

HARRIS HEALTH SYSTEM

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MINUTES OF THE BOARD OF TRUSTEES MEETING

Thursday, June 29, 2017

Board Room – Administration Building

Members Present:

Ms. Anne Clutterbuck, Chair
Dr. Kimberly Monday, Vice Chair
Ms. Daisy Stiner, Secretary
Mr. Lawrence Finder
Mr. Elvin Franklin, Jr.
Ms. Carol Graebner
Dr. Ewan Johnson
Ms. Carolyn Truesdell

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. Alan Vierling, Executive Vice President & Administrator, Lyndon B. Johnson Hospital
Dr. Yvonne Chu, Assistant Director, Affiliated Medical Services
Dr. David Robinson, Chair, Medical Executive Board
Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services
Ms. Sara Thomas, Deputy Managing Attorney, Harris County Attorney's Office
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office
Ms. Carole Lamont, Commissioner Steve Radack's Office
Mr. Paul Shanklin, Commissioner Jack Cagle's Office
Ms. Amber Weed, Commissioner Ellis's Office
Mr. August Williams, Commissioner Jack Mormon's Office
Administrative Staff

Guests

(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Ms. Anne Clutterbuck, Chair, called the meeting to order at 9:03 a.m., and noted that a quorum was present. The attendance was recorded.

II. Approval of the Minutes of Previous Meeting

Motion 17.06-63

Moved by Dr. Ewan Johnson, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve the minutes of the May 25, 2017 Board of Trustees meeting.

III. Announcements / Special Presentations

A. Special Recognition – Mr. George Masi, President and Chief Executive Officer, recognized Ben Taub Hospital (BTH) for receiving the American Heart Association Stroke Gold Plus Target: Stroke Honor Roll Elite Plus Award from the American Heart Association and the American Stroke Association. Ms. Allison Capetillo, Director of Quality and Systems Improvement, American Heart Association – Houston/Gulf Coast Region, and Ms. Heidi McPherson, Community Health Director, American Heart Association – Houston/Gulf Coast Region, congratulated BTH for its achievements in stroke care. Ms. Capetillo explained that this award exemplifies BTH's improvements in door-to-needle time for stroke patients and that BTH achieved 100% of the American Heart Association's metrics at a rate of 90% or higher. Dr. Ericka Brown, Executive Vice President and Administrator, BTH, highlighted that BTH earned the Stroke Gold Plus Target: Stroke Honor Roll Elite Plus Award for the third consecutive year.

B. Special Recognition – Mr. Omar Reid, Senior Vice President of Human Resources, recognized the interns participating in the Harris County Precinct One Leadership Experience & Employment Program (LEE Program) and the City of Houston's 2017 Summer Jobs Program. The interns introduced themselves and announced the various departments to which they were assigned. Mr. Reid commended Ms. Gloria Tezeno, Lead Employment Process Coordinator, and thanked her for her efforts in coordinating the LEE Program on behalf of Harris Health.

IV. Hear from Citizens

No citizens appeared to speak.

V. Consent Agenda Items

A. PILLAR 2: OUR PATIENTS

Motion 17.06-64

Moved by Mr. Lawrence Finder, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda items V.A.1. through V.A.3.

1. Approval of an Interlocal Agreement Between Harris County Hospital District d/b/a Harris Health System and Harris County, Texas on Behalf of Harris County Protective Services for Children and Adults to Provide Medical Services and Forensic Nursing Services.
2. Approval of the Health Care for the Homeless Program Quality and Patient Satisfaction Reports for the Term January 2017 Through March 2017, 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.

3. Approval for the Health Care for the Homeless Program to Remove the Star of Hope Women and Families Emergency Shelter and the Star of Hope Women and Families Transitional Living Center From the Scope of Project and to Add the Star of Hope Cornerstone Community to the Scope of Project, 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.

B. PILLAR 3: OUR FAMILY

Motion 17.06-65

Moved by Ms. Daisy Stiner, seconded by Dr. Ewan Johnson, and passed that the Board approve agenda items V.B.1. through V.B.12. Mr. Elvin Franklin, Jr. recused himself from agenda items V.B.1. and V.B.2.

1. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Houston Community College, Coleman College for Health Sciences (Community Health Workers Certification Program).
2. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Houston Community College, Coleman College for Health Sciences (Associate of Applied Science in Histologic Technician Program).
3. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Texas Southern University (Doctor of Pharmacy Program).
4. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and University of the Incarnate Word (Doctor of Physical Therapy Program).
5. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and The University of Texas Health Science Center at San Antonio (Master of Occupational Therapy Program).
6. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the Texas Tech University Health Science Center School of Health Professions (Doctor of Physical Therapy Program).
7. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and Rice University [Emergency Medical Technician (Basic and Advanced) Certification Program].
8. Approval of an Affiliation Agreement Between Harris County Hospital District d/b/a Harris Health System and the Houston Independent School District (Health Science Technology Observation Program).
9. Approval to Extend the Engagements with Jackson Walker, L.L.P., Norton Rose Fulbright US LLP, and Foster LLP for Legal Services Regarding Employee Benefits, Immigration, and

Healthcare Matters in an Amount Not to Exceed \$350,000 for the Term July 1, 2017 Through June 30, 2018 With an Option to Renew.

10. Acceptance of the Harris Health System No-Notice Cash Count Acres Home Community Health Center Outpatient Pharmacy Cashiering Auditor's Report.
11. Acceptance of the Harris Health System Outpatient Pharmacy Cash Collections Controls Follow-Up Auditor's Report.
12. Acceptance of the Harris Health System Smith Clinic and Quentin Mease Hospital Collection Controls Auditor's Report.

C. PILLAR 4: OUR HOME

Motion 17.06-66

Moved by Mr. Lawrence Finder, seconded by Mr. Elvin Franklin, Jr., and unanimously passed that the Board approve agenda items V.C.1. through V.C.8.

1. Approval to Enter Into the 4th Lease Year with University Christian Church for Additional Parking for Quentin Mease Hospital Located at 3610 Southmore, Houston, Texas 77004 at a Monthly Rate of \$1,550.00 (\$18,600.00/Yr.) for the Term September 1, 2017 Through August 31, 2018.
2. Approval to Fund the 2nd Lease Year with Hartman Highway 6, LLC for the Bear Creek Health Center Located at 5870 N. Highway 6, Suite 108, Houston, Texas 77084 at a Monthly Rate of \$13,311.08 (\$159,732.96/Yr.) for the Term September 1, 2017 Through August 31, 2018.
3. Approval to Enter Into the 2nd Lease Year with A-S 47-Jones-Cypress N. Houston, L.P. for the Cypress Health Center Located at 12340 Jones Road, Suite 100, Houston, Texas 77070 at a Monthly Rate of \$12,943.33 (\$155,319.96/Yr.) for the Term July 15, 2017 Through July 14, 2018.
4. Approval to Enter Into the First Year of the 2nd Lease Option with Petereit Investments, Inc. for the E.A. Squatty Lyons Health Center Located at 1712 First Street, Suites M & N, Humble, Texas 77338 at a Monthly Rate of \$18,278.40 (\$219,340.80/Yr.) for the Term October 1, 2017 Through September 30, 2018.
5. Approval to Enter Into a 2-Year Sublease Agreement with Ocwen Financial Corporation to Lease 18,822 Square Feet, Including Furniture, Fixtures, and Equipment, Located at 4828 Loop Central Drive, Houston, Texas 77081 for a Gross Annual Rate of \$16.50 Per Rentable Square Foot (\$25,880.25/Month or \$310,563/Yr.), Effective September 1, 2017.
6. Approval to Transfer Funds in the Amount of \$951,426 for Fiscal Year 2018 to the Harris County Engineering Department to Provide Architectural, Engineering, Construction Management, and Other Related Services Required to Transition Ben Taub Hospital to the Thermal Energy Corporation (TECO).
7. Approval to Transfer Funds in an Amount Not to Exceed \$156,063 to the Harris County Engineering Department to Provide Architectural, Engineering, Construction Management, and Other Services Required for the Casa De Amigos Parking Lot Improvements.

8. Review, Discussion, and Possible Action Regarding a Transfer in the Amount of \$975,000 to the Harris County Engineering Department to Provide Programming and Design of the Ben Taub Emergency Center Modernization Project.

{End of Consent Agenda}

VI. Strategic Discussion

Motion 17.06-67

Moved by Ms. Anne Clutterbuck, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve the Harris Health mission and vision statements.

Motion 17.06-68

Moved by Ms. Anne Clutterbuck, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve the Strategic Plan 2020 goal set.

Motion 17.06-69

Moved by Dr. Ewan Johnson, seconded by Mr. Elvin Franklin, Jr., and unanimously passed that the Board approve a safety net database workgroup.

A. Approval of the Harris Health System Mission and Vision Statements and 2020 Goals

Ms. Daisy Stiner led the discussion regarding the approval of the Harris Health System Mission and Vision Statements and Strategic Plan 2020 goal set. Dr. Ewan Johnson read aloud the proposed new mission and vision statements for Harris Health:

Mission Statement: Harris Health is a community-focused academic healthcare system dedicated to improving the health of those most in need in Harris County through quality care delivery, coordination of care, and education.

Vision Statement: Harris Health will become the premier public academic healthcare system in the nation.

Mr. Masi stated that the following strategic goal set will serve as the foundation for creation of Harris Health's strategic objectives: 1) maintain a strong financial foundation; 2) consistently improve the patient care experience by having patient safety as the top priority, and through measurable improvements in quality and patient satisfaction; 3) be the preferred health system of employment for Harris Health's staff and the preferred venue for teaching, research, and patient care for Harris Health's physician partners; 4) continue to develop Harris Health as a state-of-the-art health system through facilities infrastructure modernization, medical capital, and information technology; and 5) design and implement a transformative model of care that is grounded in population health and sustained by wellness, prevention, disease management, and acute care intervention. He explained that Goal 1, financial stability, and Goal 5, a transformational model of care, are the linchpins in the Bridge to 2020. Mr. Masi stated that Harris Health can no longer continue operating as it has in the past and that the organization must transform its healthcare delivery system for the

betterment of its patients. Dr. Kimberly Monday recommended that the Board form a workgroup to collaborate with The University of Texas (UTHealth) School of Public Health and other community partners to develop the UTHealth safety net database. Mr. Masi recommended that Community Health Choice, Inc. be included in the workgroup. Ms. Stiner requested that philanthropy be included as a strategic objective under the Financial Stability pillar. Mr. Masi announced that a draft of the strategic plan will be presented at the August 2017 Board meeting and that Harris Health's administration will utilize the draft plan to create a 12-month rolling calendar of strategic issues for the Board's consideration and approval.

B. Discussion Regarding Board Governance Imperatives

Ms. Anne Clutterbuck led the discussion regarding Board governance imperatives. She explained that the purpose of the discussion was to receive overall Board input regarding the revised agenda format, the Governance Committee, and the role of the deliverables report in Board governance.

Ms. Clutterbuck stated that the agenda structure was revised to increase alignment with the pillars of the Bridge to 2020 that were discussed at the strategic planning retreat and to employ best practices as the Board transitions from a Board of Managers to a Board of Trustees. Mr. Lawrence Finder stated that the increased size of the board packet creates inefficiencies and makes it difficult for the Board members to adequately prepare for meetings and perform their fiduciary duties. He commented that the Board must identify alternatives that would allow the Board to satisfy its legal obligations in a more simplified, efficient manner. Ms. Clutterbuck stated that she is waiting to receive a report from the Harris County Attorney's Office outlining what the Board is required to review and/or approve and that this report will help determine which items should be included on the agenda and in the board packet. Ms. Carol Graebner requested that the Board receive the report at the August 2017 Board meeting. She also recommended that each Committee's members collaborate to determine how the Committee's work may be streamlined. Ms. Graebner stated that she, Dr. Nathan Deal, Senior Vice President of Medical Affairs, and Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, discussed ways to streamline Harris Health's accreditation process. She requested that Dr. Deal present the Board at the September 2017 Board meeting with information regarding a new credentialing software application that was developed to reduce the credentialing packet. Ms. Stiner requested that the Board receive a comparison of the differences between the roles of trustees as opposed to those of managers. Ms. Clutterbuck stated that Ms. Nicole Streeter, Vice President and Chief Governance Officer, will present a comparison regarding the roles of trustees and the roles of managers during the August 2017 Governance Committee meeting. Ms. Carolyn Truesdell stated that the name "Board of Managers" is appropriate because it is the name that was designated by the Texas legislature; that Harris Health's mission was mandated by the Texas Constitution, state statute, Commissioners Court, and the needs of the community; and that the Board must determine how to manage its mission. Mr. Elvin Franklin, Jr. stated that significant discussion of agenda items and their supporting documentation should be reserved for the Committee meetings and that the Board meetings and packets should be limited to those action items that were recommended for approval from the Committees. Ms. Graebner stated that she agrees with the revised Board meeting agenda because it assists the Board in focusing on the strategic ramifications of its decisions. She recommended that the Board meet once a month and that Committee and Board meetings be scheduled on the same day.

Dr. Ewan Johnson recommended that the Board packets be placed on an electronic database, which would minimize the amount of paper being utilized and facilitate the search for agenda items.

Ms. Clutterbuck requested that the August 2017 Governance Committee include a discussion regarding Committee restructuring and the incorporation of proposed Committee revisions into the Board Bylaws. The following structural revisions were proposed by Ms. Clutterbuck: 1) the creation of the Governance Committee; 2) the creation of the Harris County Hospital District Foundation Committee; 3) the sunset of the Ad-Hoc 1115 Waiver Committee and the redirecting of this Committee's responsibilities to the Budget and Finance Committee; 4) the sunset of the Ad-Hoc CEO Evaluation Committee, the Bylaws Committee, the Legislative Committee, and the Post-Retirement Benefits Committee; 5) the consolidation of the Corporate Compliance and Audit Committees; and 6) the addition of the word "oversight" to the Planning and Operations Committee name. Significant discussion ensued regarding whether the Joint Conference Committee should be combined with the Performance Improvement and Patient Safety Committee.

Ms. Clutterbuck requested that the Board consider whether the deliverables report is an effective way for the Board to receive information from the Harris Health administration. Dr. Monday recommended that a distinction be made between what is a question and what is a true deliverable.

C. PILLAR 1: FINANCIAL STABILITY

1. Harris Health System Legislative Initiatives

- a. Update, Discussion and Possible Action Regarding Activities in Austin Relating to Legislative/Regulatory Issues Impacting Harris Health System, the 85th 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 announced that the state legislature will enter into special session on July 18, 2017. Mr. Hillier stated that the Centers for Medicare and Medicaid Services will defer further decisions regarding the Medicaid 1115 Waiver renewal until after the U.S. Congress takes action regarding the Affordable Care Act (ACA). He noted that Harris Health will learn more regarding the Affiliated Medical Services (AMS) contract deferral in September 2017.

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

Mr. Hillier led the discussion regarding pending federal legislative and policy issues affecting Harris Health System. He reported that he and Community Health Choice, Inc. (CHC, Inc.) met with advisors for U.S. Senators John Cornyn and Ted Cruz to provide input regarding the proposed ACA repeal and replace legislation.

2. Budget & Finance Committee Agenda Items

Motion 17.06-70

Moved by Ms. Carol Graebner, seconded by Mr. Elvin Franklin, Jr., and passed that the Board approve agenda items VI.C.2.A(1)a. through VI.C.2.A(1)eee. Mr. Lawrence Finder recused himself from the following purchasing items: A(1)a., A(1)b., A(1)c., A(1)d., A(1)e., A(1)i., A(1)j., A(1)n., A(1)o., A(1)p., A(1)r., A(1)s., A(1)t., A(1)u., A(1)aa., A(1)bb., A(1)cc., A(1)dd., A(1)ee., A(1)ff., A(1)gg., A(1)hh., A(1)ii., A(1)jj., A(1)nn., A(1)pp., A(1)tt., A(1)uu., A(1)ww., A(1)xx., and A(1)zz.

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

- a. approve awards on the basis of qualified vendors meeting requirements for EFI Global, Inc. (\$75,000); Walter P. Moore and Associates, Inc. (\$100,000); Ward, Getz & Associates, LLP (\$100,000); Terracon Consultants, Inc. (\$175,000); WYLIE Consulting Engineering, LLC (\$200,000); Affiliated Engineers, Inc. (\$250,000); PBK Architects, Inc. (\$250,000); PhiloWilke Partnership (\$250,000); Page Southerland Page, Inc. (\$400,000); HDR Architecture, Inc. (\$500,000); Smith Seckman Reid, Inc. (\$500,000); and Johnston LLC (\$750,000) to provide professional architectural and engineering services for various projects in the estimated multi-vendor amount of \$3,550,000 for a one-year initial term with up to four (4) one-year renewal options.
- b. approve the third of four (4) renewal options for Johnson Controls Inc. to provide maintenance and service of heating, ventilation, and air-conditioning (HVAC) building automation systems (BAS) and related items in the estimated amount of \$1,385,049 for the term August 1, 2017 through July 31, 2018.
- c. approve the third of four (4) renewal options for Olympus America Inc. [PP-OR-1129] to provide an equipment repair and maintenance program for endoscopy and video equipment in the estimated amount of \$866,080 for the term July 30, 2017 through July 29, 2018.
- d. approve the fourth and final renewal option for Grainger to provide maintenance, repair and operation (MRO) equipment, supplies, and related items in the estimated amount of \$769,000 for the term August 15, 2017 through August 14, 2018.
- e. approve purchase on the basis of best contract for Physio-Control, Inc. [PP-CA-269] to provide external defibrillators and related products in the amount of \$753,375.
- f. approve additional (budgeted) funds for FKP Architects, Inc. to provide professional architectural and interior design services in the estimated additional (budgeted) amount of \$400,000 for the term September 14, 2016 through September 13, 2017 (Board previously approved funds in the amount of \$600,000 for the term September 14, 2016 through September 13, 2017).
- g. approve additional (budgeted) funds for Wald Relocation Services, Ltd. to provide system-wide move consultant and move services in the additional (budgeted) amount of \$375,000 for the term February 12, 2017 through February 11, 2018 (Board previously approved funds in the amount of \$225,000 for the term February 12, 2017 through February 11, 2018).

- h. approve additional (budgeted) funds for The Gordian Group, Inc. to provide consulting services for a job order contracting management system in the additional (budgeted) amount of \$331,000 for the term December 23, 2016 through December 22, 2017 (Board previously approved funds in the amount of \$99,999 for the term December 23, 2016 through December 22, 2017).
- i. approve the second of four (4) renewal options for Carestream Health, Inc. to provide service and maintenance for Carestream portable digital x-ray systems in the estimated amount of \$292,539 for the term July 13, 2017 through July 12, 2018.
- j. approve the corrected amount for KARL STORZ Endoscopy-America, Inc. to provide preventative maintenance and repair services for KARL STORZ endoscopy equipment in the (corrected) amount of \$271,000 for a one-year initial term with four (4) one-year renewal options; amount of \$100,000 (as approved).
- k. approve additional (budgeted) funds for Centennial Contractors Enterprises, Inc. to provide job order contracting for small and large construction and/or construction-related projects in the additional (budgeted) amount of \$221,767 for the term August 1, 2016 through October 31, 2016 (Board previously approved funds in the amount of \$5,700,000 for the term August 1, 2016 through October 31, 2016).
- l. approve the first of four (4) renewal options for Hunton Services to provide preventive maintenance, inspection, and repair services for chillers, cooling towers, and related items in the estimated amount of \$201,237 for the term July 1, 2017 through June 30, 2018.
- m. approve an exemption from the competitive bid requirements for C.L. Davis and Company to provide land surveying services in the estimated amount of \$200,000 for a one-year initial term with two (2) one-year renewal options.
- n. approve purchase on the basis of sole source for STERIS Corporation to provide support services for sterilization equipment in the estimated amount of \$163,332 for the term October 1, 2017 through September 30, 2018.
- o. approve purchase on the basis of product standardization for Carestream Health, Inc. [PP-IM-299] to provide diagnostic imaging equipment in the amount of \$128,105.
- p. approve additional (budgeted) funds and an extension for SimplexGrinnell, L.P. to provide inspection and services for fire protection systems, equipment, and related items in the additional (budgeted) amount of \$107,769 for the extended term August 1, 2017 through October 31, 2017 (Board previously approved funds in the amount of \$431,076 for the term August 1, 2016 through July 31, 2017).
- q. approve an exemption from the competitive bid requirements and renewal for The Methodist Hospital to provide specialized health services for patients in the estimated amount of \$250,000 for the term July 1, 2017 through June 30, 2018.
- r. approve additional (budgeted) funds for Texas Children's Hospital to provide on-call health services for pediatric patients in the additional (budgeted) amount of \$88,000 for the term July 1, 2016 through June 30, 2017 (Board previously approved funds in the amount of \$12,000 for the term July 1, 2016 through June 30, 2017).

- s. approve an exemption from the competitive bid requirements and renewal for Texas Children's Hospital to provide on-call health services for pediatric patients in the estimated amount of \$100,000 for the term July 1, 2017 through June 30, 2018.
- t. approve renewal for The University of Texas MD Anderson Cancer Center to provide oncology services in the estimated amount of \$0 for the term July 1, 2017 through June 30, 2018.
- u. approval additional (budgeted) funds and an extension for KCI USA, Inc. to provide negative pressure wound therapy for outpatient treatment in the additional (budgeted) amount of \$750,000 for the extended term July 15, 2017 through July 14, 2018 (Board previously approved funds in the amount of \$968,818 for the term July 15, 2015 through July 14, 2017).
- v. approve purchase for the Intersocietal Accreditation Commission to provide echocardiography accreditation for Ben Taub Hospital in the amount of \$3,600 for a three-year term upon execution of the Agreement.
- w. approve purchase for the American Association of Neuromuscular and Electrodiagnostic Medicine to provide electrodiagnostic laboratory accreditation for Quentin Mease and Ben Taub Hospitals in the amount of \$950 for a five-year term upon execution of the Agreement.
- x. approve fourth-year funding for the GPO contract for US Foods [PP-DI-001C] to provide national foodservice distribution in the estimated amount of \$4,050,000 for the term July 1, 2017 through June 30, 2018.
- y. approve the first and final renewal option for Borden Dairy Company (Primary) and Oak Farms Dairy (Secondary) to provide dairy products in the estimated multi-vendor amount of \$110,000 for the term July 1, 2017 through June 30, 2018.
- z. approve award on the basis of best proposal meeting requirements for Carrithers Studio LLC to provide video production services in the estimated amount of \$178,640 for a one-year initial term with four (4) one-year renewal options.
- aa. approve first-year funding on the basis of lowest-priced contract for Boston Scientific Corporation [PP-CA-279] to provide drug-eluting coronary stents in the estimated amount of \$1,473,100 for the term July 1, 2017 through June 30, 2018.
- bb. approve purchase for St. Jude Medical Inc. to provide cardiac rhythm management products and devices in the estimated amount of \$1,245,605 for the term July 28, 2017 through July 27, 2018.
- cc. approve additional (budgeted) funds and a corrected term for Stryker Sales Corporation [PP-OR-1106] to provide a surgical sponge detection system in the additional (budgeted) amount of \$739,816 for a three-year term (corrected term) [Board previously approved funds in the amount of \$410,184 for a one-year initial term with two (2) one-year renewal options (as approved)].
- dd. approve second-year funding for the GPO contracts for Cardinal Health 200, LLC [PP-CA-275] (\$6,941), Medtronic USA Inc. [PP-CA-274] (\$9,000), St. Jude Medical S.C. Inc. [PP-CA-276] (\$14,900), Merit Medical Systems, Inc. [PP-CA-277] (\$57,956), Abbott Laboratories Inc. [PP-CA-273] (\$100,425), and Boston Scientific Corporation [PP-CA-272] (\$237,347) to provide diagnostic and interventional

cardiology products in the estimated multi-vendor amount of \$426,569 for the term July 1, 2017 through June 30, 2018.

- ee. approve first-year funding on the basis of single-source ASCEND contract for Compression Therapy Concepts Inc. [AS-NS-915] through Cardinal Health to provide vascular compression therapy products in the estimated amount of \$312,270 for the term December 1, 2016 through November 30, 2017.
- ff. ratify purchase for Pitney Bowes, Inc. [496-15] to provide for the continued leasing, support, and maintenance of mail equipment, mail sorting services, and Send Suite[®] Shipping Solutions software in the estimated amount of \$199,958 for the term November 1, 2016 through October 31, 2017.
- gg. approve first-year funding on the basis of best contracts for AMD-Ritmed Inc. [PP-OR-1399] (\$25,268 - Items 1-14, 21, 22) and Cardinal Health 200 LLC [PP-OR-1397] (\$137,966 - Items 15-20, 23) (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, 2017 through May 31, 2018.
- hh. approve first-year funding on the basis of single-source ASCEND contract for Welch Allyn Inc. [AS-NS-1036] to provide electronic thermometry in the estimated amount of \$140,745 for the term June 1, 2017 through May 31, 2018.
- ii. approve purchase for Baxter Healthcare Corporation [PPPH17BAX02], Bio Products Laboratory [PPPH17BPL01], Biotest Pharmaceuticals Corporation [PPPH17BTP01], CSL Behring LLC [PPPH17ARM01], Cangene bioPharma d/b/a Emergent BioSolutions [PPPH17ADD01], Grifols USA LLC [PPPH18GRIO1], and Octapharma USA Inc. [PPPH17OCT01] to provide an immune globulin intravenous and albumin distribution program in the estimated multi-vendor amount of \$1,750,000 for the six-month term July 1, 2017 through December 31, 2017.
- jj. approve the second of four (4) renewal options for CareFusion Solutions LLC to provide an automated decentralized medication management system in the estimated amount of \$1,669,300 for the term July 1, 2017 through June 30, 2018.
- kk. approve additional (budgeted) funds for Innovation Associates, Inc. to provide maintenance and support for the Central Fill Pharmacy System in the additional (budgeted) amount of \$288,992 for the term September 4, 2016 through September 3, 2017 (Board previously approved funds in the amount of \$383,765 for the term September 4, 2016 through September 3, 2017).
- ll. approve additional (budgeted) funds and an extension for Siemens Healthcare Diagnostics [PP-LA-335] to provide a chemistry and immunochemistry analyzers integrated platform – automation, reagents, consumables and service (VISTA) in the additional (budgeted) amount of \$1,423,210 for the extended term July 1, 2017 through December 31, 2017 (Board previously approved funds in the amount of \$13,897,297 for the term September 13, 2012 through June 31, 2017).
- mm. approve the third of four (4) renewal options for Gen-Probe Sales & Service, Inc. to provide a GC and chlamydia testing system, including analyzer(s), reagents, consumables, and services in the estimated amount of \$844,780 for the term July 14, 2017 through July 13, 2018.

- nn. approve additional (budgeted) funds and an extension for Ventana Medical Systems, Inc. to provide immunohistochemistry staining and special staining systems, including analyzers, reagents, consumables, and service in the additional (budgeted) amount of \$570,000 for the extended term July 1, 2017 through December 31, 2017 (Board previously approved funds in the amount of \$1,984,541 for the term October 1, 2014 through June 30, 2017).
- oo. approve the fourth and final renewal option for Fisher Healthcare to provide quality control products for various laboratory testing in the estimated amount of \$164,554 for the term July 10, 2017 through July 9, 2018.
- pp. approve award on the basis of best offer meeting requirements for Ortho Clinical Diagnostics [PP-LA-415] to provide blood bank analyzer(s), reagents, consumables, and service in the estimated Year 1 amount of \$404,623 for a one-year initial term with four (4) one-year renewal options.
- qq. ratify renewal for Harris County Public Health Services to receive laboratory technical consulting services from Harris County Hospital District d/b/a Harris Health System in the estimated revenue amount of \$35,100 for the term June 15, 2017 through June 14, 2018.
- rr. approve the fifth of eight (8) renewal options for Harris County Hospital District d/b/a Harris Health System to provide laboratory testing and the Harris County Institute of Forensic Sciences to provide autopsy examinations and forensic analyses in the estimated amount of \$0 for the term July 1, 2017 through June 30, 2018.
- ss. approve the fourth and final renewal option for MAR COR Purification to provide deionized water services in the estimated amount of \$110,970 for the term July 25, 2017 through July 24, 2018.
- tt. approve purchase on the basis of low quote for General Datatech, L.P. [DIR-TSO-2542] to provide a technology refresh of Cisco access and distribution switches in the amount of \$2,953,500.
- uu. approve purchase on the basis of low quote for Netsync Network Solutions, Inc. [DIR-TSO-2542] to provide a technology refresh of the telephone system and call center system in the amount of \$1,270,964.
- vv. approve purchase on the basis of only quote for Mark III System, Inc. [13/068DG-27] to provide a storage infrastructure upgrade and expansion in the amount of \$771,756.
- ww. approve purchase on basis of sole source for Epic Systems Corporation to provide implementation and support services for the Epic inpatient modernization program in the estimated amount of \$413,800 for the term July 8, 2017 through July 7, 2018.
- xx. approve renewal for Elekta, Inc. to provide maintenance and support for the radiation Treatment Planning System (\$201,918) and radiation Oncology Information System (\$180,000) in the estimated amount of \$381,918 for the terms July 13, 2017 through July 12, 2018 for the Treatment Planning System and August 28, 2017 through August 27, 2018 for the Oncology Information System.
- yy. approve additional (budgeted) funds for SHI Government Solutions, Inc. [DIR-SDD-2503] to provide Microsoft Enterprise Agreement software maintenance in the additional (budgeted) amount of \$370,682 for the term January 1, 2017 through

December 31, 2017 (Board previously approved funds in the amount of \$1,857,138 for the term January 1, 2017 through December 31, 2017).

- zz. approve purchase on the basis of sole source for Oracle America, Inc. [DIR-TSO-2539] to provide PeopleSoft Supplier Contract Management software in the estimated amount of \$201,676.
- aaa. approve purchase on the basis of low quote for Sigma Technology Solutions, Inc. [DIR-TSO-2636] to provide a storage platform for Windows file servers in the amount of \$192,243.
- bbb. approve purchase on the basis of best quote for SHI Government Solutions, Inc. [498-15] to provide uninterruptible power supply units in the amount of \$182,675.
- ccc. approve additional (budgeted) funds for Virtual Hold Technology, LLC to provide call center virtual hold queuing system software license, maintenance, and support in the additional (budgeted) amount of \$156,578 for the term December 23, 2016 through December 22, 2017 (Board previously approved funds in the amount of \$66,898 for the term December 23, 2016 through December 22, 2017).
- ddd. approve purchase on the basis of only quote for Mark III Systems, Inc. [13/068DG-27] to provide IBM Brocade switches in the amount of \$145,820.
- eee. approve assignment of the Agreement with TH Healthcare, Ltd. d/b/a Park Plaza Hospital (assignor) and Cy-Fair Medical Center Hospital, LLC (assignee) to provide wide bore MRI and other radiology services in the amount of \$180,000 for the term May 4, 2017 through May 3, 2018, effective June 30, 2017.

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

- a. transmittal of purchase on the basis of sole source for EndoSoft, LLC to provide video endoscopy image recording and storage software in the estimated amount of \$92,500.
- b. transmittal of purchase on the basis of lowest-priced contract for Claflin Service Company d/b/a CME to provide exam room furniture equipment in the amount of \$92,162.
- c. transmittal of the fourth and final renewal option for Loftin Equipment Company to provide preventive maintenance, inspection, repair, rental of emergency generators, and related items in the estimated amount of \$67,026 for the term September 1, 2017 through August 31, 2018.
- d. transmittal of purchase on the basis of low quote for The Brandt Companies, LLC [BuyBoard No. 461-14] to provide removal and replacement of the boiler at Gulfgate Health Center in the amount of \$66,399.
- e. transmittal of purchase on the basis of best contract for Mindray DS USA, Inc. [PP-IM-309] to provide diagnostic imaging equipment for the Ben Taub Hospital Emergency Center in the amount of \$59,318.
- f. transmittal of purchase on the basis of best contract for FUJIFILM SonoSite, Inc. [PP-IM-317] to provide diagnostic imaging equipment in the amount of \$52,750.

- g. transmittal of purchase on the basis of sole source for Laborie Medical Technologies, Corp. to provide a video urodynamics system in the amount of \$54,200.
- h. transmittal of awards on the basis of best proposals meeting requirements for Texas Special Instruments (\$31,205) and Otometrics (\$21,500) to provide audiology equipment in the estimated multi-vendor amount of \$52,705 for a one-year initial term with four (4) one-year renewal options.
- i. transmittal of renewal for Joann Marruffo, DDS to provide maxillofacial prosthodontic services in the estimated amount of \$75,000 for the term March 31, 2017 through March 30, 2018.
- j. transmittal of renewal for Baylor College of Medicine d/b/a Lions Eye Bank of Texas to provide ophthalmic tissue services in the estimated amount of \$96,000 for the term June 11, 2017 through June 10, 2018.
- k. transmittal of award on the basis of only proposal received for The StayWell Company, LLC to provide a healthcare content library in the estimated Year 1 amount of \$81,750 for a one-year initial term with four (4) one-year renewal options.
- l. transmittal of first-year funding on the basis of single-source ASCEND contract for Stryker Sales Corporation Endoscopy Division [AS-OR-1317] through Cardinal Health to provide laparoscopic suction irrigation products in the estimated amount of \$94,902 for the term May 1, 2017 through April 30, 2018.
- m. transmittal of third-year funding for the GPO contract for Covidien Sales, LLC [PP-OR-1218] to provide OR patient positioning products in the estimated amount of \$80,117 for the term August 1, 2017 through July 31, 2018.
- n. transmittal of purchase on the basis of sole source for Abbott, formerly St. Jude Medical, to provide AMPLATZER™ vascular plugs in the estimated amount of \$80,000 for the term July 20, 2017 through July 19, 2018.
- o. transmittal of purchase on the basis of sole source for BTG/Biocompatibles, Inc. to provide embolization devices in the estimated amount of \$80,000 for the term January 1, 2017 through December 31, 2017.
- p. transmittal of second-year funding for the GPO contract for Medline Industries, Inc. [AS-NS-880] through Cardinal Health to provide personal care kits and components in the estimated amount of \$74,832 for the term August 1, 2017 through July 31, 2018.
- q. transmittal of the corrected term for PharMEDium Services, LLC [PPPH18PMD01] to provide outsourced pharmacy compounding and admixture services for the (corrected) term April 14, 2017 through April 13, 2018 with one (1) one-year renewal option; April 1, 2016 through December 31, 2016 with two (2) one-year renewal options (as approved).
- r. transmittal of purchase on the basis of sole source for PSI Systems, Inc. d/b/a Endicia to provide postage software for the Central Fill Pharmacy System in the estimated amount of \$90,000.
- s. transmittal of an exemption from the competitive bid requirements and renewal for Southeast Reimbursement Group, LLC to provide a Medicare/Medicaid cost report in the estimated amount of \$71,800 for the term April 6, 2017 through April 5, 2018.

- t. transmittal of purchase on the basis of sole source for Haemonetics Corporation to provide reagents for Thrombelastograph[®] Hemostasis Analyzers (TEG[®]) in the estimated amount of \$64,045 for the term July 1, 2017 through June 30, 2018.
- u. transmittal of utilization of contract for Advanced Health Education Center, Ltd. d/b/a MEDRelief Staffing and Medical Contracting Services, Inc. to provide registered and state certified radiography temporary personnel in the estimated multi-vendor amount of \$25,000 for the term July 9, 2017 through July 8, 2018.
- v. transmittal of additional (budgeted) funds for Shared Technologies, Inc. to provide maintenance for telephone and voice communication systems in the additional (budgeted) amount of \$99,598 for the term June 1, 2017 through May 31, 2018 (Board previously approved funds in the amount of \$1,070,307 for the term June 1, 2017 through May 31, 2018).
- w. transmittal of the third and final renewal option for Elsevier, Inc. to provide maintenance and support for ExitCare[®] software in the estimated amount of \$66,234 for the term June 16, 2017 through June 15, 2018.
- x. transmittal of the first of two (2) renewal options for SWN Communications, Inc. [GSA # GS-35F-0639P] to provide an on-demand and response service subscription in the amount of \$65,430 for the term June 1, 2017 through May 31, 2018.

Motion 17.06-71

Moved by Ms. Carol Graebner, seconded by Ms. Anne Clutterbuck, and unanimously passed that the Board approve agenda item VI.C.2.b.

- b. Approval to Fund Services Provided Under the Agreement Between Harris Health and Affiliated Medical Services, Effective April 1, 2017 Through December 31, 2017.

Mr. Michael Norby, Executive Vice President and Chief Financial Officer, presented the consideration of approval to fund services under the AMS Agreement. He requested that the Board approve funding in the amount of \$12.6M for services provided under the Delivery System Reform Incentive Payment Program for the term April 2017 through December 2017. A copy of the First Amendment to the Professional Services Agreement between Harris Health and AMS is available in the permanent record.

Motion 17.06-72

Moved by Dr. Kimberly Monday, seconded by Mr. Elvin Franklin, Jr., and unanimously passed that the Board approve agenda item VI.C.2.c.

- c. Acceptance of the Harris Health System May 2017 Financial Report Subject to Audit.

Mr. Norby presented the Harris Health System May 2017 financial report. He reported that total monthly revenue was \$108.8M, which was \$1.7M less than budget, and that total monthly expenses were \$117.4M, which were \$3.1M

greater than budget. Mr. Norby explained that the unfavorable variances in expenses were due to salaries and wages and benefit costs. He reported that Harris Health's operating loss for May 2017 was \$8.5M, which was \$4.6M greater than budget. Mr. Norby stated that through the 1st Quarter of Fiscal Year 2018, Harris Health is still on track to achieve a breakeven budget by the end of the year. A copy of the report is available in the permanent record.

Motion 17.06-73

Moved by Ms. Daisy Stiner, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VI.C.2.d.

- d. Acceptance of the Harris Health System First Quarter FY2018 Investment Report. Mr. Norby reported that as of May 31, 2017, the investment balance was \$730M. A copy of the report is available in the permanent record.

Motion 17.06-74

Moved by Dr. Ewan Johnson, seconded by Mr. Elvin Franklin, Jr., and unanimously passed that the Board approve agenda items VI.C.2.e. through VI.C.2.h.

- e. Acceptance of the Harris Health System Audited Financial Statements as of and for the Years Ended February 28, 2017 and February 29, 2016.
- f. Acceptance of the Harris Health System 401(k) Plan Audited Financial Statements as of December 31, 2016 and 2015.
- g. Acceptance of the Harris Health System Audited Pension Plan Financial Statements as of December 31, 2016 and 2015.
- h. Acceptance of the Audit Report on Federal and State Award Programs for the Year Ended February 28, 2017.

Mr. David Harwood, Managing Director, KPMG US, LLP, presented the Harris Health System Audited Financial Statements, 401(k) Plan Financial Statements, Pension Plan Financial Statements, and Federal and State Award Programs Audit Report. He reported that no issues were found regarding management override of controls, that no deficiencies or misstatements were found regarding net patient service revenue and accounts receivable, and that no issues were found regarding federal and state award programs. Mr. Harwood stated that no audit misstatements were found, which means that the information that the Board receives from Harris Health's administration on a regular basis is correct. He also reported that there were no material weaknesses or significant deficiencies regarding internal control for Fiscal Year 2017 (FY2017). Ms. Daisy Stiner inquired regarding the reasons for the audit report finding that Harris Health's Emergency Center visits decreased 4.1% in FY2017. She recommended that Harris Health examine this decrease to determine whether it was due to the treatment of emergent dialysis patients or whether other factors were involved. Copies of the audit reports are available in the permanent record.

Motion 17.06-75

Moved by Mr. Lawrence Finder, seconded by Ms. Anne Clutterbuck, and unanimously passed that the Board approve agenda item VI.C.2.i.

- i. Approval of the Resolution to Extend the JPMorgan Letter of Credit, the Fifth Amendment to the Reimbursement Agreement, and the Engagement of Norton Rose Fulbright as Bond Counsel for the Series 2010 Bonds.

Mr. Norby presented the JPMorgan Letter of Credit, the Fifth Amendment to the Reimbursement Agreement, and the engagement of Norton Rose Fulbright as bond counsel for the Series 2010 bonds. He stated that Harris Health's current Letter of Credit expires August 12, 2017 and that the proposed new Letter of Credit will extend through August 12, 2019 at a rate of 0.80% per annum. The Board adopted the following resolution:

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Trustees, approves the extension of the JPMorgan Chase Bank Letter of Credit, the Fifth Amendment to the Reimbursement Agreement, and the engagement of Norton Rose Fulbright in connection with the \$104,435,000 Harris County Hospital District Senior Lien Refunding Revenue Bonds, Series 2010, and authorizes George V. Masi, President/CEO of Harris Health to execute and deliver all documents necessary for this transaction.

- j. Presentation of the First Quarter 2017 Financial Statements of Community Health Choice, Inc.

Mr. Kenneth Janda, President and Chief Executive Officer, Community Health Choice, Inc. (CHC, Inc.), presented the First Quarter 2017 financial statements of CHC, Inc. He announced that there will be separate financial statements for CHC, Inc. and CHC Texas, Inc. for the second quarter of 2017. Mr. Janda reported that CHC, Inc. experienced a significant increase in membership and premium revenue during the first quarter due to the enrollment of 75,000 new members into the Health Insurance Marketplace (Marketplace). He stated that medical expenses increased by 6% for the quarter because the new members who were previously insured by Aetna, Humana, UnitedHealthcare, and Cigna, had a greater number of claims than previous members who were uninsured prior to enrolling in Marketplace insurance plans. Mr. Janda reported that although CHC, Inc.'s net income of \$9.9M was \$7.1M below budget for the first quarter, CHC, Inc. continues to perform well year-to-date. A copy of the report is available in the permanent record.

D. PILLAR 2: OUR PATIENTS

1. **Discussion Regarding Updates from the Office of the Chief Medical Officer:
Transforming Healthcare Together**

Dr. Babber led the discussion regarding updates from the Chief Medical Officer (CMO). He stated that Harris Health is beginning its transition into becoming a high reliability organization (HRO). Dr. Babber explained that the following five (5) factors are the characteristics of an HRO: 1) a preoccupation with anticipating errors and revealing small, developing failures before they lead to system-wide failures; 2) a reluctance to accept simple excuses or explanations for bad processes; 3) a sensitivity and transparency to daily operations; 4) a commitment to resiliency when responding to failures; and 5) a deference to expertise. He reported that Harris Health's commitment to improving hand hygiene increased from 54% to 79% between January and May of 2017. Dr. Babber stated that Harris Health is 99.8% compliant in the perioperative areas regarding the Time Out verification process. He also recognized the dedication and hard work of the Utilization Review Committee, which is led by Dr. Deal and Dr. John Foringer. A copy of the report is available in the permanent record.

E. PILLAR 3: OUR FAMILY

1. Planning & Operations Oversight Committee Agenda Items

Motion 17.06-76

Moved by Ms. Carol Graebner, seconded by Ms. Anne Clutterbuck, and unanimously passed that the Board approve agenda items VI.E.1.a. through VI.E.1.c.

- a. Approval to Rescind Previous Approval of a First Amendment (Board Motion #17.03-34) to Increase a Grant Agreement by \$8,000 Between Harris County Hospital District d/b/a Harris Health System and the Parkland Health & Hospital System (Formerly Dallas County Hospital District, The Parkland Foundation) for the South Central Region 6 AIDS Education and Training Center (Formerly Texas/Oklahoma AIDS Education and Training Center) Funded Under Ryan White HIV/AIDS Treatment Extension Act of 2009 Part F, to Provide State-of-the-Art Education, Consultation, and Support to Healthcare Professionals Treating HIV-Positive Patients.
- b. Approval to Rescind Previous Approval of a Second Amendment (Board Motion #17.04-43) to Increase a Grant Agreement by \$25,000 Between the Harris County Hospital District d/b/a Harris Health System and the Parkland Health & Hospital System (Formerly Dallas County Hospital District, The Parkland Foundation) for the South Central Region 6 AIDS Education and Training Center (Formerly Texas/Oklahoma AIDS Education and Training Center) Funded Under Part F of the Ryan White HIV/AIDS Treatment Extension Act of 2009, to Provide State-of-the-Art Education, Consultation, and Support to Healthcare Professionals Treating HIV-Positive Patients.
- c. Approval to Ratify First Amendment Between the Harris County Hospital District d/b/a Harris Health System and the Parkland Health & Hospital System (Formerly Dallas County Hospital District, The Parkland Foundation) for the South Central Region 6 AIDS Education and Training Center (Formerly Texas/Oklahoma AIDS Education and Training Center) for Carry Over Funds in the Amount of \$50,000 for a Total Contract Amount of \$160,000, Funded Under Part F of the Ryan White HIV/AIDS

Treatment Extension Act of 2009, to Provide State-of-the-Art Education, Consultation, and Support to Healthcare Professionals Treating HIV-Positive Patients.

2. Joint Conference Committee Agenda Items

Motion 17.06-77

Moved by Ms. Carolyn Truesdell, seconded by Mr. Elvin Franklin, Jr., and unanimously passed that the Board approve agenda item VI.E.2.a.

- a. Acceptance of the Medical Executive Board Report for June 2017.

Dr. David Robinson, Chair, Medical Executive Board, presented the Medical Executive Board (MEB) Report for June 2017. He reported that the MEB discussed ways in which the entire Harris Health System can focus on the prevention and treatment of diabetes because it is a disease that affects all service lines within Harris Health. Dr. Robinson stated that the MEB will collaborate with the medical staff to form a subcommittee to initiate strategies to address the prevalence of diabetes in the community. He reported that the Riverside Dialysis Center recently implemented its peritoneal dialysis program, which will offer a more flexible alternative to patients than hemodialysis. Dr. Robinson stated that Harris Health's nursing vacancy rate is 8.7%, which is well below the Gulf Coast nursing vacancy rate of 11%. A copy of the report is available in the permanent record.

Motion 17.06-78

Moved by Ms. Anne Clutterbuck, seconded by Mr. Elvin Franklin, Jr., and unanimously passed that the Board approve agenda item VI.E.2.b.

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

Dr. Robinson presented the June 2017 credentialing changes for the members of the Harris Health System medical staff. He reported that there were forty-one (41) initial appointments, eighty-seven (87) reappointments, one (1) resignation, and twenty (20) change/add privileges. A copy of the report is available in the permanent record.

F. PILLAR 4: OUR HOME

1. Information Technology Committee Agenda Item

- a. Discussion and Possible Action Regarding the Board Room's Audio Visual Technology Renovation.

Mr. Tim Tindle, Executive Vice President and Chief Information Officer, led the discussion regarding the Board room's audio visual technology renovation. He delivered an overview of the improvements that are required in the Board room regarding the audio system, video equipment and the audiovisual control system, and the installation of a new presenters' desk with audiovisual support. Mr. Tindle estimated that the costs will be \$32K

for the entire renovation project. A copy of the report is available in the permanent record.

2. Miscellaneous Item

Motion 17.06-79

Moved by Mr. Elvin Franklin, Jr., seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VI.F.2.a.

- a. Approval Regarding Additional Signage at Ben Taub Hospital.

Ms. Amanda Callaway, Associate Administrator, Mission Advancement, presented the request for approval regarding additional signage at Ben Taub Hospital. She stated that the Henry and Marilyn Taub Foundation agreed to pay the costs of installing additional signage to the exterior of BTH to assist visitors to the Medical Center in finding the hospital's location. A copy of the scope of work for the proposed sign is available in the permanent record.

VII. Executive Session

At 11:53 a.m., Ms. Clutterbuck stated that the Board would enter into Executive Session under Texas Health & Safety Code §161.032, Texas Occupations Code Ann. §160.007, Texas Gov't Code Ann. §551.071, Texas Gov't Code Ann. §551.085, Texas Gov't Code Ann. §418.183, and Texas Gov't Code Ann. §551.074.

VIII. Reconvene

At 3:34 p.m., Ms. Clutterbuck 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 the Ratification and Settlement of a Lawsuit Filed on Behalf of Harris Health; Cause No. 2017-10486; *Harris Health System v. Bessy Moni & Ehsanur Rahman*; in the 189th Judicial District Court of Harris County, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This

Matter Upon Return to Open Session.

Motion 17.06-80

Moved by Ms. Carolyn Truesdell, seconded by Ms. Carol Graebner, and unanimously passed that the Board approve agenda item VII.C.

The Harris County Hospital District d/b/a Harris Health System (“Harris Health”), by and through its Board of Trustees, ratifies the filing of the lawsuit styled Cause No. 2017-10486; *Harris Health System v. Bensy Moni & Ebansur Rahman*; in the 189th Judicial District Court for Harris County, Texas and hereby authorizes settlement in an amount not to exceed \$3,190.14 payable to Harris Health System. George V. Masi, President/CEO of Harris Health, is authorized to execute any agreement, release, or any other necessary documents to effect this settlement.

- D. Consultation with the County Attorney Regarding a Claim Against WellCare of Texas, Inc., Pursuant to Texas Gov’t Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 17.06-81

Moved by Mr. Elvin Franklin, Jr., seconded by Mr. Lawrence Finder, and passed that the Board approve agenda item VII.D.; seven (7) in favor; one (1) abstained; one (1) absent.

The Harris County Hospital District d/b/a Harris Health System (“Harris Health”), by and through its Board of Trustees, hereby authorizes settlement of a claim against WellCare of Texas, Inc. in the amount of \$700,000.00 payable to Harris Health System. George V. Masi, President/CEO of Harris Health, is authorized to execute any agreement, release or any other necessary documents to effect this settlement.

- E. Consultation with the County Attorney Regarding Harris Health System’s Lease Agreement with the Harris County Hospital District Foundation for Ben Taub Hospital’s McDonald’s, Pursuant to Texas Gov’t Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 17.06-82

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and passed that the Board approve agenda item VII.E.

The Harris County Hospital District d/b/a Harris Health System (“Harris Health”), by and through its Board of Trustees, hereby authorizes the Harris County Attorney’s Office to pursue appropriate legal remedies to enforce and defend Harris Health’s discretionary authority to not authorize McDonald’s Corporation’s request to lease the premises at Ben Taub Hospital for a successive option period and to engage outside counsel for assistance with this matter.

- F. Discussion Regarding Financial Planning Information Related to the Negotiation Between the Harris County Hospital District d/b/a Harris Health System and Affiliated Medical Services for the Arrangement or Provision of Medical Services, Pursuant to Texas Gov't Code Ann. §551.085, and Possible Action Regarding Proposed Changes to the Medical Leadership Staffing Plan Upon Return to Open Session.

No action was taken.

- G. Discussion Regarding Harris Health System's Information Security Program, Pursuant to Texas Gov't Code Ann. §418.183 and Texas Gov't Code Ann. §551.074, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- H. Discussion Regarding the Performance Evaluations of the Harris Health System President/CEO and the Vice President and Chief Governance Officer, Pursuant to Texas Gov't Code Ann. §551.074, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 17.06-83

Moved by Mr. Elvin Franklin, Jr., seconded by Dr. Kimberly Monday, and unanimously passed that the Board completed the performance evaluation of Mr. George Masi, the Harris Health System President/CEO, and authorized a 2% cost-of-living increase and a 3% merit increase for Mr. Masi.

IX. Adjournment

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

There being no further business, the meeting adjourned at 3:36 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 June 29, 2017.

Respectfully submitted,



Ms. Anne Clutterbuck, Chair
Board of Trustees



Ms. Daisy Stiner, Secretary
Board of Trustees

Recorded by Kenya Shields