



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

Thursday, July 28, 2011

Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. Stephen DonCarlos, Chair
Ms. Carolyn Truesdell, Vice Chair (left at 12:24 p.m.)
Mr. E. Dale Wortham, Secretary
Dr. George Santos (left at 11:12 a.m.)
Mr. Elvin Franklin, Jr.
Mr. Lawrence Finder
Ms. Daisy Stiner
Ms. Mary Spinks

BOARD MEMBERS ABSENT

Dr. Atul Varadhachary

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. George Masi, Chief Operating Officer
Mr. Kelly Johnson, Harris County Purchasing Agent
Ms. Vivian Groce, Harris County Assistant Purchasing Agent
Mercedes Leal, 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
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 9:08 a.m. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meetings

Motion 11.7-83

Moved by Mr. Franklin, seconded by Mr. Finder, and unanimously passed, that the Board approve the minutes of the June 30, 2011 Board of Managers Meeting.

III. Hear from Citizens

Ms. Christine Lund addressed the Board regarding issues with access to care.

Mr. Thomas Webb addressed the Board regarding employee relations and cultural diversity. He addressed a specific incident that occurred in the BTGH Emergency Center, which is currently under investigation. Ms. Stiner asked for the results from this investigation.

Ms. Cynthia Cole addressed the Board regarding Case Management at Thomas Street Clinic. She thanked the Board for their intervention on the part of the two case managers even though the outcome is not as she had hoped. Ms. Stiner requested a summary showing what Case Management at Thomas Street will look like in the future without these positions.

IV. Special Presentation

Mr. Webster announced that Ben Taub General Hospital has received Advanced Primary Stroke Center Certification by the Joint Commission. The Stroke Steering Team members were introduced and recognized by the Board.

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

Agenda Items A1t and A1x were pulled from the agenda.

Motion 11.7-84

Moved by Mr. Finder, seconded by Ms. Spinks, and unanimously passed, that the Board approve items V.A1a to V.A1ii (with the exception of items A1t, A1x, and A1o – A1o will be addressed later in the meeting).

A. Items related to Purchasing

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

- a. approve corrected term and funding for the second year of a five-year agreement for Diagnostica Stago, Inc. (PP-LA-268 fka PP-LA-208) for hemostasis/coagulation analyzers, reagents and consumables in the estimated amount of \$240,533 for the term August 16, 2011 through August 15, 2012 (corrected term – second year) and August 16, 2010 through August 15, 2011 (corrected term – first year). The original (as approved) term was November 1, 2008 through October 31, 2009.
- b. award on the basis of lowest priced contract for IRIS Diagnostics for urinalysis analyzers, reagents, consumables and service in the estimated amount of \$177,494 of a one-year term with four one-year renewal options.
- c. approve additional funds and an extension for IRIS Diagnostics, Inc. (PP-LA-269 fka PP-LA-210) for urinalysis analyzers, reagents, consumables and service in the estimated additional amount of \$93,584 for the term August 11, 2011 through January 31, 2012 (Board previously approved funds in the amount of \$187,167 for the term August 11, 2010 through August 10, 2011).

- d. award on the basis of lowest priced contract for Bio-Rad Laboratories (Option A – Revised) for Hemoglobin A1c analyzers, reagents, consumables and service in the estimated amount of \$112,679, year 1 (\$338,037, three-year period) for a one-year initial term with two one-year renewal options.
- e. award on the basis of sole source for Access Closure Inc. for Mynx Candence vascular closure devices in the estimated amount of \$193,030.
- f. approve the first of four renewal options for Dell Marketing, L.P. for mobile computing carts in the estimated amount of \$105,300 for the term August 1, 2011 through July 31, 2012.
- g. award on the basis of best proposal meeting requirements for Hill-Rom Company, Inc. for a Fetal Monitoring Software System in the estimated amount of \$638,727, year 1 (\$982,727, five-year period) for a one-year initial term with four one-year renewal options.
- h. approve the second of four renewal options for Legacy Data Access, Inc. for mainframe data hosting services in the estimated amount of \$112,800 for the term August 25, 2011 through August 24, 2012.
- i. approve exemption from the competitive bid requirements for John W. Riggs, M.D. through University of Texas Health Science Center at Houston for medical consulting services for Epic Clinical Project in the estimated amount of \$209,925 for a one-year initial term with renewals.
- j. ratify the renewal on the basis of sole source for McKesson Health Solutions, LLC for InterQual Criteria and CareEnhance Review Manager Enterprise Software in the estimated amount of \$151,299 for the term June 25, 2011 through June 24, 2012.
- k. award on the basis of low quote per item for Jimenez Contract Services (\$3,108), Contract Resource Group (\$5,147), Ofis (\$8,059), Staples – Business Interiors (\$8,882), Executive Office Concepts c/o J Tyler (\$14,025), McCoy (\$55,560), and Vanguard Environments (\$64,631) to provide office furniture for the Lyndon B. Johnson General Hospital Emergency Center Phase 2 in the multi-vendor amount of \$159,412.
- l. award on the basis of sole source for St. Jude Medical for vascular closure devices in the estimated amount of \$138,050.
- m. award on the basis of lowest priced contract for Smith & Nephew, Inc. through Universal Hospital Services (UHS) for negative pressure wound therapy equipment, consumables and service in the amount of \$690,905 for a one-year initial term with four one-year renewal options.
- n. award for Cardinal Health 200, LLC to provide freight management services which will reduce freight costs on products purchased and shipped directly to the Hospital District in the estimated amount of \$550,000 for the term

September 1, 2011 through August 31, 2012 with two one-year renewal options.

- o. AGENDA ITEM VI.B.3.
- p. approve termination of contract for American Medical Equipment Company for home medical equipment (the Hospital District is providing thirty days written notice to vendor for termination without cause effective August 1, 2011).
- q. ratify exemption from competitive bid requirements for Baylor College of Medicine (Department of Family and Community Medicine – Psychiatric Services) for medical assessments and evaluations to eligible HIV-infected patients in the estimated amount of \$235,000 for the term March 1, 2011 through February 29, 2012.
- r. ratification for The University of Texas Health Science Center at Houston (Department of General Medicine) for outpatient and ambulatory care services to eligible HIV-infected patients in the amount of \$468,235 for the term March 1, 2011 through February 29, 2012.
- s. approve exemption from competitive bid requirements and renewal for St. Luke's Episcopal Hospital for hospital services in the estimated amount of \$200,000 for the term August 15, 2011 through August 14, 2012.
- t. WITHDRAWN.
- u. ratify exemption from the competitive bid requirements for Baylor College of Medicine for physician services for the School-Based Teen Clinic Program in Precinct 3 in the estimated amount of \$150,000 for the term July 1, 2011 through June 30, 2012.
- v. ratify emergency purchase for The Proton Therapy Center – Houston, LTD LLP dba The University of Texas MD Anderson Cancer Center Proton Therapy Center to provide emergency consultation and proton therapy treatment for a Hospital District patient in the amount of \$80,000 for the term June 6, 2011 through September 30, 2011 or until therapy is complete.
- w. ratify renewal option for Harris County for laboratory testing services in the estimated revenue amount of \$27,500 for the term July 1, 2011 through June 30, 2012.
- x. WITHDRAWN.
- y. approve the first of four renewal options for Amtech Elevator Services for periodic maintenance and service of elevators/lift equipment in the estimated amount of \$404,580 for the term August 1, 2011 through July 31, 2012.
- z. approve the first of four renewal options for Highlights Electrical, Inc. for electrical maintenance services in the estimated amount of \$401,889 for the term August 1, 2011 through July 31, 2012.

- aa. award on the basis of best proposals meeting requirements for Centennial Contractors Enterprises, Inc. (primary), J.T. Vaughn Construction, LLC (secondary), and Horizon International Group, LLC (tertiary) for job order contracting for small and large construction and/or construction related projects in the multi-vendor estimated amount of \$7,330,400 for a one-year initial term with four one-year renewal options.
- bb. approve additional funds and an extension for Language Line Services, Inc. for language interpretation services (telephonic) in the additional amount of \$350,000 for the extended term August 1, 2011 through December 31, 2011 (Board previously approved funds in the amount of \$500,000 for the term August 1, 2010 through July 31, 2011).
- cc. approve the first of three renewal options on the basis of sole source for Philips Healthcare for repair services and maintenance for Philips Imaging Equipment in the estimated amount of \$810,626 for the term August 1, 2011 through July 31, 2012.
- dd. approve the first of two renewal options for Langrand and Company for new branding and marketing campaign for \$0 (zero) dollars for the term August 1, 2011 through July 31, 2012.
- ee. approve corrected term and additional funds for Ventana Medical Systems, Inc. for immunohistochemistry staining and special staining systems including analyzers, reagents, consumables and service in the estimated additional amount of \$197,494 for the term October 1, 2010 through September 30, 2011 (Board previously approved funds in the amount of \$495,000 for the term March 1, 2010 through February 28, 2011).
- ff. award for Houston Academy of Medicine – Texas Medical Center Library (TMC Library) for subscription library services in the estimated amount of \$75,671 for the term September 1, 2011 through August 31, 2012.
- gg. award on the basis of best bids for ExecuTeam Staffing, AccuCare Medical Staffing, LP, and Kforce Healthcare, Inc. for temporary certified coding specialists in the estimated amount of \$1,000,000 for the term August 1, 2011 through July 31, 2012 with four one-year renewal options.
- hh. award on the basis of best proposal meeting requirements for MCFSA Ltd. dba MCS Fire & Security to provide new digital video CCTV recording units and an upgrade of the existing units in the amount of \$692,360 for a one-year initial term with one one-year renewal option.
- ii. ratify purchase on the basis of best contract for Medical Action Industries, Inc. for patient bedside products in the estimated amount of \$112,363 for the term July 1, 2011 through June 30, 2012.

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

- a. transmittal of purchase on the basis of best contract for Fujifilm Medical Systems USA, Inc. to provide a CR Reader for the Aldine Health Center Radiology Department in the amount of \$52,278.
- b. transmittal of additional funds for Dell Marketing L.P. for mobile computing carts in the estimated additional amount of \$55,756 for the term August 1, 2010 through July 31, 2011 (Board previously approved funds in the amount of \$536,541 for the same term).
- c. transmittal of purchase on the basis of low quote for General Datatech, L.P. for Cisco networking equipment in the amount of \$76,167.
- d. transmittal of renewal on the basis of sole source for Philips Medical Systems North America Company for software maintenance and support for the CompuRecord[®] Anesthesia Information System in the amount of \$54,072 for the term June 1, 2011 through May 31, 2012.
- e. transmittal of purchase on the basis of sole source for Immucor-Gamma for traditional blood bank reagents in the estimated amount of \$66,116 for the term August 1, 2011 through July 31, 2012.
- f. transmittal of additional funds and an extension for Shared Technologies, Inc. for maintenance of telephone and voice communication systems in the additional amount of \$95,276 for the extended term July 1, 2011 through July 31, 2011 (Board previously approved funds in the amount of \$1,060,868 for the term March 1, 2010 through June 30, 2011).
- g. transmittal of renewal on the basis of sole source for McKesson Automation, Inc. for hardware and software maintenance of MedCarousel Automated Medication Dispensing System in the estimated amount of \$99,325 for the term September 29, 2011 through September 28, 2012 (Ben Taub) and July 1, 2011 through June 30, 2012 (LBJ).
- h. transmittal of additional funds for P&W Architects, LLP for professional architectural services in the estimated additional amount of \$40,900.

A typographical error was corrected on item V.B. A correction was submitted for item V.H.

Ms. Stiner addressed V.E., asking if the Dental Program for the Homeless Program was different than the other Dental Program. Ms. Cloyd stated that HCCS contracts on the District's behalf with Craven and Plummer, P.C. for the primary dental agreement. The grant funded agreements are a separate entity handled directly with the District.

Ms. Stiner addressed V.L., stating that the facility (2636 South Loop Building) is in need of services. She asked what discussions have taken place with the landlord. Mr. Johnson stated that he would meet with Mr. Janda to find out what discussions have taken place. In the meantime, it was decided to go ahead and extend the agreement.

Motion 11.7-85

Moved by Mr. Wortham, seconded by Dr. Santos, and unanimously passed, that the Board approve agenda items V.B. – V.O.

- B. Approval of the Renewal of an Agreement between the Harris County Hospital District and The Resource Group, Inc., funded by Ryan White HIV/AIDS Treatment Extension Act of 2009 Part D in an amount not-to-exceed \$200,000 to provide women's health care to eligible HIV-infected women at District Facilities for the term August 1, 2011 through July 31, 2012.
- C. Approval of the Renewal of an Agreement between the Harris County Hospital District and The Resource Group, Inc., funded by Ryan White HIV/AIDS Treatment Extension Act of 2009 Part D in an amount not-to-exceed \$180,000 to provide ongoing ambulatory outpatient medical care and medical care coordination services to eligible HIV-infected adolescents at District Facilities for the term September 1, 2011 through August 31, 2012.
- D. Approval of the Settlement Agreement between the Harris County Hospital District Health Care for the Homeless Program and The Salvation Army – Harbor Light. The agreement reflects allocation of unused federal grant funds from the grant year ended October 31, 2010, in an amount not-to-exceed \$101,191 for services provided from November 1, 2009 through October 31, 2010.
- E. Approval of an Amendment to the Agreement, effective from November 1, 2010 through October 31, 2011, between the Harris County Hospital District and Craven and Plummer, P.C., to provide on-site oral health services to eligible homeless individuals of the Healthcare for the Homeless Program in an amount not-to-exceed \$215,175, funded by a reallocation of the HRSA ARRA grant award to the HRSA base grant award.
- F. Approval to Enter into a Professional Services Agreement between Philo Wilke Partnership and Harris County Hospital District to provide architectural/engineering services (including structural, civil, mechanical, and electrical engineering services) for the renovation of Ben Taub General Hospital's Emergency Center. The total cost for services provided under this agreement is a not-to-exceed amount of \$3,394,000, which includes a 10% owner's contingency.
- G. Approval of Amendment No. 2 to add civil engineering services to the existing architectural and engineering design services agreement between the Harris County Hospital District and Wilson Architectural Group for the Ben Taub General Hospital and Holly Hall Data Center Projects. The total cost for additional services is a maximum not-to-exceed amount of \$56,000. Thus far, the total cost of services procured from Wilson Architectural Group, including the 2nd Amendment, will be \$584,760.

- H. Authorization of Intent to Enter into a new lease agreement with Copperfield Timbercreek Atrium, LLC for lease space located at 5870 N. Highway 6, Suite 108, Houston, Texas 77084 for use as a medical clinic. The lease is for one year plus nine (9) annual renewal options with a rental rate for months 1-60 not-to-exceed \$21.30/sq. ft. and a maximum of \$23.80/sq. ft. for months 61-120. The initial term of the lease commences on September 1, 2011 to August 31, 2012 at a monthly base rate of \$12,220.88 (\$146,650.50/yr.).
- I. Authorization of Intent to Enter into lease option 2 of the lease agreement with University Christian Church for 43 parking spaces for additional parking at Quentin Mease Hospital. The 2nd option of the lease agreement will begin September 1, 2011 to August 31, 2012 at the same rate of \$1,100 per month.
- J. Authorization of Intent to Enter into the 4th option of the lease agreement with Peterreit Investments, Inc., for approximately 15,232 square feet of space for the E.A. Squatty Lyons Health Center. The 4th option of the lease agreement begins October 1, 2011 to September 30, 2012 at the same monthly rate of \$16,755.20.
- K. Authorization of Intent to Enter into the 8th term of the lease (85-96 months) agreement with Houston Business Development, Inc., for the leasing of approximately 11,000 square feet of space for the Dental Center at 5230 Griggs Road. The 8th term of the lease agreement is for the period of August 1, 2011 through July 31, 2012. The monthly lease rate of \$11,000 will remain the same plus the common area maintenance fee of \$1,914.58 for a total monthly rate of \$12,914.58.
- L. Authorization of Intent to Enter into the 3rd term of the lease agreement with South Loop Associates, L.P. (2636 South Loop Building) to lease space located on the 1st floor (4,950 sq. ft.), 7th floor (17,355 sq. ft.), 8th floor (18,641 sq. ft.), and 9th floor (18,415 sq. ft.) for a total of 59,361 square feet of space for our Health Maintenance Organization, Community Health Choice for the period August 1, 2011 through July 31, 2012. The rate for the 3rd term of the lease will be \$55,990/month (\$16.50/sq. ft.) for the 1st, 7th, and 9th floors and \$25,165.35/month (\$16.20/sq. ft.) for the 8th floor for an annual total of \$973,864.20/year. In addition, CHC will pay \$40.00/reserved parking space and \$20.00/additional unreserved parking space. CHC will fund the costs associated with the monthly lease payments and parking fees.
- M. Approval to Enter into the 4th option of the lease agreement with Kynto Ventures, LLC, for the leasing of approximately 15,000 square feet of office space for the Peoples Health Center. The 4th option of the lease agreement begins October 1, 2011 to September 30, 2012 at the same monthly rate of \$19,837.50 (includes common area maintenance fee of \$2,587.50).
- N. Approval of an Agreement between the Harris County Hospital District and the Baylor College of Medicine and acceptance of funding in an amount not-to-

exceed \$11,000 for a research study to improve retention in HIV care after hospitalization for the term August 1, 2011 through July 31, 2012.

- O. Approval of an Agreement between the Harris County Hospital District and the Texas Department of State Health Services for acceptance of funding for Tuberculosis Prevention and Control for the period of September 1, 2011 through August 31, 2012 in an amount not-to-exceed \$35,000.

VI. Reports of the Committees

A. Joint Conference Committee

Dr. Matthew Wall presented the credentialing changes for members of the HCHD medical staff for July 2011. Ms. Truesdell noted an error on the report. A copy of the report is available in the permanent record.

1. Motion 11.7-86

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

Dr. Matthew Wall presented the Medical Board Report from the July Medical Executive Board meeting. Ms. Truesdell asked that Dr. Dyer present the new vision for LBJ at a future Joint Conference Committee meeting. A copy of the report is available in the permanent record.

2. Motion 11.7-87

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

Agenda Item VI.A.3. was pulled from the agenda.

- 3. Approval of Policy 7.28 Emergency Center Post Discharge Referrals.

B. Budget and Finance Committee

Mr. Norby presented the June 2011 Financial Report. He stated that the only major variance in June was trauma funding, which was received on July 8, 2011. A copy of the report is available in the permanent record.

1. Motion 11.7-88

Moved by Mr. Wortham, seconded by Ms. Stiner, and unanimously passed, that the Board accept the June 2011 Financial Report subject to audit.

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

2. Motion 11.7-89

Moved by Mr. Wortham, seconded by Ms. Stiner, and unanimously passed, that the Board accept the June 2011 Pension Plan Report subject to audit.

Mr. Lopez addressed item VI.B.3, stating that they started outsourcing radiation therapy services from Park Plaza Hospital when they began having problems with waiting times. Park Plaza has done great work with patient care and have been very responsive. The District will have their own facility in 2012 (Smith Clinic) and be able to bring these services back in-house. He stated that this is an extension of the current agreement. A new agreement will be brought to the Board at the end of the extension.

3. Motion 11.7-90

Moved by Dr. Santos, seconded by Mr. Wortham, and unanimously passed, that the Board approve the ratification of additional funds and an extension for TH Healthcare, Ltd. d/b/a Park Plaza Hospital for radiation therapy services in the estimated additional amount of \$1,119,872 for the extended term July 1, 2011 through September 30, 2011 (Board previously approved funds in the amount of \$3,459,936 for the term January 1, 2010 through June 30, 2011).

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

Mr. Richard Lee presented the June 2011 CHC Financial Report. Net income was \$4,722,835 for June. Total revenue was 4% above budget for the month. Administration expenses are 19% below budget for the month. CHC received \$1.8 million from HHSC in June as their share of the SFY 2009 Frew Rewards pool. A copy of the report is available in the permanent record.

C. PI & Patient Safety Committee

1. Review, Discussion and Possible Action regarding the Harris County Hospital District (HCHD) Quality Scorecard

Dr. Sutton presented the Harris County Hospital District Quality Scorecard. He stated that the committee met and reviewed the scorecard. Appropriate action plans are in place for the red areas. He made a minor correction to the report. Dr. Sutton stated that there is a plan in place to successfully address medication reconciliation. Individual meetings are currently taking place between the Chiefs of Staff and Chiefs of Service to go over the process. He stated that medication reconciliation is mandatory and must be done. Reports are available showing the individual practitioners not meeting standards. Discussion ensued. Dr. John Riggs gave a presentation showing the medication reconciliation process in Epic.

Ms. Truesdell addressed the patient satisfaction scores, asking if there are active, ongoing programs in place to improve these scores. Mr. Lopez stated that Ms. Sims is now heading up the Patient Experience Department. An overview of the patient experience initiative will be provided to the Board. Discussion ensued.

A copy of the report is available in the permanent record.

2. Review, Discussion and Possible Action regarding the Harris County Hospital District (HCHD) Quality Redesign: Proposal

Dr. Sutton addressed the Harris County Hospital District Quality Redesign: Proposal. Meetings are ongoing and implementation will occur over the next several months

D. Bylaws Committee

Ms. Truesdell presented the revised Bylaws of the Board of Managers.

Motion 11.7-91

Moved by Mr. Wortham, seconded by Mr. Finder, and unanimously passed, that the Board approve the revised Bylaws of the Board of Managers.

E. Planning & Operations Committee

Motion 11.7-92

Moved by Ms. Truesdell, seconded by Ms. Stiner, and unanimously passed, that the Board approve an Affiliation Agreement between the Harris County Hospital District and Texas Southern University (Clinical Pharmacy Services Program).

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

The Board went back into Executive Session after reconvening.

F. 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 he was in Washington, D.C. a few weeks ago and had discussions regarding various proposals. He did visit with Rep. Gene Green's office in detail about the 1115 waiver.

VII. Miscellaneous Agenda Items

Motion 11.7-94

Moved by Mr. Wortham, seconded by Ms. Stiner, and unanimously passed, that the Board approve agenda item VII.A.

- A. Acceptance of Award of \$178,750 to the Harris County Hospital District from the Department of State Health Services for Breast and Cervical Cancer Services (BCCS) for FY 2011-2012.

Motion 11.7-95

Moved by Ms. Spinks, seconded by Mr. Wortham, and unanimously passed, that the Board approve agenda item VII.B.

- B. Ratification of a Memorandum of Understanding between the Harris County Hospital District and the Pharmacy Services Support Center at the American Pharmacists Association to Participate in the Pharmacy Services Support Center's 340B Peer-to-Peer Program.

Motion 11.7-96

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board approve agenda item VII.C.

- C. Acceptance of Appointment to Fill Vacancy on the Board of Director of Community Health Choice, Inc.
- D. Staffing Advisory Committee's Semi-Annual Evaluation of the Nurse Staffing Plan & Aggregate Staffing Variance.

Ms. Cloyd addressed the Staffing Advisory Committee's semi-annual evaluation of the Nurse Staffing Plan & Aggregate Staffing Variance, stating that this is a legislatively mandated requirement. Ms. Angela Russell stated that the committee meets every year and receives feedback from staff nurses. They took this a step further this year and went out to the nursing units to share plan and get nursing feedback. Discussion ensued. Questions were raised regarding the vacancy rate. Ms. Cloyd stated that the vacancy rate is still approximately 7% across the system.

VIII. President/Chief Executive Officer's Report to Include: 1) HCHD Foundation: Employee Campaign; 2) Longevity Pay; and 3) Leadership Performance Evaluation of Mission, Vision & Goals: Survey Results

HCHD Foundation: Employee Campaign

Mr. Lopez stated that there has been extensive dialogue regarding really developing an employee fundraising campaign among District employees as they have been very supportive of what has been done internally. Ms. Whitaker addressed the fundraising campaign, stating that employees will have the option to purchase bricks, benches, or trees to leave as their legacy. These will be available at different facilities and can be purchased through payroll deduction. Bricks would be purchased for \$65.00 total, which would be \$3.00 per pay period. Trees could be purchased for \$500.00 (\$25.00 per pay period) and benches for \$1000 (just under \$50.00 per pay period). These would be made available to employees as well as former employees who would like to leave their legacy.

Longevity Pay

Mr. Lopez stated that Administration is proposing that longevity pay be stopped. The proposal is for longevity pay to be frozen at its current level for existing employees, and it would not be an option for new hires. The Board was in agreement with Administration's proposal regarding longevity pay.

Leadership Performance Evaluation of Mission, Vision & Goals: Survey Results

The Leadership Performance Evaluation of Mission, Vision & Goals: Survey Results was deferred until a later date.

IX. Executive Session

At 10:25 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, 074, and 085. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

The Board Reconvened and addressed item X.E.

At 11:12 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, 074, and 085. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

X. Reconvene

At 11:11 a.m., Mr. DonCarlos reconvened the meeting and stated that no action was taken in Executive Session.

The Board went back into Executive Session after addressing item X.E.

At 12:24 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 Cause 2010-32533; *Christopher Fisher v. City of Houston*; In the 11th 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 11.7-97

Moved by Mr. Wortham, 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 execution of a Compromise & Settlement Agreement with the City of Houston and the settlement of a hospital lien in Cause No. 2010-32533; *Christopher Fisher v. City of Houston*; In the 11th Judicial District Court of Harris County, Texas. HCHD is to receive \$26,648.52 in settlement of its lien. 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 the District's Financial Assistance Program, pursuant to Tex. Gov't Code Ann. §551.071.

No action taken.

D. Discussion regarding Financial Planning Information relating to the Negotiation with Affiliated Medical Services for the Arrangement or Provision of Medical Services pursuant to Tex. Gov't Code Ann. Section 551.085 and Possible Action regarding this Matter upon Return to Open Session.

No action taken.

E. 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 11.7-93

Moved by Dr. Santos, seconded by Mr. Finder, that the Board approve an incentive package of \$40,000 for David Lopez for the period of July 2010 through June 2011. Six in favor and two opposed (Mr. Franklin and Ms. Stiner). Motion passed.

Mr. Franklin noted that he was in favor of a \$30,000 incentive package.

XI. Adjournment

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

There being no further business, the meeting adjourned at 12:39 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 July 28, 2011.

Mr. Stephen DonCarlos, Chair
Board of Managers

Mr. E. Dale Wortham, Secretary

Recorded by Christie Reno