



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

Thursday, March 31, 2011

Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. Stephen DonCarlos, Chair
Ms. Carolyn Truesdell, Vice Chair
Mr. E. Dale Wortham, Secretary
Dr. George Santos
Dr. Atul Varadhachary (9:30 a.m.)
Mr. Elvin Franklin, Jr.
Mr. Lawrence Finder
Ms. Daisy Stiner (9:11 a.m.)

BOARD MEMBERS ABSENT

Ms. Mary Spinks

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. George Masi, Chief Operating Officer
Ms. Vivian Groce, Harris County Assistant Purchasing Agent
Nancy Wingstrom, County Attorney's Office
Dr. Matthew Wall, Chairman, Medical Executive Board
Ms. Peggy Boice, Judge Ed Emmett's Office
Mr. Mark Fury, Commissioner Steve Radack's Office
Ms. Nikki Caffey, Commissioner Jack Mormon's Office
Ms. Elizabeth Neal, Commissioner Jerry Eversole's Office
Mr. Lester Byrd, Commissioner El Franco Lee's Office (9:27 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 9:06 a.m. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meetings

Motion 11.3-32

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board approve the minutes of the February 24, 2011 Board of Managers Meeting and the November 30, 2010 Called Board of Managers Meeting.

III. Hear from Citizens

There were no citizens present to speak.

Item VII.1. was addressed out of order.

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

Ms. Truesdell noted that items A1ee and A1b were withdrawn from the agenda prior to the meeting.

Motion 11.3-33

Moved by Mr. Wortham, seconded by Dr. Santos, and unanimously passed, that the Board approve items IV.A1a to IV.A1nn.

A. Items related to Purchasing

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

- a. approve corrections for Epic Systems Corporation for Upgrade InterSystems Cache in the not-to-exceed amount of \$519,750.
- b. WITHDRAWN.
- c. award on the basis of sole source for Epic Systems Corporation (Epic) for maintenance for Epic clinical and business software in the estimated amount of \$2,644,714 for the term April 1, 2011 through March 31, 2012.
- d. approve additional funds for Amtech Elevator Services for periodic maintenance and services of elevators/lift equipment in the estimated additional amount of \$119,778 for the term August 1, 2010 through July 31, 2011 (Board previously approved funds in the amount of \$404,580 for the same term).
- e. award on the basis of low quote for John A. Walker Roofing Co., Inc. for roof replacement at Lyndon B. Johnson General Hospital in the amount of \$219,949 (\$199,954 – construction price; \$19,995 – owner contingency).
- f. approve additional funds for Smith Seckman Reid, Inc. for professional engineering services to develop and produce as-found line diagrams and electrical system studies at Ben Taub, Lyndon B. Johnson, and Quentin Mease Hospitals in the estimated additional amount of \$298,000 (Board previously approved funds in the amount of \$361,321).

- g. approve additional funds for Sodexo Services of Texas Limited Partnership for housekeeping services in the estimated additional amount for final payment of \$290,853 (Board previously approved funds in the amount of \$2,867,769 for the term October 1, 2010 through December 31, 2010).
- h. approve additional funds for Watlee Construction, Inc. of Texas for installation of electrical equipment, acoustic ceiling demolition and sprinkler modification in the estimated additional amount of \$30,016 (Board previously approved funds in the amount of \$96,858).
- i. approve additional funds for Centennial Contractors Enterprises, Inc. (Primary Vendor) and Kellogg Brown & Root Services, Inc. (Secondary Vendor) for job order contracting for small and large projects in the estimated additional amount of \$700,000 for the term April 1, 2009 through March 31, 2011 (Board previously approved funds in the amount of \$7,000,000 for the same term).
- j. approve additional funds for Pepper-Lawson Construction, L.P. for GI Lab renovation/expansion in the estimated additional amount of \$137,070 (Board previously approved funds in the amount of \$522,500).
- k. approve the guaranteed maximum price for Skanska USA Building Inc. for Construction Manager at Risk for building construction, expansion and remodeling in the amount of \$809,246 (\$765,246 – construction price; \$44,000 – owner contingency).
- l. award the fourth and final renewal option for The University of Texas M.D. Anderson Cancer Center to provide specialized medical services to eligible female Hospital District patients with medical histories suggestive of cancer, precancerous or tumorous diseases in the estimated amount of \$100,000 for the term March 1, 2011 through February 29, 2012.
- m. award funding for the fourth year of a five-year agreement for Siemens Healthcare Diagnostics Inc. fka Dade Behring, Inc. (PP-LA-257 fka PP-LA-199) for plasma protein analyzers in the estimated amount of \$153,048 for the term March 7, 2011 through March 6, 2012.
- n. approve additional funds and an extension for Siemens Healthcare Diagnostics Inc. (PP-LA-257 fka PP-LA-199) for chemistry analyzers in the estimated additional amount of \$386,205 for the extended term April 1, 2011 through June 30, 2011 (Board previously approved funds in the amount of \$4,429,474 for the term June 1, 2008 through March 31, 2011).
- o. approve additional funds and an extension for Siemens Healthcare Diagnostics Inc. (PP-LA-257 fka PP-LA-197) for immunochemistry analyzers in the estimated additional amount of \$401,194 for the extended term April 1, 2011 through June 30, 2011 (Board previously approved funds

in the amount of \$4,398,351 for the term July 1, 2008 through March 31, 2011).

- p. approve additional funds and an extension for Diamedix Corporation for fully automated microplate analyzer and reagents in the additional amount of \$45,000 for the extended term April 1, 2011 through June 30, 2011 (Board previously approved funds in the amount of \$306,991 for the term June 1, 2009 through March 31, 2011).
- q. approve additional funds and an extension for Bio-Rad Laboratories, Inc. for two whole blood analyzers, reagents and consumables for A1c and variant hemoglobin tests in the estimated additional amount of \$24,000 for the extended term April 1, 2011 through June 30, 2011 (Board previously approved funds in the amount of \$142,000 for the term October 1, 2009 through March 31, 2011).
- r. approve the fourth and final renewal option for bioMerieux, Inc. (PP-LA-220) to provide automated blood culture products and testing in the estimated amount of \$321,234 for the term May 1, 2011 through April 30, 2012.
- s. approve the second and final renewal option for Laboratory Corporation of America (LabCorp) (PP-LA-273 fka PP-LA-216) to provide clinical reference laboratory testing services in the estimated amount of \$2,180,944 for the term April 1, 2011 through March 31, 2012.
- t. approve the second of four renewal options for Becton Dickinson and Company through BD Biosciences for flow cytometry in the estimated amount of \$237,523 for the term April 24, 2011 through April 23, 2012.
- u. approve the first of four renewal options for BAXA Corporation (PP-IV-041) for IV therapy products in the estimated amount of \$158,919 for the term June 3, 2011 through June 2, 2012.
- v. award on the basis of best contract for Sonosite, Inc. to provide three portable ultrasound units for the Anesthesia, Medical Intensive Care Unit and Pulmonary Functions Departments of Ben Taub General Hospital in the amount of \$131,093.
- w. award on the basis of best contract for Philips Healthcare to provide two ultrasound scanning systems for the Ben Taub General Hospital Ultrasound Department in the amount of \$420,700.
- x. award on the basis of sole source for Philips Medical Systems N.A. to upgrade five ultrasound systems in the amount of \$187,709.
- y. award on the basis of lowest priced contract for Tyco Healthcare (Valleylab) through US Surgical for electrosurgical units in the amount of \$127,786.

- z. award on the basis of best contract for ev3 Inc. to provide the Hospital District with peripheral and biliary stenting products including self expanding, balloon expanding, carotid and vascular options which are used in bile ducts, peripheral and central arteries in the estimated amount of \$139,855 for the term March 1, 2011 through February 29, 2012.
- aa. award on the basis of lowest priced proposal meeting requirements for Midwest Employers Casualty Co. through Alamo Insurance Group, Division of Brown & Brown Insurance Services of San Antonio, Inc. for excess workers' compensation and employer's liability insurance in the amount of \$225,615 for the term March 31, 2011 through March 31, 2012 with four one-year renewal options.
- bb. award on the basis of best proposal meeting requirements for Medtronic Navigation for a NeuroNavigation System in the estimated amount of \$310,141.
- cc. approve an exemption from the competitive bid requirements for Baylor College of Medicine for physician services for School-Based Teen Clinic Program in Precinct 1 in the estimated amount of \$150,000 for the term April 5, 2011 through April 4, 2012.
- dd. approve an exemption from the competitive bid requirements for Baylor College of Medicine for physician services for School-Based Teen Clinic Program in Precinct 2 in the estimated amount of \$150,000 for the term April 14, 2011 through April 13, 2012.
- ee. WITHDRAWN.
- ff. approve the third and final renewal option for Best Care EMS Ltd. (\$400,000) and NorthStar EMS, LP (\$250,000) for ambulance services in the total multi-vendor estimated amount of \$650,000 for the term April 1, 2011 through March 31, 2012.
- gg. approve corrected term for American Medical Equipment Company for home medical equipment to February 1, 2011 through January 31, 2012 (corrected term) from February 1, 2010 through January 31, 2011 (as approved).
- hh. approve corrected term for MCAnalyTXs, Inc. for claims payment analysis tool/service to February 18, 2011 through February 17, 2012 (corrected term) from February 18, 2010 through February 17, 2011 (as approved).
- ii. ratify purchase on the basis of best contract for Jarit Surgical Instruments (Items 592-620; \$11,275) and CareFusion 2200, Inc. (Items 1-591; \$297,618) for surgical instruments in the total multi-vendor estimated amount of \$308,893 for the term February 1, 2011 through January 31, 2012.

- jj. ratify purchase on the basis of best contracts for Merit Medical Systems, Inc. (PP-CA-175; \$12,765), Abbott Vascular Devices (PP-CA-171; \$37,325), and Boston Scientific Company (PP-CA-172; \$163,308) for diagnostic and interventional cardiology products in the estimated amount of \$213,398 for the term February 1, 2011 through January 31, 2012.
- kk. ratify purchase on the basis of low quote for NWN Corporation for maintenance and support for Cisco Equipment in the amount of \$549,805 for the term March 1, 2011 through February 29, 2012.
- ll. ratify purchase on the basis of lowest priced contract per line item for Tennant Sales & Service Company for janitorial equipment for housekeeping services in the amount of \$126,387.
- mm. award on the basis of low quote for General Datatech, L.P. for Cisco Networking Equipment in the amount of \$358,437 (purchase price - \$458,437; trade-in credit - (\$100,000)).
- nn. approval for The University of Texas Medical Branch at Galveston (UTMB) for continuing education and training to physicians and nurses treating individuals affected with HIV/AIDS in the estimated amount of \$4,300.

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

- a. transmittal of purchase on the basis of low quote for Chastang Ford for a mobile medical van in the amount of \$65,747.
- b. transmittal of purchase on the basis of product standardization for Philips Healthcare (PP-MM-061) for physiological monitoring system in the amount of \$83,080.
- c. transmittal of additional funds for Mallinckrodt Inc., a Tyco Healthcare Company (PP-IM-075) for radiopharmaceuticals in the estimated additional amount of \$98,581 for the term January 1, 2010 through December 31, 2010 (Board previously approved funds in the amount of \$914,638 for the same term).
- d. transmittal of purchase on the basis of lowest priced contract for CareFusion 203, Inc. to provide eight portable transport ventilators for the completion of the EMS Critical Care Program for Lyndon B. Johnson General Hospital in the amount of \$70,854.
- e. transmittal of purchase on the basis of best contract for CareFusion 2200, Inc. for instrument containers in the estimated amount of \$68,779 for the term February 1, 2011 through January 31, 2012.
- f. transmittal of renewal on the basis of sole source Baylor College of Medicine dba Lions Eye Bank of Texas for ophthalmic tissue services in the

- estimated amount of \$95,000 for the term March 18, 2011 through March 17, 2012.
- g. transmittal of the second of four renewal options for Dottie Mae Water Service, LLC for emergency bulk supply of portable drinking water in the estimated amount of \$25,200 for the term April 1, 2011 through March 31, 2012.
 - h. transmittal of the third 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, 2011 through April 1, 2012.
 - i. transmittal of the third and final renewal option for SHI Government Solutions (SHI) through Symantec Corporation (DIR-SDD-600) to provide email management software utilized for compliance discovery, open records, archiving, searching and encryption for Hospital District email in the amount of \$73,100 for the term March 1, 2011 through February 29, 2012.
 - j. transmittal of purchase on the basis of sole source for Pharmacy Computer Services, Inc. for Provider Order Entry Outpatient System Software in the amount of \$60,140.
 - k. transmittal of purchase on the basis of best contract for GE Medical Systems for Magnetic Resonance Imaging (MRI) shoulder and ankle coils in the amount of \$57,200.
 - l. transmittal of exemption from the competitive bid requirements for Ropes and Gray, LLP to assist the Hospital District in evaluating the feasibility of converting its Primary Care Clinics into Federally Qualified Health Centers.

Items IV.B.-IV.I. were presented for approval.

Mr. Finder addressed item IV.B. (Medical Staff Bylaws), specifically Article XVII-Immunity from Liability. He asked who was granting whom immunity. Dr. Sutton stated that this would need to be addressed with Legal. Mr. James Downes (County Attorney's Office) stated that this was not an issue that was recently revised. Mr. Finder asked that this section be deferred and explained to the Board. Mr. Downes stated that he would look into the issue. Discussion ensued. Mr. Downes stated that he believed the intent was to state the law, not assume the role of the law. This section can be redrafted and brought back. Ms. Truesdell addressed Article IX, Section 28 (Appellate Review Body). The Bylaws state that the members of the Governing Board will hear the appeal, including at least one physician. There are currently two physicians on the Board of Managers, but questioned what would occur if there were no physicians on the Board.

Mr. DonCarlos addressed item IV.G. (Approval of a naming opportunity for the new pediatric clinic location at 3925 Fairmont Parkway, Pasadena, Texas to the name “Pasadena Pediatric and Adolescent Medicine Clinic”). He asked if it would be possible to change the name. Discussion ensued regarding the name “Pasadena Pediatric and Adolescent Medicine Clinic”. Mr. Lopez stated that the name refers to the location and it could be changed if the Board wished to do so. Discussion ensued regarding names for the clinic. It was decided that the “Pasadena Pediatric Adolescent Medicine Clinic” would be changed to “Pediatric and Adolescent Health Center”.

Motion 11.3-34

Moved by Mr. Wortham, seconded by Ms. Stiner, and unanimously passed, that the Board approve agenda items IV.B. (with the understanding that changes will be made and brought back to the Board), IV.C.-IV.F., IV.G. (with the understanding that “Pasadena Pediatric and Adolescent Medicine Clinic” will change to “Pediatric and Adolescent Health Center”), IV.H. and IV.I.

- B. Approval of the revised Medical Staff Bylaws.
- C. Approval of the 2011 HCHD Charity Care Program Schedule of Benefits and Service Exclusions.
- D. Approval of the Shared and Unique Responsibilities of the Three Leadership Groups.
- E. Approval of an Interlocal Agreement between the Harris County Hospital District and the Harris County Sheriff's Office to provide discharge planning and continuity of care for eligible HIV-infected defendants of the Harris County Criminal Justice System prior to their release from custody at no cost to the District for the term April 1, 2011 through March 31, 2012.
- F. Approval of an Agreement between the Harris County Hospital District and Harmony House to provide on-site health care services to homeless individuals in the not to exceed amount of \$110,000 for the term April 1, 2011 through March 31, 2012.
- G. Approval of naming the new pediatric clinic location at 3925 Fairmont Parkway, Pasadena, Texas the “Pediatric and Adolescent Health Center”.
- H. Acceptance of the Harris County Auditor's Hospital District NSI Eligibility System Post Implementation Report.
- I. Approval of the Harris County Hospital District Policy 4602 Patient Latex Allergy Sensitivity Management.

V. Reports of the Committees

A. Joint Conference Committee

Dr. Matthew Wall presented the credentialing changes for members of the HCHD medical staff for March 2011. Ms. Alexis Smith (Credentialing Manager) stated that there is some missing information on some of the providers and it would be sent out to the Board. Discussion ensued. A copy of the report is available in the permanent record.

1. Motion 11.3-35

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve the March 2011 credentialing changes for members of the HCHD Medical Staff.

Dr. Matthew Wall presented the Medical Board Report. Ms. Truesdell stated that the report mentions a quality scorecard. She questioned if this was the same document that they received at the Committee meetings. Dr. Sutton stated yes. Ms. Truesdell addressed the Ambulatory Care Committee, which reported that there were approximately 57,000 visits to the Health Centers with no assigned PCP. Dr. Trenchel stated that they are working with the medical staff and attempting to get these patients assigned to a PCP. Discussion ensued. A copy of the report is available in the permanent record.

2. Motion 11.3-36

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board accept the Medical Board Report as included in the packet.

Motion 11.3-37

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board approve agenda items V.A.3-V.A.6.

3. Approval regarding Replacement of Optometry Clinical Privileges Forms for the Harris County Hospital District.
4. Approval regarding replacement of Physical Medicine and Rehabilitation Clinical Privileges Forms for the Harris County Hospital District.
5. Approval regarding replacement of Nephrology Clinical Privileges Forms for the Harris County Hospital District.
6. Approval regarding replacement of Psychiatry Clinical Privileges Forms for the Harris County Hospital District.

Item V.A.7. was pulled from the agenda. Dr. Santos suggested that “and in the case of a court order” be added to Statement II.D.

7. Approval regarding Policy 7.26 Consent to Treatment with Psychoactive Medication

B. Budget and Finance Committee

Mr. Norby presented the February 2011 Pension Plan Report. A copy of the report is available in the permanent record.

1. Motion 11.3-38

Moved by Ms. Stiner, seconded by Dr. Santos, and unanimously passed, that the Board accept the February 2011 Pension Plan Report subject to audit.

Mr. Norby presented the Fourth Quarter FY 2011 Investment Report. A copy of the report is available in the permanent record.

2. Motion 11.3-39

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board accept the Fourth Quarter FY 2011 Investment Report.

Mr. Norby presented the February 2011 Financial Report. He stated that there was a slight decline in bed utilization throughout the year. Discussion ensued regarding bed utilization. Mr. Norby stated that inpatient length of stay showed a slight increase in FY11. There was also an approximate 10% decline in admissions. This is not a major change and most of this conversion was moved to observation status, which resulted in fewer patient days.

It was noted that specialty clinics have shown a slight decline over the past three years, but CHP visits have increased greatly. Discussion ensued. Dr. Trenschel stated that one of their goals is to have better communication between specialty care and the primary care. The first goal is to make sure all patients in specialty care have a PCP.

Mr. Norby referred back to the report, stating that the average monthly births has declined. There is an approximately 16% decrease from the previous year. Discussion ensued regarding births at both pavilions. It was stated that the largest decline occurred at BTGH (approximately 1,000 for the year). LBJ decreased by approximately 440 births. Mr. Lopez stated that staff is addressing this issue and many things have been done to encourage delivery at our facilities. Mr. Finder stated that he talked with one of the OB physicians at LBJ after he got back on the Board. He was told that many patients have their prenatal care in the District and then go elsewhere to deliver. The District is not providing many perks and incentives to have people deliver at their facilities. The District might be providing a small free gift, but other hospitals might be providing car seats. He noted that they might have to spend some money to make some money. Dr. Varadhachary stated that he did not recall any discussion regarding OB services in the marketing plan presentation. Mr. Finder suggested that Administration meet with some of the OB providers regarding this issue. Dr. Amy Young, BTGH OB, was introduced to the Board.

Mr. Norby referred back to the report, stating that net patient service revenue fell short of the budget. However, a significant improvement was seen in the revenue cycle. Discussion ensued regarding other revenue. Salaries, wages, and benefits were

positive for the year. Overall, salaries were down by approximately \$5 million from the previous year. Benefits increased \$7.3 million due to an increase in FTEs. Supplies were favorable to budget. Discussion ensued.

Mr. Lopez stated that he would be prepared to talk to the Board in mid-April regarding contingency plans to address the projected FY12 budget shortfalls. The first reports will be received tomorrow and Administration can begin to go over options. Ms. Truesdell stated that the Board has to have adequate time to review the information. The Board will be polled for this meeting. Mr. Franklin asked that information be sent to the Board prior to the meeting to give them time to review it. A copy of the February 2011 Financial Report is available in the permanent record.

3. Motion 11.3-40

Moved by Dr. Santos, seconded by Mr. Franklin, and unanimously passed, that the Board accept the February 2011 Financial Report subject to audit.

4. Presentation of the February 2011 Financial Statements of Community Health Choice, Inc.

Mr. Janda presented the February 2011 CHC Financial Report. Net income was \$1,194,722 for the month of February. STAR member months were 2% above budget, CHIP member months were at budget, and CHIP Perinate member months were 7% below budget for the month. Total revenue was 1% below budget. Medical loss ratio was 3.6% favorable for the month and Administration expenses were 9% below budget. A copy of the report is available in the permanent record.

Dr. Santos noted that PI would be providing a report to the Board of Managers on a monthly basis.

C. Legislative Committee

1. Update, discussion and possible action regarding activities in Austin relating to regulatory issues impacting HCHD, the 82nd 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 presented the Legislative Report. He stated that all District supported bills are out of committee and will hopefully get on the calendar next week. He thanked Drs. Mattox and Brown for their leadership and work on the HCHD Physician Bill. He stated that he is very encouraged that the package is going to move forward. Discussion ensued. There is bipartisan agreement to tap into the state's rainy day fund, which would enable Texas to pay their bills through the current year. There is no amendment for the red light monies. Discussion ensued. Mr. Hillier stated that there is a placeholder available through the Medicaid program that states nothing can be done to jeopardize UPL dollars.

Agenda Item VIII was addressed out of order.

VI. Miscellaneous Agenda Items

Motion 11.3-45

Moved by Dr. Santos, seconded by Mr. Franklin, and unanimously passed, that the Board approve agenda item VI.A.

A. Ratification of a Contract between the Harris County Hospital District and Texas Department of State Health Services for the FY 11 Children with Special Health Care Needs Case Management Program.

Motion 11.3-46

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed that the Board approve the appointment of an AdHoc AMS Negotiating Committee to address all things related to AMS. The Committee will consist of Dr. Santos (Chair), Mr. Wortham, and Mr. Finder.

B. Appointment of an AdHoc AMS Negotiating Committee.

VII. President/Chief Executive Officer's Report to Include: 1) School of Medical Imaging Recognition; 2) Revenue Cycle Enhancements; and 3) Staff Wellness Improvements

School of Medical Imaging Recognition

Dr. Cleveland Black was introduced to the Board by Mr. Staley. It was stated that last year's class received seven out of twelve awards at the state meeting. The current class broke that record with nine out of twelve awards. Mr. Staley noted that Dr. Black was also recognized as educator of the year. Dr. Black introduced Wilson Phuong, Byron Jones, and Thomas Frasca to the Board. He thanked the Board for their continued support and stated that this year's graduation will be on May 14, 2011. Judge Emmett's wife will be the commencement speaker and Ms. Stiner will be introducing her. All Board members will receive an invitation.

Revenue Cycle Enhancements

This item was deferred until the April 28, 2011 Board meeting.

Staff Wellness Improvements

This item was deferred until the April 28, 2011 Board meeting.

VIII. Executive Session

At 11:04 a.m., Mr. DonCarlos stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code and Chapter 551 of the Texas Government Code Sections 071 and 073. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

IX. Reconvene

At 12:06 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. Consultation with the County Attorney regarding the Settlement of an Automobile Claim against the Harris County Hospital District, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter upon Return to Open Session.

Motion 11.3-41

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed that the Board approve the following resolution:

The Harris County Hospital District, by and through its Board of Managers, approves and hereby authorizes the settlement of a claim by Phuong Giang relating to an automobile accident on January 18, 2011, in the amount of \$841.28 payable to Phuong Giang (claimant), and Northside Domestic & Import (auto repair company). David S. Lopez, President/CEO, is authorized to execute any agreement, release or other necessary documents to effect this settlement.

- C. Consultation with the County Attorney regarding Cause No. 971,149; *Elvia Sandoval, et al v. Andrew McKay, MD, et al*; In County Civil Court #4, Harris County, Texas, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter upon Return to Open Session.

Motion 11.3-42

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

The Harris County Hospital District, by and through its Board of Managers, approves the settlement and release of all claims related to Cause No. 971,149; *Elvia Sandoval, et al v. Andrew McKay, MD, et al*; In County Civil Court #4, Harris County, Texas pursuant to the following terms:

Elvia Sandoval shall pay to the Harris County Hospital District, \$889.76, which Harris County Hospital District will accept as payment in full on all accounts covered by its hospital lien filed on January 23, 2007. This settlement is conditioned on a dismissal with prejudice of all claims against the Harris County Hospital District. David S. Lopez, President/CEO, is authorized to execute any agreement, release or other necessary documents to effect this settlement.

D. Discussion regarding Contractual Negotiations for a Proposed Donation Benefiting the Harris County Hospital District pursuant to Tex. Gov't Code Ann. §551.073 and Possible Action regarding this Matter upon Return to Open Session.

Motion 11.3-43

Moved by Dr. Santos, seconded by Ms. Truesdell, that the board approve the grant agreement for the proposed donation benefiting the Harris County Hospital District. Five in favor, two opposed, one abstained. Motion carried.

E. Discussion of Annual Performance Evaluation and Employment Agreement of Kenneth W. Janda, President/CEO of Community Health Choice, Inc., pursuant to Tex. Gov't Code Ann. Section 551.074 and Possible Action upon Return to Open Session.

Motion 11.3-44

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed that the Board approve the annual performance evaluation and employment agreement of Kenneth W. Janda, President/CEO of Community Health Choice, Inc.

X. Adjournment

Moved by Mr. Wortham, seconded by Mr. Finder, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 12:10 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 March 31, 2011.

Mr. Stephen DonCarlos, Chair
Board of Managers

Mr. E. Dale Wortham, Secretary

Recorded by Christie Reno