

HARRIS HEALTH SYSTEM

**HARRIS HEALTH SYSTEM
MINUTES OF THE BOARD OF TRUSTEES MEETING
Thursday, April 25, 2019
Board Room – Administration Building**

Members Present:

Ms. Anne Clutterbuck, Chair
Dr. Kimberly Monday, Vice Chair
Ms. Linda Morales, Secretary
Dr. Arthur Bracey (1:03 p.m. departure)
Mr. Lawrence Finder
Dr. Ewan Johnson
Mr. Art Morales
Ms. Alicia Reyes

Members Absent:

Ms. Elena Marks

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. Nathan Deal, Executive Vice President & Administrator, Ben Taub Hospital
Ms. Patricia Darnauer, Executive Vice President & Administrator, Lyndon B. Johnson Hospital
Dr. Glorimar Medina-Rivera, Executive Vice President & Administrator, Ambulatory Care Services
Mr. Omar Reid, Senior Vice President, Human Resources
Mr. Michael Hill, Senior Vice President, Chief Business Development and Strategy Officer
Ms. Karen Tseng, Senior Vice President, Population Health Transformation
Ms.Carolynn Jones, Senior Vice President, Corporate Compliance
Mr. David Webb, Interim Senior Vice President & Chief Information Officer
Ms. Victoria Nikitin, Senior Vice President, Finance
Dr. Yvonne Chu, General Director, Affiliated Medical Services
Dr. Joseph Garcia - Prats, 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
Mr. Christopher Okesie, Vice President, System Operations
Mr. Jeffrey Vinson, Vice President & Chief Information Security Officer
Dr. Michael Nnadi, Vice President & Chief Pharmacy Officer
Dr. Jennifer Small, Vice President & Associate Administrator, Ambulatory Care Services
Ms. Nicole Streeter, Vice President, Chief Governance Officer
Ms. Sara Thomas, Attorney, Harris County Attorney's Office
Ms. Erikka Perkins, Chief Assistant County Auditor, Harris County Auditor's Office
Mr. Michael Post, Harris County Auditor, Harris County Auditor's Office
Mr. C. Patrick Rodriguez, Harris County Auditor's Office, Continuous Auditing Director
Mr. Charlie McDonald, Harris County Auditor's Office, Audit Services – Harris Health System Manager
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing
Ms. Peggy Boice, Harris County Judge Lina Hidalgo's Office
Ms. Carole Lamont, Commissioner Steve Radack's Office
Mr. Paul Shanklin, Commissioner Jack Cagle's Office
Ms. Amber Weed, Commissioner Rodney Ellis's Office
Administrative Staff
Guests
(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Ms. Anne Clutterbuck, Chair, called the meeting to order at 9:01 a.m., and noted that a quorum was present. The attendance was recorded.

II. Approval of the Minutes of Previous Meeting

Motion 19.04-31

Moved by Ms. Linda Morales, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve the minutes of the January 10, 2019 Special Called Board meeting and the March 28, 2019 Board of Trustees meeting.

III. Announcements / Special Presentations

A. Special Recognition – Ms. Patricia Darnauer, Executive Vice President and Administrator, Lyndon B. Johnson Hospital, recognized Lyndon B. Johnson (LBJ) Hospital's 3A Intermediate Care Unit for its receipt of the Silver Beacon Award for Excellence in Nursing from the American Association of Critical-Care Nurses (ACCN). Ms. Tameka Brown, Director of Nursing, Lyndon B. Johnson Hospital, explained that the Beacon Award for Excellence recognizes unit caregivers who successfully improve patient outcomes and align practices with the ACCN's Healthy Work Environment Standards. Ms. Darnauer stated that Unit 3A is the first LBJ unit to receive this award and that this recognition represents a significant milestone on the path to exceptional patient care and a healthy work environment.

B. Special Recognition – Ms. Maria Cowles, Vice President of System Strategy and Operations, recognized the recipients of the 2019 Innovation Summit Award. She announced that Harris Health hosted its 5th Annual Innovation Summit on April 4, 2019. Ms. Cowles stated that award recipients were recognized for their creativity, leadership, collaborative spirit, and their contributions toward the creation of an efficient and sustainable future for Harris Health.

C. Board Member Announcements regarding Board member advocacy and community engagement.

Mr. Art Morales stated that the Harris Health System external audit is in progress and that a presentation of the audit findings will be made at the May 9, 2019 Compliance and Audit Committee meeting. Ms. Clutterbuck recognized Dr. Glorimar Medina-Rivera, Executive Vice President and Administrator, Ambulatory Care Services, and her staff for facilitating an outstanding audit of the Health Resources & Services Administration (HRSA): Healthcare for the Homeless Program, which was held April 9 – 11, 2019. Dr. Kimberly Monday expressed her gratitude to Ms. Clutterbuck for her time and efforts in preparation for the HRSA site visit.

Ms. Clutterbuck announced the following events scheduled for the month of May:

- May 6, 2019 – Harris Health System Governance Education Seminar
- May 15, 2019 – Harris County Hospital District Foundation Capital Campaign
- May 21, 2019 – Trauma Survivors Celebration
- May 23, 2019 – Harris County Hospital District Foundation Silver Tea

IV. Hear from Citizens

Ms. Cynthia Cole, Executive Director, Local #1550 – AFSCME, American Federation of State, County, and Municipal Employees, addressed issues related to the Harris Health System grievance policy. She stated that inconsistencies exist within the policy related to the appellate process once a grievance decision has been made. Ms. Cole reported that the policy requires an employee to provide a written notice of appeal to Human Resources within seven (7) calendar days of a written decision by the Administrator/Designee. She noted that because a time lapse may occur between the date of the written decision and the date that an employee receives notice of that decision, the employee is not allowed adequate time to respond within the seven-day period. Ms. Cole requested that the Board review the allotted response time provision of the grievance policy.

V. Consent Agenda Items

A. Recommended Committee Approvals

Motion 19.04-32

Moved by Dr. Ewan Johnson, seconded by Mr. Art Morales, and passed that the Board approve agenda items V.A(1)a. through V.A.9. Mr. Lawrence Finder recused from the following purchasing items: A(1)c., A(1)d., A(1)e., A(1)f., A(1)g., A(1)h., A(1)i., A(1)l., A(1)m., A(1)n., A(1)p., A(1)q., A(1)s., A(1)y., A(1)aa., A(1)ff., A(1)ii., and A(1)jj. Dr. Arthur Bracey recused from agenda item V.A.8.

1. Consideration of Purchasing Recommendations Requiring Board Approval (Items A(1)a. through A(1)jj.)

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

- a. approve award on the basis of best proposal meeting requirements for Westway Construction Services, LLC to provide renovation of the pharmacy lab at the Smith Clinic in the amount of \$1,123,780 (\$977,200 construction price / \$146,580 owner contingency).
- b. approve additional (non-budgeted) funds for CBRE, Inc. to provide realtor services in the estimated additional (non-budgeted) amount of \$350,000 for the term February 7, 2019 through February 6, 2020 (Board previously approved funds in the amount of \$150,000 for the term February 7, 2019 through February 6, 2020).
- c. approve the revised term and renewal for the GPO contracts for Covidien Sales LLC [PP-MM-614] (\$135,989) and Masimo Americas [PP-MM-615] (\$1,474,994) to provide pulse oximetry and capnography devices in the estimated multi-vendor amount of \$1,610,983.
- d. approve the third of six (6) renewal options for Cardinal Health 200, LLC to provide prime distribution services for medical/surgical supplies in the estimated amount of \$1,425,000 for the term May 18, 2019 through May 17, 2020.
- e. approve first-year funding on the basis of best contract for 3M Company [PP-OR-1547] through Cardinal Health to provide patient convective warming blankets in the estimated amount of \$301,448 for the term October 1, 2018 through September 30, 2019.

- f. approve third-year funding for the GPO contracts for AMD-Ritmed Inc. [PP-OR-1399] (\$25,268) and Cardinal Health 200, LLC [PP-OR-1397] (\$137,966), all through Cardinal Health, to provide lap sponges, OR towels, and specialty sponges in the estimated multi-vendor amount of \$163,234 for the term June 1, 2019 through May 31, 2020.
- g. approve the renewal on the basis of sole source for Cordis, a Cardinal Health Company, to provide MYNXGRIP® vascular closure devices in the estimated amount of \$222,330 for the term May 4, 2019 through May 3, 2020.
- h. approve the second of four (4) renewal options for Cook Medical LLC (Cook) (\$30,085) and United States Endoscopy Group, Inc. (US Endoscopy) (\$121,829) to provide gastrointestinal endoscopy products in the estimated multi-vendor amount of \$151,914 for the terms July 26, 2019 through July 25, 2020 (Cook) and May 1, 2019 through April 30, 2020 (US Endoscopy).
- i. approve awards on the basis of the best contracts meeting requirements for SCA Pharmaceuticals, LLC [PPPH21SCA01] (\$72,192); PharMedium Services, LLC [PPPH21PMD01] (\$616,268); and QuVa Pharma, Inc. [PPPH21QVA01] (\$984,931) to provide outsourced intravenous admixture services in the estimated multi-vendor amount of \$1,673,391.
- j. approve purchase for Seqirus (Local) to provide influenza vaccine for the 2019-2020 season in the estimated amount of \$1,225,177.
- k. 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 program to provide an oral manifestation of HIV disease training program in the Ryan White Grant Funds amount of \$7,300.
- l. approve the first of four (4) renewal options for Beckman Coulter, Inc. [PP-LA-333] to provide an integrated platform for chemistry and immunochemistry analyzer(s), automation, reagents, consumables, and service in the estimated amount of \$2,582,329 for the term May 8, 2019 through May 7, 2020.
- m. approve the fourth and final renewal option for Abbott Laboratories, Inc. to provide an automated hepatitis testing system, including analyzer(s), reagents, consumables, and services in the estimated amount of \$1,201,740 for the term April 27, 2019 through April 26, 2020.
- n. approve funding for the GPO contract for Bio-Rad Laboratories [PP-LA-511] to provide blood bank analyzers, reagents, consumables, and service in the estimated amount of \$103,526 for the term February 1, 2019 through January 31, 2020.
- o. approve the first of four (4) renewal options for Harris Health to provide laboratory testing for the Harris County Institute of Forensic Sciences and for the Harris County Institute of Forensic Sciences to provide autopsy examination and forensic analyses for Harris Health in the estimated amount of \$0 for the term June 12, 2019 through June 11, 2020.
- p. approve the fourth and final renewal option and amended vendor name for Houston – PPH, LLC d/b/a HCA Houston Healthcare Medical Center (amended name) / Houston – PPH, LLC d/b/a Park Plaza Hospital (as approved) to provide wide bore MRI and other radiology services in the estimated amount of \$180,000 for the term May 4, 2019 through May 3, 2020.

- q. approve additional (budgeted) funds for Texas Children's Hospital to provide on-call health services for pediatric patients in the additional (budgeted) amount of \$150,000 for the term July 1, 2018 through June 30, 2019 (Board previously approved funds in the amount of \$100,000 for the term July 1, 2018 through June 30, 2019).
- r. approve the second of four (4) renewal options for Ascend Clinical, LLC to provide laboratory testing services in the estimated amount of \$215,000 for the term June 1, 2019 through May 31, 2020.
- s. approve the fourth and final renewal option for Iron Mountain Information Management, LLC to provide off-site storage and maintenance of medical records, x-ray film, and retrieval services in the estimated amount of \$2,461,948 for the term May 12, 2019 through May 11, 2020.
- t. approve the first of four (4) renewal options for Guidehouse LLP to provide project administration, project management, and financial services for the development and implementation of hurricane restoration projects in the estimated amount of \$1,498,560 for the term April 26, 2019 through April 25, 2020.
- u. approve provision for the Texas Department of State Health Services to provide data sharing in the estimated amount of \$0 for the term May 1, 2019 through April 30, 2020.
- v. approve the first of four (4) renewal options for Care.com, Inc. to provide back-up care (child and eldercare) services in the estimated amount of \$131,768 for the term May 15, 2019 through May 14, 2020.
- w. approve the second of four (4) renewal options for Livongo Health, Inc. to provide a diabetes management program in the estimated amount of \$1,513,248 for the term May 19, 2019 through May 18, 2020.
- x. approve the second of three (3) renewal options for Intelligent Retinal Imaging Systems, LLC to provide a retinal imaging system (and services) in the estimated amount of \$602,000 for the term May 22, 2019 through May 21, 2020.
- y. approve the fifth and final renewal option for Ecolab USA, Inc. [PP-SV-135] to provide pest elimination services in the estimated amount of \$262,296 for the term May 8, 2019 through May 7, 2020.
- z. approve the fourth and final renewal option for Houston Cyclotron Partners, L.P., d/b/a Cyclotope to provide positron emission tomography isotopes in the estimated amount of \$230,260 for the term May 4, 2019 through May 3, 2020.
- aa. approve additional (budgeted) funds for Nelson Mullins Riley & Scarborough LLP to provide special counsel services in the additional (budgeted) amount of \$300,000 for the term September 7, 2018 through September 6, 2019 (Board previously approved funds in the amount of \$200,000 for the term September 7, 2018 through September 6, 2019).
- bb. ratify purchase on the basis of only quote for Mark III Systems, Inc. [DIR-TS0-3997] to provide IBM AIX server hardware, software, support, and services in the estimated amount of \$1,192,268.

- cc. approve renewal for Fibertown Houston, LLC to provide data center co-location services in the estimated amount of \$955,716 for the term May 15, 2019 through May 14, 2020.
- dd. approve purchase on the basis of only quote for Mark III Systems, Inc. [DIR-TS0-3997] to provide IBM Storwize storage and backup expansion hardware, software, and support in the estimated amount of \$939,003.
- ee. approve purchase on the basis of only quote for Mark III Systems, Inc. [DIR-TS0-3997] to provide IBM storage hardware, software, and support in the estimated amount of \$337,172.
- ff. approve the third of four (4) renewal options on the basis of sole source for Microsoft Corporation [DIR-TSO-3781] to provide Microsoft Premier Support Services in the estimated amount of \$283,651 for the term May 28, 2019 through May 27, 2020.
- gg. approve purchase on the basis of only quote for Sigma Technology Solutions, Inc. [DIR-TSO-4286] to provide data storage services in the estimated amount of \$224,382.
- hh. approve additional (budgeted) funds and an extension for Fisk Electric Company (Primary) and Network Cabling Services, Inc. (Secondary) to provide a Systimax Prestige Partner program for cable labor, parts, materials, and related equipment in the additional (budgeted) multi-vendor amount of \$200,000 for the extended term May 20, 2019 through August 19, 2019 (Board previously approved funds in the amount of \$700,000 for the term May 20, 2018 through May 19, 2019).
- ii. approve renewal on the basis of sole source for Nuance Communications, Inc. to provide software license, maintenance, and support for the PowerScribe Speech (Voice) Recognition System in the estimated amount of \$151,147 for the term May 19, 2019 through May 18, 2020.
- jj. ratify second-year funding for the GPO contract for Rauland-Borg Corporation [PP-IT-184] through Lone Star Communications Houston to provide maintenance for nurse call communications systems in the estimated amount of \$123,756 for the term April 1, 2018 through March 31, 2020.

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

- a. transmittal of renewal on the basis of sole source for Medtronic ST to provide service and support for the StealthStation[®] and ENT surgical systems in the estimated amount of \$91,020 for the term May 20, 2019 through May 19, 2020.
- b. transmittal of purchase on the basis of single-source ASCEND contract for Welch Allyn, Inc. [AS-NS-1036] through Cardinal Health to provide electronic thermometry in the amount of \$61,032.
- c. transmittal of third-year funding for the GPO contract for Stryker Sales Corporation Endoscopy Division [AS-OR-1317] through Cardinal Health to provide laparoscopic suction irrigation products in the estimated amount of \$94,270 for the term May 1, 2019 through April 30, 2020.

- d. transmittal of purchase on the basis of best contract for Breg, Inc. [PP-NS-1197] through Cardinal Health to provide orthopedic soft goods/cervical collars in the estimated amount of \$82,730 for the term December 1, 2018 through November 30, 2019.
- e. transmittal of second-year funding for the GPO contract for S2S Global [AS-OR-1474] through Cardinal Health to provide topical skin adhesives in the estimated amount of \$77,065 for the term April 1, 2019 through March 31, 2020.
- f. transmittal of second-year funding for the GPO contract for Welch Allyn Inc. [PP-NS-1141] to provide auditory and visual exam diagnostics and systems in the estimated amount of \$62,812 for the term May 1, 2019 through April 30, 2020.
- g. transmittal of awards on the basis of best bids for Crabtree Interpreting Services (Primary) and MasterWord Services, Inc. (Secondary) to provide person-to-person interpreter services for hearing-impaired persons in the estimated multi-vendor amount of \$85,000 for the term April 1, 2019 through March 31, 2020 with four (4) one-year renewal options.
- h. transmittal of the first of four (4) renewal options for HealthTronics Mobile Solutions, LLC and its affiliated entity Gulf Coast II Lithotripsy, LP to provide mobile lithotripsy services and supplies in the estimated amount of \$52,500 for the term April 26, 2019 through April 25, 2020.
- i. transmittal of the first of three (3) renewal options for Language Line Services, Inc. [DIR-TSO-4151] to provide telecommunication and technology interpreter services in the estimated amount of \$60,000 for the term May 11, 2019 through May 10, 2020.
- j. transmittal of the first of four (4) renewal options on the basis of sole source for Morris & Dickson Co. LLC to provide accumulator services in the estimated amount of \$89,400 for the term March 4, 2019 through March 3, 2020.
- k. transmittal of first-year funding on the basis of single-source contract for Kit Check, Inc. [PPPH20KIT01] to provide a BlueSight controlled substance software analytics tool in the estimated amount of \$80,000 for the term July 1, 2018 through June 30, 2019.
- l. transmittal of additional (budgeted) funds on the basis of sole source for Epic Systems Corporation to provide an Epic unit model interface licensing program in the additional (budgeted) amount of \$80,000 (Board previously approved funds in the amount of \$149,808).
- m. transmittal of the first of three (3) renewal options on the basis of sole source for Intelligent Medical Objects, Inc. (IMO[®]) to provide maintenance and support for IMO[®] Problem (IT) and Procedure (IT) software applications in the estimated amount of \$76,151 for the term April 10, 2019 through April 9, 2020.
- n. transmittal on the basis of low quote for CDW Government, LLC [PP-IT-163] to provide Apple iPhones and Honeywell equipment for the Epic Rover pilot project in the estimated amount of \$71,059.

- o. transmittal of renewal on the basis of sole source for Spok, Inc. f/k/a Amcom Software to provide paging system and single sign-on software in the estimated amount of \$64,153 for the term May 1, 2019 through April 30, 2020.
 - p. transmittal of purchase on the basis of sole source for Radicalogic Technologies, Inc. (RL Solutions) to provide a risk management software upgrade in the estimated amount of \$50,395.
2. Acceptance of the Harris Health System Fourth Quarter FY2019 Investment Report
 3. Notice of Appointments and Selection of New Service Chiefs.
 4. Approval of the Harris Health System 2019 Quality Manual [**Annual Accountability**].
 5. Approval to Fund the 3rd Year Lease with Agellan Commercial REIT US, LP for Community Health Choice, Inc. Located at 10900 Corporate Centre Drive, Houston, Texas 77041 .

TERM: December 1, 2018 – November 30, 2019

AMOUNT: Monthly Rate of \$43,845.33 (\$1,003,440.00/Yr.)

6. Approval of Affiliation Agreements Between Harris County Hospital District d/b/a Harris Health System and Seven (7) Educational Institutions.
 - Lone Star College – CyFair
Associate of Applied Science and Certificate in Emergency Medical Services
Office of Academic Success
20515 State Hwy-249, Houston, Texas 77070
 - Texas State University
Bachelor of Science in Health Information Management
601 University Drive, ENC 201, San Marcos, Texas 78666
 - University of Houston, College of Pharmacy Health and Biomedical Sciences
Building 2, Doctor of Pharmacy
4849 Calhoun Road, Room 3026, Houston, Texas 77204
 - University of Houston, College of Nursing
Master and Bachelor of Science in Nursing
14000 University Boulevard, Sugar Land, Texas 77479
 - The University of Texas M.D. Anderson Cancer Center
Gynecologic Oncology Fellowship
1515 Holcombe Boulevard, Sugar Land, Texas 77479
 - University of Texas Medical Branch at Galveston and
The University of Texas Health Science Center at Houston
Master of Science in Physician Assistant Studies
301 University Boulevard, Galveston, Texas 77555-1146
 - University of Texas Medical Branch at Galveston and
The University of Texas Health Science Center at Houston
Master of Science in Physician Assistant Studies
301 University Boulevard, Galveston, Texas 77555-1146

7. Approval Regarding the Revisions to Policy 4500 – Organ, Tissue and Eye Donation, Identification and Referral.
8. Approval of the Contract Between Harris County Hospital District d/b/a Harris Health System and Baylor College of Medicine, Department of Ophthalmology d/b/a Lions Eye Bank of Texas to Participate in the Procurement of Eye and Eye Tissue.
9. Approval of the New Contract, and Termination of the Current Contract, Between Harris County Hospital District d/b/a Harris Health System and LifeGift Organ Donation Center to Participate in the Procurement of Organs and Tissue from Eligible Donors.

{End of Consent Agenda}

VI. Strategic Discussion

A. CEO Report: Succession Planning Update

Mr. George Masi, President & Chief Executive Officer (CEO), led the discussion regarding the CEO Report: Succession Planning Update. He stated that Harris Health is twelve (12) months away from the expected date that the organization will transition to a new CEO in 2020. Mr. Masi reported that the Board began the transition process by evaluating the services of executive search firms and by consulting with Mr. James Orlikoff, President, Orlikoff & Associates, who is a subject matter expert regarding best practices in the CEO transition process. He stated that the Board will consider CEO candidates from within Harris Health as well as candidates from other organizations across the United States. Mr. Masi announced that the Board will conduct six (6) career development discussions with senior members of Harris Health's executive staff during the next three (3) Committee and Board meetings in executive sessions to be held at the conclusion of each meeting.

B. 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 86th 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 May, 6, 2019 is the deadline for all bills to be heard in House committees. Mr. Hillier stated that House Bill 2477 regarding hospital district deferred compensation plans passed in the House and was referred to the Senate Intergovernmental Committee. He reported that the Senate passed Senate Bill 2 on April 15, 2019, which included a 3.5% cap on property tax revenue for cities, counties, and special purpose districts such as Harris Health. Mr. Hillier distributed a status report from the Texas Hospital Association (THA) regarding the THA's proposed health care funding requirements for the 2020-2021 Texas state budget. Finally, he stated that the legislature is considering House Bill 2048, which proposes revisions to the Texas Department of Public Safety (DPS) Driver Responsibility Program. The Driver Responsibility Program annually brought \$15M in revenue to Harris Health from traffic fine surcharges. Mr. Hillier explained that the revised program will be enforced at the judicial level instead of by DPS. A copy of the report is available in the permanent record.

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

Mr. Hiller led the discussion regarding Pending Federal Legislative and Policy Issues Affecting Harris Health System. He announced that he and Mr. Masi will meet with the Front Line Hospital Alliance on Monday, April 29, 2019 in Washington, D.C. to discuss the adoption of policy initiatives such as Medicaid and Medicare Supplemental Payments and revisions to the 340B Drug Pricing Program. Mr. Hillier reported that the Trump administration proposes to reduce Disproportionate Share Hospital (DSH) funding by \$4B in Fiscal Year 2020 and to reduce DSH funding by \$8B in Fiscal Year 2021. He estimated that these reductions would result in a loss of \$450M for Texas hospitals. Mr. Hillier stated that Americas Essential Hospitals collaborated with other hospital associations to submit an amicus brief to the Fifth Circuit Court of Appeals to uphold the Affordable Care Act. A copy of the report is available in the permanent record.

C. 2019 Internal Audit Education - *Coordination Among Risk and Assurance: Internal Audit Coordination Among the Three Lines of Defense* [Board Education]

Mr. Michael Post, Harris County Auditor, delivered a brief overview regarding the historical role and duties of the Harris County Auditor's Office. He stated that he commits to increasing the number of staff and the amount of expertise provided by his office to ensure that Harris Health receives a superior level of audit services. Ms. Erikka Perkins, Chief Assistant County Auditor, explained the relationship between the Board and the County Auditor as outlined by the Board's Compliance and Audit Committee Charter. Mr. Patrick Rodriguez, Director of Continuous Audit, Harris County Auditor's Office, stated that the County Auditor's Office follows the International Professional Practices Framework (IPPF) for Internal Auditing Standards, which are prescribed by the Institute of Internal Auditors. He explained that the IPPF provides the foundation for how the County Auditor's Office conducts business. Mr. Rodriguez outlined the core principles of the internal audit profession. He stated that a three (3) lines of defense model creates a combined assurance program for audits. The three (3) lines of defense consist of the following components: 1) management designs, implements, and enforces the financial, operational, and compliance controls to prevent errors and ensure integrity; 2) risk management assists management in monitoring risks and designing controls; and 3) internal audit conducts independent evaluations of management's and risk management's activities regarding controls and the control environment. Mr. Rodriguez explained that the benefits of an enhanced coordination model include partial reduction of overlapping activities, increased knowledge of related risks and controls, and improved communication among risk-and-control units. A copy of the presentation is available in the permanent record.

VII. General Action Items

A. Item(s) Related to Budget & Finance

Motion 19.04-35

Moved by Dr. Ewan Johnson, seconded by Dr. Kimberly Monday, and unanimously passed that the Board accept agenda item VII.A.1.

1. Acceptance of the Harris Health System March 2019 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President, Chief Financial Officer, presented the Harris Health System March 2019 Financial Report. He reported that March's expenses of \$120.2M were \$4.3M or 3.4% less than budget expectations. Mr. Norby stated that March revenue of \$130.9M was \$7.5M or 6.1% greater than budget as a result of a \$5.3 favorable variance reported in net patient service revenue. He stated that Harris Health's operating income for the month was a gain of \$10.7M against a budgeted loss of \$1.1M. Mr. Norby reported that clinic visits were 3.5% less than budget and that emergency room visits were 6.2% less than budget for the month. Ms. Clutterbuck inquired regarding the reason for the decline in patient volumes. Mr. Masi stated that the decreases in volumes are a result of seasonality and challenges in managing Harris Health's vacancy lists. He reported that Harris Health primary care clinics are down eighteen (18) full-time equivalents (FTE). Mr. Masi stated that he is personally invested in Harris Health's vacancy rates as it has been a long-standing challenge. He noted that due to various factors, Harris Health must engage providers at a fractional time of 0.5 or 0.8 FTE. Mr. Masi stated that it is important for Harris Health to review and revise the staffing matrix in addition to collaborating with the medical school partners to resolve these concerns. Ms. Clutterbuck recommended further discussion during the Joint Conference committee meeting. A copy of the report is available in the permanent record.

Motion 19.04-33 (This item was taken out of order.)

Moved by Ms. Linda Morales, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VII.A.2.

2. Approval to Rescind the Award for SHI Government Solutions, Inc. and Approve an Award for Alacrinet Consulting Services, Inc. to Provide an IBM QRadar SEIM Infrastructure Expansion in the Estimated Amount of \$335,964.

Mr. Art Morales inquired whether Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing, determined how to modify the size of the Purchasing packet to increase the Board's efficiency in reviewing the monthly Purchasing approval requests. Mr. Dopslauf stated that the issue is still under discussion but that the proposed options include adding a justifications column to the Purchasing packet matrix and removing the Purchasing request letters from the packet. Dr. Arthur Bracey requested that the matrix be modified to include the strategic and operational implications of the approval requests.

B. Item(s) Related to Joint Conference

Motion 19.04-41

Moved by Dr. Ewan Johnson, seconded by Dr. Kimberly Monday, and passed that the Board approve agenda item VII.B.1. Dr. Arthur Bracey recused from agenda item VII.B.1.

1. Approval Regarding the Credentialing Changes for Member of the Harris Health System Medical Staff (April 2019).

Dr. Joseph Garcia - Prats, Chair, Medical Executive Board, presented the April 2019 credentialing changes for the members of the Harris Health System medical staff. He reported that there were sixteen (16) initial appointments, sixty-four (64) reappointments, fifteen (15) resignations, and ten (10) change/add privileges. A copy of the report is available in the permanent record.

Motion 19.04-36

Moved by Dr. Ewan Johnson, seconded by Ms. Anne Clutterbuck, and unanimously passed that the Board approve agenda items VII.B.2.

2. Acceptance of the Medical Executive Board Report for April 2019.

Dr. Garcia-Prats stated that Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital, and Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson Hospital, would like to thank their administrative colleagues for recognizing the medical teams on Doctor's Day. He reported that the LBJ emergency center treated over 8,000 patients in March 2019. Dr. Garcia-Prats highlighted an LBJ pilot project in the gastrointestinal (GI) department that reallocated anesthesia resources to relieve backlog in the GI laboratory. He stated that Dr. Brown requested the medical leadership team to identify three (3) to five (5) strategic initiatives to improve physician satisfaction. Dr. Brown stated that these items will be finalized at the Medical Executive Board meeting in May and that subsequent action plans will be presented to the Board. A copy of the report is available in the permanent record.

C. Item(s) Related to Quality

1. Discussion Regarding Harris Health System Clinical Performance Corporate Scorecard

Dr. Ericka Brown, Senior Executive Vice President and Chief Operating Officer, led the discussion regarding the Harris Health System Clinical Performance Corporate Scorecard. She reported that the quality team is focused on improvements in the following areas as it relates to patient satisfaction: 1) overall communication, 2) quality indicators such as central-line associated blood stream infection (CLABSI) and catheter associated urinary tract infection (CAUTI), and 3) surgical site infections for both hysterectomy and colon surgeries. Dr. Brown stated that she will return to the Board with corresponding actions plans including areas of opportunities. She noted that the inpatient goals for the overall rating of the hospital, communication with doctors, and communication with nurses exceeded the new 2019 goal in each metric. Dr. Brown reported that Harris Health's outpatient units failed to meet patient experience goals regarding "Recommend Facility," "Recommend Provider," and "Courtesy of Nurses" and that corrective action plans have been implemented to address these issues. She stated that the compliance metrics have increased over the previous year metrics and that there are active corrective action plans in place. Dr. Brown recognized the Harris Health Ambulatory Care Services team for continued improvements on hemoglobin A1c (>9%). She also recognized the Ben Taub and LBJ teams for their improvements in effectiveness – EC throughput. Ms. Clutterbuck inquired regarding the challenges in reducing patient wait times. She requested that a report be presented to the Board regarding the methodology of hospital bed allocation and the efforts made to address these issues. A copy of the scorecard is available in the permanent record.

D. Miscellaneous Items

Motion 19.04-37

Moved by Ms. Anne Clutterbuck, seconded by Dr. Arthur Bracey, and passed that the Board approve agenda item VII.D.1. and VII.D.2.

1. Approval of a Patient Transfer Agreement Between the Harris County Hospital District d/b/a Harris Health System and Clear Lake Rehabilitation Hospital, LLC d/b/a Kindred.
2. Approval of a Patient Transfer Agreement Between the Harris County Hospital District d/b/a Harris Health System and Triumph Rehabilitation Hospital of Northeast Houston, LLC d/b/a Kindred Rehabilitation Hospital Northeast Houston.

Motion 19.04-38

Moved by Dr. Ewan Johnson, seconded by Ms. Anne Clutterbuck, and passed that the Board approve agenda item VII.D.3.

3. Approval to Ratify a Second Amendment to the Research Subaward Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas Health Science Center at Houston.

Motion 19.04-39

Moved by Dr. Ewan Johnson, seconded by Ms. Linda Morales, and passed that the Board approve agenda item VII.D.4. through VII.D.6.

4. Approval of the Health Care for the Homeless Program Annual Report 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 [**Annual Accountability**].

Dr. Glorimar Medina-Rivera, Executive Vice President & Administrator, Ambulatory Care Services, explained that the Health Care for the Homeless Program (HCHP) annual report informs the Board of program activities and accomplishments during 2018, including productivity and clinical outcomes, in addition to a list of sites where services are provided. She highlighted that from January 1, 2018 to December 31, 2018 the HCHP served more than 10,000 individuals experiencing homelessness and expanded behavioral health services through the Health Resources and Services Administration (HRSA) Expanding Access to Quality Substance Use Disorder and Mental Health Services grant for \$218,700. A copy of the report is available in the permanent record.

5. Approval of the Health Care for the Homeless Program Annual Risk Management Report 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 [**Annual Accountability**].

Dr. Medina stated that the HCHP Program strives to prevent and reduce the transmission of infectious agents to patients and health care workers within the ambulatory care setting. She indicated that infection control and hand hygiene inspection reports are used to evaluate and identify areas for improvement. A copy of the report is available in the permanent record.

6. Approval of the Health Care for the Homeless Program Service Area Analysis 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 [**Annual Accountability**].

Dr. Medina stated that the HCHP serves the entire city of Houston and Harris County area through its shelter-based clinics and mobile outreach units. The analysis of patients by zip code covers the reporting period from January 1, 2018 to December 31, 2018. Dr. Medina stated that no adjustments are needed at this time based on the analysis. She mentioned that the Board discussed the three (3) HRSA agenda items above during the April 11, 2019 committee meeting. Ms. Clutterbuck stated that the HRSA reports need to be comprehensive, delineating community needs and the Board's response as it relates to the Harris Health strategic plan. Dr. Medina stated that the Harris Health HCHP Advisory Council will meet later today to discuss the HRSA site visit and recommendations. She indicated that a status report will be presented to the Board for review and discussion. A copy of the analysis is available in the permanent record.

Motion 19.04-34 (This item was taken out of order.)

Moved by Dr. Arthur Bracey, seconded by Ms. Linda Morales, and unanimously passed that the Board approve agenda item VII.D.7.

7. Approval to Appoint Ms. Catherine M. Cole Mitchell as the Interim President and Chief Executive Officer for Community Health Choice, Inc. and Community Health Choice Texas, Inc.

Motion 19.04-40

Moved by Dr. Kimberly Monday, seconded by Dr. Arthur Bracey, and unanimously passed that the Board approve agenda item VII.D.8.

8. Approval to Authorize Harris Health System's Chief Executive Officer to Execute Harris County Hospital District Foundation Grants in an Amount Less Than \$50,000.00.
9. Discussion Regarding Harris Health System's Partnership with RPV Production, LLC to Highlight the Organizational Culture in the Workplace.

Ms. Amanda Callaway, Associate Administrator, Mission Advancement, led the discussion regarding Harris Health System's Partnership with RPV Production, LLC. She stated that Harris Health was invited to participate in a behind-the-scenes video production titled "The Recruit." She indicated that The Recruit is a television production which highlights the workplace culture of some of the largest companies in the United States. Ms. Callaway stated that there will be no patients involved in this project. She mentioned that this program will air locally on CBS affiliate networks in 2019.

VIII. Executive Session

At 11:12 a.m., Ms. Clutterbuck stated that the Board would enter into Executive Session under Texas Occupations Code Ann. §160.007, Texas Health & Safety Code §161.032, Texas Gov't Code Ann. §551.071 and Texas Gov't Code Ann. §551.085.

IX. Reconvene

At 1:03 p.m., Ms. Clutterbuck reconvened the meeting and stated that no action was taken in Executive Session. Dr. Arthur Bracey recused from executive session discussion regarding agenda item VIII.A.

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

No action was taken.

- B. 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.

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

No action was taken.

- D. Consultation with the County Attorney Regarding Recent Judicial Decisions Related to the Open Meetings Act, Pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session

No action was taken.

X. Adjournment

Moved by Ms. Linda Morales, seconded by Mr. Lawrence Finder, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 1:04 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 April 25, 2019.

Respectfully submitted,



Anne Clutterbuck, Chair
Board of Trustees



Linda Morales, Secretary
Board of Trustees

Recorded by Cherry Pierson