



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

Thursday, February 25, 2010

Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. Stephen DonCarlos, Chair
Ms. Carolyn Truesdell, Vice Chair
Mr. E. Dale Wortham, Secretary
Dr. George Santos
Ms. Daisy Stiner
Dr. Atul Varadhachary

BOARD MEMBERS ABSENT

Mr. Danny Jackson, Asst. Secretary
Mr. Elvin Franklin, Jr.
Ms. Mary Spinks

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. Kelly Johnson, Harris County Purchasing Agent
Ms. Vivian Groce, Harris County Assistant Purchasing Agent
Attorney Mercedes Leal, County Attorney's Office
Ms. Peggy Boice, Judge Ed Emmett's Office
Mr. Mark Fury, Commissioner Steve Radack's Office
Ms. Gloria Moreno, Commissioner Sylvia Garcia's Office
Ms. Elizabeth Neal, Commissioner Jerry Eversole's Office (9:23 a.m.)
Mr. Lester Byrd, Commissioner El Franco Lee's Office (10:08 a.m.)
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 9:10 a.m. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meetings

Motion 10.2-21

Moved by Mr. Wortham, seconded by Dr. Santos, and unanimously passed, that the Board approve the minutes of the January 28, 2010 Board of Managers meeting and the February 4, 2010 Called Board Meeting.

III. Special Presentation

Mr. Matt Burton and Mr. Brian Leck, Sonosite representatives, were introduced and recognized for the donation of an ultrasound and transducers to be used at Ben Taub General Hospital. The donation was made after a free medical clinic was held at Reliant Hall in October. Ms. Melinda Muse was recognized by the Board. Dr. Bobby Kapur, Director of the Emergency Medicine Residency Program at Ben Taub, was introduced and recognized. Dr. Kapur stated that Sonosite has generously made this contribution on behalf of the District. This is a state of the art machine that allows staff to do quick and immediate assessments in the emergency center. He thanked Sonosite for this very generous donation. Ms. Lacey Webster was recognized by the Board.

IV. Hear from Citizens

No citizens signed up to speak.

V. Consideration of Approval of Recommendations and Acceptance of Agenda Items Identified as Consent Agenda Items

Motion 10.2-22

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board approve items V.A – V.O (items A1p, A1s, A1u, A1v, and A1y were withdrawn prior to the meeting).

Motion 10.2-23

Moved by Mr. Wortham, seconded by Dr. Santos, and unanimously passed, that the Board approve items V.P – V.U.

A. Items related to Purchasing

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

- a. approval of corrected term for Boston Scientific Corporation for cardiac rhythm management (CRM) products for the term January 10, 2010 through December 31, 2010 with three one-year renewal options (Board previously approved one year upon execution of agreement with three one-year renewal options).
- b. approval of the corrected term for Boston Scientific Corporation for drug eluting stents and related products for the term January 1, 2010 through December 31, 2010 with three one-year renewal options (previously approved one year upon execution of agreement with three one-year renewal options).
- c. approval of corrected term and the first of four renewal options for Siemens Healthcare Diagnostics, Inc. to provide Hepatitis C virus (HCV) genotype testing in the estimated amount of \$110,610 for the term March 1, 2010 through February 28, 2011 (Board previously approved term May 1, 2009 through April 30, 2010).

- d. approval of corrected term for The Standard Register Company (PP-MM-015) for forms and related products for the term October 1, 2009 through September 30, 2010 – as corrected, second term (Board previously approved term April 1, 2008 through March 31, 2011 – as approved initial term).
- e. award on the basis of low bid for Continental Flooring Company to replace flooring at Ben Taub General Hospital and Lyndon B. Johnson General Hospital in the amount of \$262,800.
- f. award on the basis of best proposal meeting requirements for Chamberlin Edmonds to follow-up on pending, previously placed Medicaid accounts for the purpose of certifying patients for Medicaid benefits and/or any other related third-party resources in the amount of 12% of recovered funds (pre-discharge) and 14% of recovered funds (post-discharge) for the term one year upon execution of agreement with four one-year renewal options.
- g. award on the basis of best proposal meeting requirements for Press Ganey Associates, Inc. for patient satisfaction and HCAHPS surveys, employee surveys, and physician surveys for the Hospital District in the estimated amount of \$573,473 for the term one year upon execution of agreement with four one-year renewal options.
- h. funding for the third year of a five-year agreement for Siemens Healthcare Diagnostics, Inc. (PP-LA-199) to provide plasma protein analyzers, reagents, consumables and service in the estimated amount of \$128,824 for the term March 7, 2010 through March 6, 2011.
- i. funding for year two of a five-year agreement for International Business Machines Corporation (IBM) to provide continued support and maintenance services for all IBM and Compaq hardware in the estimated amount of \$523,661 for the term February 15, 2010 through February 14, 2011.
- j. funding for the fifth and final year of a five-year agreement for Masimo Americas, Inc. through Cardinal Health (PP-NS-540 fka PP-NS-347) for pulse oximeter monitoring equipment and supplies in the estimated amount of \$796,995 for the term April 12, 2010 through April 11, 2011.
- k. additional funds and an extension for Siemens Healthcare Diagnostics, Inc. for esoteric chemistry testing analyzer and reagents in the estimated additional amount of \$38,804 for the extended term March 1, 2010 through June 30, 2010 (Board previously approved funds in the amount of \$116,413 for the term March 1, 2009 through February 28, 2010).
- l. additional funds and an extension for Ventana Medical Systems, Inc. for immunohistochemistry staining and special staining in the estimated additional amount of \$223,124 for the extended term March 1, 2010

through August 31, 2010 (Board previously approved funds in the amount of \$446,247 for the term March 1, 2009 through February 28, 2010).

- m. additional funds for Sodexo Services of Texas Limited Partnership for continued food and nutrition services in the estimated additional amount of \$362,377 for the term March 7, 2009 through March 6, 2010 (Board previously approved funds in the amount of \$3,612,249 for the term March 7, 2009 through March 6, 2010).
- n. approval of funding for Sage Products, Inc. (PP-NS-458) for oral care products in the estimated amount of \$136,434 for the term March 1, 2010 through February 28, 2011.
- o. additional funds and extension for Gulf Coast Cancer & Diagnostic Center @ Southeast St. Joseph Medical Center for imaging services for Hospital District patients in the estimated additional amount of \$100,000 for the extended term March 1, 2010 through May 31, 2010 (Board previously approved funds in the amount of \$3,000,000 for the term March 1, 2009 through February 28, 2010).
- p. WITHDRAWN.
- q. funding for the third year of a four-year agreement for CareFusion Solutions, Inc. formerly Cardinal Health 301, LLC (PP-CE-383) in the amount of \$641,892 for the term April 1, 2010 through March 31, 2011.
- r. approval of renewal as an exception to the Hospital District Purchasing Manual bid requirements for the American National Red Cross to provide a secondary source for blood products and components in the estimated amount of \$1,215,080 for the term March 1, 2010 through February 28, 2011.
- s. WITHDRAWN.
- t. approval of the third of four renewal options for bioMerieux, Inc. for automated blood culture products and testing in the estimated amount of \$321,234 for the term May 1, 2010 through April 30, 2011.
- u. WITHDRAWN.
- v. WITHDRAWN.
- w. approval of the third of four renewal options for Aetna Life Insurance Company for long term disability coverage for Hospital District employees in the estimated amount of \$1,452,635 for the term March 1, 2010 through February 28, 2011.
- x. approval of the first of two renewal options for Sign Shares for interpreter services for hearing impaired persons in the estimated amount of \$125,000 for the term April 1, 2010 through March 31, 2011.
- y. WITHDRAWN.

- z. funding on the basis of sole source for Becton Dickinson and Company (PP-LA-229) for manual microbiology test kits and products in the estimated amount of \$178,320 for the term May 1, 2010 through April 30, 2011.
- aa. ratification of funding for Amd-Ritmed, Inc. (PP-OR-275) for lap sponges, OR towels and specialty sponges in the estimated amount of \$135,569 for the term February 1, 2010 through January 31, 2011.
- bb. ratification of funding for 3M Company (PP-NS-467) for tape products and cohesive bandages in the estimated amount of \$132,968 for the term February 1, 2010 through January 31, 2011.
- cc. ratification of additional funds and an extension for Abbott Laboratories, Inc. for blood glucose monitors, reagents, training and service in the estimated additional amount of \$523,368 for the extended term February 1, 2010 through July 31, 2010 (Board previously approved funds in the amount of \$1,591,899 for the term April 13, 2007 through January 31, 2010).
- dd. ratification of additional funds for Sign Shares for interpreter services for hearing impaired persons in the additional amount of \$45,000 for the term April 1, 2009 through March 31, 2010 (Board previously approved funds in the amount of \$80,000 for the term April 1, 2009 through March 31, 2010).
- ee. ratification of the fourth and final renewal option for General Electric Healthcare Technologies for repair services for radiology equipment in the estimated amount of \$250,000 for the term February 1, 2010 through January 31, 2011.
- ff. ratification of the third of four renewal options for USA Mobility Wireless, Inc. (formerly Metrocall, Inc., D/B/A USA Mobility, Inc. (“Arch Wireless”) for leasing of wireless pagers, messaging services and related items in the estimated amount of \$265,000 for the term February 1, 2010 through January 31, 2011.
- gg. ratification of funding for Cardinal Health, Medical Products and Services (PP-OR-360) and Cardinal Health 200, LLC (PP-NS-442) for exam gloves and surgical gloves in the total estimated amount of \$1,533,883 for the term February 1, 2010 through January 31, 2011 (Cardinal Health, Medical Products and Services - \$249,007, surgical gloves; Cardinal Health 200, LLC - \$1,284,876, exam gloves).
- hh. ratification of purchase on the basis of sole source for American Hospital Association through the Texas Hospital Association for American Hospital Association Membership in the amount of \$119,408 for the term January 1, 2010 through December 31, 2010.

- ii. award on the basis of lowest price and best proposals for US Med-Equip (primary) and Hill-Rom Company, Inc. (secondary) for rental of various patient care peak use equipment and services in estimated multi-vendor amount of \$70,320 (US Med-Equip, Inc. - \$70,320; Hill-Rom Company, Inc. – no funds required at this time, funding will be requested when necessary).
- jj. approval of the first of three renewal options for MAST Biosurgery for barrier adhesion resorbable film products in the estimated amount of \$119,000 for the term February 1, 2010 through January 31, 2011.
- kk. award on the basis of best proposal meeting requirements for Siemens Medical Solutions USA, Inc. to provide a new urological imaging suite for Ben Taub General Hospital in the amount of \$300,863 (annual maintenance year 2 - \$17,496; estimated price 7 years - \$405,839) for one year initial term with six maintenance renewal options.
- ll. funding for the final year of a three-year agreement for Sodexo Services of Texas Limited Partnership for food and nutrition services in the estimated amount of \$4,356,770 for the term March 7, 2010 through March 6, 2011.

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

- a. transmittal of purchase on the basis of sole source for Hologic, Inc. for bone densitometry in the amount of \$52,000.
- b. transmittal of purchase on the basis of sole source for IBM Corporation for IBM operating system software license and maintenance in the amount of \$61,856 for the term December 15, 2009 through May 1, 2010.
- c. transmittal of purchase on the basis of sole source for 3M Company for 3M all patient refined diagnosis related groups (APR DRG's) software license and support services in the amount of \$80,676 for one year upon execution of amendment.
- d. transmittal of purchase for Philips Medical Systems for Philips monitoring system integration to Epic in the amount of \$94,457 for the term February 1, 2010 through January 31, 2011.
- e. transmittal of exemption from competitive bid requirements for Mark Bivins through Morris & Dickson Co., L.L.C. for audit consulting and accounting services in the amount of \$75,000 for the term December 1, 2009 through November 30, 2010 with four one-year renewal options.
- f. transmittal of purchase on the basis of lowest priced contract for GE Medical Systems to provide two ultrasound scanning systems for Casa de Amigos Health Center and one for Aldine Health Center in the amount of \$94,500.

- g. transmittal of funding for Procter & Gamble (PP-WC-006) for infant diapers in the estimated amount of \$74,499 for the term March 1, 2010 through February 28, 2011.
 - h. transmittal of purchase on the basis of low quote for DIR through NWN Corporation for Cisco Smartnet equipment for the wireless phone pilot in the amount of \$53,394.
 - i. transmittal of award on the basis of lowest priced proposal for Brink's U.S., a Division of Brink's Incorporated for armored car service in the amount of \$71,516 for the term March 1, 2010 through February 28, 2011.
 - j. transmittal of renewal for DIR through SHI Government Solutions (DIR-SDD-600) for maintenance, support and subscription licenses for Symantec Archiving E-Discovery Solution in the amount of \$62,050 for the term March 1, 2010 through February 28, 2011.
 - k. transmittal of the second of four renewal options for Travelers Lloyd's Insurance Company through John L. Wortham & Son, L.P. to provide physical damage coverage for mobile health units and catastrophe coverage for scheduled vehicles in the estimated amount of \$27,379 for the term April 1, 2010 through April 1, 2011.
 - l. transmittal of purchase on the basis of sole source for Cook Medical Inc. to provide antibiotic impregnated catheters to aid in the reduction of central line bloodstream infections in the estimated amount of \$79,550 for the term March 1, 2010 through February 28, 2011.
 - m. transmittal of termination for Mallinckrodt, Inc., a Tyco Healthcare Company (PP-IM-073) in the amount of \$89,995 for the term January 1, 2010 through December 31, 2010.
- B. Approval of an Interlocal Agreement between Harris County and the Harris County Hospital District regarding realignment of children's health services (excluding dental) from Harris County Public Health and Environmental Services (HCPHES) to the Harris County Hospital District in the grant amount of \$82,832 for the grant period September 1, 2009 through August 31, 2010 (services for all child health services, except dental, will be transitioned from HCPHES to HCHD beginning on or about April 15, 2010; payment for appropriate services under the Title V Grant Program will be made to HCHD from HCPHES upon submission of monthly invoices).
- C. Approval of an Agreement between the Harris County Hospital District and Baylor College of Medicine, Department of Medicine in the amount of \$571,367 to provide Physician Services for Primary Medical Care funded under Ryan White Modernization Act Part A to Eligible HIV-infected Individuals for the term March 1, 2010 through February 28, 2011.

- D. Approval of an Agreement between the Harris County Hospital District and Baylor College of Medicine, Department of Family and Community Medicine funded under Ryan White Modernization Act Part A in the amount of \$235,000 to provide Psychiatry Services to Eligible HIV-infected Individuals for the term March 1, 2010 through February 28, 2011.
- E. Approval of an Agreement between the Harris County Hospital District and Baylor College of Medicine, Department of Family and Community Medicine in the amount of \$64,843 to provide Physician Services Primary Medical Care funded under Ryan White Modernization Act Part A to Eligible HIV-infected Females for the term March 1, 2010 through February 28, 2011.
- F. Approval of an Agreement between the Harris County Hospital District and the University of Texas Health Science Center in the amount of \$468,235 to provide Physician Services for Primary Medical Care funded under Ryan White Modernization Act Part A to Eligible HIV-infected Individuals for the term March 1, 2010 through February 28, 2011.
- G. Approval of a Facilities Use Agreement between the Harris County Hospital District and AIDS Foundation Houston for the use of space at no cost at Thomas Street Health Center to provide Child Monitoring Services to Eligible HIV-infected Individuals for the term March 1, 2010 through February 28, 2011.
- H. Approval of a Facilities Use Agreement between the Harris County Hospital District and Bering Omega Community Services for the use of space at no cost at Thomas Street Health Center to provide Housing Assistance and Placement to Eligible HIV-infected Individuals for the term March 1, 2010 through February 28, 2011.
- I. Approval of a Facilities Use Agreement between the Harris County Hospital District and Harris County Public Health and Environmental Services (HCPHES) for the use of space at no cost at Thomas Street Health Center to provide HIV Prevention Education to Eligible HIV-infected Individuals for the term March 1, 2010 through February 28, 2011.
- J. Approval of a Point of Entry Agreement between the Harris County Hospital District and Legacy Community Services at no cost to facilitate access to treatment services for HIV-positive individuals for the term March 1, 2010 through February 28, 2012.
- K. Approval of an Agreement between the Harris County Hospital District and Harris County funded under Ryan White Modernization Act Part A in the amount of \$3,034,638 to provide Primary Medical Care and Medical Case Management Services to Eligible HIV-infected Individuals for the term March 1, 2010 through February 28, 2011.

- L. Approval of a Point of Entry Agreement between the Harris County Hospital District and Houston Department of Health and Human Services at no cost to facilitate access to treatment services for HIV-positive individuals for the term March 1, 2010 through February 28, 2012.
- M. Approval of a Point of Entry Agreement between the Harris County Hospital District and St. Hope Foundation at no cost to facilitate access to treatment services for HIV-positive individuals for the term March 1, 2010 through February 28, 2012.
- N. Approval of a Point of Entry Agreement between the Harris County Hospital District and Montrose Counseling Center at no cost to facilitate access to treatment services for HIV-positive individuals for the term March 1, 2010 through February 28, 2012.
- O. Approval of an Agreement between the Harris County Hospital District and Open Door Mission at no cost to Provide On-site Registration Services to Homeless Individuals for the term March 1, 2010 through March 31, 2011.
- P. Authorize the Hospital District to enter into Lease Option 13 of Lease Agreement between the Harris County Hospital District and the City of Pasadena for approximately 35,564 square feet of space for the Strawberry Health Center/Eligibility Center for the period of March 1, 2010 through February 28, 2011. The current lease payment of \$9,451.33/month will increase to \$9,769.27/month due to a 3.364% increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) from December 2008 to December 2009.
- Q. Approval to enter into a Professional Services Agreement with Inventure Design to provide interior design services for various FY 2011 projects at facilities throughout the Harris County Hospital District for one year with three annual renewals, for an estimated not-to-exceed amount of \$100,000.
- R. Approval to renew the Professional Services Agreement with MEDesign Architectural Group, Inc. to provide architectural and engineering services for various FY 2011 projects at facilities throughout the Harris County Hospital District for an estimated not-to-exceed amount of \$100,000.
- S. Approval of the Employee Referral Program Policy 6.40 effective immediately.
- T. Acceptance of the Harris County Auditor's Construction Project Controls Report.
- U. Approval of the Audit Committee Charter.

VI. Reports of the Committees

A. Joint Conference Committee

Dr. Peter Doyle presented the credentialing changes for members of the HCHD medical staff for February. Dr. Santos questioned if one of the reappointments was

really a visiting professor. Dr. Sutton stated that he would look into this. A copy of the report is available in the permanent record.

1. Motion 10.2-24

Moved by Ms. Truesdell, seconded by Ms. Stiner, and unanimously passed, that the Board approve the February credentialing changes for members of the HCHD Medical Staff.

Dr. Peter Doyle presented the January and February Medical Board Report. He stated that the Riverside Dialysis Center received both CMS and state accreditation. A mock survey will be conducted by the Greeley Group in April. Dr. Santos asked if anything had been done in regards to the call room citations. Dr. Tucker stated that there should be resolution on this issue within the next two weeks. Ms. Truesdell addressed the Administrative Report, which stated that CHP volume had increased by 70%. Dr. Trenchel stated that it should be 17%. Questions were raised regarding the lack of EEG availability. Dr. Santos asked for a report back when this issue was resolved. Ms. Truesdell noted that the February report shows an ongoing problem with the two patient identifiers. It was stated that this is being addressed and is tracked as an ongoing PI indicator. Dr. Santos addressed the plan for housestaff orientation to become paperless. Dr. Sutton stated that housestaff will be given a CD rather than a folder of paperwork, but they will still be required to attend the sessions. Questions were raised regarding the reported problems with PARC. Dr. Trenchel stated that an update on PARC will be provided as they move forward. Copies of the reports are available in the permanent record.

2. Motion 10.2-25

Moved by Ms. Truesdell, seconded by Ms. Stiner, and unanimously passed, that the Board accept the January and February Medical Board Reports as included in the packet.

The Harris County Hospital District Medical Staff Bylaws were pulled from the agenda.

3. Consideration of Approval of the Harris County Hospital District Medical Staff Bylaws

Dr. Peter Doyle presented the Harris County Hospital District Utilization Review Plan for approval. A copy of the report is available in the permanent record.

4. Motion 10.2-26

Moved by Dr. Varadhachary, seconded by Ms. Stiner, and unanimously passed, that the Board approve the Harris County Hospital District Utilization Review Plan.

Dr. Peter Doyle presented the Categories of Allied Health Practitioners for approval.

5. Motion 10.2-27

Moved by Ms. Truesdell, seconded by Ms. Stiner, and unanimously passed, that the Board approve the Categories of Allied Health Practitioners.

B. Budget and Finance Committee

Mr. Gaenzel presented the January 2010 Financial Report. Ms. Truesdell stated that she would be meeting with Mr. Gaenzel to go over the report and how it is presented. A copy of the report is available in the permanent record.

1. Motion 10.2-28

Moved by Ms. Stiner, seconded by Dr. Santos, and unanimously passed, that the Board accept the January 2010 Financial Report subject to audit.

Mr. Gaenzel presented the January 2010 Pension Plan Report. A copy of the report is available in the permanent record.

2. Motion 10.2-29

Moved by Dr. Santos, seconded by Ms. Stiner, and unanimously passed, that the Board accept the January 2010 Pension Plan Report subject to audit.

3. Motion 10.2-30

Moved by Dr. Santos, seconded by Ms. Stiner, and unanimously passed, that the Board approve not renewing the Substitute Letter of Credit and Reimbursement Agreement with Bank of America, N.A. in the amount of \$53,698,630.14 which provides liquidity and credit support for the District's \$50 Million Commercial Paper Program (agreement expired on February 15, 2010).

4. Motion 10.2-31

Moved by Ms. Stiner, seconded by Dr. Santos, and unanimously passed, that the Board approve revision to Board Motion #09.1-13 by deleting the following language *"for the use of Board Members and Director of Board Affairs to facilitate and pay for travel arrangements and expenses while conducting District business"* and replacing it with *"for use of the Board Office to facilitate and pay for conferences, seminars, travel arrangements and other expenses for Board members and District personnel while conducting District business in accordance with the Harris County Hospital District Travel Reimbursement Expenses Policy No. 2580, as may be amended. Expense Reports associated with the use of this credit card shall be referred to the Board's Audit Committee for oversight review."*

5. Presentation of the January 2010 Financial Statements of Community Health Choice, Inc.

Mr. Ken Janda presented the January 2010 CHC Financial Report. He stated that they are on budget for the month from a membership standpoint. There are different pay rates for children, newborns, and pregnant women, and they have seen fewer pregnant women than budgeted for. There has been a continued spike in expenses. There was quite a spike in the 4th quarter in both EC utilization and office visits related to the flu. A copy of the report is available in the permanent record.

6. Items Related to Purchasing

Ms. Gould stated that agenda items VI.B.6.a.-VI.B.6.c are being brought back with the requested information.

a. **Motion 10.2-32**

Moved by Ms. Stiner, seconded by Dr. Varadhachary, and unanimously passed, that the Board approve the fourth and final renewal option for Midwest Employers Casualty Co. through Alamo Insurance Group, Inc. for excess workers' compensation and employer's liability insurance in the estimated amount of \$351,000 for the term March 31, 2010 through March 31, 2011.

b. **Motion 10.2-33**

Moved by Dr. Varadhachary, seconded by Ms. Stiner, and unanimously passed, that the Board approve the third of four renewal options for Aetna Life Insurance Company for medical/prescription drug coverage, Employee Assistance Program "EAP" Services in the estimated amount of \$73,230,556 for the term March 1, 2010 through February 28, 2011.

c. **Motion 10.2-34**

Moved by Dr. Varadhachary, seconded by Ms. Stiner, and unanimously passed, that the Board approve the fourth and final renewal option for Aetna Life Insurance Company, Spectera, Inc., United Healthcare Insurance Company, National Pacific Dental, Inc., and Hartford Life & Accident Insurance Co. for Dental DHMO and DPPO, Basic Life and AD&D, Voluntary Life and Voluntary AD&D, Vision and Flexible Spending Account coverage in the estimated amount of \$5,554,610 for the term March 1, 2010 through February 28, 2011.

Dr. Santos asked for some type of summary showing what insurance products are being offered to employees (working, disabled, and retired), and the impact changes in the last year have had.

C. Planning and Operations Committee

Agenda Item VI.C.1. was pulled from the agenda.

1. Consideration of movement of Social Security Disability Claimants to Medicare Primary effective April 1, 2010 for the Harris County Hospital District.

Mr. Johnson presented agenda items VI.C.2 and VI.C.3 for information.

2. Transmittal of Professional Services Agreement more than \$100K with HDR (Henningson, Durham, & Richardson) Studio Red
3. Transmittal of Professional Services Agreement more than \$100K with Wilson Architectural Group and Engineers, Scientists, Planners and Architects (ESPA) Corporation

D. Legislative Committee

Mr. Hillier presented the Legislative Committee Report. He stated that the summit is now occurring on the federal level. He stated that the 5% budget reduction is being addressed on the state level, which translates to approximately \$200 million in program reductions. Sales tax numbers are down significantly and continue to plummet. There is a proposed reduction to trauma funds by approximately \$5 million, which would be about a \$500,000-\$750,000 impact to the District. Discussion ensued.

1. Update, discussion and possible action regarding activities in Austin relating to regulatory issues impacting HCHD, the 81st Legislative Session and the HCHD legislative platform
2. Update, discussion and possible action regarding pending federal legislative, line items and policy issues affecting HCHD

E. Performance Improvement and Patient Safety Committee

1. Review, Discussion and Possible Action regarding the Harris County Hospital District Performance Improvement and Patient Safety Dashboard

Dr. Sutton presented the Harris County Hospital District Performance Improvement and Patient Safety Dashboard. The District is in compliance with all regulatory/accrediting and certification programs. Preliminary data from the 1st quarter was presented related to national patient safety goals, patient satisfaction ratings, and HEDIS measures. Discussion ensued. Dr. Sutton stated that the nursing vacancy rate is still on target. Discussion ensued regarding infection control indicators.

2. Review and Discussion of The Quality Committee of the Board II, Taking it to the Next Level (webinar)

Dr. Sutton addressed The Quality Committee of the Board II, Taking it to the Next Level (webinar). Information from the webinar was included in the packet for review.

3. Review of *Deadly Infections* Article

The Article, *Deadly Infections*, was presented for information. Dr. Sutton presented the Central Venous Catheter Insertion Checklist for information. Dr. Santos asked if physicians were required to sign off on the checklist. Dr. Doyle stated that the physician does not need to sign off unless there is some type of involvement. Dr. Santos questioned the process when “no” is checked on the form. Mr. Charles Schubert stated that they will begin to collect data and there will be an immediate response in the event “no” is checked.

F. Corporate Compliance Committee

Motion 10.2-35

Moved by Ms. Truesdell, seconded by Ms. Stiner, and unanimously passed, that the Board approve the review and revisions to HCHD Policy No. 3.39, Board of Managers Corporate Compliance Committee Charter.

VII. Miscellaneous Agenda Items

A. Motion 10.2-36

Moved by Ms. Truesdell, seconded by Dr. Varadhachary, and unanimously passed, that the Board approve ratification of an amendment to a contract between the Harris County Hospital District and Texas Department of State Health Services for the FY10 Children with Special Health Care Needs Case Management Program.

B. Information Technology Update

Mr. Tindle presented the Information Technology Update beginning with the 1999 systems status. In 1999, it was found that IT investment was not maintained, IT in the District was outsourced, and the IT infrastructure was unstable and dysfunctional. The Board of Managers and Interim CEO at the time initiated corrective action. The 1999 corrective action plan included initiating the Y2K program, in-source IT functions, repair or replace infrastructure, update and stabilize information systems where possible, build a long term IT strategy, and make key strategic decisions. Progress made from 1999-2003 was reviewed. He addressed 2004-present, addressing the commitment to integration. National recognition for the IT Department was received in 2008 and 2009. Mr. Tindle presented an overview of Epic Program completed projects and Epic Program benefits. An overview of PACS and Cardiology PACS implementation was presented. Mr. Tindle presented the current systems status compared to the 1999 systems status. An overview was given of the major IT projects for FY2011 and capital spending. Mr. Tindle recognized Mr. Louis Greak and Dr. John Riggs for their work. A copy of the report is available in the permanent record.

Agenda Item VIII was addressed out of order.

C. Recognition of Nursing Pathway to Excellence

Ms. Cloyd stated that all three hospitals in the Hospital District have been awarded the Nursing Pathway to Excellence designation. She thanked the Board for challenging and pushing forward to really focus on nursing and nursing practice. The Nursing Pathway to Excellence is a designation by the American Nurses Association through the Credentialing Center. There are twelve standards of compliance that the organization is audited and measured against. It is a two part process that includes submission of a written document and an online survey portal. Fifty-one percent of the nurses have to participate in the survey and score at a high enough level on all practice standards to receive the designation. She noted that each hospital stands alone in the accreditation process.

Ms. Cloyd recognized and thanked Ms. Martha Jones in HR, the HCHD Foundation, Ms. Viola Hebert, and Mr. Robert Rivera. Memorial Hermann is the only other hospital in the Texas Medical Center with the Pathway to Excellence designation.

VIII. President/Chief Executive Officer's Report to Include: 1) Pharmacy Department Audit; 2) Patient Satisfaction Status Report; and 3) Accountable Health Organizations

Pharmacy Department Audit

Mr. Lopez addressed the pharmacy department audit. Mr. Ryan Roux stated that the Pharmacy Department embarked on an alternative methods demonstration project. A 3rd party audit, which reviews several areas of regulatory and compliance, is required as part of this pilot. The results came back a couple of weeks ago and the organization is over 99% compliant. This report will be going to the Office of Pharmacy Affairs (OPA) in the next couple of weeks. Mr. Roux thanked his team for their work and support.

Patient Satisfaction Status Report

The Patient Satisfaction Status Report was deferred until a future meeting.

Accountable Health Organizations

The report on accountable health organizations was deferred until a future meeting.

IX. Executive Session

At 11:49 a.m., Mr. DonCarlos stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code, and Section 160.007 of the Texas Occupations Code and Chapter 551 of the Texas Government Code Section 071. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

Dr. Santos left prior to reconvening from Executive Session.

X. Reconvene

At 12:50 p.m., Mr. DonCarlos reconvened the meeting and stated that no action was taken in Executive Session.

A. Report by Senior Vice President of Corporate Compliance regarding compliance with Medicare, Medicaid, HIPAA and other Federal and State Health Care Program Requirements and a Status of Fraud and Abuse Investigations, pursuant to Section 161.032 of the Texas Health & Safety Code.

No action taken.

B. 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.

No action taken.

- C. Consultation with the County Attorney regarding a Proposed Settlement for Lost/Missing Home Medical Equipment with American Medical Equipment Co., pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session.

Motion 10.2-37

Moved by Ms. Truesdell, seconded by Ms. Stiner, and unanimously passed, that the Board adopt the following resolution:

The Harris County Hospital District, by and through its Board of Managers, ratifies a settlement in the amount of \$15,000, payable to American Medical Equipment Co. for lost/missing home medical equipment arising from a contract between HCHD and American Medical Equipment Co., for the term February 1, 2008 through January 31, 2009, and authorizes the President/CEO on behalf of the District to execute any necessary documents to effect this settlement.

- D. Consultation with the County Attorney regarding a Medical Malpractice Claim filed by Earl Burgess, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action Regarding this Matter Upon Return to Open Session.

No action taken.

- E. Consultation with the County Attorney regarding Cause No. 2009-00545; *Shneka Harris v. Harris County Hospital District d/b/a Lyndon B. Johnson General Hospital*; In the 113th Judicial District Court of Harris County, Texas, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter upon Return to Open Session.

Motion 10.2-38

Moved by Ms. Truesdell, seconded by Ms. Stiner, and unanimously passed, that the Board adopt the following resolution:

The Harris County Hospital District, by and through its Board of Managers, approves a settlement in an amount not to exceed \$3,000, payable to Shneka Harris and her attorney Jim M. Perdue, Jr., an amount not to exceed \$1,755.89 for case expenses payable to Jim M. Perdue, Jr., and an amount not to exceed \$20.00 for grave markers payable to Harris County Social Services, and authorizes the President/CEO on behalf of the District to execute any necessary documents to effect this settlement.

- F. Consultation with the County Attorney regarding IRS Housing Allowance Designation for Hospital District Chaplains and Clinical Pastoral Education Residents, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action Regarding this Matter Upon Return to Open Session.

No action taken.

- G. Consultation with the County Attorney regarding a Proposed Settlement with SureTec Insurance Company on the Baytown Health Center Construction Project, pursuant to

Tex. Gov't Code Ann. §551.071 and Possible Action Regarding this Matter Upon Return to Open Session.

Motion 10.2-39

Moved by Ms. Truesdell, seconded by Dr. Varadhachary, and unanimously passed, that the Board adopt the following resolution:

The Harris County Hospital District, by and through its Board of Managers, approves the settlement with SureTec Insurance Company in an amount not to exceed the remaining balance of the original contract of \$1,300,000, plus District approved change orders in the amount of \$62,716.49, and a release of all claims by Hallmark Capital Group, Jason Freeman, and SureTec on the Baytown Health Center Construction Project. The board of Managers further authorizes the President/CEO on behalf of the District to execute any necessary documents to effect this settlement.

XI. Adjournment

Moved by Dr. Varadhachary, seconded by Ms. Stiner, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 12:55 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 February 25, 2010.

Mr. Stephen DonCarlos, Chair
Board of Managers

Mr. E. Dale Wortham, Secretary

Recorded by Christie Reno