

HARRIS HEALTH SYSTEM

HARRIS HEALTH SYSTEM

MINUTES OF THE BOARD OF MANAGERS MEETING

Thursday, March 31, 2016

Board Room – Administration Building

ORIGINAL
DO NOT REMOVE

Members Present:

Mr. Elvin Franklin, Jr., Chair
Ms. Daisy Stiner, Vice-Chair
Ms. Anne Clutterbuck, Secretary (9:15 a.m. arrival)
Dr. Donald Butts
Mr. Lawrence Finder
Dr. Kimberly Monday
Ms. Carolyn Truesdell
Mr. E. Dale Wortham (10:00 a.m. departure)

Members Absent:

Mr. Brandon Capetillo

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. Yvonne Chu, Assistant Director, Affiliated Medical Services
Dr. Maya Suresh, Chair, Medical Executive Board
Dr. Carmel Dyer, Chief of Staff, Lyndon B. Johnson Hospital
Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office
Ms. Suzanne McPherson, Commissioner El Franco Lee's Office
Ms. Carole Lamont, Commissioner Steve Radack's Office (9:23 a.m. arrival)
Mr. Paul Shanklin, Commissioner Jack Cagle's Office
Administrative Staff
Guests
(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Mr. Elvin Franklin, Jr., Chair, called the meeting to order at 9:10 a.m., and noted that a

quorum was present. The attendance was recorded.

II. Approval of the Minutes of Previous Meeting

Motion 16.03-23

Moved by Ms. Daisy Stiner, seconded by Mr. Lawrence Finder, and unanimously passed that the Board approve the minutes of the February 17, 2016 FY2017 Operating and Capital Budget Public Hearing, the February 17, 2016 Community Health Choice, Inc. (CHC, Inc.) and Harris Health Joint Board Meeting, and the February 25, 2016 Board of Managers meeting, subject to inclusion of the following corrections and revisions:

- February 17, 2016 Public Hearing Minutes, Section I: “Mr. Elvin Franklin, Jr., Chair, called the public hearing to order at 10:18 a.m.,”
- February 17, 2016 Joint Meeting Minutes, Section I: the inclusion of Ms. Karen Love, Executive Vice President and Chief Operating Officer of Community Health Choice, Inc., as an attendee
- February 17, 2016 Joint Meeting Minutes, Section III: “However, due to the lack of a Medicaid expansion program in Texas and an unexpected increase in the numbers of Marketplace registrants in Harris and surrounding counties, CHC, Inc. may possibly incur tax penalties as a result.”
- February 17, 2016 Joint Meeting Minutes, Signature Page: the addition of signature lines for Ms. Vicki Keiser, Chair of the CHC, Inc. Board of Directors, and Dr. Jose Garcia, Secretary of the CHC, Inc. Board of Directors
- February 25, 2016 Meeting Minutes, Section VII.A(1)i: “approve second-year funding for the GPO contract for US Foods [PP-DI-001C] to continue the provision of food supplies in the estimated amount of \$4,050,000 for the term March 1, 2016 through February 28, 2017.”
- February 25, 2016 Meeting Minutes, Section VII.A(1)cc: “(Board previously approved funds in the amount of \$1,284,066 for the term September 1, 2014 through January 31, 2016).”
- February 25, 2016 Meeting Minutes, Section VII.B: the omission of the sentence, “Mr. Michael Norby, Executive Vice President and Chief Financial Officer, stated that Harris County committed to funding the debt service for the \$70M BTH operating room expansion using certificates of obligation supported by a debt service tax rate.”
- February 25, 2016 Meeting Minutes, Section IX: the inclusion of the sentence, “Mr. Reeves confirmed that all of these requirements are included in the Harris Health Medical Staff Bylaws.”

III. Announcements / Special Presentations

- A. **Special Recognition** – Dr. Carmel Dyer, Chief of Staff, Lyndon B. Johnson Hospital (LBJH), recognized Dr. Krislynn Mueck, Pediatric Surgery, LBJH; Dr. Veena Patel, Internal Medicine, LBJH; and Dr. Tamika Cross, OB/GYN, LBJH, as the winners of the LBJH Residents Quality Project Competition. Dr. Dyer summarized the projects that were created by Dr. Mueck and Dr. Patel and the impact that each project had in

reducing costs. Dr. Cross provided an overview of her project, which resulted in a reduction in surgical site infections after Cesarean deliveries from 6% to 2.4%.

- B. Special Recognition** - Dr. Ericka Brown, Executive Vice President and Administrator, Ben Taub Hospital (BTH), recognized the BTH neonatal intensive care unit for its receipt of the Beacon Award (Gold Level) for Excellence by the American Association of Critical-Care Nurses. She stated that the Beacon award is a designation which recognizes quality of care and teamwork. Mr. Matthew Schleuter, Chief Nursing Officer, BTH, stated that the Gold Level award is the highest designation and that the BTH team was the only neonatal intensive care unit to achieve this award in the state of Texas. Dr. Joseph Garcia-Prats, Neonatology, BTH, commented that teamwork and collaboration improves patient care and patient safety, increases professionalism, and contributes to a nurturing environment for the medical staff.
- C. Special Recognition** - Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, provided an update regarding the Harris Health Think Innovation Program and the Innovation Summit. He stated that the Think Innovation Program was created in 2003 to provide an opportunity for medical staff and administrative employees to share new ideas to improve patient care, associated processes, and the workplace environment. Ms. Shanna Cummings, Director of Care Management and Innovation, stated that over 850 ideas have been submitted to the Think Innovation Program since the program transitioned to an electronic platform in 2014. She noted that an Innovation Summit was created in 2015 to recognize employees for their contributions to the Innovation Program and to Harris Health overall. Ms. Cummings introduced a video presentation from the 2016 2nd Annual Harris Health Innovation Summit, Bridge to the Future. Ms. Andrea Kelley, Executive Assistant to Mr. George Masi, President and Chief Executive Officer, expressed appreciation to the medical staff and administrative employees and encouraged them to continue submitting their ideas.

IV. Hear from Citizens

Ms. Cynthia Cole, Executive Director, Local #1550 – AFSCME, American Federation of State, County, and Municipal Employees, stated that the modifications to Harris Health's patient eligibility criteria have negatively impacted Harris Health's patients and employees. She explained that patients are paying more for services and are not always able to receive the services that they need. Ms. Cole noted that employees continue to experience discrimination, intimidation, and retaliation and that over 1,400 employees resigned from Harris Health in 2015. She requested that members of the leadership team demonstrate greater levels of respect and compassion toward their employees and that Harris Health ensure a higher level of service to the community.

Ms. J'Lynn Cravanas, Value the Meal representative, read a statement on behalf of Ms. Judy Lopez-Lichtenberger, who protests the presence of McDonald's restaurants in hospitals. She stated that urban communities of color tend to have an overabundance of fast-food restaurants, are targeted by fast-food marketing campaigns, and often lack an availability of healthier food choices. Ms. Cravanas indicated that fast food is a major contributor to the epidemic of diet-related diseases in our community and she requested that BTH set an example by removing the McDonald's restaurant from its cafeteria.

V. Election of Officers

Motion 16.03-24

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board elect the following members as Board Officers: Mr. Elvin Franklin, Jr., Chair; Ms. Daisy Stiner, Vice-Chair; and Ms. Anne Clutterbuck, Secretary.

Mr. Elvin Franklin, Jr. requested a brief recess at 9:40 a.m.

Mr. Franklin reconvened the Board meeting at 9:42 a.m.

Mr. Franklin presented a commemorative pin to Mr. E. Dale Wortham and recognized him for his eighteen (18) years of service as a member of the Harris Health System Board of Managers. He commended Mr. Wortham for his honesty and integrity and for the compassion he demonstrated towards Harris Health's patients and employees. Mr. Wortham expressed his appreciation for the friendships he developed while serving on the Board. He stated that during his recent admissions to BTH and LBJH for treatment, he observed that the levels of patient care at each facility were adversely impacted by Harris Health's budget crisis and Texas' lack of Medicaid expansion. Mr. Wortham noted that the quality of care he received was inconsistent and that the medical staff was working under extremely stressful conditions. He recommended that Harris Health lobby state and local politicians for assistance to ensure that the organization is able to continue providing high-quality healthcare to its patients. Mr. Wortham stated that he enjoyed serving as a Board member and that he will continue to support Harris Health.

Mr. Franklin requested a brief recess at 9:50 a.m.

Mr. Franklin reconvened the Board meeting at 10:05 a.m.

VI. Consideration of Approval of Recommendations and Acceptance of Consent Agenda Items

Motion 16.03-25

Moved by Ms. Anne Clutterbuck, seconded by Dr. Kimberly Monday, and passed that the Board approve agenda items VI.A. through VI.B. Mr. Lawrence FINDER recused himself from the following purchasing items: A(1)a, A(1)b, A(1)c, A(1)e, A(1)f, A(1)i, A(1)j, A(1)k, A(1)l, A(1)m, A(1)n, A(1)o, A(1)u, A(1)w, A(1)x, A(1)y, A(1)z, A(1)aa, A(1)bb, A(1)cc.

A. Items Related to Purchasing

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

- a. approve purchase on the basis of best contract for Siemens Medical Solutions

USA, Inc. [PP-IM-272] to provide two (2) hybrid OR angiography systems in the amount of \$2,830,442.

- b. approve purchase on the basis of lowest-priced contract for GE Healthcare [PP-IM-269] to provide a gamma camera imaging system in the amount of \$308,071.
- c. approve purchase on the basis of best contract for GE Healthcare [PP-IM-269] to provide a SPECT/CT imaging system in the amount of \$539,241.

d. **PULLED**

approve award on the basis of lowest bid meeting specifications for Star Service, Inc. (Primary) and The Brandt Companies, LLC (Secondary) to provide preventative maintenance, inspection, and repair services for chillers and related items in the estimated amount of \$217,659 for the term April 1, 2016 through March 31, 2017 with four (4) one-year renewal options.

- e. approve purchase on the basis of sole source for Siemens Medical Solutions USA, Inc. [PP-IM-272] to upgrade computer tomography (CT) scanners in the amount of \$122,400.
- f. approve 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 \$107,334.
- g. ratify the first of four (4) renewal options for National Research Corporation to provide patient satisfaction and CAHPS surveys and employee and medical staff surveys in the estimated amount of \$751,747 for the term March 26, 2016 through March 25, 2017.
- h. approve purchase as an exception to the Harris Health System Purchasing Manual bid requirements for Ben E. Keith Co. to provide proprietary food and associated products in the estimated amount of \$225,940 for the term March 1, 2016 through February 28, 2017.
- i. approve purchase on the basis of sole source for Access Closure, Inc. d/b/a Cardinal Health 245 to provide MYNXGRIP[®] vascular closure devices in the estimated amount of \$242,890 for a one-year initial term with one (1) one-year renewal option.
- j. approve second-year funding for the GPO contracts for CONMED Corporation [PP-OR-1161] (\$7,040); Teleflex Medical Incorporated [PP-OR-1169] (\$17,535); Applied Medical Resources Corporation [PP-OR-1160] (\$145,405); Ethicon, Inc. Ethicon Endo-Surgery, Inc., a Johnson & Johnson Company [PP-OR-1164] (\$609,907); and Covidien Sales LLC [PP-OR-1162] (\$1,775,964) (all through Cardinal Health) to provide endomechanical products in the estimated multi-vendor amount of \$2,555,851 for the term April 1, 2016 through March 31, 2017.
- k. approve second-year funding for the GPO contract for Applied Medical Resources Corporation [PP-OR-1171] to provide trocar products in the estimated amount of \$289,101 for the term April 1, 2016 through March 31, 2017.

- l. approve second-year funding for the GPO contract for Ethicon, Inc. Ethicon Endo-Surgery Inc., a Johnson & Johnson Company, [PP-OR-1156] through Cardinal Health, to provide suture products in the estimated amount of \$712,722 for the term April 1, 2016 through March 31, 2017.
- m. approve purchase on the basis of sole source for Genzyme Corporation, a Sanofi Company, [PPPH18SNA01] to provide Septrafilm[®] resorbable adhesion barrier in the estimated amount of \$187,247 for the term June 1, 2016 through May 31, 2017.
- n. ratify the first of four (4) renewal options for Ricoh USA, Inc. [DIR-SDD-1674] to provide copy center services in the estimated amount of \$264,080 for the term March 12, 2016 through March 11, 2017.
- o. ratify third-year funding for the GPO contract for Baxter Healthcare Corporation [PP-IV-133] to provide IV therapy products, IV fluids, bag-based drug delivery, and total parenteral nutrition (TPN) macronutrients in the estimated (six-month term) amount of \$1,039,773 for the term February 1, 2016 through July 31, 2016.
- p. approve the third of four (4) renewal options for LSDP LLC d/b/a Lonestar Delivery & Proces to provide courier services in the estimated amount of \$199,400 for the term April 1, 2016 through March 31, 2017.
- q. ratify the second of three (3) renewal options for Harris County to provide healthcare services at certain residential facilities for the Harris County Community Supervision and Corrections Department in the amount of \$1,200,000 (reimbursement) for the term March 1, 2016 through February 28, 2017.
- r. ratify the second of three (3) renewal options for Harris County Community Supervision and Corrections Department to provide healthcare services and pharmaceuticals at certain residential facilities for the Harris County Community Supervision and Corrections Department in the amount of \$0 for the term March 1, 2016 through February 28, 2017.
- s. approve provision for Community Health Choice, Inc. to provide third-party administration of healthcare claims for Harris Health's MY Harris Health financial assistance program in the amount of \$0 for a one-year term upon execution of the Agreement.
- t. approve the second of four (4) renewal options for Acute Medical Services LLC (Primary Vendor); Best Care EMS Ltd. (Secondary Vendor); and Acadian Ambulance Services, Inc. (Tertiary Vendor) to provide ambulance services in the estimated amount of \$1,000,000 for the term April 1, 2016 through March 31, 2017.
- u. 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, 2016 through February 28, 2017.
- v. approve the first of four (4) renewal options for Houston Cyclotron Partners, L.P. d/b/a Cyclotope to provide positron emission tomography (PET)

isotopes in the estimated amount of \$214,500 for the term May 4, 2016 through May 3, 2017.

- w. approve the revised term and the first 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 \$1,126,258 for the revised renewal term April 27, 2016 through April 26, 2017.
- x. ratify the revised term and the first of four (4) renewal options for Hologic, LP to provide a cytology liquid-based system including analyzers, reagents, consumables, supplies, and service in the estimated amount of \$502,366 for the revised renewal term January 12, 2016 through January 11, 2017.
- y. ratify funding for the GPO contract for Bio-Rad Laboratories [PP-LA-417 f/k/a PP-LA-320] to provide blood bank analyzers, reagents, consumables, and service in the estimated amount of \$103,526 for the term February 1, 2016 through January 31, 2017.
- z. 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 \$3,874,128 for the term April 1, 2016 through March 31, 2017.
- aa. approve purchase as an exception to the Harris Health System Purchasing Manual bid requirements for AT&T Corporation to provide data circuit services in the estimated (three-year term) amount of \$562,752 for the term March 5, 2016 through March 4, 2019.
- bb. approve purchase on the basis of low quote for Dell Marketing L.P. [DIR-SDD-1951] to provide Citrix software licenses in the amount of \$363,110.
- cc. approve purchase on the basis of sole source for Oracle America, Inc. to provide a PeopleSoft software upgrade in the estimated amount of \$289,826.
- dd. ratify purchase on the basis of low quote for Carahsoft Technology Corporation [GS-35F-0119Y] to provide SAP BusinessObjects software maintenance and support in the estimated amount of \$210,611 for the term March 16, 2016 through March 15, 2017.

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

- a. transmittal of the third of four (4) renewal options on the basis of sole source for Axion Health, Inc. to provide ReadySet™ for healthcare Web-based software in the estimated amount of \$65,841 for the term March 12, 2016 through March 11, 2017.
- b. transmittal of exemption from the competitive bid requirements for Haynes and Boone, LLP to provide special counsel in the estimated amount of \$40,000 for the term February 1, 2016 through December 31, 2016.
- c. transmittal of purchase on the basis of sole source for Imprivata, Inc. (formerly HT Systems, Inc.) to provide biometric identification system software maintenance in the estimated amount of \$76,046 for the term June 1, 2015 through May 31, 2016.

{End of Consent Agenda}

B. Recommended Committee Approvals

1. Approval to Ratify a New Interlocal Agreement with the Harris County Engineering Department to Provide Wage Rate Compliance, Insurance, and Bond Verification Services for Harris Health System's Construction Projects for the Term March 1, 2015 To February 29, 2016.
2. Approval of a Month-to-Month Tenancy, Based on the Terms and Conditions of the Expired Lease with the City of Houston, to Continue Operations of the Riverside Dialysis Center Located at 3315 Delano Street, Houston TX 77004, at a Monthly Rate of \$1,234.39 (\$14,812.72/Yr.) Beginning February 1, 2016 **[Board Deliverable]**.
3. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas Medical Branch at Galveston (Bachelor of Science in Respiratory Care Program).
4. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Texas Southern University (Bachelor of Science in Health Information Management Program).
5. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and San Jacinto College District (Associate of Applied Science in Health Information Management Program).
6. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Galveston College (Associate of Applied Science in Radiation Therapy Program).
7. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Galveston College (Radiation Therapy Certification Program).
8. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Alvin Community College District (Associate of Applied Science in Emergency Medical Technology Program).
9. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Alvin Community College District (Emergency Medical Technology Certification Program).
10. Approval to Add Mr. Omar Reid as an Advisory Member to the Harris County Hospital District 401K & 457(b) Administrative Committee, Effective April 1, 2016.
11. Approval to Add Mr. Omar Reid as an Advisory Member to the Harris County Hospital District Pension & Disability Committee, Effective April 1, 2016.

12. Approval of the Health Care for the Homeless Program 2015 Annual Report as Required by the United States Department of Health and Human Services, Which Provides Funding to Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.

Dr. Michael Gardner, Executive Vice President and Administrator, Ambulatory Care Services (ACS), presented the Health Care for the Homeless Program 2015 Annual Report. Dr. Kimberly Monday inquired regarding the decrease in substance abuse service visits between 2012 and 2015. Dr. Gardner responded that Harris Health continues to provide substance abuse services but that they are provided under a different program. He stated that he will provide the Board with a report which demonstrates that the number of homeless patients treated by Harris Health increased slightly each year.

13. Approval of Grant Funding and an Amendment in an Amount Not to Exceed \$262,921 from the Texas Department of State Health Services Awarded to Harris County Hospital District d/b/a Harris Health System for Epilepsy Services.
14. Approval of an Agreement Between Harris County Hospital District d/b/a Harris Health System and Legacy Community Health Systems to Utilize EpicCare Link to Schedule Postpartum and Newborn Appointments for Legacy Patients Delivering at Ben Taub Hospital.
15. Approval to Amend the Data Sharing Agreement Between Harris County Hospital District d/b/a Harris Health System and Primary Care Innovation Center (PCIC).
16. Approval of a Data Use Agreement Between Harris County Hospital District d/b/a Harris Health System; Working Partner, LLC; and Dr. Tom Reynolds, The University of Texas Health Science Center at Houston School of Public Health, for Non-Human Subjects Research Activities.

Dr. Monday inquired whether Harris Health can partner with Dr. Thomas Reynolds and The University of Texas Health Science Center at Houston School of Public Health to monitor patients who were affected by the modification of Harris Health's patient eligibility threshold from 200% to 150% of the Federal Poverty Level. Mr. Masi stated that he will collaborate with Dr. Carmel Dyer, Chief of Staff, LBJH, to determine how to establish a partnership with Dr. Reynolds.

17. Approval of a Grant Agreement in the Amount of \$373,856 from the Harris County Hospital District Foundation Awarded to Harris County Hospital District d/b/a Harris Health System for an In-Kind Contribution of a Dental Van **[Board Deliverable]**.

18. Approval to Renew an Agreement Between Harris County Hospital District d/b/a Harris Health System and SER (Service Employment Redevelopment) – Jobs for Progress **[Board Deliverable]**.

{End of Consent Agenda}

VII. Board Review and Action Items

A. Review and Action Items Related to the Planning & Operations Committee

1. PULLED

Consideration of Approval for the Design and Scope of the Ben Taub Hospital Operating Room Expansion and Specialty Clinic Relocation Projects **[Board Deliverable]**.

2. Review and Discussion Regarding the Harris County Hospital District Foundation 2015 Jubilee of Caring.

Ms. Ruth Ransom, Executive Director, Harris County Hospital District Foundation (HCHDF), led the discussion regarding the HCHDF 2015 Jubilee of Caring. She stated that the purpose of the Jubilee of Caring gala was to present the 2015 Ben Taub Humanitarian Award to local philanthropists Lester and Sue Smith and to raise proceeds for cancer care services at Harris Health. Ms. Ransom explained that although a number of pledges are currently outstanding, she expects the donations to total more than \$100K by the time the pledges are closed out in mid-April. She estimated that HCHDF will transfer the funds to Harris Health in May 2016. Ms. Ransom announced that the next Jubilee of Caring event is scheduled for October 4, 2017.

Mr. Masi announced that Mr. Alan Vierling, Senior Vice President, Operational Transformation, will be appointed as the interim administrator for LBJH.

VIII. Key Performance Reports

A. Key Performance Indicators

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

Mr. Vierling presented the Harris Health System Balanced Scorecard. He reported that the turnover rate among nurses at Harris Health continues to be a concern and that it is reflective of a shortage in nursing locally and statewide. Mr. Vierling stated that the increased rate of turnover in nursing also negatively impacted patient satisfaction scores. He mentioned that although readmission rates failed to meet the benchmark, Harris Health has set an exceptionally high benchmark and often outperforms the national average regarding readmissions. A copy of the scorecard is available in the permanent record.

B. Committee Reports

1. Joint Conference Committee

Motion 16.03-26

Moved by Mr. Lawrence Finder, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item VIII.B.1.a.

a. Acceptance of the Medical Executive Board Report for March 2016.

Dr. Maya Suresh, Chairman, Medical Executive Board, presented the March 2016 Medical Executive Board Report. She reported that Ambulatory Care Services (ACS) averages a backlog of 8,000 referrals per month and that the majority of the backlogs are in oral surgery and urology cases. Dr. Suresh indicated that Dr. Gardner and Dr. Mohammad Zare, Chief of Staff, ACS, are reviewing the referral guidelines and examining the effects of these backlogs on patient satisfaction. Dr. Monday requested that the Board receive a report displaying a breakdown of the 8,000 referrals by service line. Dr. Gardner responded that this information will be provided in the upcoming ACS quarterly report. Dr. Suresh stated that Dr. Brown, Dr. Stacey Mitchell, Administrative Director of Risk Management and Patient Safety, and Dr. Kenneth Mattox, Chief of Staff, BTH, discussed the increase in the number of patients, especially children, presenting for sexual assault examinations at BTH. She informed the Board that a task force was created to appeal to the SouthEast Texas Regional Advisory Council (SETRAC) to create a Sexual Assault Center designation and that the BTH Emergency Center intends to apply for this designation when it becomes available. Dr. Brown explained that BTH has the staff and capability to properly administer sexual assault exams while most community health centers lack staff that are sufficiently trained to conduct these exams. Ms. Daisy Stiner requested further information regarding the following two items which were discussed in the Physician Advisory Committee report: 1) the placement of a soft stop on inpatient notes, and 2) the Sepsis Modified Early Warning System Pilot revision. A copy of the report is available in the permanent record.

Motion 16.03-27

Moved by Mr. Lawrence Finder, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VIII.B.1.b.

b. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (March 2016).

Dr. Suresh presented the March 2016 credentialing changes for the members of the Harris Health System medical staff. She reported that there were fifteen (15) initial applications, fifty-seven (57) reappointments, nine (9) resignations, and five (5) change/add privileges. A copy of the report is available in the permanent record.

2. Performance Improvement and Patient Safety Committee

- a. Review and Discussion Regarding Harris Health System Quality Executive Summary and Scorecard.

Dr. Babber presented the Harris Health System Quality Executive Summary and Scorecard. He highlighted that Harris Health is establishing a diabetes center of excellence and he expects that Harris Health's emphasis on patient-centered care will result in improved diabetic care metrics in the near future. Ms. Stiner requested a report of the diabetes prevention measures and education programs that are being offered to Harris Health's patients. Dr. Donald Butts inquired why ACS reported low scores regarding colorectal cancer screening. Dr. Gardner responded that Harris Health is not financially able to provide colonoscopies to its patients and relies on the traditional colorectal screening method of supplying patients with fecal testing cards. He explained that the fecal testing cards have a low rate of return by patients and that beginning April 15, 2016, Harris Health will transition to a simpler home screening exam in an attempt to increase the percentage of returned tests. A copy of the report is available in the permanent record.

- b. Review and Discussion Regarding the Harris Health System Schedule of Benefits [**Board Deliverable**].

Dr. Babber presented an update regarding the Harris Health System Schedule of Benefits. He reported that peritoneal dialysis and a Current Procedural Terminology (CPT®) code for corneal tissue transplants were added to the schedule of benefits for Fiscal Year 2016.

3. Budget and Finance Committee

Motion 16.03-28

Moved by Ms. Anne Clutterbuck, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item VIII.B.3.a.

- a. Acceptance of the Harris Health System February 2016 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the Harris Health System February 2016 Financial Report. He reported that in comparison to Fiscal Year 2015 (FY2015), primary care visits increased 2.8% and total surgical cases increased 4% in Fiscal Year 2016 (FY2016). Mr. Norby stated that the most significant change occurred regarding inpatient volume, which decreased 5% from FY2015 as a result of a lesser number of available patient beds and as a result of improved bed and case management. He noted that for FY2016, total revenue was \$3M less than budget and total expenses were \$18M less than budget. Mr. Norby stated that rather than ending the fiscal year with a \$14M deficit, Harris Health achieved a breakeven budget for FY2016. Mr. Masi commended the medical and administrative staffs for the sacrifices they endured and hard work they put forth for Harris Health to achieve this goal.

Mr. Franklin requested that the Board receive a report of Harris Health's property and other insurance coverages. Mr. Norby responded that he will present a report regarding insurance coverage to the Board in April 2016. Mr. Masi announced that upcoming strategic discussions will include a discussion regarding Affiliated Medical Services in April 2016 and a discussion regarding capital infrastructure requirements in May 2016.

Motion 16.03-29

Moved by Ms. Anne Clutterbuck, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda item VIII.B.3.b.

- b. Acceptance of the Harris Health System Fourth Quarter FY2015 Investment Report.

Mr. Norby presented the Harris Health System Fourth Quarter FY2015 Investment Report. He reported that Harris Health ended FY2015 in an excellent cash position due to increased property tax revenues and the receipt of deferred Disproportionate Share Hospital (DSH) and Uncompensated Care (UC) payments from the State of Texas. Mr. Norby stated that due to increased interest rates, Harris Health also experienced a small increase in investment income. A copy of the report is available in the permanent record.

- c. Presentation of the Revised December 2015 Financial Statements of Community Health Choice, Inc.

Mr. Kenneth Janda, President and Chief Executive Officer, Community Health Choice, Inc. (CHC, Inc.), presented the revised December 2015 financial statements for CHC, Inc. He stated that CHC, Inc. experienced a net income loss of \$5.4M due to end-of-year adjustments. Mr. Janda reported that total revenue year-to-date totaled \$889M, which was 4% greater than budget. A copy of the report is available in the permanent record.

- d. Presentation of the Revised January 2016 Financial Statements of Community Health Choice, Inc.

Mr. Janda presented the revised January 2016 financial statements of CHC, Inc. A copy of the report is available in the permanent record.

- e. Presentation of the February 2016 Financial Statements of Community Health Choice, Inc.

Mr. Janda presented the February 2016 financial statements of CHC, Inc. He reported that February 2016 revenue totaled \$97.2M, which was \$5M greater than budget for the month. Mr. Janda highlighted that while CHC, Inc. totaled 82,500 commercial members in February 2016, the number of commercial members for March 2016 increased to 100,000. A copy of the report is available in the permanent record.

IX. Executive Session

At 11:07 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, the Texas Gov't Code Ann. §551.071, and the Texas Gov't Code Ann. §551.074.

X. Reconvene

At 2:00 p.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 Disposition of Vizient, Inc. Stock, 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. Discussion Regarding the Employment Agreement between the Harris County Hospital District d/b/a Harris Health System and George V. Masi, President and Chief Executive Officer, Pursuant to Texas Gov't Code Ann. §551.074, and Possible Action Regarding this Matter Upon Return to Open Session.

Motion 16.03-30

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve an increase to the base salary of Mr. George Masi, President and Chief Executive Officer, of \$15,000, effective April 1, 2016, pursuant to Article 4.02 of the Employment Agreement between Mr. Masi and the Harris County Hospital District d/b/a Harris Health System.

- E. Discussion Regarding the President/Chief Executive Officer's Duties and Responsibilities, Pursuant to Texas Government Code Ann. §551.074, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

XI. Adjournment

Moved by Dr. Donald Butts, seconded by Ms. Daisy Stiner, and unanimously accepted to adjourn the meeting:

There being no further business, the meeting adjourned at 2:02 p.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 March 31, 2016.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Elvin Franklin, Jr.", with a stylized flourish at the end.

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

A handwritten signature in blue ink, appearing to read "Anne Clutterbuck", with a long horizontal flourish extending to the right.

Ms. Anne Clutterbuck, Secretary
Board of Managers

Recorded by Kenya Shields