

# HARRIS HEALTH SYSTEM

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## MINUTES OF THE BOARD OF MANAGERS MEETING

Thursday, January 28, 2016

Board Room – Administration Building

### Members Present:

Mr. Elvin Franklin, Jr., Chair  
Ms. Anne Clutterbuck, Secretary (11:48 a.m. departure)  
Dr. Donald R. Butts  
Dr. Kimberly Monday  
Ms. Carolyn Truesdell  
Mr. E. Dale Wortham

### Members Absent:

Ms. Daisy Stiner, Vice-Chair  
Mr. Brandon Capetillo  
Mr. Lawrence Finder

### Others Present:

Mr. George Masi, President & Chief Executive Officer  
Mr. Michael Norby, Executive Vice President & Chief Financial Officer  
Dr. Parikshet Babber, Executive Vice President & Chief Medical Officer  
Mr. Tim Tindle, Executive Vice President & Chief Information Officer  
Dr. Ericka Brown, Executive Vice President & Administrator, Ben Taub Hospital  
Dr. Michael Gardner, Executive Vice President & Administrator, Ambulatory Care Services  
Dr. Jessie L. Tucker, III, Executive Vice President & Administrator, Lyndon B. Johnson Hospital  
Dr. Jose Garcia, General Director, Affiliated Medical Services  
Dr. Maya Suresh, Chair, Medical Executive Board  
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services  
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office  
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing Department  
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office  
Ms. Carole Lamont, Commissioner Steve Radack's Office  
Mr. David Riddle, Commissioner Jack Cagle's Office  
Administrative Staff  
Guests  
(Sign-in Sheets attached to permanent record)

### I. Call to Order and Record of Attendance

Mr. Elvin Franklin, Jr., Chair, called the meeting to order at 9:06 a.m., and noted that a quorum was present. The attendance was recorded.

### II. Approval of the Minutes of Previous Meeting

#### Motion 16.01-01

Moved by Mr. E. Dale Wortham, seconded by Dr. Kimberly Monday, and unanimously

passed that the Board approve the minutes of the December 3, 2015 Board of Managers meeting.

### **III. Announcements / Special Presentations**

Mr. Elvin Franklin, Jr. introduced Commissioner R. Jack Cagle, Harris County, Precinct Four. Commissioner Cagle announced the appointment of Dr. Donald R. Butts to the Harris Health System Board of Managers. Dr. Butts presented an overview of his background and work history and he expressed his gratitude at being appointed to the Board.

- A. Special Recognition – Dr. Ericka Brown, Executive Vice President and Administrator, Ben Taub Hospital (BTH), recognized the Women and Infant’s team at BTH for the hospital’s receipt of the Baby-Friendly Hospital designation. She explained that the designation signifies that Harris Health promotes healthy babies, mother/baby bonding, and breastfeeding and she stated that Harris Health is one of only 312 Baby-Friendly hospitals in the United States. Dr. Matthew Schleuter, Chief Nursing Officer, BTH, thanked the physicians and nurses of the Women and Infant’s team for their hard work and collaboration. Mr. Franklin expressed gratitude on behalf of the Board to the team members for their service and dedication.

Mr. George Masi, President and Chief Executive Officer, introduced Ms. Kelli Fondren, who is the newly-appointed Vice President of Development for the Harris County Hospital District Foundation.

Mr. Franklin requested a moment of silence to commemorate Mr. Charles Moore, the founding chair and lifetime member of the Community Health Choice, Inc. board of directors, who passed away Thursday, January 21, 2016.

### **IV. Hear from Citizens**

Ms. Velma Denby, former chair of the Advisory Council-at-Large, requested that the Board dissolve the Advisory Council-at-Large. She expressed concern that the council is prevented from performing its duties due to personal conflicts among the council members. Mr. Franklin stated that he will collaborate with the Harris Health administration to resolve the problem.

**Agenda Item IX. was addressed out of order.**

### **V. Consideration of Approval of Recommendations and Acceptance of Consent Agenda Items**

#### **Motion 16.01-02**

Moved by Mr. E. Dale Wortham, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda items V.A. and V.B.

## A. Items Related to Purchasing

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

- a. approve award on the basis of only bid received for Environmental Testing Services, Inc. to provide assessment, maintenance, and repairs of piped medical gas and vacuum systems in the estimated amount of \$135,452 for the term February 1, 2016 through January 31, 2017 with four (4) one-year renewal options.
- b. approve awards on the basis of low bid for EMR Elevator, Inc. (Primary) and Amtech Elevator Services (Secondary) to provide maintenance and repair of vertical transportation equipment in the estimated multi-vendor amount of \$622,330 for the term February 1, 2016 through January 31, 2017 with four (4) one-year renewal options.
- c. approve purchase on the basis of lowest-priced contract for Philips Healthcare [PP-AC-084] to provide non-invasive ventilators in the amount of \$221,058.
- d. approve the first of two (2) renewal options for Wald Relocation Services, Ltd. to provide system-wide move consultant and mover services in the estimated amount of \$200,000 for the term February 12, 2016 through February 11, 2017.
- e. approve provision for Centennial Contractors Enterprises, Inc. to provide job order contracting for small and large construction and/or construction-related projects for the Ben Taub Hospital isolation room separation project in the amount of \$1,307,678 (\$1,287,678 construction price / \$20,000 owner contingency).
- f. approve purchase on the basis of product standardization for Hill-Rom Company, Inc. [PP-MM-195] to provide intensive care unit beds in the amount of \$1,391,574.
- g. approve award on the basis of low quote for Facility Interiors, Inc. to provide information technology office furniture in the amount of \$163,112.
- h. approve renewal for Harris County to provide discharge planning and continuity of care for HIV-positive inmates in the custody of the Harris County Sheriff's Office in the amount of \$0 for the term February 16, 2016 through February 15, 2017.
- i. approve the fourth and final renewal option for Texas Medical Center – Hospital Cooperative Laundry Association to provide linen processing, cart building, and transportation services in the estimated amount of \$2,119,120 for the term February 23, 2016 through February 22, 2017.
- j. ratify purchase on the basis of sole source for Cook Medical Inc. to provide drug-eluting peripheral stents in the estimated amount of \$300,000 for the term January 1, 2016 through December 31, 2016.
- k. approve second-year funding for the GPO contract for Welch Allyn Inc. [PP-MM-303] through Cardinal Health to provide blood pressure cuffs in the estimated amount of \$496,398 for the term March 1, 2016 through February 28, 2017.
- l. ratify purchase on the basis of best contract for Becton, Dickinson and Company

[PP-LA-395] through Cardinal Health to provide safety phlebotomy products in the estimated amount of \$437,012 for the term October 1, 2015 through September 30, 2016.

- m. approve second-year funding for the GPO contracts for Sorin Group USA, Inc. [PP-OR-1150] (\$3,525); Edwards Lifesciences, LLC [PP-OR-1152] (\$19,318); and Medtronic USA, Inc. [PP-OR-1151] to provide perfusion products in the estimated multi-vendor amount of \$132,115 for the term February 1, 2016 through January 31, 2017.
- n. approve awards on the basis of best proposal meeting requirements for Depuy Synthes Sales, Inc. (\$825,049) and Stryker Craniomaxillofacial, a division of Stryker Sales Corporation, (\$282,314) to provide craniomaxillofacial and neurosurgical craniofacial implants and related products in the estimated amount of \$1,107,363 for a one-year initial term with four (4) one-year renewal options.
- o. approve purchase on the basis of sole source for The SHOWERSleeve and CASTcover Company to provide disposable shower sleeves and cast covers in the estimated amount of \$120,000 for the term January 28, 2016 through January 27, 2017.

Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing Department, stated that the vendor name will be **REVISED** to Alamo Scientific Incorporated.

- p. approve third-year funding for the GPO contracts for Boston Scientific Corporation [PP-CA-237] (\$17,800) and Covidien Sales LLC [PP-CA-238] (\$230,000) to provide peripheral and biliary stents in the estimated multi-vendor amount of \$247,800 for the term February 1, 2016 through January 31, 2017.
- q. ratify third-year funding for the GPO contract for Boston Scientific [PP-CA-214] to provide drug eluting coronary stents in the estimated amount of \$1,029,538 for the term October 30, 2015 through June 30, 2016.
- r. approve third-year funding for the GPO contract for Patterson Medical Supply, Inc. [PP-AC-093] to provide physical therapy and exercise products in the estimated amount of \$162,496 for the term March 1, 2016 through February 28, 2017.
- s. approve the second of three (3) renewal options for Stryker Sales Corporation through Stryker Endoscopy Division to provide laparoscopic surgical services in the estimated amount of \$2,350,000 for the term February 5, 2016 through February 4, 2017.
- t. ratify purchase for Smith and Nephew, Inc. to provide orthopedic implants in the estimated amount of \$523,556 for the term November 29, 2015 through November 28, 2016.
- u. approve provision for The University of Texas at Austin to provide an eTobacco protocol in the amount of \$0 upon execution of the Agreement through September 30, 2016 with one (1) one-year renewal option.
- v. ratify renewal on the basis of sole source for Texas Medical Center to provide parking for Harris County Hospital District d/b/a Harris Health System

- employees and medical staff in the estimated amount of \$1,530,000 for the term January 1, 2016 through December 31, 2016 with four (4) one-year renewal options.
- w. approve purchase as an exception to the Harris Health System Purchasing Manual bid requirements for AT&T Corporation to provide data circuit services for Community Health Choice, Inc. in the estimated (three-year term) amount of \$562,000 for the term December 1, 2015 through November 30, 2018.
  - x. ratify a modified term for Harris County Hospital District d/b/a Harris Health System to provide health care services and pharmaceuticals at certain residential facilities for the Harris County Community Supervision and Corrections Department for the modified term October 10, 2014 through February 29, 2016 (October 10, 2014 through October 9, 2015 – original term).
  - y. approve renewal for Harris County to provide financial investment services in the estimated amount of \$30,616 for the term February 6, 2016 through February 5, 2017.
  - z. approve renewal for the City of Houston through the Houston Department of Health & Human Services to provide breastfeeding peer counselors in the estimated amount of \$0 for the term March 1, 2016 through February 28, 2017.
  - aa. approve the first of two (2) renewal options for G & K Services, Inc. (TASB BuyBoard #146-12) to provide mat and mop services in the estimated amount of \$110,361 for the term January 29, 2016 through January 28, 2017.
  - bb. ratify purchase on the basis of sole source for EBSCO Information Services to provide nursing reference database access in the estimated amount of \$129,944 for the term January 1, 2016 through December 31, 2016 with two (2) one-year renewal options.
  - cc. approve the fourth and final renewal option for Catamaran PBM of Illinois, Inc. – Pharmacy Benefit Manager Services (\$21,654) and CIGNA Health & Life Insurance Company – Medical Stop Loss Coverage (\$7,982,206) to provide pharmacy benefit manager services and medical stop loss coverage (including disease management and wellness programs) in the estimated amount of \$8,003,860 for the term March 1, 2016 through February 28, 2017.
  - dd. approve the fourth and final renewal option for MHN Services to provide a group employee assistance program in the estimated amount of \$128,606 for the term March 1, 2016 through February 28, 2017.
  - ee. ratify termination of the contract, effective January 4, 2016, with Waste Corporation of Texas LP – a Delaware Limited Partnership for refuse removal services.
  - ff. ratify termination of the Agreement, effective January 25, 2016, with WM Healthcare Solutions, Inc. (Pharmaceutical Waste) for reusable sharps containers and disposal services for medical waste, pharmaceutical waste, and sharps for the term April 16, 2015 through April 15, 2016.
  - gg. ratify an exemption from the competitive bid requirements for Baylor College of Medicine to provide primary medical services for the Health Care for the Homeless Program in the Health Resources and Services Administration (HRSA)

grant funds amount of \$286,027 for the term January 1, 2016 through December 31, 2016 (HRSA grant funds amount of \$298,982 for the previous 14-month extended term).

- hh. ratify an exemption from the competitive bid requirements for Baylor College of Medicine to provide psychiatric medical services for the Health Care for the Homeless Program in the HRSA grant funds amount of \$165,486 for the term January 1, 2016 through December 31, 2016 (HRSA grant funds amount of \$195,017 for the previous 14-month extended term).
- ii. ratify an exemption from the competitive bid requirements for Baylor College of Medicine to provide an HIV perinatal transmission prevention activities program in the Texas Department of State Health Services (DSHS) perinatal grant funds amount of \$103,348 for the term January 1, 2016 through December 31, 2016 (Previous DSHS perinatal grant funds amount of \$103,348).
- jj. ratify additional (budgeted) funds and an extension for Siemens Healthcare Diagnostics, Inc. [PP-LA-335] to provide chemistry and immunochemistry analyzers/integrated platform – automation, reagents, consumables and service (VISTA) in the additional (budgeted) amount of \$2,678,116 for the term January 1, 2016 through December 31, 2016 (Board previously approved funds in the amount of \$9,986,095 for the term September 13, 2012 through December 31, 2015).
- kk. ratify additional (budgeted) funds and an extension for Siemens Healthcare Diagnostics, Inc. [PP-LA-335] to provide chemistry and immunochemistry analyzers/integrated platform – automation, reagents, consumables and service (CENTAUR) in the additional (budgeted) amount of \$448,489 for the term January 1, 2016 through March 31, 2016 (Board previously approved funds in the amount of \$5,207,415 for the term September 13, 2012 through December 31, 2015).
- ll. approve additional (budgeted) funds and an extension for Abbott Diabetes Care Sales Corporation to provide point-of-care glucometer analyzers, reagents, consumables, service, and training in the additional (budgeted) amount of \$1,268,533 for the extended term March 1, 2016 through February 28, 2017 (Board previously approved funds in the amount of \$1,268,533 for the term March 1, 2015 through February 29, 2016).
- mm. ratify the second of four (4) renewal options for Sysmex America, Inc. [PP-LA-345] to provide hematology analyzers, reagents, consumables, supplies, and service in the estimated amount of \$494,814 for the term November 19, 2015 through November 18, 2016.
- nn. approve the third of four (4) renewal options for Sysmex America, Inc. [PP-LA-265] to provide hematology analyzers, reagents, consumables, supplies, and service in the estimated amount of \$154,148 for the term April 1, 2016 through March 31, 2017.
- oo. approve the first of four (4) renewal options for the College of American Pathologists to provide external proficiency testing provider and services in the estimated amount of \$175,178 for the term February 27, 2016 through February 26, 2017.

- pp. approve purchase on the basis of sole source for Abbott Laboratories, Inc. to provide reagents for i-STAT blood gas analyzers in the estimated amount of \$1,823,506 for the term February 1, 2016 through January 31, 2017.
- qq. approve the lease and purchase for Baxter Healthcare Corporation [PP-IV-143] to provide pharmacy compounding equipment and admixture supplies in the estimated amount of \$255,826 for a one-year initial term with four (4) one-year renewal options.
- rr. approve purchase on the basis of best quote for TSA, Inc. [DIR-TSO-2538] to provide Hewlett Packard servers and equipment in the estimated amount of \$1,157,079.
- ss. ratify funding for the first of four (4) renewal options for Planet Technologies [DIR-SDD-1945] to provide Microsoft SharePoint Development services in the estimated amount of \$225,000 for the term November 5, 2015 through November 4, 2016.
- tt. approve purchase on the basis of low quote for Set Solutions, Inc. [DIR-TSO-2698] to provide anti-phishing security appliance, software, and services in the amount of \$118,354 for a one-year initial term with a one-year renewal option.
- uu. approve purchase on the basis of only quote for General Datatech, L.P. [DIR-TSO-2543] to provide technology refresh of Cisco access and distribution switches in the estimated amount of \$3,100,282.
- vv. approve purchase on the basis of low quote for Oracle America, Inc. [DIR-TSO-2539] to provide Oracle Interface Engine implementation services in the estimated amount of \$568,295.
- ww. approve purchase on the basis of low quote for Mark III Systems, Inc. [DIR-SDD-2108] to provide storage infrastructure upgrade and expansion in the amount of \$457,609.
- xx. approve purchase on the basis of best quote for Mark III Systems, Inc. [Choice Partners #13-068DG] to provide database monitoring software in the amount of \$272,675.
- yy. approve additional (non-budgeted) funds for Language Line Services, Inc. to provide language interpretation services for the Harris County Hospital District d/b/a Harris Health System and Community Health Choice, Inc. in the additional (non-budgeted) estimated amount of \$800,000 for the term February 27, 2015 through February 26, 2016 (Board previously approved funds in the amount of \$1,466,529 for the term February 27, 2015 through February 26, 2016).
- zz. approve the fourth and final renewal option for Language Line Services, Inc. to provide language interpretation services for the Harris County Hospital District d/b/a Harris Health System and Community Health Choice, Inc. in the estimated amount of \$2,750,000 (Harris Health System only) for the term February 27, 2016 through February 26, 2017.

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

- a. transmittal of purchase on the basis of best contract for Stryker Sales Corporation [PP-OR-1018] to provide orthopedic power tools and accessories in the amount of \$65,160.
- b. transmittal of purchase on the basis of lowest-priced contract for KARL STORZ Endoscopy–America, Inc. [PP-OR-1130] to provide surgical endoscopy and video equipment-rigid in the amount of \$97,216.
- c. transmittal of purchase on the basis of best contract for FUJIFILM SonoSite, Inc. [PP-IM-317] to provide an ultrasound system for Ben Taub Hospital in the amount of \$63,442.
- d. transmittal of third-year funding for the GPO contract for 3M Company [PP-OR-1027] to provide sterilization assurance in the estimated (8-month term) amount of \$68,874 for the term February 1, 2016 through September 30, 2016.
- e. transmittal of second-year funding for the GPO contracts for STERIS Corporation [PP-MM-316] (\$8,776); Johnson & Johnson Health Care Systems, Inc. [PP-MM-328] (\$25,313); and Medivators Inc. [PP-MM-314] (\$27,157) to provide automated endoscopic reproprocessors in the estimated multi-vendor amount of \$61,246 for the term March 1, 2016 through February 28, 2017.
- f. transmittal of purchase on the basis of sole source for HALCO Life Safety Systems to provide inspection, certification, and training for the Elpas System in the estimated amount of \$64,740 for a one-year initial term with four (4) one-year renewal options.
- g. transmittal of purchase on the basis of sole source for Morris & Dickson Co., LLC to provide pharmaceutical tracking software in the estimated amount of \$73,800 for a one-year initial term with two (2) one-year renewal options.
- h. transmittal of additional revenue for Fresh Brew Group USA, L.P. to provide vending machine services in the estimated additional revenue amount of \$25,000 for the term September 15, 2015 through September 14, 2016 (Board previously approved funds in the revenue amount of \$353,000 for the term September 15, 2015 through September 14, 2016).
- i. transmittal of the fourth and final renewal option for Discovery Benefits, Inc. to provide COBRA/HIPAA administration in the estimated amount of \$45,230 for the term March 1, 2016 through February 28, 2017.
- j. transmittal of the fourth and final renewal option for Discovery Benefits, Inc. to provide group flexible spending accounts in the estimated amount of \$91,154 for the term March 1, 2016 through February 28, 2017.
- k. transmittal of the fourth and final renewal option for PSS World Medical d/b/a Physician Sales & Service to provide rapid HIV-1, HIV-2, and rapid pregnancy test kits in the estimated amount of \$52,164 for the term February 1, 2016 through January 31, 2017.
- l. transmittal of purchase on the basis of only quote for PC Connection Sales Corporation (PCC)/MoreDirect, Inc. [PP-IT-134] to provide an Imprivata Cortext secure texting solution in the estimated amount of \$98,002.



- m. transmittal of termination of the Agreement, effective December 31, 2015, for McKesson Information Solutions to provide maintenance and support for TRENDSTAR® Decision Support Software.
- n. transmittal on the basis of sole source for Spectrio LLC d/b/a Vericom to provide an on-hold telecommunications message system in the estimated amount of \$92,915 for the term October 1, 2015 through September 30, 2016.
- o. transmittal of purchase on the basis of sole source for Hewlett Packard Enterprise Company [DIR-TSO-2538] to provide Hewlett Packard computer hardware server maintenance and support in the estimated amount of \$71,693 for the term November 1, 2015 through October 31, 2016.
- p. transmittal of purchase for Gartner Research [DIR-TSO-2531] to provide IT and business strategy research services in the amount of \$96,657 for the term February 1, 2016 through January 31, 2017.

## **B. Recommended Committee Approvals**

- 1. Approval of the Revised Harris Health System Policy No. 5.02, Harris County Hospital District Financial Assistance Program **[Board Deliverable]**.
- 2. Approval to Ratify the 4th Year / 3rd Option of the Lease Agreement Between Harris County Hospital District d/b/a Harris Health System and Kynto Ventures, LLC for Fifty (50) Parking Spaces Located at 6601 Tarneff Drive, Houston, Texas 77074 for the Vallbona Annex.
- 3. Approval to Enter Into the 3rd Year of the Lease Agreement Between Harris County Hospital District d/b/a Harris Health System and Monroe Casco, Ltd. to Lease Approximately 10,000 Square Feet of Space Located at 8539 Gulf Freeway, Houston, Texas 77017.
- 4. Approval to Enter Into the 6th Year of the Lease Agreement Between Harris County Hospital District d/b/a Harris Health System and Pasadena Realty Partners, LLC to Lease Approximately 10,200 Square Feet of Space Located at 3925 Fairmont Parkway, Pasadena, Texas 77504.
- 5. Approval to Enter Into Option 19 of the Lease Agreement Between Harris County Hospital District d/b/a Harris Health System and the City of Pasadena to Lease Approximately 35,564 Square Feet of Space Located at 1001 East Shaw, Pasadena, Texas 77506.
- 6. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the University of Alabama (Doctor of Nursing Practice Program).
- 7. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Prairie View A&M University (Bachelor of Science in Nursing Program).
- 8. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and San Jacinto Community College District – Central Campus (Surgical Technology Certification Program).

9. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and San Jacinto Community College District - Central Campus (Associate Degree in Surgical Technology Program).
10. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and San Jacinto Community College District (Associate Degree in Medical Laboratory Technician Program).
11. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the University of Phoenix (Doctor of Health Administration Program).
12. Approval to Remove Ms. Diane Poirot as a Committee Advisory Member of the Harris County Hospital District 401K & 457(b) Administrative Committee, Effective January 16, 2016.
13. Approval to Remove Ms. Diane Poirot as a Committee Advisory Member of the Harris County Hospital District Pension & Disability Committee, Effective January 16, 2016.
14. Approval to Ratify an Agreement to Accept Grant Funding in an Amount Not to Exceed \$35,000 from the Texas Department of State Health Services Awarded to Harris County Hospital District d/b/a Harris Health System to Provide Tuberculosis Prevention and Control Services.
15. Approval to Ratify the Amended Salary Reimbursement Agreement to Accept Grant Funding in the Amount of \$90,909 from The University of Texas MD Anderson Cancer Center Awarded to Harris County Hospital District d/b/a Harris Health System for Patient Navigators.
16. Approval of an Additional Extension Award in the Amount of \$326,916 from the Department of State Health Services Awarded to Harris County Hospital District d/b/a Harris Health System to Provide Breast and Cervical Cancer Services (BCCS) for FY2016.
17. Approval of a Second Amendment of an Interlocal Agreement Between Harris County Hospital District d/b/a Harris Health System and Harris County Public Health and Environmental Services (HCPHES), Funded Under the Ryan White HIV/AIDS Treatment Extension Act, Part A to Provide Primary Medical Care, Psychiatric Services, Obstetric and Gynecological Care, and the Local Pharmacy Assistance Program to HIV-Positive Patients of Harris Health System.
18. Approval of Grant Funding in an Amount Not to Exceed \$150,000 from the Department of Health and Human Services / Assistant Secretary for Preparedness and Response Awarded to Harris County Hospital District d/b/a Harris Health System to Provide a Healthcare Records Information Sharing Plan.
19. Acceptance of the Harris County Auditor's Harris Health System Epic Willow Pharmacy System Outpatient Prescription Controls Auditor's Report.

*{End of Consent Agenda}*

## **VI. Board Review and Action Items**

## **A. Miscellaneous Action Item**

### **1. PULLED**

Consideration of Approval of Reappointment of Members to Community Health Choice, Inc.'s (Community) Board of Directors in Accordance with Article III, Section II of the Bylaws of Community.

## **B. Action Items Related to the Budget & Finance Committee**

### **Motion 16.01-03**

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

1. Approval of an Award on the Basis of Best Proposal Meeting Requirements for LifeWings Partners, LLC to Provide Medical Team Assessment and Training Services in the Estimated Amount of \$709,012 for a One-Year Initial Term with Two (2) One-Year Renewal Options.

### **Motion 16.01-04**

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

2. Approval of the FY2017 Operating and Capital Budget of the Harris County Hospital District d/b/a Harris Health System.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the Fiscal Year 2017 (FY2017) Operating and Capital Budget of the Harris County Hospital District d/b/a Harris Health System. He highlighted that the proposed FY2017 budget reflects an increase in net patient service revenue, which is attributed to the modification of the Harris Health patient eligibility criteria from 200% to 150% of the Federal Poverty Level. Mr. Michael Hill, Senior Vice President of Revenue Cycle, provided an update regarding patient enrollment in the Health Insurance Marketplace (Marketplace) and the MY Harris Health self-pay program. He reported that of the 15,063 Harris Health patients who are eligible to enroll in the Marketplace, 1,153 households were enrolled as of January 25, 2016. Mr. Hill also reported that of the 4,464 patients who are eligible to enroll in the MY Harris Health self-pay program, 444 households were enrolled as of January 25, 2016. He emphasized that 38% of patient enrollments occurred during January 2016 and that he expects a continued increase in enrollments at the education fairs scheduled for January 30, 2016. Mr. Hill estimated that Harris Health, Community Health Choice, Inc. (CHC, Inc.), and Molina Healthcare, Inc. had a combined total of 7,870 new Marketplace enrollees as of January 26, 2016. Mr. Franklin requested that the Board receive updates regarding the impact of patient enrollment in the Marketplace on the FY2017 budget. Mr. Franklin additionally requested that the Harris Health administration provide the Board with an estimate of the Fiscal Year 2018 budget in the near future. Ms. Anne Clutterbuck requested that the Board receive a presentation regarding the tax implications that CHC, Inc. will face as a result of its high rate of Marketplace enrollment. Mr. Norby stated that there will be a discussion

of the tax implications for CHC, Inc. at the Budget and Finance Committee meeting scheduled for February 11, 2016. A copy of the Harris Health FY2017 budget is available in the permanent record.

## **VII. Strategic Discussion Issues**

### **A. Ben Taub Hospital Pharmaceutical Restructuring**

Dr. Ericka Brown, Executive Vice President and Administrator, BTH, led the discussion regarding the Ben Taub Hospital pharmaceutical restructuring. She announced that the BTH outpatient pharmacy will close February 26, 2016. Dr. Brown explained that the outpatient pharmacy location will be converted to a discharge lounge, which will increase bed turnover and help ease overcrowding in the emergency room when patients are ready to be discharged. She stated that BTH will assist patients in getting their prescriptions filled at one of Harris Health's fifteen (15) other outpatient pharmacies or any retail pharmacy of their choice. An education campaign will begin February 1, 2016 to inform patients of the impending closure and to assist patients in identifying pharmacies where they can get their prescriptions filled. After the outpatient pharmacy closes February 26, 2016, the Ben Taub Clinical Case Management department will assist patients in their search for new pharmacies. Dr. Brown stated that BTH will continue to provide medication for patients who are homeless or who do not have an alternative means of obtaining their medication. Dr. Kimberly Monday expressed serious concern about the closing of the outpatient pharmacy and inquired whether it will cause an increase in the readmission rate at BTH. Dr. Brown responded that in a poll of 100 patients who were asked what they would do if the BTH pharmacy closed, 2% of those patients stated that they would refuse to get their medication elsewhere if they could not get it at BTH. She explained that over the next six (6) months, the BTH medical staff will monitor readmission rates to identify patients who are not getting their medications. Dr. Brown stated that for those patients who are not receiving medications, BTH will research alternative resources that may be available. Mr. George Masi, President and Chief Executive Officer, stated that new technologies such as the Harris Health Central Fill automated pharmacy will facilitate the delivery of prescriptions to patients. Discussion ensued. A copy of the executive summary is available in the permanent record.

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

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

Mr. R. King Hillier, Vice President, Public Policy & Government Relations, led the discussion regarding activities in Austin relating to legislative and regulatory issues impacting Harris Health System, the 85<sup>th</sup> Legislative Session, and the Harris Health legislative platform. He reported that a Senate interim committee hearing regarding campus carry and open carry gun laws was held on January 26, 2016. Mr. Hillier recommended that members of the Board, along with members of Harris Health's medical staff and administration, meet with State Senator Joan Huffman to discuss

their concerns regarding the presence of guns in Harris Health's hospitals and clinics. He reported that a Senate interim committee hearing regarding trauma funding and the Texas Department of Public Safety Driver Responsibility Program was held on January 27, 2016. Mr. Hillier stated that there was much discussion in favor of repairing the Driver Responsibility Program rather than repealing it. He announced that on March 29, 2016, the Department of Public Safety will provide recommendations to the Senate Transportation Committee for revisions to the program. Mr. Hillier stated that the Texas Article II leadership staff will tour Ben Taub Hospital in April 2016 and participate in a briefing regarding the Medicaid 1115 Waiver.

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

Mr. Hillier and Ms. Mary Schneider, Harris Health Liaison for Intergovernmental Affairs, led the discussion regarding pending federal legislative and policy issues affecting Harris Health System. Mr. Hillier reported that he and Mr. Terry Reeves, Senior Vice President, Corporate Compliance, traveled to Washington, DC on January 19, 2016 to participate in a Senate and House Congressional staff briefing regarding the 340B Mega Rule. He explained that because this is an election year, the House is scheduled to be in session 30% of the year and the Senate is scheduled to be in session 40% of the year. Mr. Hillier announced that the Temporary Assistance for Needy Families block grant expires September 30, 2016, which may affect many of Harris Health's patients. Finally, he stated that he is working to obtain authorization for an omnibus bill to fund trauma care services.

## **VIII. Key Performance Reports**

### **A. Key Performance Indicators**

1. Review and Discussion Regarding the Harris Health System Balanced Scorecard

Mr. Alan Vierling, Senior Vice President, Operational Transformation, presented the Harris Health System Balanced Scorecard. He reported that nursing vacancy rates increased during November 2015. Mr. Vierling stated that LBJH and BTH face challenges in moving patients from the emergency rooms into hospital beds in a timely manner. He also reported that the Ambulatory Care Services no-show rate increased and that Dr. Gardner is examining ways to address this issue. Mr. Franklin suggested that it would be helpful to the Board to include an executive summary with the balanced scorecard. A copy of the scorecard is available in the permanent record.

### **B. Committee Reports**

1. Joint Conference Committee

**Motion 16.01-05**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VIII.B.1.a. through VIII.B.1.c.

- a. Acceptance of the Medical Executive Board Report for January 2016.

Dr. Maya Suresh, Chairman, Medical Executive Board, presented the January 2016 Medical Executive Board Report. She stated that Dr. Babber introduced three quality initiatives for 2016: 1) time outs, 2) hand hygiene, and 3) the creation of a just culture that encourages input from all team members in the interest of patient safety. Dr. Suresh reported that Harris Health remedied the seven (7) deficiencies that were cited by the American College of Surgeons (ACOS) Commission on Cancer in October 2014 and that Harris Health has been awarded full ACOS accreditation. She stated that Harris Health has lifted its restrictions on travel as a preventative measure against the Ebola virus. Ms. Truesdell inquired whether Harris Health has implemented a protocol to screen and treat victims of the Zika virus. Dr. Suresh responded that she will investigate and get back to the Board regarding this issue. A copy of the report is available in the permanent record.

- b. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (December 2015).

Dr. Suresh presented the December 2015 credentialing changes for the members of the Harris Health System medical staff. A copy of the report is available in the permanent record.

- c. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (January 2016).

Dr. Suresh presented the January 2016 credentialing changes for the members of the Harris Health System medical staff. A copy of the report is available in the permanent record.

2. Performance Improvement & Patient Safety Committee

- a. Review and Discussion Regarding 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 stated that Harris Health's system-level quality metrics met or scored within 5% of the benchmark for November 2015. Dr. Babber reported that Ambulatory Care Services will focus on improvements in diabetes care. A copy of the report is available in the permanent record.

3. Budget & Finance Committee

**Motion 16.01-06**

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda items VIII.B.3.a. and VIII.B.3.b.

- a. Acceptance of the Harris Health System November 2015 Financial Report Subject to Audit.

Mr. Norby presented the Harris Health System November 2015 Financial Report Subject to Audit. A copy of the report is available in the permanent record.

- b. Acceptance of the Harris Health System December 2015 Financial Report Subject to Audit.

Mr. Norby presented the Harris Health System December 2015 Financial Report Subject to Audit. He stated that the Medicaid 1115 Waiver Delivery System Reform Incentive Payment program revenue that was budgeted for December 2015 was received in January 2016 and that it totaled \$51.3M. He predicted that Harris Health will come close to achieving a breakeven margin for FY2016. A copy of the report is available in the permanent record.

**Motion 16.01-07**

Moved by Ms. Carolyn Truesdell, seconded by Mr. E. Dale Wortham, and unanimously passed that the Board approve agenda items VIII.B.3.c. and VIII.B.3.d.

- c. Acceptance of the Harris Health System Third Quarter FY2015 Investment Report.

Mr. Norby presented the Harris Health System Third Quarter FY2015 Investment Report. A copy of the report is available in the permanent record.

- d. Acceptance of the Harris Health System Fourth Quarter CY2015 Pension Plan Report.

Mr. Norby presented the Harris Health System Fourth Quarter CY2015 Pension Plan Report. A copy of the report is available in the permanent record.

- e. Presentation of the November 2015 Financial Statements of Community Health Choice, Inc.

Mr. Kenneth Janda, President and Chief Executive Officer, Community Health Choice, Inc., (CHC, Inc.), presented the November 2015 financial statements of CHC, Inc. He announced that the February meeting of the CHC, Inc. Board of Directors will include a tribute to Mr. Charles Moore. He also stated that the CHC, Inc. executive boardroom will be renamed after Mr. Moore. Mr. Janda reported that net income totaled \$729K for November 2015 and \$10.8M year-to-date. He stated that CHC, Inc.'s December financials will reflect changes caused by volatility resulting from the reinsurance, risk corridors, and risk adjustment

programs related to the Marketplace. Mr. Janda explained that 79,000 people who registered for Marketplace insurance plans through CHC, Inc. have already paid their premiums and that these payments will result in tax ramifications for CHC, Inc. He stated that he plans to discuss the strategic implications of CHC, Inc.'s rapid growth with the Board of Managers in February 2016. A copy of the report is available in the permanent record.

Mr. Franklin recognized Dr. Monday for her election as the 115th president of the Harris County Medical Society on January 22, 2016. The Board congratulated Dr. Monday for her achievement.

#### **IX. Executive Session**

At 9:27 a.m., Mr. Franklin stated that the Board would enter into Executive Session under §161.032 of the Texas Health & Safety Code, the Texas Occupations Code Ann. §160.007, and the Texas Gov't Code Ann. §551.071.

#### **X. Reconvene**

At 11:03 a.m., Mr. Franklin reconvened the meeting and stated that no action was taken in Executive Session.

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

No action was taken.

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

No action was taken.

- C. Consultation with the County Attorney Regarding Contracts with Blue Cross Blue Shield of Texas, Pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

No action was taken.

- D. Consultation with the County Attorney Regarding the Status of Recent Employment Litigation, Pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

No action was taken.



**XI. Adjournment**

Moved by Mr. E. Dale Wortham, seconded by Dr. Kimberly Monday, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 11:59 a.m.

I certify that the foregoing are the Minutes of the meeting of the Board of Managers of the Harris County Hospital District d/b/a Harris Health System held at the Administration Building in Houston, Texas on January 28, 2016.

Respectfully submitted,

A handwritten signature in black ink that reads "Elvin Franklin, Jr." with a stylized flourish at the end.

Mr. Elvin Franklin, Jr., Chair  
Board of Managers

A handwritten signature in blue ink that reads "Anne Clutterbuck" with a stylized flourish at the end.

Ms. Anne Clutterbuck, Secretary  
Board of Managers

Recorded by Kenya Shields