. The goal of the Capital Campaign is to raise \$25M. To date, \$1.1M has been raised and there are \$11M in pending pledges in the community. The Harris County Hospital District Foundation (Foundation) scheduled its annual Jubilee of Caring Gala to be held October 19, 2017 and \$500K has been raised to date in connection with this event to benefit the Capital Campaign. Harris Health retained The Black Sheep Agency to develop the Campaign marketing and communications strategy, and the Foundation retained the Trevino Consulting Group to assist with fundraising efforts, donor cultivation, and grant writing. The next steps will be to recruit a Campaign cabinet to assist with fundraising, develop Campaign materials, and cultivate and solicit top fundraising prospects. The Campaign kickoff is scheduled to occur in December 2017. Ms. Fondren stated that the Foundation also developed the Family for Life Giving Campaign to grant Harris Health employees and stakeholders annual opportunities to contribute to Harris Health. The 2018 Family for Life Giving Campaign will launch in February 2018 and proceeds will benefit the BTH Level I Trauma Center. Ms. Clutterbuck requested that Ms. Fondren provide the Board a list of the top twenty-five (25) prospects for the Capital Campaign and a schedule of upcoming meetings so that the Board may follow up with potential donors. Ms. Daisy Stiner requested further information regarding the mission of the Development Office and how its long-term fundraising goals align with Harris Health's budget projections. A copy of the 2017 Capital Campaign report is available in the permanent record.

## **B. PILLAR 1: FINANCIAL STABILITY**

### **1. Harris Health System Legislative Initiatives**

- a. Update, Discussion and Possible Action Regarding Activities in Austin Relating to Legislative/Regulatory Issues Impacting Harris Health System, the 85<sup>th</sup> 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 House Appropriations Committee will hold a Hurricane Harvey hearing on Monday, October 2, 2017 at the

University of Houston Hilton Hotel to discuss the utilization of federal funds by state agencies and the impact of natural disasters in the future. Mr. Hillier stated that CMS and the Health and Human Services Commission met on Monday, September 18, 2017 to continue negotiations regarding the Texas Medicaid 1115 Waiver (1115 Waiver). A copy of the legislative update is available in the permanent record.

- b. 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 reported that Ms. Seema Verma, the Administrator for the Centers for Medicare & Medicaid Services (CMS), visited BTH on Monday, September 18, 2017 and that CMS also conducted a closed meeting with CEOs from the Texas Medical Center to discuss the impacts from Hurricane Harvey, the 1115 Waiver, and other related topics. National and regional representatives from the Federal Emergency Management Agency (FEMA) visited BTH and Lyndon B. Johnson Hospital on Tuesday, September 19, 2017 to view the effects of the hurricane at each pavilion. The Graham-Cassidy bill to repeal and replace the ACA was tabled by the United States Senate on September 26, 2017 due to a lack of support. Medicaid Disproportionate Share Hospital (DSH) reductions that are contained in the ACA are scheduled to go into effect October 1, 2017. A copy of the legislative update is available in the permanent record.

- c. Review and Discussion Regarding the Status Report on the 1115 Waiver Harris Health System and External Provider Projects.

Mr. Hillier and Ms. Amanda Callaway led the discussion regarding the 1115 Waiver status report. Mr. Hillier estimated that further information regarding the 1115 Waiver renewal will not be available until November 2017. He stated that Delivery System Reform Incentive Payment (DSRIP) policy will shift its emphasis from projects and pay-for-volume to an emphasis on system improvements and pay-for-quality. Mr. Hillier provided the following three (3) potential scenarios regarding 1115 Waiver renewal: 1) a continuation through the next 21-month period at current funding levels; 2) a five-year renewal at level or reduced funding; or 3) non-renewal of the 1115 Waiver, leading into a four-year transition period during which DSRIP funds will be reduced by 25% each year over the four (4) years. Ms. Stiner requested a status report of the Harris Health DSRIP projects that are likely to be impacted by legislative modifications. A copy of the 1115 Waiver status report is available in the permanent record.

## **2. Budget & Finance Committee Agenda Items**

### **Motion 17.09-105**

Moved by Dr. Kimberly Monday, seconded by Ms. Linda Morales, and passed that the Board approve agenda items IV.B.2.a.1.a through IV.B.2.a.1.ss. Mr. Lawrence FINDER recused himself from the following purchasing items: A(1)a., A(1)d., A(1)e., A(1)f., A(1)g., A(1)h., A(1)i., A(1)j., A(1)k., A(1)l., A(1)m., A(1)n., A(1)o., A(1)p., A(1)q., A(1)r., A(1)s., A(1)t., A(1)u.,

A(1)v., A(1)w., A(1)y., A(1)z., A(1)aa., A(1)cc., A(1)ee., A(1)ff., A(1)kk., A(1)ll., A(1)mm., A(1)oo., A(1)pp., A(1)rr., and A(1)ss.

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

- a. approve the second of four (4) renewal options for The Brandt Companies, LLC to provide job order contracting for small and large plumbing and/or plumbing related projects in the estimated amount of \$1,634,000 for the term October 23, 2017 through October 22, 2018.
- b. approve award on the basis of low bid for FireTron, Inc. to provide inspection and service of fire protection systems, equipment, and related items in the amount of \$626,988 for the term October 1, 2017 through September 30, 2018 with four (4) one-year renewal options.
- c. approve award on the basis of low bid for RDI Mechanical Inc. to provide removal and replacement of water heaters at various locations in the amount of \$129,001 (\$122,858 construction price / \$6,143 owner contingency).
- d. approve utilization of contract for Hearst Newspapers Partnership LP, Houston Chronicle Publishing Co. Div. to provide publication of public notices in the estimated amount of \$475,000 for the term October 1, 2017 through September 30, 2018.
- e. approve first-year funding on the basis of single-source ASCEND contract for Office Depot Inc. [AS-MM-481] to provide office supplies in the estimated amount of \$1,200,000 for the term August 1, 2017 through July 31, 2018.
- f. ratify third-year funding for the GPO contracts for Johnson & Johnson Healthcare Systems Inc. (Ethicon) [PP-OR-1237] (\$411,908) and Covidien Sales, LLC [PP-OR-1236] (\$676,929) to provide surgical energy products in the estimated seven-month multi-vendor amount of \$1,088,837 for the term September 1, 2017 through March 31, 2018.
- g. approve first-year funding on the basis of single-source ASCEND contract for Hill-Rom Company Inc. [AS-MM-408] to provide for the rental of patient beds, mattresses, and therapeutic surfaces in the estimated amount of \$886,335 for the term March 1, 2017 through February 28, 2018.
- h. approve second-year funding for the GPO contract for Georgia-Pacific Consumer Products LP North American Commercial Business [AS-FA-557] through W. W. Grainger to provide paper towels and tissues in the estimated amount of \$650,000 for the term October 1, 2017 through September 30, 2018.
- i. approve first-year funding on the basis of single-source ASCEND contract for Bard Access Systems Inc. [AS-NS-830] through Cardinal Health to provide peripherally-inserted central catheter and midline access products in the estimated amount of \$584,223 for the extended contract term July 1, 2016 through November 30, 2017.
- j. approve second-year funding for the GPO contract for Becton, Dickinson and Company [AS-NS-972] through Cardinal Health to provide standard hypodermic products in the estimated amount of \$538,271 for the term October 1, 2017 through September 30, 2018.

- k. approve second-year funding for the GPO contract for Smiths Medical ASD, Inc. [PP-NS-966] through Cardinal Health to provide safety hypodermic products in the estimated amount of \$168,385 for the term October 1, 2017 through September 30, 2018.
- l. approve third-year funding for the GPO contract for Becton, Dickinson, and Company [PP-LA-395] through Cardinal Health to provide safety phlebotomy products in the estimated amount of \$508,748 for the term October 1, 2017 through September 30, 2018.
- m. approve the fourth and final renewal option for Terumo Medical Corporation to provide neuroendovascular diagnostic and interventional radiology products, including balloons, catheters, and related products, in the estimated amount of \$484,322 for the term November 1, 2017 through October 31, 2018.
- n. approve third-year funding for the GPO contracts for Becton, Dickinson, and Company [PP-LA-402] (\$195,483) and Greiner Bio-One North America, Inc. [PP-LA-403] (\$219,634) (all through Cardinal Health) to provide blood specimen collection products in the estimated multi-vendor amount of \$415,117 for the term October 1, 2017 through September 30, 2018.
- o. approve first-year funding on the basis of single-source ASCEND contract for Covidien Sales LLC [AS-NS-1067] through Cardinal Health to provide incontinence products in the estimated amount of \$357,755 for the term August 1, 2017 through July 31, 2018.
- p. approve second-year funding for the GPO contract for Covidien Sales, LLC [AS-NS-976] through Cardinal Health to provide bandages, dressings, and gauze in the estimated amount of \$267,753 for the term October 1, 2017 through September 30, 2018.
- q. approve first-year funding on the basis of best contracts for Professional Disposables International Inc. [Item 6] (\$94,000) and Becton, Dickinson, and Company / Carefusion 213, LLC [Items 1-5] (\$156,029) to provide chlorhexidine gluconate skin prep products in the estimated multi-vendor amount of \$250,029.
- r. approve second-year funding for the GPO contract for 3M Company [AS-MM-439] through Cardinal Health to provide sterilization assurance products in the estimated amount of \$168,086 for the term October 1, 2017 through September 30, 2018.
- s. approve third-year funding for the GPO contract for Cardinal Health 200, LLC [PP-NS-888] through Cardinal Health to provide suction canisters, yankauers, and tubing in the estimated amount of \$127,128 for the term November 1, 2017 through October 31, 2018.
- t. approve second-year funding for the GPO contract for Smiths Medical ASD, Inc. [PP-OR-1365] through Cardinal Health to provide implantable infusion ports in the estimated amount of \$124,891 for the term November 1, 2017 through October 31, 2018.
- u. approve the third of ten (10) renewal options for the City of Houston to utilize contracts to purchase hospital supplies and related items in the amount of \$0 for the term November 10, 2017 through November 9, 2018.

- v. approve awards on the basis of best proposals meeting requirements for St. Jude Medical, Inc. (\$202,600) and Edwards Lifesciences LLC (\$273,600) to provide heart valves in the estimated multi-vendor amount of \$476,200 for a one-year initial term with four (4) one-year renewal options.
- w. approve award on the basis of only proposal received for CooperSurgical Inc. to provide high-risk OB/GYN specialty products and related items in the estimated amount of \$136,208 for a one-year initial term with two (2) one-year renewal options.
- x. **REVISED**  
approve the first of four (4) renewal options for Tri State Distribution, Inc. to provide prescription vials in the estimated amount of \$471,870 for the term October 1, 2017 through September 30, 2018.  
  
The estimated amount was decreased from \$647,313 to \$471,870.
- y. approve the first of two (2) renewal options for GE Healthcare, Inc. to provide specific pharmaceutical products (contrast media) in the estimated amount of \$627,253 for the term October 1, 2017 through September 30, 2018.
- z. approve the third of four (4) renewal options for Innovation Associates, Inc. to provide maintenance and support for the Central Fill Pharmacy System in the estimated amount of \$323,535 for the term September 4, 2017 through September 3, 2018.
- aa. approve awards on the basis of low bids meeting specifications for Abbott Nutrition, division of Abbott Laboratories, Inc., (\$20,662) and Nestle Healthcare Nutrition, Inc. (\$224,837) to provide infant and adult nutritional/disease-specific formulas in the estimated multi-vendor amount of \$245,499 for the term November 1, 2017 through October 31, 2018 with two (2) one-year renewal options.
- bb. approve the second of four (4) renewal options for PLB Dental Services, PLLC to operate dental facilities in the estimated amount of \$1,799,283 for the term October 1, 2017 through September 30, 2018.
- cc. approve the first of two (2) renewal options for Bryan, Pendleton, Swats & McAllister, LLC to provide actuarial services in the estimated amount of \$135,000 for the term October 1, 2017 through September 30, 2018.
- dd. approve additional (non-budgeted) funds for Coker Group Holdings, LLC to provide healthcare contract negotiation services in the estimated additional (non-budgeted) amount of \$150,000 for the term January 31, 2017 through January 30, 2018 (Board previously approved funds in the amount of \$500,864 for the term January 31, 2017 through January 30, 2018).
- ee. approve purchase as an exception to the Harris Health System Purchasing Manual bid requirements for Abbott Diabetes Care Sales Corporation to provide point-of-care glucometer analyzers, reagents, consumables, service, and training in the estimated amount of \$1,166,122 for a one-year initial term with one (1) one-year renewal option.



- ff. approve additional (budgeted) funds 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 \$331,097 for the current term February 1, 2017 through January 31, 2018 (Board previously approved funds in the amount of \$7,397,160 for the term January 23, 2013 through January 31, 2018).
- gg. ratify the second of four (4) renewal options for Fresh Brew Group USA, L.P. to provide vending machine services in the estimated revenue amount of \$350,000 for the term September 15, 2017 through September 14, 2018.
- hh. approve the first of four (4) renewal options for Waste Corporation of Texas LP – A Delaware Limited Partnership to provide refuse removal services in the estimated amount of \$331,986 for the term November 1, 2017 through October 31, 2018.
- ii. approve purchase on the basis of sole source for 3M Health Information Systems, Inc. to provide 3M software license and maintenance in the estimated amount of \$2,689,606 for the term October 28, 2017 through October 27, 2022 (five-year term with annual payments).
- jj. approve renewal on the basis of sole source for Sunquest Information Systems, Inc. to provide maintenance and support for the Sunquest Laboratory and Pathology software in the estimated amount of \$546,643 for the term October 1, 2017 through September 30, 2018.
- kk. approve purchase on the basis of low quote for General Datatech, L.P. [DIR-TSO-2542] to provide a technology refresh of Cisco access and distribution switches in the amount of \$260,715.
- ll. approve purchase on the basis of sole source for Oracle America, Inc. to provide upgrade services for Oracle / PeopleSoft Human Resources Management System software in the estimated amount of \$186,062 for a one-year term upon execution of the Amendment to the Agreement.
- mm. approve award on the basis of low bid for Spok, Inc. to lease wireless pagers, messaging services, and related items in the amount of \$145,728 for the term October 1, 2017 through September 30, 2018 with four (4) one-year renewal options.
- nn. approve purchase on the basis of low quote for SHI Government Solutions, Inc. [DIR-SDD-2500] to provide support and maintenance for Symantec anti-virus and malware software in the estimated amount of \$139,180 for the term September 30, 2017 through September 29, 2018.
- oo. approve additional (budgeted) funds for Hewlett Packard Enterprise Company [DIR-TSO-3359] to provide Hewlett Packard computer hardware and software server maintenance and support in the estimated additional (budgeted) amount of \$66,174 for the term November 1, 2016 through October 31, 2017 (Board previously approved funds in the amount of \$67,637 for the term November 1, 2016 through October 31, 2017).
- pp. approve termination of the Agreement, effective November 28, 2017, for Legacy Data Access, Inc. to provide mainframe data hosting services in the estimated amount of \$112,800 for the term August 25, 2017 through August 24, 2018.

- qq. ratify purchase on the basis of low quote for Accudata Systems, Inc. [13/068DG-01] to provide maintenance and support for Check Point Pointsec software in the estimated amount of \$105,105 for the term June 1, 2017 through June 1, 2018.
- rr. approve termination of the Agreement, effective September 30, 2017, for Reliance Standard Life Insurance Company to provide long-term disability insurance in the estimated amount of \$910,300 for the term March 1, 2017 through February 28, 2018.
- ss. approve termination of the Agreement, effective September 30, 2017, for Life Insurance Company of North America (“Cigna”) to provide short-term disability coverage in the estimated amount of \$2,090,460 for the term March 1, 2017 through February 28, 2018.

A(2). Transmittals of Completed Items **[For Informational Purposes]**

- a. transmittal of purchase on the basis of lowest-priced contract for Hologic, Inc. [PP-IM-295] to provide diagnostic imaging equipment in the amount of \$80,000.
- b. transmittal of second-year funding for the GPO contract for Stryker Sales Corporation [PP-OR-1330] to provide surgical automatic tourniquet systems and accessories in the estimated amount of \$92,000 for the term November 1, 2017 through October 31, 2018.
- c. transmittal of first-year funding on the basis of single-source contract for Penumbra Inc. [PP-CA-310] to provide neurovascular interventional radiology products in the estimated amount of \$91,258 for the term September 1, 2017 through August 31, 2018.
- d. transmittal of first-year funding on the basis of lowest complete contract for Cook Medical Incorporated [PP-CA-308] to provide vena cava filters in the estimated amount of \$89,000 for the term August 1, 2017 through July 31, 2018.
- e. transmittal of second-year funding for the GPO contract for STERIS Corporation [AS-MM-443] to provide instrument cleaners and enzymatics in the estimated amount of \$78,137 for the term October 1, 2017 through September 30, 2018.
- f. transmittal of utilization of the contract for Nestle Waters North America Inc. to provide steam distilled and drinking bottled water and rental of water coolers in the estimated amount of \$59,258 for the term November 1, 2017 through October 31, 2018.
- g. transmittal of the amended vendor name and term for Arthrex, Inc. (amended name) to provide arthroscopic implants for a one-year initial term with two (2) one-year renewal options (amended term); Medinc of Texas was the approved vendor name for a one-year initial term with four (4) one-year renewal options (approved term).
- h. transmittal of the amended vendor name and term for Johnson and Johnson Healthcare Systems, Inc. (amended name) to provide breast implants for medical procedures and related products for a one-year initial term with two (2) one-year renewal options (amended term); Mentor Worldwide LLC was the approved vendor name for a one-year initial term with four (4) one-year renewal options (approved term); (Purchase orders will be issued through Mentor Worldwide LLC).

- i. transmittal of exemption from the competitive bid requirements and renewal for Chris Traylor to provide intergovernmental liaison services in the estimated amount of \$62,500 for the term September 30, 2017 through September 29, 2018.
- j. **PULLED**  
transmittal of exemption from the competitive bid requirements, renewal, and amended vendor name for Cornerstone Government Affairs, Inc. (amended name) to provide legislative services in the estimated amount of \$60,000 for the term October 25, 2017 through October 24, 2018; Tony Essalih was the approved vendor name.
- k. transmittal of exemption from the competitive bid requirements for LifeWings Partners, LLC to provide diagnostic review and analysis of pharmacy operations in the estimated amount of \$84,462 for a one-year term upon execution of the Agreement.
- l. transmittal of award on the basis of low bid meeting specifications for Metroplex Ice Machines, LLC to provide removal and replacement of the conveyor dishwasher at Lyndon B. Johnson Hospital in the amount of \$58,132.
- m. transmittal of award on the basis of only bid received for Advanced Technology and Diversified Product, Inc. to provide removal and recycling of polypropylene in the estimated revenue amount of \$5,000 for the term October 1, 2017 through September 30, 2018 with four (4) one-year renewal options.
- n. transmittal of the first of two (2) renewal options on the basis of sole source for Spectrio LLC d/b/a Vericom to provide maintenance and support of the on-hold telecommunications message system in the estimated amount of \$82,780 for the term October 1, 2017 through September 30, 2018.
- o. transmittal of utilization of the contract for CompuCycle, Inc. to provide disposal of salvage electric equipment and related items in the estimated amount of \$10,000 for the term November 1, 2017 through October 31, 2018.
- p. transmittal of purchase on the basis of sole source for Abbott Diabetes Care Inc. to provide point-of-care laboratory device software in the estimated amount of \$99,665.
- q. transmittal of renewal on the basis of sole source for Allscripts Healthcare, LLC (formerly Eclipsys Corporation) to provide maintenance and support of Eclipsys EPSt Sunrise decision support software in the estimated amount of \$60,581 for the term June 30, 2017 through June 29, 2018.

**Motion 17.09-106**

Moved by Dr. Kimberly Monday, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item IV.B.2.b.

- b. Acceptance of the Harris Health System August 2017 Financial Report Subject to Audit.

Mr. Norby presented the Harris Health System August 2017 financial report. He reported that patient volumes were significantly reduced and that net patient revenue was 21% less than budget due to the impact of Hurricane Harvey and the closure of

several outpatient clinics during the last week of August 2017. Mr. Norby stated that the decreased volumes led to a decrease in monthly expenses. He reported that Harris Health's operating income for the month was a loss of \$10.1M, which was a negative variance of \$5.9M against a budgeted loss of \$4.2M. Mr. Norby projected that hurricane damages will total between \$4M and \$5M in capital expenses and he stated that Harris Health will appeal to FEMA for assistance in paying for claims. A copy of the report is available in the permanent record.

**Motion 17.09-107**

Moved by Mr. Lawrence Finder, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item IV.B.2.c.

- c. Acceptance of the Harris Health System Second Quarter FY2018 Investment Report.

Mr. Norby presented the Harris Health System Second Quarter FY2018 Investment Report. He reported that as of August 31, 2017, the investment balance was \$601.8M. A copy of the report is available in the permanent record.

**Motion 17.09-108**

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

- d. Approval of an Agreement Between Harris Health System and Community Health Choice, Inc. for Support of Marketplace Enrollment of Eligible Harris Health Patients, and Harris Health Subsidy Payments to Community Health Choice, Inc. for the Non-Federal Premium Payments for Those Patients.

**3. Miscellaneous Item**

**Motion 17.09-109**

Moved by Mr. Lawrence Finder, seconded by Ms. Carolyn Truesdell, and unanimously passed that the Board approve agenda item IV.B.3.a.

- a. Approval of the Appointment of Ms. Elena Marks to the Board of Directors of Community Health Choice, Inc. and Community Health Choice Texas, Inc. for a Term Ending December 31, 2017.

**C. PILLAR 2: OUR PATIENTS**

**1. Performance Improvement & Patient Safety Committee Agenda Items**

- a. Discussion Regarding Updates from the Office of the Chief Medical Officer: Transforming Healthcare Together.

Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, and Dr. Pepe Greenlee led the discussion regarding updates from the Chief Medical Officer (CMO). Dr. Babber stated that Harris Health's Red Rules are few in number, easy to remember, and utilized to strengthen the culture of safety within the organization. He reported that overall hand hygiene compliance significantly improved from 54% in January 2017 to 82.7% in July 2017. Harris Health achieved 100% compliance regarding Time Out procedures in perioperative areas. The Good Catch Program, which launched in August 2017, recognizes employees and medical staff with signed certificates and food rewards for identifying potential issues or errors before they occur. Dr. Greenlee reported that twelve (12) good catches have been rewarded to date and that the recipients include nursing assistants, laboratory technicians, environmental services staff, nurses, and residents. A copy of the newsletter is available in the permanent record.

## **2. Planning & Operations Oversight Committee Agenda Items**

### **Motion 17.09-110**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda items IV.C.2.a. and IV.C.2.b.

- a. Approval of an Agreement Between Harris Health System and the Bristol-Meyers Squibb Patient Assistance Foundation to Participate in the Bristol-Meyers Squibb Hospital Outpatient Assistance Program.
- b. Approval to Ratify an Agreement Between Harris County Hospital District d/b/a Harris Health System and Genentech USA, Inc. to Participate in a Patient Assistance Program.

### **Motion 17.09-111**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda items IV.C.2.c. through IV.C.2.q.

- c. Approval to Ratify the Cancellation of an Agreement Between Harris County Hospital District d/b/a Harris Health System and Star of Hope Mission to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program, Effective August 23, 2017.
- d. Approval to Ratify an Agreement Between Harris County Hospital District d/b/a Harris Health System and Star of Hope Mission Cornerstone Community to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program for the Term August 24, 2017 Through December 31, 2018.
- e. Approval of the Health Care for the Homeless Program Fiscal Year 2018 Service Area Competition Grant Application and Budget as Required by the United States Department of Health and Human Services, Which Provides Funding to the 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.

Dr. Gardner presented the HCHP Fiscal Year 2018 Service Area Competition Grant Application and Budget. He stated that the United States Department of Health and Human Services requires that this item be presented for Board approval.

- f. Approval of the Health Care for the Homeless Program Quality and Patient Satisfaction Report from January 2017 – June 2017 as Required by the United States Department of Health and Human Services, Which Provides Funding to the 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.

Dr. Gardner presented the HCHP Quality and Patient Satisfaction Report. He stated that the United States Department of Health and Human Services requires that this item be presented for Board approval.

- g. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and Open Door Mission to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- h. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and the Service of the Emergency Aid Resource Center for the Homeless (S.E.A.R.C.H.) to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- i. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and Crossroads to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- j. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and Compass to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- k. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and Star of Hope Mission Men's Development Center to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- l. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and The Salvation Army Sally's House to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- m. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and The Salvation Army Family Residence to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- n. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and The Salvation Army Adult Rehabilitation Center to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the

Health Care for the Homeless Program.

- o. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and Lord of the Streets to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- p. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and Jackson Hinds Gardens to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.
- q. Approval to Continue an Agreement Between Harris County Hospital District d/b/a Harris Health System and Harmony House, Inc. to Provide On-Site Health Care and Eligibility Services to Qualified Homeless Individuals of the Health Care for the Homeless Program.

**Motion 17.09-112**

Moved by Dr. Kimberly Monday, seconded by Ms. Daisy Stiner, and passed that the Board approve agenda item IV.C.2.r. Ms. Elena Marks recused herself from agenda item IV.C.2.r.

- r. Approval to Accept a Grant Agreement in the Amount of \$187,500 from the Episcopal Health Foundation Awarded to Harris Health System for the Texas Community Centered Health Homes Program for a Term of Eighteen (18) Months.

**Motion 17.09-113**

Moved by Dr. Kimberly Monday, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item IV.C.2.s.

- s. Approval of an Interlocal Agreement Between Harris County Hospital District d/b/a Harris Health System, the City of Houston, and Baylor College of Medicine to Participate in the City of Houston's Advancing Collaboration to Eliminate Human Trafficking.

**D. PILLAR 3: OUR FAMILY**

**1. Planning & Operations Oversight Committee Agenda Items**

**Motion 17.09-114**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda items IV.D.1.a. and IV.D.1.b.

- a. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the University of Houston College of Social Work (Masters of Social Work Program).

- b. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the Prairie View A&M University School of Nursing (Masters of Science in Nursing Program with Nurse Administration and Nurse Education Specialties).

## **2. Joint Conference Committee Agenda Item**

### **Motion 17.09-115**

Moved by Ms. Anne Clutterbuck, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item IV.D.2.a.

- a. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (September 2017).

Dr. David Robinson, Chair of the Medical Executive Board, presented the September 2017 credentialing changes for the members of the Harris Health System medical staff. He reported that there were thirty-nine (39) initial appointments, 138 reappointments, twenty-three (23) resignations, and thirty-one (31) change/add privileges. A copy of the report is available in the permanent record.

## **E. PILLAR 4: OUR HOME**

### **1. Planning & Operations Oversight Committee Agenda Items**

#### **Motion 17.09-116**

Moved by Ms. Anne Clutterbuck, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item IV.E.1.a.

- a. Approval of Specific Philanthropic Naming Opportunities in Association with the Ben Taub Emergency Center Renovation / Modernization Project.

Mr. Masi presented the recommendation for philanthropic naming opportunities in association to the Ben Taub Emergency Center renovation. He stated that a comprehensive list of naming opportunities will be provided in one (1) year following the completion of the architectural and engineering design.

#### **Motion 17.09-117**

Moved by Ms. Anne Clutterbuck, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda items IV.E.1.b. and IV.E.1.c.

- b. Approval to Transfer Funds in the Amount of \$364,906.34 for Fiscal Year 2018 to the Harris County Engineering Department to Provide Architectural, Engineering, Construction Management, and Other Related Services Required for the Ben Taub Security Screen Project.
- c. Approval to Transfer Funds in the Amount of \$69,640 for Fiscal Year 2018 to the Harris



County Engineering Department to Provide Architectural, Engineering, Construction Management, and Other Related Services Required for the Northwest Health Center Heating, Ventilation, and Air-Conditioning (HVAC) RTU#7 Replacement.

**Motion 17.09-118**

Moved by Ms. Anne Clutterbuck, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item IV.E.1.d.

- d. Approval to Enter Into the 5th Lease Year with Sepsa Precast Solutions Corp. for the Danny Jackson Health Center Located at 5503 N. Fry Road, Katy, Texas 77449 at a Monthly Rate of \$18,482.20 (\$221,786.40/Yr.) Plus Operating Expenses for the Term November 1, 2017 Through October 31, 2018.

**Motion 17.09-119 (Agenda Item IV.E.1.e. was taken out of order)**

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

- e. Approval to Remove Funding for the 5th and Final Lease Year and Terminate the Lease with Spring Branch Plaza, L.L.C. for the Long Branch Health Center Located at 9801 Long Point, Houston, Texas 77055, Effective November 30, 2017.

**V. Executive Session**

At 11:35 a.m., Ms. Clutterbuck stated that the Board would enter into Executive Session under Texas Health & Safety Code §161.032, Texas Occupations Code Ann. §160.007, Texas Gov't Code Ann. §551.071, Texas Gov't Code Ann. §551.085, Texas Gov't Code Ann. §551.072, and Texas Gov't Code Ann. §551.074.

**VI. Reconvene**

At 2:33 p.m., Ms. Clutterbuck reconvened the meeting and stated that no action was taken in Executive Session.

- A. 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.

- 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 Settlement of Litigation Between Cigna and True View (Town Park Surgery Center, Oprex Surgery Center, and True View Surgical Facilities), Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

**Motion 17.09-120**

Moved by Dr. Ewan Johnson, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item V.C.

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Trustees, approves and hereby authorizes settlement of Harris Health's benefits claims related to pending litigation between Cigna and True View (Town Park Surgery Center, Oprex Surgery Center, and True View Surgical Facilities), in an amount not to exceed \$231,963.57. George V. Masi, President/CEO of Harris Health, is authorized to execute the applicable Settlement Election Form, or other necessary documents to effect this settlement.

- D. Discussion Regarding the Acquisition of Real Property, Pursuant to Texas Gov't Code §551.072, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- E. Consultation with the County Attorney Regarding the Lease with Spring Branch Plaza, L.L.C. for the Long Branch Health Center, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- F. Discussion of Personnel Matters Regarding the Pearl Meyer Executive Salary Compensation Report Regarding the President/CEO, Senior Executive Vice President/Chief Operating Officer, Executive Vice President/CFO, Executive Vice Presidents/Ben Taub and LBJ Hospitals, Executive Vice President/Chief Information Officer, Executive Vice President/Ambulatory Care Services, Executive Vice President/Chief Medical Officer, Senior Vice President/Chief Business Development and Strategy Officer, Senior Vice President/Corporate Compliance, Senior Vice President/Chief Nursing Executive, Senior Vice President/Human Resources, Senior Vice President/Support Services, 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.

- G. 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 Regarding this Matter Upon Return to Open Session.

No action was taken.

- H. Discussion Regarding the Performance Goals of the Vice President and 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.

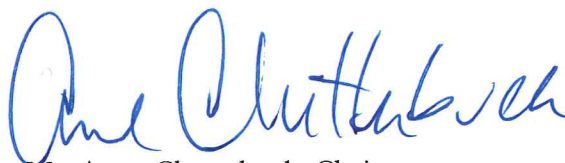
## VII. Adjournment

Moved by Dr. Ewan Johnson, seconded by Mr. Lawrence Finder, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 2:35 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 September 28, 2017.

Respectfully submitted,



Ms. Anne Clutterbuck, Chair  
Board of Trustees



Ms. Daisy Stiner, Secretary  
Board of Trustees

Recorded by Kenya Shields