

HARRISHEALTH SYSTEM

HARRIS HEALTH SYSTEM

MINUTES OF THE BOARD OF TRUSTEES MEETING

Thursday, March 29, 2018

Board Room – Administration Building

Members Present:

Ms. Anne Clutterbuck, Chair
Dr. Kimberly Monday, Vice Chair
Ms. Linda Morales, Secretary
Mr. Lawrence Finder (9:35 a.m. arrival)
Dr. Ewan Johnson
Ms. Elena Marks
Ms. Carolyn Truesdell

Members Absent:

Ms. Carol Graebner
Ms. Daisy Stiner

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. Jennifer Small, Interim Executive Vice President & Administrator, Ambulatory Care Services
Dr. Alan Vierling, Executive Vice President & Administrator, Lyndon B. Johnson Hospital
Dr. Jose Garcia, General Director, Affiliated Medical Services
Dr. Yvonne Chu, Assistant Director, Affiliated Medical Services
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. 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
Ms. Amber Weed, Commissioner Ellis's Office
Mr. August Williams, Commissioner Jack Morman'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 9:00 a.m., and noted that a quorum was present. The attendance was recorded.

II. Approval of the Minutes of Previous Meeting

Motion 18.03-26

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve the minutes of the February 22, 2018 Board of Trustees meeting.

III. Announcements / Special Presentations

A. Special Recognition – Mr. Tim Tindle, Executive Vice President and Chief Information Officer, recognized Harris Health's receipt of an Epic Charitable Fund Safety Net Grant from Fidelity Charitable. He stated that Harris Health received a grant in the amount of \$195,000 from Epic Systems Corp., which awards health care organizations that provide a disproportionate amount of safety net care and unfunded care. Mr. Tindle stated that the grant funds will be utilized toward the capital equipment costs that will incur during the expansion of the intensive care unit (ICU) at Lyndon B. Johnson Hospital (LBJ).

B. Special Recognition – Dr. Asim Shah, Psychiatrist, Ben Taub Hospital (BTH), recognized Harris Health's inclusion in a collaborative program with Baylor College of Medicine and Texas Children's Hospital, sponsored by a grant from the Greater Houston Community Foundation, to provide screening and treatment for youths and adults experiencing behavioral health issues following Hurricane Harvey. He stated that Harris Health received \$2.6M in grant funds, which will be utilized to screen and treat adult and pediatric patients for depression, anxiety, insomnia, and post-traumatic stress disorder in areas of the community that were particularly affected by Hurricane Harvey.

Ms. Clutterbuck introduced Dr. Arthur Brace, Jr., who was newly appointed to the Board of Trustees.

IV. Hear from Citizens

Ms. Amelia Cano, Harris Health retiree, expressed concern regarding the recent modifications to Harris Health's post-employment health benefits (PEHB). She stated that many retirees are on fixed incomes and primarily rely on the health coverage that Harris Health provides. Ms. Cano stated that the retirees were not informed of the modifications during the retiree informational meeting that Harris Health conducted in November 2017. She remarked that the retirees did not receive fair treatment concerning this issue.

Ms. Alicia Reyes, Harris Health retiree, also spoke regarding the recent PEHB modifications. She explained that during the 1970s, because Harris Health was unable to offer its employees higher wages, instead it offered PEHB in recognition of the employees' hard work and dedication. She expressed concern that Harris Health's financial objectives are being prioritized at the expense of its former employees. Ms. Reyes stated that the administration should have requested input from the retirees regarding the proposed revisions and that the

process should have been handled differently. She requested that the Board keep the promise that Harris Health made to its former employees regarding PEHB. Finally, Ms. Reyes stated that further communications to the retirees regarding this issue must be straightforward and unambiguous.

Mr. Masi stated that the PEHB modifications will not be implemented for eighteen (18) months. He explained that beginning in April 2018, Harris Health will schedule a series of country fair days and individual counseling sessions, in addition to mailing further notices to the Harris Health retirees.

V. Strategic Discussion

A. Review and Discussion Regarding the Harris Health System Medical Staff Credentialing Process [Board Education]

Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, led the discussion regarding the Harris Health System medical staff credentialing process. He stated that the Board has the ultimate responsibility for approving or denying credentialing and privileging recommendations, which are submitted to the Board from the Harris Health Medical Executive Board and the Credentials Committee. The purpose of credentialing is to assure that qualified practitioners are admitted onto the Harris Health medical staff and that they practice within the scope of their capabilities and expertise. The credentialing process is a coordinated effort between the Board and many internal teams within Harris Health, which results in the initial appointment and reappointment of each physician and the delineation of their privileges at Harris Health. The qualifications for staff membership are extensive and include the following criteria: 1) unrestricted licenses and certificates with no past adverse actions such as probation or suspension; 2) no recorded adverse licensure actions due to professional competence or conduct at other healthcare facilities; and 3) the eligibility to participate in government sponsored healthcare programs. Dr. Babber delivered an overview of the credentialing application submission, verification, and approval processes. Dr. Brad Scott, Chair, Credentials Committee, stated that the credentials committee members consist of physicians from BTH and LBJ, who review all initial applications and reapplications and discuss any significant findings that are found in the applicants' files. The committee verifies that each applicant has the proper credentials and that he or she is applying for the correct privileges and then the committee votes to approve or reject the application.

In order to streamline the credentialing approval process, Dr. Babber recommended that the Board accept a vetted roster of applicants instead of the multi-page summary of each applicant that the Board currently receives in the Board packets. He stated that the Board would still be able to ask for additional detail regarding the applications, if needed. Discussion ensued. Ms. Carolyn Truesdell and Dr. Ewan Johnson expressed concern regarding the Board reviewing only a roster of applicants since the Board has the ultimate responsibility for approving the physicians who are allowed to practice at Harris Health and the privileges that they are allowed to do. Dr. Ericka Brown, Senior Executive Vice President and Chief Operating Officer, stated that the detailed summaries of the credentialing applications will be available for viewing electronically on the Diligent Boards application and that hard copies of the information will be retained by the Board Office. Ms. Elena Marks stated that she favors Dr. Babber's recommendation because the Board will still have access to all the information in Diligent. She further stated that Harris Health's current vetting process is sufficient and that it will be more useful for the Board to discuss the physicians' scope of practice

rather than the individual criteria listed on the applications. Dr. Kimberly Monday recommended that the roster include a signed entry by the credentials committee chair that indicates whether applicants have valid DEA and DPS licenses so that the Board can be assured at a glance that the licensing criteria has been validated. Mr. Lawrence Finder recommended that Harris Health obtain access to the National Crime Information Center database to discover any criminal information that may exist regarding the potential hire of out-of-state physicians. A copy of the report is available in the permanent record.

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

1. Review and Discussion Regarding the Harris Health System 2017 Medical Staff Engagement Survey Results.

Dr. Babber led the discussion regarding the Harris Health 2017 Medical Staff Engagement Survey results. He stated that engagement occurs when stakeholders are emotionally invested in and focused on creating value for an organization. Increased engagement by the medical staff results in increased goal achievement, decreased turnover, improved patient experiences, increased standards compliance, decreased preventable readmissions, and improved relationships. Dr. Babber explained that the decreased 2017 survey response rate of 15.8% is due to a greater number of providers who were surveyed than in prior years. Harris Health ranked in the 36th percentile regarding workplace experience, which was similar to the 2016 ranking. Harris Health ranked in the 28th percentile regarding patient-centered care, which was a slight decrease from the 32nd percentile ranking in 2016.

Dr. Kenneth Mattox, Chief of Staff, BTH, stated that the following primary themes resulted from the survey participants' comments: 1) concern regarding whether Harris Health has a sufficient amount of nurses and aides on staff, 2) concern regarding overall staffing shortages, and 3) concern regarding the common goals of administration and medical staff related to the Harris Health strategic plan. He reported that LBJ and BTH received overall hospital satisfaction rates of 75% and 74%, respectively, in the 2017 Harris County Medical Society Physician Satisfaction Survey, which placed them in proximity of some of the higher-rated hospitals. Dr. Mattox noted that many of the areas of improvement incentives that were indicated in the survey feedback underscore the medical staff's need for meaningful, targeted communication. Dr. Tien Ko, Chief of Staff, LBJ, stated that Harris Health's key areas of strength are that Harris Health offers its providers career development opportunities and mentors and that physicians want to practice at Harris Health because of the organization's mission and values and its ethical business practices. He reported that key opportunities for improvement include: 1) communication between the administration, medical staff leadership, and providers; 2) optimizing organization and operational efficiency, and 3) relationships between physicians and staff. Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services (ACS), stated that the administration will continue to utilize the engagement survey data to identify and address concerns to improve provider satisfaction. He reported that senior leadership will collect feedback regarding the providers' concerns and recommendations from frontline physicians and analyze the data to identify the top three (3) concerns at each pavilion. Dr. Zare stated that the senior leadership will set measurable goals and develop a medical staff engagement scorecard, which will be presented to the Medical Executive Committee on a monthly basis. Finally, he

announced that brief pulse surveys will be conducted quarterly to assess the status of the focused areas of opportunity. Discussion ensued. A copy of the report is available in the permanent record.

2. Review and Discussion Regarding the Future State of the Hospitals.

Dr. Nathan Deal, Executive Vice President and Administrator, BTH, and Dr. Alan Vierling, Executive Vice President and Administrator, LBJ, led the discussion regarding the future state of the hospitals. Dr. Deal stated that the purpose of the discussion is to examine how Harris Health can position BTH and LBJ to continue providing excellent care to patients over the next decade as the organization adapts to changing demands within the Harris County community. Dr. Vierling stated that a group of physicians was polled to obtain their input regarding the future structure and operations of the hospitals. The current state of operations at BTH and LBJ is not sustainable and, therefore, Harris Health should consider the following strategies for the hospitals in the future: 1) collaborate with its medical school partners to reconfigure the services offered at current locations, 2) coordinate the outsourcing of health care to its community partners, 3) allocate resources to expand the total supply of care at existing sites, and 4) allocate resources to operate new locations in medically underserved areas (MUAs) to meet demands. Harris Health does not have enough capacity to meet its current demand. In 2017, there were 2404 transfer requests at BTH and 3084 transfer requests at LBJ to transfer patients elsewhere for treatment because Harris Health was unable to serve them. Discussion ensued. Dr. Deal stated that occupancy rates were examined to determine whether each hospital has a sufficient amount of beds and whether those beds are assigned the correct bed type to meet the patient demand. He reported that within Harris Health, medical and cardiac ICU occupancy rates are 84%, medical surgery and intermediate care rates are 87%, and psychiatric unit rates are 87%. According to healthcare industry standards, bed occupancy rates between 80% and 85% are recognized as full capacity. When hospitals operate at an occupancy rate of 95% or greater, it becomes impossible to transfer patients internally to the type of bed required for their health conditions. In recent months, BTH has experienced medical surgery occupancy rates in the 90% range. Due to the high occupancy rates, patients at BTH wait an average of 6 hours, 32 minutes to be admitted as an inpatient and patients at LBJ wait an average of 7 hours, 49 minutes. Drs. Deal and Vierling presented maps of the MUAs, trauma centers, psychiatric beds, neonatal ICU beds, pediatric beds, cancer programs, and stroke centers in Harris County, demonstrating the access that patients have to services in the community. Dr. Vierling stated that Harris County contains twenty-six (26) MUAs and LBJ is located within six (6) of those MUAs. Dr. Deal stated that the areas in which Harris Health experiences the greatest amount of difficulty in meeting patients' needs are medical ICU coverage, medical surgery capacity, and inpatient psychiatry. He emphasized that Harris Health must not only structure its strategic plan to meet the current demands over the next three (3) to five (5) years but also begin the process of determining what the hospitals will evolve into by 2030. Discussion ensued. A copy of the report is available in the permanent record.

3. Discussion Regarding Harris County's Purchase of Riverside Hospital.

Mr. George Masi, President and Chief Executive Officer (CEO), led the discussion regarding Harris County's purchase of Riverside Hospital. He announced that on

March 13, 2018, the Harris County Commissioners Court approved the purchase of Riverside General Hospital by Harris County. Mr. Masi reported that a community assessment was completed and determined that the primary needs are for the provision of behavioral health services, substance abuse treatment, and primary care services. He stated that Harris Health has not yet been provided with any directives regarding this transaction.

4. Harris Health System Conceptual Discussion Regarding Coordination of Care.

Mr. Masi led the conceptual discussion regarding coordination of care. He stated that behavioral health and jail inmate health will be primary considerations for Harris Health as the organization determines how to coordinate health care for its patients. Mr. Masi reported that Harris Health will conduct an assessment of jail inmate health to understand the scope of the program. Additionally, he mentioned that he and the CEO of the Harris Center discussed converting space within Ben Taub and utilizing this space for the Harris Center's jail diversion program.

Mr. Masi stated that there are three models regarding coordination of care: 1) internal coordination within an integrated health care system, 2) external coordination through the utilization of community resources, or 3) coordination with community resources that focuses on the social determinants of health. Harris Health currently operates a fully-integrated healthcare system, which includes internal care coordination among primary care, school-based clinics, homeless shelters, community clinics, inpatient acute care, specialty care, and rehabilitation services. Under the external coordination of care model, a healthcare system will often incur additional expenses when referring its patients to external community health resources. The fundamental concern for Harris Health regarding external coordination of care is how much Harris Health is able to afford on a limited budget. Under the social determinants of health care coordination model, health care is one aspect of an overall lifestyle spectrum, which includes other factors such as housing, food insecurity, education, transportation, and job security. Mr. Masi stated that he participates in a Texas Medical Center CEO forum that is studying the Live Well San Diego partnership, which was implemented by the San Diego County Board of Supervisors to empower its residents to make healthy lifestyle choices through a network of various programs. Discussion ensued.

Dr. Kimberly Monday inquired whether Harris Health has determined the steps that the organization will take next regarding coordination of care. Ms. Elena Marks stated that the Episcopal Health Foundation (EHF) initiated discussions in the past with Harris Health and local Federally Qualified Health Centers (FQHCs) regarding care coordination but that those discussions faltered due to a lack of commitment by Harris Health. Mr. Masi stated that Harris Health is prepared to participate in further discussions if EHF rekindles the meetings between Harris Health and the FQHCs. Ms. Marks stated that EHF is participating in a primary care assessment which examines primary care capacity within Harris County, including the various providers that serve the safety net population. Ms. Clutterbuck stated that EHF is playing a significant role in identifying what the community's needs are, which providers address these needs, and which needs are not being sufficiently met. She requested that Harris Health ensure that the data it submits for the primary care assessment is useful and accurate. Ms. Clutterbuck explained that the purpose of this discussion is to deliver an overview of Harris Health's current initiatives regarding coordination of care and any future initiatives over the next two-year period and to

obtain guidance from the Board regarding how Harris Health may address any gaps in care. Dr. Monday inquired whether someone within Harris Health is assigned the task of determining how to collaborate with the FQHCs to transfer Harris Health patients to the FQHCs for primary care. Mr. Masi responded that Dr. Karen Tseng will be appointed as the Senior Vice President of Population Health and that her office will be responsible for collaboration with the FQHCs. Ms. Truesdell stated that Harris Health must also consider the internal coordination of acute care services to create sufficient access for current patients who require hospitalization. Additionally, she recommended that Harris Health inform the community of the other providers and services that are available to them besides Harris Health.

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

Mr. R. King Hiller, Vice President, Public Policy and Government Relations, led the discussion regarding activities in Austin and pending federal legislative and policy issues affecting Harris Health System. He reported that on March 23, 2018, President Trump signed a \$1.3 trillion spending bill for Fiscal Year 2018 that will fund the government through September 2018. This bill did not include funding for cost sharing reduction payments, federal reinsurance, greater flexibility for Medicaid 1332 waivers, and greater use of catastrophic health plans. On March 7, 2018, Harris Health submitted federal funding requests for the LBJ ICU expansion project, the Smith Clinic pharmacy compliance program, and the BTH bronchoscopy suite. On March 5-7, 2018, Ms. Clutterbuck, Dr. Brown, Dr. Deal, Mr. Hillier, and Mr. Tony Essalih, Harris Health Liaison for Intergovernmental Affairs, traveled to Washington, DC to participate in meetings regarding the 340B Drug Discount Program, the opioid epidemic, and the Health Insurance Marketplace. A copy of the report is available in the permanent record.

VI. Board Review and Action Items

A. Budget & Finance Committee Items

Motion 18.03-27

Moved by Ms. Linda Morales, seconded by Ms. Elena Marks, and passed that the Board approve agenda items VI.A(1)a. through VI.A(1)kk. Mr. Lawrence Finder abstained from the consideration of all purchasing items.

1. Consideration of Purchasing Recommendations Requiring Board Approval
 - a. approve purchase for Brown & Root Industrial Services LLC to provide job order contracting for small and large construction and/or construction-related projects in the estimated amount of \$1,090,893.

- b. approve the first of four (4) renewal options for FRAGMA Construction Services, LLC to provide painting, wall patching, maintenance, and repair services in the estimated amount of \$556,000 for the term May 15, 2018 through May 14, 2019.
- c. approve purchase on the basis of single-source contract for Carl Zeiss Meditec, Inc. [PP-OR-1300] to provide surgical microscope products in the amount of \$195,687.
- d. approve purchase on the basis of single-source contract for Carl Zeiss Meditec, Inc. [PP-OR-1300] to provide surgical microscope products in the amount of \$134,000.
- e. ratify the fourth and final renewal option on the basis of sole source for FujiFilm Medical Systems, USA, Inc. to provide service and maintenance for computed radiography equipment in the estimated amount of \$176,358 for the term March 1, 2018 through February 28, 2019.
- f. ratify the second of four (4) renewal options on the basis of sole source for FujiFilm Medical Systems, USA, Inc. to provide service and maintenance for Carbon XL computed radiography equipment in the estimated amount of \$126,000 for the term March 1, 2018 through February 28, 2019.
- g. approve additional (budgeted) funds for Centennial Contractors Enterprises, Inc. to provide job order contracting for small and large construction and/or construction-related projects in the additional (budgeted) amount of \$91,443 for the term August 1, 2016 through October 31, 2016 (Board previously approved funds in the amount of \$5,921,767 for the term August 1, 2016 through October 31, 2016).
- h. approve award on the basis of best proposal meeting requirements for Fresenius USA Marketing, Inc. to provide hemodialysis machines in the amount of \$255,913 for a one-year initial term with four (4) one-year renewal options.
- i. approve second-year funding for the GPO contracts for Boston Scientific Corporation [PP-CA-302] (\$442,230) and Medtronic USA Inc. [PP-CA-303] (\$771,077) to provide cardiac rhythm management devices and accessories in the estimated multi-vendor amount of \$1,213,307 for the term April 1, 2018 through March 31, 2019.
- j. approve first-year funding on the basis of best contract for Ethicon, Inc. Ethicon Endo-Surgery Inc., A Johnson & Johnson Company [PP-OR-1484] through Cardinal Health, to provide suture products in the estimated amount of \$764,801 for the term April 1, 2018 through March 31, 2019.
- k. approve purchase on the basis of sole source for Ecolab, Inc. to provide temperature management equipment in the estimated amount of \$137,000 for a one-year initial term with two (2) one-year renewal options.
- l. approve purchase on the basis of sole source for BTG/Biocompatibles, Inc. to provide embolization devices in the estimated amount of \$121,900 for the term April 20, 2018 through April 19, 2019.
- m. approve first-year funding on the basis of single-source ASCEND contract for Halyard Sales LLC [AS-MM-490] through Cardinal Health to provide sterilization wrap in the estimated amount of \$103,529 for the term October 1, 2017 through September 30, 2018.

- n. approve additional (budgeted) funds and an extension for Dunbar Armored, Inc. to provide armored car service for deposit processing and cash replenishment of automated parking collection units in the additional (budgeted) amount of \$16,500 for the additional extended term April 1, 2018 through June 30, 2018 (Board previously approved funds in the amount of \$104,000 for the extended term January 1, 2017 through March 31, 2018).
- o. ratify an exemption from the competitive bid requirements for Baylor College of Medicine to provide various medical services to eligible HIV-infected patients in the Ryan White Grant Funds amount of \$1,021,479 for the term March 1, 2018 through February 28, 2019.
- p. ratify an exemption from the competitive bid requirements for Baylor College of Medicine to provide an HIV perinatal transmission prevention activities program in the DSHS Perinatal Grant Funds amount of \$137,800 for the term January 1, 2018 through December 31, 2018.
- q. approve provision for The University of Texas Health Science Center at Houston d/b/a UTHealth School of Dentistry through the Houston PACE Center, Continuing Dental Education, to provide an oral manifestation of HIV disease training program in the Ryan White Grant Funds amount of \$9,250.
- r. approve an exemption from the competitive bid requirements for The University of Texas Health Science Center at Houston to provide oral and maxillofacial surgery outpatient services in the estimated amount of \$4,143,780 for the term April 1, 2018 through March 31, 2019.
- s. approve the second of four (4) renewal options for Abbott Laboratories, Inc. to provide a blood gas testing system, including analyzer(s), reagents, consumables, and services, in the estimated amount of \$1,821,158 for the term April 14, 2018 through April 13, 2019.
- t. approve the third of four (4) renewal options for Abbott Laboratories, Inc. to provide an automated hepatitis testing system, including analyzer(s), reagents, consumables, and services, in the estimated amount of \$1,145,328 for the term April 27, 2018 through April 26, 2019.
- u. approve the fourth and final renewal option for Trinity Biotech, Inc. to provide a hemoglobin A1c testing system, including analyzer(s), reagents, consumables, and service, in the estimated amount of \$129,541 for the term April 18, 2018 through April 17, 2019.
- v. rescind the renewal and approve an extension for Harris Health System to provide meals for patients in the space leased to The Harris Center for Mental Health and IDD in the Neuro-Psychiatric Center at Ben Taub Hospital in the estimated additional revenue amount of \$124,452 for the extended term March 1, 2017 through August 31, 2018.
- w. approve provision for the Texas Department of State Health Services to provide data sharing services in the estimated amount of \$0 for the term May 1, 2018 through April 30, 2019.

- x. approve award on the basis of only bid received for Marriott Marquis Houston to provide a venue for the National Nurses Day recognition event in the estimated amount of \$123,758 upon execution through completion of services.
- y. approve the first of five (5) renewal options for Baylor College of Medicine to provide physician services for a Harris County Precinct 1 school-based teen clinic program in the estimated amount of \$150,000 for the term April 5, 2018 through April 4, 2019.
- z. approve the first of five (5) renewal options for Baylor College of Medicine to provide clinic/health services for the Harris County Precinct 2 school-based teen clinic program in the estimated amount of \$150,000 for the term April 16, 2018 through April 15, 2019.
- aa. approve the first of four (4) renewal options for Abbott Molecular Inc. to provide an automated genotyping system, including analyzer(s), reagents, consumables, supplies, and service, in the estimated amount of \$205,599 for the term April 3, 2018 through April 2, 2019.
- bb. approve the second of four (4) renewal options for Clinical Micro Sensors, Inc. d/b/a Genmark Diagnostics to provide an automated genotyping system, including analyzer(s), reagents, consumables, supplies, and service, in the estimated amount of \$183,314 for the term April 14, 2018 through April 13, 2019.
- cc. approve additional (budgeted) funds and an extension for Sysmex America, Inc. [PP-LA-427 f/k/a PP-LA-265] to provide hematology analyzers, reagents, consumables, supplies, and service in the additional (budgeted) amount of \$138,018 for the extended term April 1, 2018 through March 31, 2019 (Board previously approved funds in the amount of \$138,018 for the term April 1, 2017 through March 31, 2018).
- dd. rescind the renewal and approve an extension for Harris Health System to provide housekeeping services in the space leased to The Harris Center for Mental Health and IDD in the Neuro-Psychiatric Center at Ben Taub Hospital for the extended term January 1, 2017 through August 31, 2018.
- ee. approve the third of four renewal options for Houston Cyclotron Partners, L.P., d/b/a Cyclotope to provide positron emission tomography isotopes in the estimated amount of \$175,000 for the term May 4, 2018 through May 3, 2019.
- ff. approve purchase on the basis of sole source for Epic Systems Corporation to provide maintenance for Epic clinical and business software in the estimated amount of \$4,132,500 for the term April 1, 2018 through March 31, 2019.
- gg. approve the purchase on the basis of low quote for General DataTech, L.P. [DIR-TSO-2542] to provide maintenance and support for Cisco equipment in the estimated amount of \$1,708,836 for the term April 1, 2018 through March 31, 2019.
- hh. approve the second of four (4) renewal options on the basis of sole source for Kronos Incorporated to provide maintenance for the time, attendance, and scheduling system in the estimated amount of \$287,237 for the term April 28, 2018 through April 27, 2019.

- ii. approve purchase on the basis of sole source for Epic Systems Corporation to provide Epic clinical training in the estimated amount of \$133,000 for the term April 1, 2018 through March 31, 2019.
- jj. approve purchase on the basis of sole source for Global Healthcare Exchange, LLC to provide subscription, implementation, and integration of Clinical ConneXion software in the estimated amount of \$302,110.
- kk. approve purchase on the basis of only quote for Set Solutions, Inc. [15/006MP-19] to provide a RedSeal security analytics platform in the estimated amount of \$226,500.

Motion 18.03-28

Moved by Ms. Linda Morales, seconded by Mr. Lawrence Finder, and unanimously passed that the Board approve agenda item VI.A.2.

- 2. Acceptance of the Harris Health System February 2018 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the Harris Health System February 2018 Financial Report Subject to Audit. He estimated that Harris Health will achieve a favorable margin of \$37.9M for Fiscal Year 2018 (FY2018). Harris Health experienced decreased volumes during FY2018, primarily due to weather-related incidents such as Hurricane Harvey and icy weather. Inpatient days were 6.2% less than budget and clinic visits were 15.5% less than budget for February 2018. Monthly revenue totaled \$130.6M, which was 21.7% greater than budget. Favorable revenue variances occurred in property taxes, net patient revenue, Disproportionate Share Hospital and Uncompensated Care program revenues, Delivery System Reform Incentive Payment program revenue, and Network Access Improvement Program revenue. Harris Health's monthly expenses totaled \$112.4M, which met budgeted expenses for February 2018. Pension expenses were reduced by \$8M due to favorable investment and market performances in 2017. A copy of the report is available in the permanent record.

- 3. Presentation of the 2017 Annual NAIC Filing for Community Health Choice, Inc.

Mr. Kenneth Janda, President and Chief Financial Officer, Community Health Choice, Inc., presented the 2017 Annual NAIC Filing for Community Health Choice, Inc. (CHC, Inc.) He stated that CHC, Inc. reported a net income loss of \$25M in 2017. Mr. Janda explained that the loss primarily occurred because CHC, Inc. did not receive cost share reduction payments from the Centers for Medicare & Medicaid Services (CMS), and he stated that CHC, Inc. has filed suit to recover those funds. He stated that prescription drug costs and increased membership costs also contributed to increased expenses for CHC, Inc. A copy of the report is available in the permanent record.

- 4. Presentation of the 2017 Annual NAIC Filing for Community Health Choice Texas, Inc.

Mr. Janda presented the 2017 Annual NAIC Filing for Community Health Choice

Texas, Inc. (CHCT, Inc.) He stated that CHCT, Inc. reported a net income loss of \$5.4M in 2017, which was due to additional expenses in the CHIP perinatal program. Mr. Janda reported that net earnings for both CHC, Inc. and CHCT, Inc. totaled more than \$20M through February 2018. A copy of the report is available in the permanent record.

B. Joint Conference Committee Item

Motion 18.03-29

Moved by Ms. Anne Clutterbuck, seconded by Ms. Linda Morales, and unanimously passed that the Board approve agenda item VI.B.1.

1. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (March 2018).

Dr. David Robinson, Chair, Medical Executive Board, presented the March 2018 credentialing changes for the members of the Harris Health System medical staff. He reported that there were nineteen (19) initial appointments, fifty-four (54) reappointments, twenty-three (23) resignations, and eleven (11) change/add privileges.

Ms. Marks stated that she is continuing discussions with Dr. Brown and Dr. Robinson to determine how to develop more elevated and strategic discussions during the Joint Conference Committee meetings. She proposed the following two items as the primary areas of focus for Joint Conference during 2018: 1) gaining clarity regarding how and where decisions are made within Harris Health's leadership concerning the medical staff, and 2) determining how to align the practical concerns of the medical staff, who want to perform optimally for patients, with the realities of the administration and the Board, who are required to make decisions based on budgetary limitations.

C. Performance Improvement & Patient Safety Committee Item

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

Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, presented the Harris Health System Quality Executive Summary and Scorecard. He reported the scorecard has undergone four (4) modifications in 2018. Harris Health's value-based purchasing indicators goal increased from the 50th percentile to the 65th percentile so that Harris Health can achieve its vision of becoming a premier healthcare organization by 2020. The reporting of healthcare-associated infections (HAIs) and hospital-acquired conditions (HACs), which traditionally utilized standardized infection ratios (SIRs), has been modified to increase transparency by utilizing absolute numbers instead of SIRs. Additionally, Harris Health updated its goal regarding the occurrence of HAIs and HACs from the CMS SIR criteria to zero. Dr. Babber explained that Harris Health must incur no HAIs or HACs if it is to become a high reliability organization. Finally, he stated that sepsis indicators were added to the scorecard to increase transparency and compliance to bundles, which will decrease mortality rates. A copy of the report is available in the permanent record.

D. Planning & Operations Oversight Committee Items

Motion 18.03-30

Moved by Ms. Carolyn Truesdell, seconded by Ms. Anne Clutterbuck, and unanimously passed that the Board approve agenda items VI.D.1. and VI.D.3. through VI.D.5.

1. Approval to Ratify an Amendment to Increase an Agreement Between Harris County Hospital District d/b/a Harris Health System and the Parkland Health & Hospital System for the South Central Region 6 AIDS Education and Training Center By \$7,500 for a Total Amount of \$147,500, 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.
2. **PULLED**
Consideration of Approval to Ratify Grant Funding in the Amount of \$101,620 from Warm Health Technology to the Harris County Hospital District d/b/a Harris Health System for the Implementation of PositiveLinks, an Engagement in Care Program for HIV-Positive Patients for the Term March 1, 2018 Through December 31, 2018.
3. Approval to Ratify an Amendment to Extend the Term 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 for the Term November 9, 2017 Through August 31, 2018.
4. Approval to Ratify a Point of Entry Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas Health Science Center at Houston to Refer Patients to Harris Health System That Have Been Identified as HIV-Positive Through the Routine HIV Testing Program at Memorial Hermann Hospital System for the Term January 1, 2018 Through December 31, 2018.
5. Approval to Ratify an Agreement in the Amount of \$47,125 Between Harris County Hospital District d/b/a Harris Health System and The Houston Regional HIV/AIDS Resource Group, Funded by the Texas Department of State Health Services, to Provide an AIDS Drug Assistance Program Enrollment Worker at Harris Health System for the Term September 1, 2017 Through August 31, 2018.

Motion 18.03-31

Moved by Ms. Carolyn Truesdell, seconded by Ms. Anne Clutterbuck, and passed that the Board approve agenda item VI.D.6.; Mr. Lawrence FINDER recused from the affiliation agreements related to the Houston Community College System in agenda item VI.D.6.

6. Approval of Affiliation Agreements Between Harris County Hospital District d/b/a Harris Health System and Nine (9) Educational Institutions.

Motion 18.03-32

Moved by Ms. Elena Marks, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VI.D.7.

7. Approval to Revise the Harris Health System Post-Employment Health Benefits Policy for Retiree Healthcare.

Mr. Omar Reid, Senior Vice President, Human Resources, presented the consideration to revise the Harris Health System Post-Employment Health Benefits (PEHB) Policy for Retiree Healthcare. He stated that the effective date of Phase 1 of the revised PEHB Policy will change from March 1, 2018 to June 1, 2018. Mr. Reid announced that Harris Health will hold an informational session on April 18, 2018 at the Bayou City Event Center to discuss the PEHB revisions with the retirees. Discussion ensued. Ms. Truesdell requested that the Board be provided copies of any further communications that are delivered to the employees and retirees regarding the PEHB policy revisions.

Motion 18.03-33

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VI.D.8.

8. Approval to Add Ms. Virginia Delgado as a Member of the Harris County Hospital District 401K and 457(b) Administrative Committee, Effective April 1, 2018.

Motion 18.03-34

Moved by Ms. Anne Clutterbuck, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda items VI.D.9. through VI.D.13.

9. Approval to Renew a Facility Use Agreement Between Harris County Hospital District d/b/a Harris Health System and the Houston Food Bank to Provide Space at Thomas Street Health Center for the Houston Food Bank to Raise Awareness and Provide Application Assistance for all State-Funded Social and Health Services to HIV-Positive Patients for the Term April 1, 2018 Through March 31, 2019.
10. Approval to Renew an Agreement in the Amount of \$87,040 Between Harris County Hospital District d/b/a Harris Health System and The University of Texas MD Anderson Cancer Center to Provide Cancer-Related Educational Resources and Referral Services Through the ACS Patient Navigator Program at Lyndon B. Johnson Hospital and the Outpatient Center, Effective For One (1) Year Upon Execution of the Agreement.
11. Approval of the Health Care for the Homeless Program Quality and Patient Satisfaction Reports from January 2017 Through December 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.

Mr. Finder highlighted that the Health Care for the Homeless Program Quality and

Patient Satisfaction Reports are submitted for Board review and approval as a condition of funding according to the United States Department of Health and Human Services. Copies of the reports are available in the permanent record.

12. Approval of a Memorandum of Agreement Between Harris County Hospital District d/b/a Harris Health System and the Texas Department of State Health Services to Participate in the Texas HIV Medication Program at the Thomas Street Center Outpatient Pharmacy, Effective for Three (3) Years Upon Execution of the Agreement.
13. Approval of a Memorandum of Agreement Between Harris County Hospital District d/b/a Harris Health System and the Texas Department of State Health Services to Participate in the Texas HIV Medication Program at the Northwest Health Center Outpatient Pharmacy, Effective for Three (3) Years Upon Execution of the Agreement.

E. Governance Committee Item

1. Discussion Regarding the Diligent Boards Electronic Board Portal.

Ms. Nicole Streeter, Vice President, Chief Governance Officer, led the discussion regarding the Diligent Boards (Diligent) electronic Board portal. Ms. Streeter explained that the goal of adopting Diligent for the Committee and Board meetings was to increase efficiency for the Board and for Harris Health administration. She stated that Diligent is a user-friendly system and informed the Board that Diligent will be utilized to store confidential meeting information, in addition to Board member resources and educational materials. Ms. Streeter urged all Board members to complete their Diligent training sessions and become familiar with the system to ensure that everyone receives the information they need in a timely manner. She noted that greater efficiencies will not exist regarding the meeting preparation and Board packet distribution process until all Board members and administration transition from hard copy packets to Diligent. Discussion ensued.

VII. Executive Session

At 12:49 p.m., Ms. Clutterbuck stated that the Board would enter into Executive Session under Texas Health & Safety Code §161.032, Texas Gov't Code Ann. §551.071, and Texas Gov't Code Ann. §551.085.

VIII. Reconvene

At 1:30 p.m., Ms. Clutterbuck reconvened the meeting and stated that no action was taken in Executive Session.

- A. Consultation with the County Attorney Regarding an Agreement with The Centers for Medicare & Medicaid Services and Certified Application Counselor Designated Organization in a State in Which a Federally-Facilitated Exchange is Operating Pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

No action was taken.

- B. Consultation with the County Attorney Regarding an Amendment and Restatement of Agreement Regarding Acquisition of Property and Operation of Parking and Retail Facilities with Textac Partners I, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 18.03-35

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously 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, approves and hereby authorizes George Masi, President/CEO of Harris Health, to execute an Amendment and Restatement of Agreement regarding acquisition of property and operation of parking and retail facilities with Textac Partners I (hereinafter referred to as the "Amended Agreement"). Under this Amended Agreement, Harris Health and Textac Partners I will agree to move the termination date of the Agreement to February 29, 2032, in exchange for Harris Health regaining ownership and control of all non-parking facilities and property within the LBJ Hospital campus, including all retail space and the "connector building" between the parking garage and the LBJ Hospital. A copy of the Amended Agreement is attached to this resolution.

- C. Consultation with the County Attorney Regarding Harris Health System's Lease Agreement with the Harris County Hospital District Foundation for Ben Taub Hospital's 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.

- D. Consultation with the County Attorney Regarding a Settlement Related to an Interlocal Agreement with the City of Houston for Exchange of Eligibility Information and Access to Wage Record Information from the Texas Workforce Commission, 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. Consultation with the County Attorney Regarding a Property Damage Claim Filed by Monroe Casco, Ltd c/o Wulfe Management Services, Inc., Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 18.03-36

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

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 a property damage claim filed by Monroe Casco, Ltd c/o Wulfe Management Services, Inc. in the amount of \$11,747.94, payable to Monroe Casco, Ltd c/o Wulfe Management Services, Inc. George Masi, President/CEO of Harris Health, is authorized to execute any agreement, release, or any other necessary documents to effect this settlement.

- F. 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.

- G. Review and Discussion Regarding Strategies to Improve and Maximize Financial Performance and Budget Projections Under Provider Agreements, Network Relationships, and Other Strategic Means or Additional Lines of Business for Community Health Choice, Inc., Pursuant to Texas Gov't Code §551.085.

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.

IX. Adjournment

Moved by Dr. Ewan Johnson, seconded by Dr. Kimberly Monday, and unanimously accepted to adjourn the meeting.

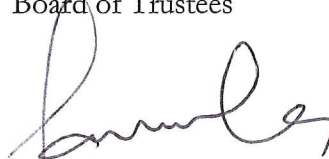
There being no further business, the meeting adjourned at 1:33 p.m.

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 March 29, 2018.

Respectfully submitted,



Anne Clutterbuck, Chair
Board of Trustees



Linda Morales, Secretary
Board of Trustees