

HARRIS HEALTH SYSTEM

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MINUTES OF THE BOARD OF TRUSTEES MEETING

Thursday, April 26, 2018

Board Room – Administration Building

Members Present:

Ms. Anne Clutterbuck, Chair
Dr. Kimberly Monday, Vice Chair
Mr. Lawrence Finder (12:50 p.m. departure)
Dr. Ewan Johnson
Ms. Elena Marks
Mr. Art Morales
Ms. Carolyn Truesdell

Members Absent:

Ms. Linda Morales, Secretary
Dr. Arthur Bracey

Others Present:

Mr. George Masi, President & Chief Executive Officer
Dr. Ericka Brown, Senior Executive Vice President & Chief Operating Officer
Mr. Michael Norby, Executive Vice President & Chief Financial Officer
Dr. Parikshet Babber, Executive Vice President & Chief Medical Officer
Mr. Tim Tindle, Executive Vice President & Chief Information Officer
Dr. Nathan Deal, Executive Vice President & Administrator, Ben Taub Hospital
Dr. Jennifer Small, Interim Executive Vice President & Administrator, Ambulatory Care Services
Dr. Alan Vierling, Executive Vice President & Administrator, Lyndon B. Johnson Hospital
Dr. Jose Garcia, General Director, Affiliated Medical Services
Dr. David Robinson, Chair, Medical Executive Board
Dr. Kenneth Mattox, Chief of Staff, Ben Taub Hospital
Dr. Tien Ko, Chief of Staff, Lyndon B. Johnson Hospital
Dr. Mohammad Zare, Chief of Staff, Ambulatory Care Services
Ms. Nicole Streeter, Vice President, Chief Governance Officer
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office
Ms. Carole Lamont, Commissioner Steve Radack's Office
Mr. Paul Shanklin, Commissioner Jack Cagle's Office
Ms. Amber Weed, Commissioner Ellis's Office
Administrative Staff
Guests
(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Ms. Anne Clutterbuck, Chair, called the meeting to order at 9:08 a.m., and noted that a quorum was present. The attendance was recorded.

II. Approval of the Minutes of Previous Meeting

Motion 18.04-37

Moved by Dr. Kimberly Monday, seconded by Ms. Carolyn Truesdell, and unanimously passed that the Board approve the minutes of the March 29, 2018 Board of Trustees meeting.

III. Announcements / Special Presentations

A. Special Recognition – Dr. Jennifer Small, Interim Executive Vice President and Administrator, Ambulatory Care Services, recognized Harris Health's receipt of the 2017 Quality Improvement Award Certificate of Achievement from the Health Resources and Services Administration (HRSA) Health Center Program. She announced that HRSA awarded Harris Health \$72,000 for exceeding clinical outcomes and providing excellent service through the Health Care for the Homeless Program.

B. Special Recognition – Dr. Nathan Deal, Executive Vice President and Administrator, Ben Taub Hospital (BTH), announced BTH's re-designation as a Level 1 Trauma Facility and designation as a Level 3 Neonatal ICU Facility. Texas State Representative Sarah Davis presented resolutions in recognition of the Level 3 neonatal designation and the Level 1 trauma designation to Dr. Deal and members of the BTH neonatal and trauma teams.

C. Special Recognition – Dr. Alan Vierling, Executive Vice President and Administrator, Lyndon B. Johnson Hospital (LBJ), announced LBJ's designation as a Baby-Friendly Birth Facility. He stated that this recognition is awarded to facilities that promote breastfeeding, which strengthens the babies' immune systems and reduces the mothers' chances of developing breast cancer and cervical cancer. Dr. Vierling reported that the rate of breastfeeding mothers at LBJ increased from 3.4% to 45% over a four-year period.

IV. Hear from Citizens

Ms. Ottley Sims, Harris Health retiree, expressed concern regarding the modifications to Harris Health's post-employment health benefits (PEHB). She stated that Harris Health promised to provide insurance benefits to the retirees that are equal to the insurance benefits provided to the employees. Ms. Sims expressed doubt that this promise will be fulfilled under the modified PEHB policy. She stated that the proposed health savings accounts will be insufficient to cover Medigap policy costs and that the Medicare Advantage plans offer only a limited number of physicians and hospital districts.

Ms. Deveeta Porter, Harris Health retiree, spoke regarding the PEHB modifications. She expressed concern that the modified PEHB policy may force her to switch from the primary care physician she has seen since 2009 to a new physician. Ms. Porter stated that she feels it is unfair to ask the retirees, many of whom are over 65 years of age and have numerous medical problems, to find new physicians and vendors.

Ms. Alicia Reyes, Harris Health retiree, spoke regarding the PEHB modifications. She stated that Harris Health was not transparent with the retirees about the modifications because the Harris Health strategic plan states that healthcare coverage would be reduced but the retirees were not informed of the changes prior to their implementation. Ms. Reyes mentioned that the retirees do not feel valued and that Harris Health must live up to its stated values of integrity, honesty, and communication. She distributed letters to the Board from various retirees stating their reactions to the PEHB modifications.

Ms. Angela Charles, Harris Health retiree, spoke regarding the PEHB modifications. She stated that Harris Health's retirees worked through difficult conditions and gave their most productive years to Harris Health in return for a promise of pensions and healthcare benefits upon retirement. Ms. Charles commented that Harris Health is failing to keep its promise to the retirees because the proposed health reimbursement account will be insufficient to cover their copayment costs. Additionally, she expressed concern that retirees who currently utilize physicians and healthcare networks that are beneficial for them may be forced to seek treatment elsewhere.

Mr. George Masi, President and Chief Executive Officer, acknowledged that the hard work of Harris Health's retirees contributed toward making Harris Health the organization that it is today, and he thanked them for their dedication. He emphasized that Harris Health will make every effort over the next two (2) years to assist all affected retirees in making the transition to a health reimbursement account (HRA). Mr. Masi stated that retirees who retired prior to reaching age 65 will remain under the current PEHB plan until they reach 65. He noted that Harris Health is the only institution in the Texas Medical Center that provides retiree health benefits and that the HRA will allow Harris Health to continue providing those benefits.

Mr. James Bex, Account Executive Sr., Canon Medical Systems USA, Inc. and Mr. Steven Beale, Senior CT Zone Business Manager, Canon Medical Systems USA, Inc. spoke regarding the bidding process regarding Purchasing item A(1)a. Mr. Bex stated that although Canon met or exceeded Harris Health's requirements regarding the bid for the replacement of a computed tomography scan system at LBJ, another vendor won the bid. He stated that Canon submitted a protest letter in response because the Board received false information regarding Canon's proposal and the correct bid process was not followed. Ms. Anne Clutterbuck stated that the Board will examine this issue further. Mr. Bex and Mr. Beale distributed a packet containing documentation related to Canon's bid to the Board.

V. CEO Report – Creating a Culture of Philanthropy

Ms. George Masi, President and Chief Executive Officer, presented the CEO Report. Mr. Jeff Baker, Executive Director, Harris County Hospital District Foundation (Foundation), introduced the Foundation's 2018 Harris Health Employee Giving Campaign: Family for Life. He stated that the Foundation retained the services of Trevino Consulting Group to assist in the execution of the campaign implementation plan and that the timeframe of the campaign will be from June 11-27, 2018. Mr. Masi explained that Harris Health employees will be presented with a series of philanthropic causes across the organization that they may choose to contribute towards. He stated that the goal is not to achieve a particular dollar amount but to encourage full participation in fostering a culture of

philanthropy within Harris Health.

VI. Consent Agenda Items

A. Recommended Committee Approvals

Motion 18.04-38

Moved by Ms. Elena Marks, seconded by Dr. Ewan Johnson, and passed that the Board approve agenda items VI.A(1)b. and VI.A(1)d. through VI.A.5. Mr. Lawrence Finder recused from the following purchasing items: A(1)a., A(1)b., A(1)c., A(1)d., A(1)e., A(1)g., A(1)h., A(1)i., A(1)j., A(1)k., A(1)l., A(1)m., A(1)n., A(1)o., A(1)p., A(1)q., A(1)r., A(1)s., A(1)t., A(1)u., A(1)v., A(1)x., A(1)y., A(1)z., A(1)aa., A(1)dd., A(1)ff., A(1)hh., A(1)ii., A(1)ll., A(1)nn., A(1)oo., A(1)pp., and A(1)qq.

1. Consideration of Purchasing Recommendations Requiring Board Approval

a. **PULLED**

approve purchase on the basis of lowest-priced contract for GE Healthcare [PP-IM-265] to provide diagnostic imaging equipment in the amount of \$1,499,135.

- b. approve purchase on the basis of sole source for Elekta, Inc. to provide hardware maintenance and support for three (3) Elekta linear accelerators in the estimated amount of \$548,296 for a one-year initial term with four (4) one-year renewal options.

c. **PULLED**

approve purchase on the basis of lowest-priced contract for The Clorox Company [AS-MM-497] to provide room environment infection prevention products in the amount of \$401,580.

- d. approve additional (non-budgeted) funds for Stryker Sales Corporation through Stryker Endoscopy Division to provide maintenance and repair services for endoscopy equipment in the additional (non-budgeted) amount of \$127,050 for the term March 2, 2018 through March 1, 2019 (Board previously approved funds in the amount of \$203,405 for the term March 2, 2018 through March 1, 2019).

- e. approve purchase on the basis of best contract for KARL STORZ Endoscopy-America, Inc. [PP-OR-1416] to provide surgical endoscopy and video equipment – rigid in the amount of \$120,960.

- f. approve additional (budgeted) funds for WYLIE Consulting Engineers to provide professional architectural and engineering services for various projects in the estimated additional (budgeted) amount of \$100,000 for the term October 5, 2017 through October 4, 2018 (Board previously approved funds in the amount of \$200,000 for the term October 5, 2017 through October 4, 2018).

- g. approve award on the basis of only proposal received for Integra LifeSciences Sales, LLC to provide brain tissue oxygen monitoring systems in the amount of \$127,215 for a one-year initial term with four (4) one-year renewal options.

- h. approve the second of six (6) renewal options for Cardinal Health 200, LLC. to provide prime distribution services for medical/surgical supplies in the estimated amount of \$1,425,000 for the term May 18, 2018 through May 17, 2019.
- i. approve third-year funding for the GPO contract for Medline Industries Inc. [PP-NS-933] through Cardinal Health to provide exam gloves in the estimated amount of \$1,336,326 for the term May 1, 2018 through April 30, 2019.
- j. ratify second-year funding for the GPO contract for Hill-Rom Company, Inc. [AS-MM-408] to provide the continued rental of patient beds, mattresses, and therapeutic surfaces in the estimated amount of \$886,335 for the term March 1, 2018 through February 28, 2019.
- k. approve additional (budgeted) funds for Stryker Orthopaedics, a part of Howmedica Osteonics Corp., to provide orthopedic implants in the additional (budgeted) amount of \$600,000 (Board previously approved funds in the amount of \$53,887).
- l. approve third-year funding for the GPO contracts for Ansell Healthcare Products, LLC [PP-OR-1319](\$776); Molnlycke Health Care US, LLC [PP-OR-1322](\$34,360); and Medline Industries, LLC [PP-OR-1321](\$500,000) (all through Cardinal Health) to provide surgical gloves in the estimated multi-vendor amount of \$535,136 for the term May 1, 2018 through April 30, 2019.
- m. ratify second-year funding for the GPO contracts for Hollister Incorporated [PP-NS-1008](\$8,470); Medline Industries Inc. [PP-NS-1009](\$39,182); ConvaTec Inc. [PP-NS-1005](\$90,870); and Molnlycke Health Care US LLC [PP-NS-1010] (\$220,000) to provide primary/secondary wound care dressings and wound debridement products in the estimated multi-vendor amount of \$358,522 for the term April 1, 2018 through March 31, 2019.
- n. approve second-year funding for the GPO contracts for PDI-Professional Disposables International, Inc. [PP-NS-1030](\$24,436) and Diversey, Inc. [PP-NS-1028](\$265,086) (all through Cardinal Health) to provide intermediate-level disinfectant wipes in the estimated multi-vendor amount of \$289,522 for the term May 1, 2018 through April 30, 2019.
- o. approve purchase on the basis of sole source for Cardinal Health 245 (formerly Access Closure, Inc.) 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.
- p. approve second-year funding for the GPO contracts for AMD-Ritmed Inc. [PP-OR-1399](\$25,268) and Cardinal Health 200, LLC [PP-OR-1397](\$137,966) (all through Cardinal Health) to provide lap sponges, operating room towels, and specialty sponges in the estimated multi-vendor amount of \$163,234 for the term June 1, 2018 through May 31, 2019.
- q. approve the first of four (4) renewal options for Cook Medical LLC (\$30,085) and United States Endoscopy Group, Inc. (\$121,829) to provide gastrointestinal endoscopy

products in the estimated multi-vendor amount of \$151,914 for the terms July 26, 2018 through July 25, 2019 (Cook) and May 1, 2018 through April 30, 2019 (US Endoscopy).

- r. approve first-year funding on the basis of best contract for Medtronic, formerly Covidien Sales LLC [PP-NS-1092], to provide dialysis products and accessories in the estimated amount of \$143,142 for the term November 1, 2017 through October 31, 2018.
- s. approve award on the basis of only proposal received for Medtronic USA, Inc. to provide neurovascular and stroke therapy products in the estimated amount of \$126,560 for a one-year initial term with four (4) one-year renewal options.
- t. approve awards on the basis of best proposals meeting requirements for Smith & Nephew, Inc. (\$248,288) and Stryker Orthopaedics, a division of Howmedica Osteonics Corp. (\$422,640), to provide orthopedic joints and reconstruction products in the estimated multi-vendor amount of \$670,928 for a one-year initial term with four (4) one-year renewal options.
- u. approve award on the basis of only proposal received for Stryker Neurovascular to provide neurointerventional microcoil embolics products in the estimated amount of \$133,380 for a one-year initial term with four (4) one-year renewal options.
- v. approve the fourth of five (5) renewal options for Ecolab USA, Inc. [PP-SV-135] to provide pest elimination services in the estimated amount of \$262,296 for the term May 8, 2018 through May 7, 2019.
- w. approve the third of four (4) renewal options and revised vendor name for Houston – PPH, LLC (revised name) / Cy-Fair Medical Center Hospital, LLC (as approved) to provide wide bore MRI and other radiology services in the estimated amount of \$180,000 for the term May 4, 2018 through May 3, 2019.
- x. approve the third of four (4) renewal options for Iron Mountain Information Management, LLC to provide off-site storage and maintenance of medical records, x-ray film, and retrieval services in the estimated amount of \$2,182,388 for the term May 12, 2018 through May 11, 2019.
- y. approve additional (budgeted) funds and an extension for Becton, Dickinson and Company through BD Biosciences to provide flow cytometry analyzers, reagents, consumables, and services in the additional (budgeted) amount of \$95,000 for the extended term May 1, 2018 through July 31, 2018 (Board previously approved funds in the amount of \$1,285,631 for the term April 24, 2013 through April 30, 2018).
- z. approve additional (non-budgeted) funds for Reliance Standard Life Insurance Company through Insurance Point, a division of Gallagher Benefit Services, Inc., to provide basic and voluntary life and accidental death and dismemberment insurance in the additional (non-budgeted) amount of \$157,232 for the term March 1, 2017 through February 28, 2018 (Board previously approved funds in the amount of \$1,824,365 for the term March 1, 2017 through February 28, 2018).

- aa. rescind awards for B.E. Smith, Inc., Korn Ferry International, and Merritt Hawkins/MillicanSolutions to provide executive recruitment services for a one-year initial term with four (4) one-year renewal options.
- bb. approve the first of four (4) renewal options for Livongo Health, Inc. to provide a diabetes management program in the estimated amount of \$770,458 for the term May 19, 2018 through May 18, 2019.
- cc. approve renewal for Intelligent Retinal Imaging Systems, LLC to provide a retinal imaging system (and services) in the estimated amount of \$602,000 for the term May 22, 2018 through May 21, 2019.
- dd. approve renewal for Baylor College of Medicine to provide clinic/health services for a school-based teen clinic program for students enrolled in the Houston Independent School District in Harris County Precinct 3 in the estimated amount of \$150,000 for the term July 1, 2018 through June 30, 2019.
- ee. approve provision for Harris County Hospital District d/b/a Harris Health System to provide laboratory testing for the Harris County Institute of Forensic Sciences and for the Harris County Institute of Forensic Sciences to provide autopsy examination and forensic analyses and other services for Harris County Hospital District d/b/a Harris Health System in the estimated amount of \$0 for a one-year initial term with four (4) one-year renewal options.
- ff. approve award on the basis of best proposal meeting requirements for Diasorin Inc. to provide fully automated or semi-automated infectious disease and serology testing analyzer(s), including reagents, consumables, and service in the estimated amount of \$258,234 for a one-year initial term with four (4) one-year renewal options.
- gg. approve award on the basis of best proposal meeting requirements for Inova Diagnostics Inc. to provide fully automated or semi-automated autoimmune disease testing analyzer(s), including reagents, consumables, and service in the estimated amount of \$151,053 for a one-year initial term with four (4) one-year renewal options.
- hh. approve purchase on the basis of sole source for Epic Systems Corporation to provide an Epic Enterprise license agreement in the estimated amount of \$988,752.
- ii. 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 estimated amount of \$815,995.
- jj. approve the fourth and final renewal option for Fisk Electric Company (Primary) and Network Cabling Services, Inc. (Secondary) to provide a Systimax Prestige partner program for cable labor, parts, materials, and related equipment in the estimated multi-vendor amount of \$700,000 for the term May 20, 2018 through May 19, 2019.
- kk. approve the fourth and final renewal option for Fibertown Houston, LLC to provide data center co-location services in the estimated amount of \$593,136 for the term May 15, 2018 through May 14, 2019.

- ll. approve renewal on the basis of sole source for Oracle America, Inc. to provide PeopleSoft unlimited license agreement maintenance in the estimated amount of \$499,187 for the term May 30, 2018 through May 29, 2019.
 - mm. approve purchase on the basis of only quote for SHI Government Solutions, Inc. [DIR-TSO-2660] to provide single sign-on software maintenance in the estimated amount of \$226,822 for the term May 2, 2018 through May 1, 2019.
 - nn. approve the second of four (4) renewal options on the basis of sole source for Microsoft Corporation [DIR-SDD-1927] to provide Microsoft Premier support services in the estimated amount of \$202,247 for the term May 28, 2018 through May 27, 2019.
 - oo. approve renewal on the basis of sole source for Nuance Communications, Inc. to provide software license, maintenance, and support for the Nuance PowerScribe speech (voice) recognition system in the estimated amount of \$197,958 for the term May 19, 2018 through May 18, 2019.
 - pp. ratify purchase on the basis of low quote for Dell Marketing LP [DIR-TSO-3763] to provide Symantec Vault E-Discovery software maintenance in the estimated amount of \$107,015 for the term April 3, 2018 through April 2, 2019.
 - qq. approve award on the basis of only proposal received for Lexington Ins. Co. as lead underwriter with remaining program shared with XL/Caitlin, Chubb/ACE, Berkshire Hathaway, RSUI, Liberty, Lloyds of London and Starr Specialty through John L. Wortham & Son, L.P. to provide all-risk property insurance and boiler and machinery coverage in the estimated amount of \$1,851,255 for a one-year initial term with four (4) one-year renewal options.
2. Approval of the Harris Health System Fourth Quarter FY2018 Investment Report.
 3. Approval to Transfer Funds in an Amount Not to Exceed \$86,387 for Fiscal Year 2019 to the Harris County Engineering Department to Provide Architectural, Engineering, Construction Management, and Other Related Services Required for the Casa De Amigos Parking Lot Project.
 4. Approval to Utilize the Construction Manager at Risk Delivery Method for the Construction of the Ben Taub Emergency Center Renovation Project and to Authorize the Purchasing Agent to Issue a Request for Qualification.
 5. Approval of Affiliation Agreements Between Harris County Hospital District d/b/a Harris Health System and Four (4) Educational Institutions.

{End of Consent Agenda}

VII. Strategic Discussion

A. Discussion Regarding Selected Goals and Objectives From "The Bridge to 2020" Harris Health System Strategic Plan

1. Review and Discussion Regarding Coordination of Care.

Ms. Karen Tseng, Senior Vice President, Population Health Transformation, and Mr. David Viela, Director of Patient Centered Medical Homes and Population Health Initiatives, led the discussion regarding coordination of care. She stated that Harris Health's mission is to care for those most in need in the most efficient and effective way possible. Ms. Tseng noted that Harris Health must create a common framework to consider the spectrum of options that are available to improve care coordination and examine key opportunities for the Board to provide guidance to administration. The principal health determinants of a population include the quality of care, access to care, healthy behaviors, and social, economic, and environmental factors. The continuum of care coordination transitions from the intramural coordination of health services within Harris Health to the extramural coordination of health services with external community partners to the global coordination of social services. Although Harris Health provides a broad spectrum of medical care, there are key constraints to its healthcare delivery model. Harris Health would benefit by partnering with other healthcare organizations which provide certain types of care more efficiently. The following three (3) factors are fundamental to any proposed care coordination initiatives: 1) an aligned governance structure involving municipalities, counties, and safety net health organizations; 2) a secure financial model; and 3) comprehensive and reliable data. Ms. Tseng presented the following examples regarding how Harris Health may capitalize upon future care coordination opportunities: 1) improve the comprehensive management of chronic disease patients by utilizing clinical and non-clinical staff, patient educators, and social workers; 2) strengthen Harris Health's collaboration with Federally Qualified Health Centers to increase access to specialty care in the community; and 3) identify populations who are ideally situated for non-medical interventions based on key risk factors such as poverty, homelessness, behavioral health, incarceration history, and disability. Discussion ensued. A copy of the presentation is available in the permanent record.

2. Review and Discussion Regarding Participation in the Delivery System Reform Incentive Payment (DSRIP) Program.

Dr. Ericka Brown, Senior Executive Vice President and Chief Operating Officer, led the discussion regarding DSRIP Program participation. She reported that the DSRIP program began in 2011 as a component of the 1115 Medicaid Transformation Waiver (1115 Waiver) and that it is a collaboration between the Texas Health and Human Services Commission, the Centers for Medicare & Medicaid Services (CMS), and more than 300 healthcare providers across Texas. Dr. Brown stated that DSRIP was intended as a substitute for Medicaid expansion over a six-year period, which ended in late 2017. Phase 1 of the DSRIP program provided funding to healthcare providers primarily through volume-based projects. Phase 2 of the DSRIP program, which began in October 2017, places greater emphasis on quality outcomes as opposed to volume requirements. Mr. R. King Hillier, Vice President, Public Policy and Government Relations, reported that CMS renewed the 1115 Waiver for a five-year period from October 2017 through September 2022. Harris Health is the anchor health system for the participants of Regional Healthcare Partnership 3, which include over twenty (20) healthcare providers in nine (9) counties. Ms. Amanda Callaway, Associate Administrator, Mission Advancement, delivered an overview of DSRIP Phase 2 categories A - D

and the funding amounts associated with each category. She stated that Category C focuses on the achievement of quality goals according to measure bundle metrics. Dr. Brown explained that Harris Health will be required to achieve specific metrics within the measure bundles to receive the maximum amount of funding available. She stated that Harris Health must consider the eventual elimination of the current DSRIP program in 2022, which will impact the infrastructure and services that currently utilize DSRIP funds to serve patients. A copy of the presentation is available in the permanent record.

B. Harris Health System Legislative Initiatives

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

Mr. Hillier led the discussion regarding pending federal legislative and policy issues affecting Harris Health System. He reported that the U.S. House of Representatives Committee on Energy and Commerce is expected to schedule hearings regarding the 340B Drug Discount program in June 2018. Mr. Hillier stated that Harris Health will monitor an upcoming regulation from the Department of Homeland Security, which may revise the definition of a public charge and thereby increase the numbers of uninsured patients in Harris County and reduce the amount of social and healthcare services they are allowed to receive. He announced that Mr. Eric Haragan, Deputy Secretary for the Department of Health and Human Services, is scheduled to tour BTH on May 1, 2018 and discuss Hurricane Harvey outcomes. A copy of the report is available in the permanent record.

C. Compliance Education: Seven Elements of an Effective Compliance Program – Part 1 of 3 [Board Education]

Ms.Carolynn Jones, Senior Vice President of Corporate Compliance, stated that she will defer this presentation until the May 2018 Board meeting.

VIII. Board Review and Action Items

A. Joint Conference Committee Item

Motion 18.04-39

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VIII.A.1.

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

Dr. Jose Garcia, General Director, Affiliated Medical Services, presented the April 2018 credentialing changes for the members of the Harris Health System medical staff. He reported that there were eighteen (18) initial appointments, fifty-five (55) reappointments, twenty-three (23) resignations, and eleven (11) change/add privileges. A copy of the report is available in the permanent record.

B. Performance Improvement & Patient Safety Committee Item

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

Dr. Parikshet Babber, Executive Vice President and Chief Medical Officer, led the discussion regarding updates from the Chief Medical Officer (CMO). He reported that utilization of the electronic incident reporting system (eIRS) by Harris Health physicians and staff increased by 30% in 2017. Dr. Babber explained that the purpose of the eIRS is to instantly report incidents, concerns, and safety events and that this marked increase demonstrates that Harris Health is promoting an environment of transparency and safety. A copy of the report is available in the permanent record.

C. Budget & Finance Committee Items

Motion 18.04-40

Moved by Dr. Kimberly Monday, seconded by Ms. Anne Clutterbuck, and unanimously passed that the Board approve the supplemental agenda item listed below.

Approval to Ratify an Amendment to Increase an Interlocal Agreement Between Harris County Hospital District d/b/a Harris Health System and Harris County Public Health By \$347,746 for a Total Amount of \$7,371,116, Funded Under the Ryan White HIV/AIDS Treatment Extension Act of 2009 Part A to Provide Primary Medical Care, Psychiatric Services, Obstetric and Gynecology Services, and a Local Pharmacy Assistance Program to HIV-Positive Patients of Harris Health System for the Term March 1, 2017 Through February 28, 2018. A copy of the supplemental notice regarding this item is available in the permanent record.

Motion 18.04-41

Moved by Ms. Elena Marks, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item VIII.C.1.

1. Acceptance of the Harris Health System March 2018 Financial Report Subject to Audit.

Mr. Michael Norby, Executive Vice President, Chief Financial Officer, presented the Harris Health System March 2018 financial report. He reported that inpatient volume was 5% less than budget and that clinic visits were 7.8% less than budget for the month. Mr. Norby stated that Harris Health's operating income for the month was \$3.4M against a budgeted loss of \$3.7M. Ms. Truesdell recommended that the Board engage in a detailed discussion regarding the continued reduction in clinic

visits at a future meeting. Ms. Elena Marks requested that the Board receive information regarding trends in clinic visits as opposed to snapshots regarding current clinic visits. A copy of the report is available in the permanent record.

D. Planning & Operations Oversight Committee Items

Motion 18.04-42

Moved by Ms. Carolyn Truesdell, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda item VIII.D.1.

1. Approval of an Agreement Between Harris County Hospital District d/b/a Harris Health System and the Johnson & Johnson Patient Assistance Foundation, Inc. to Participate in the Johnson & Johnson Patient Assistance Program.

Motion 18.04-43

Moved by Ms. Elena Marks, seconded by Dr. Ewan Johnson, and unanimously passed that the Board approve agenda items VIII.D.2. and VIII.D.3.

2. Approval of the Health Care for the Homeless Program Consumer Advisory Council Report from December 2017 Through February 2018, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.
3. Approval of the Health Care for the Homeless Program 2017 Annual Report, as Required by the United States Department of Health and Human Services, Which Provides Funding to the Harris County Hospital District d/b/a Harris Health System to Provide Health Services to Persons Experiencing Homelessness Under Section 330(h) of the Public Health Service Act Health Care for the Homeless Program.

IX. Executive Session (Agenda Item IX. was taken out of order)

At 9:50 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, and Texas Gov't Code Ann. §551.074.

X. Reconvene

At 12:36 p.m., Ms. Clutterbuck reconvened the meeting and stated that no action was taken in Executive Session.

- A. Discussion Regarding Financial Planning Information Related to the Negotiation Between the Harris County Hospital District d/b/a Harris Health System and Affiliated Medical Services for the Arrangement or Provision of Medical Services,

Pursuant to Texas Gov't Code Ann. §551.085, and Possible Action Regarding This Matter Upon Return to Open Session.

No action was taken.

- B. Consultation with the County Attorney Regarding a Settlement Related to an Interlocal Agreement with the City of Houston for Exchange of Eligibility Information and Access to Wage Record Information from the Texas Workforce Commission, Pursuant to Texas Gov't Code §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 18.04-44

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

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Trustees, approves and hereby authorizes settlement related to an Interlocal Agreement with the City of Houston for the exchange of eligibility information and access to wage record information from the Texas Workforce Commission in the amount of \$122,157.60, payable to Harris Health. George Masi, President/CEO of Harris Health, is authorized to execute any agreement, release, or any other necessary documents to effect this settlement.

- C. Consultation with the County Attorney Regarding Settlement of Compensation Claims, Pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding This Matter Upon Return to Open Session.

Motion 18.04-45

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

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Trustees, approves and hereby authorizes settlement of compensation claims in an amount not to exceed \$22,396.80. George Masi, President/CEO of Harris Health, is authorized to execute any agreement, release, or any other necessary documents to effect this settlement.

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

No action was taken.

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

No action was taken.

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

No action was taken.

- G. Discussion Regarding the Performance Evaluations of George V. Masi, President and Chief Executive Officer, 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 18.04-46

Moved by Ms. Carolyn Truesdell, seconded by Dr. Kimberly Monday, and unanimously passed that the Board approve agenda item IX.G.; subsequent to the performance evaluation of Mr. George Masi, President and Chief Executive Officer, the Board authorizes on behalf of Mr. Masi a standard salary increase as written in his employment contract and a maximum merit increase, the percentages of which are to be determined.

XI. Adjournment

Moved by Ms. Elena Marks, seconded by Ms. Carolyn Truesdell, and unanimously accepted to adjourn the meeting.

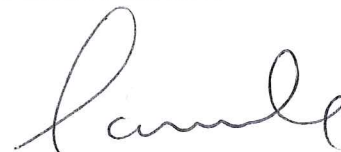
There being no further business, the meeting adjourned at 1:37 p.m.

I certify that the foregoing are the Minutes of the meeting of the Board of Trustees of the Harris County Hospital District d/b/a Harris Health System held at the Administration Building in Houston, Texas on April 26, 2018.

Respectfully submitted,



Anne Clutterbuck, Chair
Board of Trustees



Linda Morales, Secretary
Board of Trustees

Recorded by Kenya Shields