



**HARRIS COUNTY HOSPITAL DISTRICT  
MINUTES OF THE BOARD OF MANAGERS MEETING**

**Thursday, August 1, 2008**

**Board Room – Administration Building**

**BOARD MEMBERS PRESENT**

Mr. Stephen DonCarlos, Chair  
Ms. Carolyn Truesdell, Vice Chair  
Mr. Danny Jackson, Asst. Secretary  
Mr. E. Dale Wortham, Secretary  
Mr. Elvin Franklin, Jr.  
Dr. George Santos

**BOARD MEMBERS ABSENT**

Mr. Michael Jhin  
Ms. Mary Spinks  
Ms. Daisy Stiner

**OTHERS PRESENT**

Mr. David Lopez, President & Chief Executive Officer  
Mr. George Masi, COO  
Mr. Jack McCown, Harris County Purchasing  
Mr. Kelly Johnson, Harris County Purchasing  
Attorney Mercedes Leal, County Attorney's Office  
Ms. Peggy Boice, Judge Ed Emmett's Office  
Ms. Gloria Moreno, Commissioner Sylvia Garcia's Office  
Ms. Elizabeth Neal, Commissioner Jerry Eversole's Office  
Administrative Staff  
Guests  
(Sign-in Sheets attached to permanent record)

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

Mr. Stephen DonCarlos, Chair, called the meeting to order at 1:02 P.M. and noted that a quorum was present. The attendance was recorded.

**II. Approval of Minutes of Previous Meetings**

**Motion 08.8-432**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve the minutes of the June 12, 2008, June 24, 2008 regular meetings and May 2, 2008 called meeting of the Board of Managers to include the announced changes.

**III. Hear from Citizens**

*Mr. Walter Protheroe* addressed the Board relative to his care at the Ben Taub General Hospital.

**IV. President/Chief Executive Officer's Report to Include: 1) Innovation Network Report; 2) JCAHO Mock Survey Report; 3) HEALY Awards Report; 4) Iron Mountain Off-Site Storage Report; 5) Fees for TMC Annual Assessment Report; 6) Mammography Trending Report; 7) Pathway to Excellence Designation; and 8) Michael E. DeBakey**

Individuals presented updates as listed below:

Ms. Andrea Kelley – Innovation Network Report

Mr. George Masi – JCAHO Mock Survey Report

Ms. Anetta Flowers-Monroe – HEALY Awards Report

Mr. David Lopez to provide written reports for the following:

Iron Mountain Off-Site Storage Report

Fees for TMC Annual Assessment Report

Mammography Trending Report

Pathway to Excellence Designation

Mr. David Lopez – Michael E. DeBakey, M.D.

Mr. DonCarlos announced that the meeting will deviate from the agenda and move to agenda item IX. Executive Session. He stated that the regular meeting of the Board would reconvene at the close of Executive Session.

**V. Items Related to Purchasing**

Mr. DonCarlos called on Mr. Danny Jackson to present items related to purchasing.

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

a. **Motion 08.8-439**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve termination of awards to Global Healthcare Recruitment, Inc.; International Quality Healthcare Professional Connection, LLC and RN India, Inc. for international nurse recruitment in the multi-vendor estimated amount of \$370,000 for the terms January 1, 2008 through December 31, 2008.

Dr. George Santos departed the meeting prior to this vote.

b. **Motion 08.8-440**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for Tyco Healthcare Group, LP, The Kendall Company for pneumatic compression devices and A.V.I.S. foot pumps in the amount of \$85,500 to pay for all lost and missing products not located during the multiple inventories conducted.

Dr. George Santos departed the meeting prior to this vote.

c. **Motion 08.8-441**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of best proposal to Western Reserve MedTec Services for laparoscopic surgical equipment, support and processing services in the annual estimated amount of \$1,044,000 based on the number of procedures for the term September 1, 2008 through August 31, 2014, subject to fiscal funding.

Dr. George Santos departed the meeting prior to this vote.

d. Job 08/0106: Award to Provide 401 (K) and 457 Plan Administrative Services – *Diversified Investment Advisors*

This item has been pulled.

e. **Motion 08.8-442**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of best proposal meeting requirements to Millenium Contractors & Operations, L.P. for paint, carpentry maintenance and repair services in the yearly amount of \$467,850 for the term of one year upon execution of agreement with four one-year renewal options.

Dr. George Santos departed the meeting prior to this vote.

f. **Motion 08.8-443**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of best proposal meeting requirements to Cardinal Health to provide prime distributor services for medical/surgical products in the estimated amount of \$1,374,996 (year one) for the term October 1, 2008 through September 20, 2013 (five-year term subject to annual funding) subject to the negotiation and execution of the agreement.

Dr. George Santos departed the meeting prior to this vote.

g. **Motion 08.8-444**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of lowest priced proposal meeting the requirements to SHC Services, Inc. for temporary infection control nursing personnel in the estimated amount of \$600,000 for the term one year upon execution of agreements with two one-year renewal options.

Dr. George Santos departed the meeting prior to this vote.

h. **Motion 08.8-445**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve awards on the basis of best proposals meeting requirements per category to 1) AMN Healthcare Inc.; 2) ATC Healthcare Services, Inc.; 3) AccuCare Medical Staffing, LP; 4) Face to Face Healthcare Services, LLC; 5) First

Call; 6) Guardian Healthcare Providers, Inc.; 7) JWS Health Consultants, Inc.; 8) Management Health Services LLC dba MedPro Travel Nurse Staffing; 9) Maxim Staffing Solutions; 10) Nursefinders, Inc. dba Nursefinders of Houston; 11) Rad-Link Staffing, Inc.; and 12) States Health Inc. dba States Health Care Svcs for temporary emergency room nursing personnel for the term one year upon execution of agreements with 2 one-year renewal options.

Dr. George Santos departed the meeting prior to this vote.

i. **Motion 08.8-446**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve awards on the basis of best overall contracts for patient warming products to Arizant Healthcare Inc. (forced air products) in the estimated amount of \$319,139 and Smiths Medical ASD (fluid warming products) in the estimated amount of \$74,906 for a total multi-vendor estimated amount of \$394,045 for the term August 1, 2008 through July 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

j. **Motion 08.8-447**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of best bid to Maxim Health Information Services for temporary personnel to provide health information management coding and validation review services in the estimated amount of \$1,500,000 for the term August 1, 2008 through July 31, 2009 with two one-year renewal options.

Dr. George Santos departed the meeting prior to this vote.

k. **Motion 08.8-448**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an exemption from the competitive bid requirements for an award to Wachovia Insurance Services for actuarial Services in the estimated amount of \$130,000 for the term October 1, 2008 through September 30, 2009 with one one-year renewal option.

Dr. George Santos departed the meeting prior to this vote.

l. **Motion 08.8-449**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for Siemens Healthcare Diagnostics Inc. (fka Dade) for integrated platform (chemistry and immunochemistry analyzers, automation, reagents, consumables and services [chemistry analyzers]) in the amount of \$119,000 for the term July 1, 2007 through June 30, 2008. (The Board previously approved funding in the amount of \$1,078,093 for the term July 1, 2007 through June 30, 2008; these additional funds bring the total funded amount to \$1,197,093.)

Dr. George Santos departed the meeting prior to this vote.

m. **Motion 08.8-450**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for Siemens Healthcare Diagnostics, Inc. (fka Dade Behring, Inc.) for integrated platform (chemistry and immunochemistry analyzers, automation, reagents, consumables and service [plasma protein analyzers]) in the amount of \$42,996 for the term May 1, 2006 through October 31, 2008. (The Board previously approved funding in the amount of \$284,106 for the term May 1, 2006 through October 31, 2008; these additional funds bring the total funded amount to \$327,192.)

Dr. George Santos departed the meeting prior to this vote.

n. **Motion 08.8-451**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for Siemens Medical Solutions (formerly Bayer Healthcare LLC, Diagnostic Division) to provide HIV-1 genotyping services in the amount of \$65,158 for the term August 1, 2007 through July 31, 2008. (The Board previously approved funding in the amount of \$162,416 for the term August 1, 2007 through July 31, 2008; these additional funds bring the total funded amount to \$227,574.)

Dr. George Santos departed the meeting prior to this vote.

o. **Motion 08.8-452**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for Diamedix Corporation to provide infectious disease testing (measles, mumps, etc.) and autoimmune testing in the amount of \$44,205 for the term June 1, 2008 through May 31, 2009. (The Board previously approved funding in the amount of \$60,316 for the term June 1, 2008 through May 31, 2009; these additional funds bring the total funded amount to \$104,521.)

Dr. George Santos departed the meeting prior to this vote.

p. **Motion 08.8-453**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the purchase of six physiological patient monitors and upgrades at a cost of \$247,352 from Philips Medical Systems North America Company.

Dr. George Santos departed the meeting prior to this vote.

q. **Motion 08.8-454**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the purchase of twenty-four patient transport monitors at a cost of \$218,467 from Philips Medical Systems NA Company.

Dr. George Santos departed the meeting prior to this vote.

r. **Motion 08.8-455**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the purchase of three ambulances at a cost of \$252,800 from Wheeled Coach Industries through San Antonio Ambulance Sales, Inc.

Dr. George Santos departed the meeting prior to this vote.

s. **Motion 08.8-456**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of low bid to Cummins Southern Plains, LLC for preventive maintenance, inspection, repair of emergency generators and related items in the amount of \$117,206 for the term September 1, 2008 through August 31, 2009 with four one-year renewal options.

Dr. George Santos departed the meeting prior to this vote.

t. **Motion 08.8-457**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve a purchase on the basis of lowest priced contract of ultrasonic OB/GYN scanning system at a cost of \$122,925 from GE Medical Systems Ultrasound & Primary Care Diagnostics, LLC.

Dr. George Santos departed the meeting prior to this vote.

u. **Motion 08.8-458**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the renewal of an award on the basis of sole source to Compliance Data System, Inc. for T-Pass software license and support maintenance in the amount of \$298,800 for the term October 1, 2008 through September 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

v. **Motion 08.8-459**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve a purchase on the basis of sole source of an ultrasound aspirator from Synergetics, Inc. at a cost of \$131,600.00.

Dr. George Santos departed the meeting prior to this vote.

w. **Motion 08.8-460**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the purchase of two digital imaging systems from Fujifilm Medical Systems USA, Inc. at a cost of \$378,640 contingent upon acceptance and approval of grant by the Hospital District Board of Managers.

Dr. George Santos departed the meeting prior to this vote.

(This purchase will be funded by the Avon Foundation/Baylor Grant fund.)

x. **Motion 08.8-461**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of only proposal received to Abbott Laboratories, Inc. for blood gas analyzers in the estimated amount of \$900,000 for the term August 1, 2008 through July 31, 2009 (five year term with annual funding).

Dr. George Santos departed the meeting prior to this vote.

y. **Motion 08.8-462**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve a purchase on the basis of best priced contract of ten portable ultrasound systems from GE Medical Systems Ultrasound and Primary Care Diagnostics, UL at a cost of \$205,845.00.

Dr. George Santos departed the meeting prior to this vote.

z. **Motion 08.8-463**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an exemption from the competitive bid requirements for an award to Ann Smith Barnes, M.D. through Baylor College of Medicine for Medical Director for a comprehensive weight management initiative in the amount of \$175,830 for the term August 1, 2008 through July 31, 2009 contingent upon execution of the agreement.

Dr. George Santos departed the meeting prior to this vote.

aa. **Motion 08.8-464**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the first of three renewal options for University of Texas-Health and Science Center at Houston for consulting services for Epic Clinical Project in the amount of \$195,149 for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

bb. **Motion 08.8-465**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the first of two renewal options on the basis of sole source for an award to Sun Microsystems (F.K.A. Storage Technology Corporation) for lease and maintenance of hardware and software for the virtual tape system in the amount of \$134,865 for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

cc. **Motion 08.8-466**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify additional funds and an extension for Xerox Corp. for operation of the copy center to include equipment, personnel and supplies in the amount of \$96,000 for the term April 1, 2008 through July 31, 2008. (The Board previously approved funding in the amount of \$398,000 for the term October 1, 2006 through March 31, 2008; these additional funds bring the total funded amount to \$494,000.)

Dr. George Santos departed the meeting prior to this vote.

dd. **Motion 08.8-467**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify funding for year two of a four-year agreement for JP Morgan Chase Bank, NA for treasury management services in the estimated amount of \$234,500 for the term June 26, 2008 through June 25, 2009.

Dr. George Santos departed the meeting prior to this vote.

ee. **Motion 08.8-468**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify funding for MNM-1997, Inc. d/b/a StarDent for dental services in the estimated amount of \$258,000 for the term February 1, 2008 through January 31, 2009 (third year of a three-year agreement).

Dr. George Santos departed the meeting prior to this vote.

ff. **Motion 08.8-469**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify additional funds and an extension for Harger Howe & Associates, Ltd. for employee recruitment advertising in the amount of \$400,000 for the extended term of May 29, 2008 through September 30, 2008. (The Board previously approved funding in the amount of \$700,000 for the term May 29, 2007 through May 28, 2008; these additional funds bring the total funded amount to \$1,100,000.)

Dr. George Santos departed the meeting prior to this vote.

gg. **Motion 08.8-470**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify additional funds for Shorman Solutions (Shorman and Associates, Inc. and Shorman Solutions of Texas, Inc.) for case management services in the amount of \$1,210,000 for the term February 1, 2008 through January 31, 2009. (The Board previously approved funding in the amount of \$1,670,000 for the term



February 1, 2008 through January 31, 2009; these additional funds bring the total funded amount to \$2,880,000.)

Dr. George Santos departed the meeting prior to this vote.

hh. **Motion 08.8-471**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify an award on the basis of sole source to McKesson Provider Technologies for maintenance and support for HealthQuest 2000 software in the amount of \$674,036 for the term June 1, 2008 through May 31, 2009 subject to the execution of the amendment.

Dr. George Santos departed the meeting prior to this vote.

ii. **Motion 08.8-472**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify termination of an agreement with Premium Asset Recovery Corp. effective June 8, 2008 for collection services of overdue patient accounts.

Dr. George Santos departed the meeting prior to this vote.

A(2). Transmittal of Completed Purchases under \$100,000  
**(For Informational Purposes Only)**

- a. Transmittal of an award on the basis of best offer meeting specifications to Hersher Associates, Ltd. for search firm for administrative personnel in the amount of \$49,200 upon execution of the agreement.
- b. Transmittal of an award to DIR through Oracle Corporation for software license and support in the amount of \$33,656 for the term August 27, 2008 through August 26, 2009.
- c. Transmittal of an award to DIR through CDW Government, Inc. for websense software maintenance in the amount of \$69,000 for the term June 29, 2008 through June 28, 2009.
- d. Transmittal of the purchase of five roof top HVAC units from Fort Bend Mechanical at a cost of \$49,098.00.
- e. Transmittal of an award to Cardinal Health Medical Products and Services for suction catheters in the estimated amount of \$25,317 for the term August 1, 2008 through July 31, 2009.
- f. Transmittal of an award to Cardinal Health Medical Products and Services for disposable personal protective attire in the estimated amount of \$62,652 for the term August 1, 2008 through July 31, 2009.
- g. Transmittal of an award to Cardinal Health Medical Products and Services for surgical hand scrub products in the estimated amount of \$47,349 for the term August 1, 2008 through July 31, 2009.

- h. Transmittal of an award on the basis of only proposal received for Verge Solutions, LLC for medical records audit and JCAHO Accreditation System in the estimated amount of \$74,450 for the term one year upon execution of the agreement with four one-year renewal options.
- i. Transmittal of an award on the basis of only proposal meeting specifications for Diligent, Division of Arjo, Inc. for development of a comprehensive No Lift Program for an amount not to exceed \$50,000 for implementation, training and support based upon \$1,495/day subject to execution of the agreement.
- j. Transmittal of a purchase on the basis of lowest priced contract of sixty-eight intermittent wall suction units from Ohio Medical Corporation at a cost of \$30,464.00.
- k. Transmittal of an award on the basis of low bid for Thompson Paper Products for medical record patient chart folders in the amount of \$85,820 for the term August 1, 2008 through July 31, 2009.
- l. Transmittal of an award for Zytron, Inc. for computer output microfiche services in the estimated amount of \$42,973 for the term August 1, 2008 through July 31, 2009.
- m. Job 07/0127: Award for Review of Epic and McKesson Charge Masters – *Mir Fox & Rodriguez, P.C*  
  
This item has been transferred to agenda items requiring Board approval. (See agenda item A(3).)
- n. Transmittal of additional funds and an extension for Fort Bend Mechanical, Inc. for inspection and maintenance repair of chillers in the estimated amount of \$50,000 for the term August 31, 2008 through November 31, 2008 or until a new contract is in place or renewed. (The Board previously approved funding in the amount of \$114,975 for the term September 1, 2007 through August 31, 2008; these additional funds bring the total funded amount to \$164,975.)
- o. Transmittal of additional funds and an extension for EXP Pharmaceutical Services Corp. to provide continuity of services for reverse distribution of expired drugs in the amount of \$76,500 for the term May 1, 2008 through October 31, 2008. (The Board previously approved funds in the amount of \$87,500 for the term February 1, 2007 through April 30, 2008; these additional funds bring the total funded amount to \$164,000.)
- p. Transmittal of purchase on the basis of sole source of transesophageal echocardiography (Tee) transducer from Siemens Medical Solutions USA, Inc. at a cost of \$34,070.00.

- q. Transmittal of an award on the basis of sole source for Philips Medical Systems for maintenance for the compuRecord system in the amount of \$54,072 for the term June 1, 2008 through May 31, 2009.
- r. Transmittal of the purchase of five microscopes from Olympus America through Leeds Instruments, Inc. at a cost of \$40,272.00.
- s. Transmittal of the purchase of ultrasonic probe (transducer) from Siemens Medical Solutions USA, Inc. at a cost of \$34,070.00.
- t. Transmittal of an award on the basis of sole source for Philips Medical Systems, N.A. for software support and maintenance for the Philips Xcelera Unit in the amount of \$82,511 for the term September 1, 2008 through August 31, 2009 with three one-year renewal options.
- u. Transmittal of a purchase on the basis of sole source of two ophthalmic field analyzers at a cost of \$40,900.00.
- v. Transmittal of a purchase on the basis of sole source of three glidescope video laryngoscopes from Verathon Medical at a cost of \$28,001.00.
- w. Transmittal of the purchase of a mammography display system (Barco Coronis) from Elecom Systems, Inc. at a cost of \$32,613.00.
- x. Transmittal of an award on the basis of sole source for Immucor Gamma for traditional blood bank reagents and products in the estimated amount of \$41,000 for the term August 1, 2008 through July 31, 2009.
- y. Transmittal of the third of four renewal options for Bio-Rad Laboratories, Inc. for two whole blood analyzers, reagents and consumables for A1c and variant hemoglobin test in the estimated amount of \$84,000 for the term October 1, 2008 through September 30, 2009.
- z. Transmittal of the second and final renewal option for Greater Houston Transportation Company dba Yellow Cab for transportation services for patients and packages in the estimated amount of \$60,000 for the term July 1, 2008 through June 30, 2009.
- aa. Transmittal of the second of four renewal options for Highlights Electrical, Inc. for electrical maintenance services in the estimated amount of \$80,000 for the term September 1, 2008 through August 31, 2009.
- bb. Transmittal of an award on the basis of lowest priced proposal received for Competitive Edge Software, Inc. for comprehensive security management software in the estimated amounts of \$45,390 year one and \$76,950 five-year period for the term one year upon execution of the agreement with four one-year renewal options subject to execution of the agreement.
- cc. Transmittal of additional funds for TeleHealth Services for cable television services in the estimated additional amount of \$64,973 subject to execution of

the amendment. (The Board previously approved funds in the amount of \$672,559; these additional funds bring the total funded amount to \$737,532).

A(3). **Motion 08.8-473**

Moved by Mr. Franklin, seconded by Ms. Truesdell and unanimously passed, that the Board approve an award on the basis of lowest priced proposal for Mir Fox & Rodriguez, P.C. for review of Epic and McKesson Charge Masters in the estimated amount of \$124,000 for the term upon execution of agreement until completion of services.

Dr. George Santos departed the meeting prior to this vote.

**VI. Reports of the Committees**

Dr. Jose Garcia presented agenda items relative to Joint Conference Committee.

**A. Joint Conference Committee**

1. **Motion 08.8-474**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify the July 2008 credentialing changes for members of the HCHD Medical Staff. (Appendix "A").

Dr. George Santos departed the meeting prior to this vote.

2. **Motion 08.8-475**

Moved by Ms. Truesdell, seconded by Mr. Jackson, and unanimously passed, that the Board accept the Medical Board Report as included in the packet. (Appendix "B").

Dr. George Santos departed the meeting prior to this vote.

Mr. DonCarlos called on Mr. Ferdinand Gaenzel to present agenda items relative to Budget and Finance Committee.

**B. Budget and Finance Committee**

1. **Motion 08.8-476**

Moved by Mr. Franklin, seconded by Mr. Jackson, and unanimously passed, that the Board accept the June 30, 2008 Financial Report subject to final audit.

Dr. George Santos departed the meeting prior to this vote.

2. **Motion 08.8-477**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board accept the June 30, 2008 Pension Plan Report subject to final audit.

Dr. George Santos departed the meeting prior to this vote.

3. Update regarding HCHD Consolidated Audited Financial Statements for the Fiscal year ended February 29, 2008

Mr. Ferdinand Gaenzel reported that when the Board previously approved the Consolidated Audited Financial Statements in draft form, they were approved subject to a + or - \$10 million dollar difference resulting from the CHC audit inquiry of IBNRs (incurred but not reported) liabilities and retroactive premium adjustments. He stated that the auditors have completed their HMO work and the difference in the bottom line of the consolidated financial statement is \$5.2 million on the positive side. He then introduced Mr. Rodney Lenfant, Deloitte & Touche LLP to provide information relative to this agenda item.

Mr. Rodney Lenfant, Deloitte & Touche LLP reported that the last time they met with the Board they had communicated that there were no material weaknesses, no significant deficiencies in the consolidated financial statement but what was uncovered at the CHC level were two material weaknesses related to a couple of adjustments and one significant deficiency. He informed the Board that the two material weaknesses are identified as a significant deficiency, modifying the audit report that was previously communicated and referencing these two significant deficiencies in the internal control report within the A133. He concluded by informing the Board that Deloitte & Touche LLP is prepared to issue a clean unqualified opinion on the financial statements.

Dr. George Santos departed the meeting prior to this vote.

4. **Motion 08.8-478**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve to engage special legal counsel Vinson & Elkins, L.L.P., King & Spaulding, L.L.P. and the consulting firm of Campbell/Wilson, L.L.P. in connection with reimbursement for Medicaid Graduate Medical Education payments from the Texas Health and Human Services Commission for Fiscal Years 1997 through 2002, in an amount not to exceed \$50,500.00.

Dr. George Santos departed the meeting prior to this vote.

5. **Motion 08.8-479**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board of Managers accept an award from the Department of Health and Human Services Health Resources and Services Administration Notice of Grant Award Authorization for reimbursement for telemetry equipment at the Lyndon B. Johnson General Hospital in the amount of \$236,367 for the term June 1, 2008 through May 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

6. **Motion 08.8-480**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board of Managers accept an award from the Department of Health and Human Services Health Resources and Services Administration Notice of Grant Award Authorization for reimbursement for capital equipment for the provision of

diabetes care at Ben Taub General Hospital, Lyndon B. Johnson General Hospital, Quentin Mease Community Hospital and Northwest Community Center in the amount of \$392,973 for the term June 1, 2008 through May 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

**7. Motion 08.8-481**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board of Managers accept an award from the Department of Health and Human Services Health Resources and Services Administration Notice of Grant Award Authorization for reimbursement for capital equipment for the Alief Community Health Center Project in the amount of \$473,707 for the term June 1, 2008 through May 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

**8. Presentation of May 2008 Financial Statements of Community Health Choice, Inc.**

Mr. Kenneth Janda presented the May 2008 Financial Statement of Community Health Choice, Inc. Highlights for the month of June include:

- ✓ Net income \$1,781,237
- ✓ STAR Member months were 7% below budget
- ✓ CHIP Member months were 20% above budget
- ✓ CHIP Perinate Member months were 17% above budget
- ✓ Total Revenue was 10% below budget

Mr. DonCarlos called on Mr. Elvin Franklin, Jr. to present agenda items relative to the Planning and Operations Committee.

**C. Planning and Operations Committee**

**1. Items related to Specialty and Primary Clinics and other Facilities**

**a. Agreements**

**Motion 08.8-482**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board approve a Facilities Use Agreement between the Harris County Hospital District and Bering Omega Community Services to provide Oral Health Services to eligible HIV-infected individuals at Thomas Street Health Center for the term August 1, 2008 through July 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

**b. Ratifications**

**Motion 08.8-483**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board ratify an agreement funded by Ryan White CARE Act between the Harris County Hospital District and Dallas County Hospital District, The

Parkland Foundation for Texas/Oklahoma AIDS Education and Training Center under Ryan White Federal CARE Act to provide state-of-the-art education on treatment, training and consultation and support to healthcare professionals treating HIV+ patients for the term July 1, 2008 through June 30, 2009.

Dr. George Santos departed the meeting prior to this vote.

c. School-Based Program Renewals

1. **Motion 08.8-484**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve renewal of an agreement between the Harris County Hospital District and Sheldon Independent School District to administer a school-based program at Sheldon Elementary School for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

2. **Motion 08.8-485**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve renewal of an agreement between the Harris County Hospital District and Galena Park Independent School District to administer a school-based program at Cloverleaf Elementary School for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

3. **Motion 08.8-486**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve renewal of an agreement between the Harris County Hospital District and Channelview Independent School District to administer a school-based program at Channelview Independent School District Annex Campus for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

4. **Motion 08.8-487**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve renewal of an agreement between the Harris County Hospital District and North Forest Independent School District to administer a school-based program at Smiley High School for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

5. **Motion 08.8-488**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve renewal of an agreement between the Harris County Hospital District and Deer Park Independent School District to administer a school-based program at Deepwater Elementary School for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

6. **Motion 08.8-489**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve renewal of an agreement between the Harris County Hospital District and Houston Independent School District to administer a school-based program at Patrick Henry Middle School and Marshall Middle School for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

7. **Motion 08.8-490**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve renewal of an agreement between the Harris County Hospital District and Galena Park Community Resource and Training Center to administer a school-based program at the Community Resource and Training Center for the term September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

**2. Items Related to Personnel**

Consideration of Approval of the Quarterly Patient Satisfaction Incentive Program

This item was pulled.

**3. Items Related to Buildings and Properties**

a. **Motion 08.8-491**

Moved by Mr. Franklin, seconded by Mr. Jackson, and unanimously passed, that the Board of Managers approve the Hospital District revised termination “out-clause” for the 1<sup>st</sup> amendment to the lease agreement with 5959 Long Drive Investments, LLC, drafted and approved by the Harris County Attorney’s office, for the period of August 1, 2008 to July 31, 2010. The initial term of the lease is for August 1, 2008 to July 31, 2009 with a monthly payment of \$9,662 (rental rate of \$9,278.97 plus CPI-U of \$383.03). The second term (August 1, 2009 to July 31, 2010) of the lease agreement will be presented to the Board of Managers for annual renewal prior to the expiration of the initial term.

Dr. George Santos departed the meeting prior to this vote.



Ms. Truesdell called the Board's attention to the language regarding "Options to Terminate" included in the Fact Sheet. Ms. Mercedes Leal, County Attorney's office and Ms. Truesdell agreed that the appropriate language should be "lesser of" and should be the language in the contract.

b. **Motion 08.8-492**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board of Managers authorize the Hospital District to enter into the 5<sup>th</sup> term of the lease agreement with University Christian Church for 43 parking spaces located next to Quentin Mease Hospital for M.L.K. Health Center for the term September 14, 2008 to September 13, 2009 at a rate of \$1,075 (\$25/parking space) per month.

Dr. George Santos departed the meeting prior to this vote.

c. **Motion 08.8-493**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board of Managers authorize the Hospital District to enter into the 1<sup>st</sup> option, 2<sup>nd</sup> term of the lease agreement with Kynto Ventures, LLC for the leasing of approximately 15,000 square feet of office space at the Peoples Health Center for the term October 1, 2008 to September 30, 2009 at the same monthly rate of \$19,837.50 (includes Common Area Maintenance fee of \$2,587.50).

Dr. George Santos departed the meeting prior to this vote.

d. **Motion 08.8-494**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board of Managers authorize the Hospital District to enter into the 5<sup>th</sup> term lease agreement (months 49-60) with Houston Small Business Development Corporation for the leasing of approximately 11,000 square feet of space located at 5230 Griggs Road for the term August 1, 2008 to July 31, 2009 for a monthly lease rate of \$13,037.62 (includes Common Area Maintenance fee of \$2,037.62).

Dr. George Santos departed the meeting prior to this vote.

e. **Motion 08.8-495**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board of Managers authorize the Hospital District to enter into the 1<sup>st</sup> option, 2<sup>nd</sup> term of the lease agreement with Petereit Investments, Inc. for approximately 15,232 square feet of space at the E.A. Squatty Lyons Health Center for the term October 1, 2008 to September 30, 2009 at the same monthly rate of \$16,755.20 (1.10/sq. ft.).

Dr. George Santos departed the meeting prior to this vote.

f. **Motion 08.8-496**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board of Managers approve an easement to CenterPoint Energy for permanent electrical power for the Alief Health Center (new facility) and to forward to Commissioners' Court the granting order form for signature.

Dr. George Santos departed the meeting prior to this vote.

g. **Motion 08.8-497**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board of Managers authorize the Hospital District to: a) Lease 4,950 sq. ft. of additional space located on the first floor at 2636 South Loop Building; b) Terminate the existing lease agreements (41,995 sq. ft. – 6<sup>th</sup>, 7<sup>th</sup> & 9<sup>th</sup> floors at 2636 South Loop Building); and c) Enter into a new lease agreement drafted and approved by Harris County Attorney with BNC South Loop Associates, L.P. (2636 South Loop Building) that will consolidate the existing space with the newly proposed additional space for a total of 46,945 square feet of net rental space for our Health Maintenance Organization, Community Health Choice. The new lease agreement will be for 60 months with the same lease rates and terms as the existing lease agreement commencing August 1, 2008 at a rate of \$16.25 sq. ft. (\$63,571.35/mth.) for the first 30 months (08/01/08 to 01/31/11) and increasing to \$16.50/sq. ft. (\$64,549.38/mth.) for the final 30 months (02/01/11 to 07/31/13). Community Health Choice will fund all costs associated with the monthly lease payments.

Dr. George Santos departed the meeting prior to this vote.

**4. Miscellaneous Reports**

- a. FY'09 Professional Service Agreement Less than \$100K with Professional Services, Inc. (PSI)

No action is required for this agenda item.

- b. FY'09 Professional Service Agreement Less than \$100K with Smith Seckman Reid, Inc.

No action is required for this agenda item.

- c. FY'09 Professional Service Agreement Less than \$100K with Kaim Associates, Inc.

No action is required for this agenda item.

- d. Report on FQHC Referrals to HCHD Specialty Clinics March – May 2008

No action is required for this agenda item.

Mr. DonCarlos called on Mr. Dale Wortham to present agenda items relative to Corporate Compliance Committee

**D. Corporate Compliance Committee**

**Motion 08.8-498**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve an agreement with Strategic Management Services, LLC to conduct independent control reviews of specific risks identified in the District's Certification of Compliance Agreement in an amount not to exceed \$254,995 for the term August 1, 2008 through July 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

Mr. DonCarlos called on Mr. King Hillier to present agenda items relative to Legislative Committee.

**E. Legislative Committee**

1. Update, Discussion and Possible Action regarding Activities in Austin relating to Regulatory Issues Impacting HCHD, the 80<sup>th</sup> Legislative Session and the HCHD Legislative Platform
2. Update, Discussion and Possible Action regarding Pending Federal Legislative, Line Items and Policy Issues Affecting HCHD

Mr. Hillier reported to the Board, that due to time constraints, he will provide them a written report.

**F. Performance Improvement and Patient Safety Committee**

Ms. Carolyn Truesdell called the Board's attention to the report of the Performance Improvement and Patient Safety Committee meeting held July 17, 2008 included in the packet noting that patient grievances, attitude, courtesy and behavior seem to be big issues of which the District is addressing.

**VII. Items Related to Policies**

**A. Motion 08.8-499**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board approve the Harris County Hospital District Clinic Template Management/Optimal Utilization of Clinics Policy# 4026 which provides guidelines for instituting temporary or permanent changes in existing appointment templates for the CHP clinics and the Specialty/Pavilion clinics at Ben Taub General Hospital (BTGH) and Lyndon B. Johnson (LBJ) effective July 31, 2008.

Dr. George Santos departed the meeting prior to this vote.

**B. Motion 08.8-500**

Moved by Mr. Franklin, seconded by Mr. Jackson, and unanimously passed, that the Board approve the Revised Harris County Hospital District Assessment of Adult Patients in the Ambulatory Care Setting Policy# 4131 which: 1) defines the scope of assessment and reassessment activities that can be conducted by each clinical discipline as governed by scope of practice, state licensure laws, applicable regulations or certification of the discipline; 2) defines the content of assessment and reassessment

for the populations served; and 3) defines timelines for completing the initial assessment, when and how a reassessment is conducted, and criteria for when an additional or more in depth assessment is required effective July 31, 2008.

Dr. George Santos departed the meeting prior to this vote.

C. **Motion 08.8-501**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the Harris County Hospital District Clinical Practice Guideline Policy# 4607 which provides a structure for the development of Clinical Practice Guidelines (CPG), consistent quality of care and utilization of resources throughout the system effective July 17, 2008.

Dr. George Santos departed the meeting prior to this vote.

**VIII. Miscellaneous Agenda Items**

A. **Motion 08.8-502**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an amendment to Community Health Choice, Inc. Bylaws to recognize the executive vice president position as an officer.

Dr. George Santos departed the meeting prior to this vote.

B. **Motion 08.8-503**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an amendment to the Warranty Parts Direct Program Agreement between the Harris County Hospital District and Dell Marketing L.P.

Dr. George Santos departed the meeting prior to this vote.

C. **Motion 08.8-504**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board approve modifying the 2008 HCHD Charity Care Program Schedule of Benefits and Service Exclusions to include PET scans, limited to the coverage provided by Medicaid.

Dr. George Santos departed the meeting prior to this vote.

D. **Motion 08.8-505**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board approve a contract between the Harris County Hospital District Maternal/Child Health Prenatal Services Grant and Baylor College of Medicine in the amount of \$100,000 to provide medical supervision of ultrasound services for the period September 1, 2008 through August 31, 2009.

Dr. George Santos departed the meeting prior to this vote.

E. **Motion 08.8-506**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve acceptance of funds from the HCHD Foundation in the amount of \$500,000 for the purchase of one single-plate reader CR System to be installed at People's Health Center, one multi-place CR System to be installed at Quentin Mease, one Mammography Interpretation Workstation to be installed at Ben Taub, and the purchase of a digitizer.

Dr. George Santos departed the meeting prior to this vote.

Ms. Mercedes Leal, County Attorney's office informed the Board that the contract included in the packet contained incorrect information and had been corrected. That Baylor College of Medicine would release the funds to the HCHD Foundation, and the Foundation would, in turn, release them to the District.

## **IX. Executive Session**

At 1:26 P.M., Mr. DonCarlos stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code, 160.007 of the Texas Occupations Code and Chapter 551 of the Texas Government Code Section 071, 072 and 074. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

## **X. Reconvene**

All the Executive Session agenda items were taken out of order of the agenda.

Dr. Santos departed the meeting during Executive Session.

At 2:58 P.M., Mr. DonCarlos reconvened the meeting and stated that no action was taken in Executive Session.

- A. Consultation with the County Attorney regarding a Claim by Universal Fidelity, LP Against the District, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action Regarding this Matter Upon Return to Open Session

### **Motion 08.8-433**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve and hereby authorize the settlement of a claim by Universal Fidelity, LP. The President and CEO or his designee is authorized to settle this claim for a one-time payment of \$134,123.17 provided that Universal Fidelity, LP shall simultaneously return to the Harris County Hospital District \$78,452.12, which it is currently holding. If these terms are accepted, the Harris County Hospital District will waive recourse on any performance bond maintained by Universal Fidelity, LP.

Dr. George Santos departed the meeting prior to this vote.

- B. Consultation with the County Attorney regarding Settlement of Claim Submitted by NextRX, LLC and NextRX Service, Inc., pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action Regarding this Matter Upon Return to Open Session

**Motion 08.8-434**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve and hereby authorize the settlement of all claims related to the claim of NextRX, LLC and NextRX Services, Inc. by payment of \$50,572.52 payable to NextRX, LLC and NextRX Services, Inc., David S. Lopez, President/CEO is authorized to execute any agreement, release or other necessary documents to effect this settlement.

Dr. George Santos departed the meeting prior to this vote.

- C. Consideration of a Resolution Authorizing the Acquisition of a Tract of Land Containing Approximately 3.37478 Acres in Harris County, Texas the Acquisition to be a Public Necessity and Convenience, pursuant to Tex. Gov't Code Ann. §551.072 and Possible Action Regarding this Matter Upon Return to Open Session

**Motion 08.8-435**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers adopted the following Resolution: (Exhibit Appendix "C").

**RESOLUTION**

The Harris County Hospital District Board of Managers affirms, finds and declares that a public necessity and convenience exists for the Harris County Hospital District (the "District") to acquire a tract of land containing approximately 3.37478 acres in Harris County, Texas, as described in the legal description which is attached to this Resolution (hereinafter referred to as the "Tract") for the purpose of the District's exercise of the rights and authority conferred on the District by Chapter 281 of the Texas Health & Safety Code, including but not limited to, use of the Tract to assist the District in providing medical care to indigent and needy persons residing in Harris County, Texas.

**ORDER**

IT IS DECREED that a public necessity and convenience exists for the District to acquire the Tract for the purpose of the District's exercise of the rights and authority conferred on the District by Chapter 281 of the Texas Health & Safety Code, including but not limited to, use of the Tract to assist the District in providing medical care to indigent and needy persons residing in Harris County, Texas; that the Executive Director of the Harris County Public Infrastructure Department be authorized and directed, and he is hereby authorized and directed to obtain appraisals, surveys, title information, and/or make an official offer of a specific amount for the purpose of fee simple interest in and to the Tract as described in the attached Exhibit and incorporated into this Resolution; pay closing costs; and that the Harris County Attorney be authorized and directed, and he is hereby authorized and directed to file or cause to be filed, proceedings in eminent domain and to acquire thereby fee simple

interest for said purposes in the Tract which cannot be acquired as aforesaid by donation, dedication, or purpose.

IT IS DECREED that the District's President/CEO, the Executive Director of the Harris County Public Infrastructure Department, or their designated representatives be authorized and directed, and they are hereby authorized and directed to sign any papers or agreements associated with closing the purchase; the County Attorney, the County Clerk, and the District's President/CEO be authorized and directed, and they are hereby authorized and directed to perform any and all necessary acts within their respective spheres of official duties toward the final acquisition of the Tract, or interest(s) therein, together with the improvements if any, within the said property in Harris County, Texas and the payment of compensation for such property.

Dr. George Santos departed the meeting prior to this vote.

- D. Discussion regarding the Acquisition of Real Property in Connection with the Hospital District's 2015 Strategic Plan, pursuant to Tex. Gov't Code Ann. §551.072 and Possible Action Regarding this Matter Upon Return to Open Session

**Motion 08.8-436**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board authorize the county attorney to prepare documents regarding a contract with Navigant Consulting, Inc. for a term of August 1, 2008 through July 31, 2009 in an amount not to exceed \$340,000 for operational strategic assessment and evaluation analysis services.

Dr. George Santos departed the meeting prior to this vote.

- E. Consultation with outside legal counsel regarding Harris County Hospital District's participation in the Harris County UPL Program, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action Regarding this Matter Upon Return to Open Session

**Motion 08.8-437**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board of Managers adopt a Resolution, upon consultation with our legal counsel and the review of the Certification, adopt the conditions described in the Certification at a public meeting held in compliance with the Texas Open Meetings Act, Chapter 551, Government Code and that the President and Chief Executive Officer of the District is authorized to certify to the conditions set forth in the Certification. This Resolution shall be in full force and effect from and after the date of its adoption. (Appendix "D".)

Dr. George Santos departed the meeting prior to this vote.

- F. Consideration of the evaluation of the President/CEO, pursuant to Tex. Gov't Code Ann. §551.074 and Possible Action Regarding this Matter Upon Return to Open Session

**Motion 08.8-438**

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board increase the base salary of David S. Lopez, President/CEO by \$50,000 to \$450,000 yearly and, as provided under the contract, approve a \$70,000 bonus for the year in effect 2007-2008 to be paid in accordance with the employment agreement.

Dr. George Santos departed the meeting prior to this vote.

- G. Report by the Chief Medical Officer regarding Quality of Medical and Health Care, pursuant to Tex. Health & Safety Code Ann. §161.032 and Tex. 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

Presented as information only, requiring no action.

- H. Report by 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 Investigation pursuant to Section 161.032 of the Texas Health & Safety Code

Presented as information only, requiring no action.

Mr. DonCarlos stated that the meeting will return to the order of the agenda beginning with item V. Items Related to Purchasing.

**XI. Adjournment**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 3:46 P.M.

I certify that the foregoing are the Minutes of the Meeting of the Board of Managers of the Harris County Hospital District held at the Administration Building in Houston, Texas on August 1, 2008.

Mr. Stephen DonCarlos, Chair  
Board of Managers

E. Dale Wortham, Secretary

Recorded by Charlaa Hunter &  
Anne McCowan