



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

Thursday, January 26, 2012

Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. Stephen DonCarlos, Chair
Ms. Carolyn Truesdell, Vice Chair
Dr. George Santos (left at 1:17 p.m.)
Ms. Daisy Stiner
Dr. Atul Varadhachary (left at 12:42 p.m.)
Mr. Lawrence Finder
Mr. TJ Tijerina, Jr.

BOARD MEMBERS ABSENT

Mr. E. Dale Wortham, Secretary
Mr. Elvin Franklin, Jr.

OTHERS PRESENT

Commissioner Jack Cagle (left at 9:10 a.m.)
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
Dr. John Burruss, M.D., AMS
Ms. Peggy Boice, Judge Ed Emmett's Office
Mr. Mark Fury, Commissioner Steve Radack's Office
Ms. Elizabeth Neal, Commissioner Jack Cagle's Office
Mr. Lester Byrd, Commissioner El Franco Lee'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 9:04 a.m. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meetings

Motion 12.1-01

Moved by Ms. Stiner, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the minutes of the December 1, 2011 Board of Managers Meeting and the November 7, 2011 Called Board of Managers Meeting.

III. Oath of Office

County Commissioner Jack Cagle gave the oath of office to Mr. TJ Tijerina, Jr.

IV. Election of Officers

Motion 12.1-02

Moved by Dr. Varadhachary, seconded by Dr. Santos, and unanimously passed to keep the current officers of the Board of Managers (Mr. Stephen DonCarlos, Chair; Ms. Carolyn Truesdell, Vice-Chair; Mr. E. Dale Wortham, Secretary).

V. Consideration of Appointments to Board of Managers' Committees

Motion 12.1-03

Moved by Dr. Varadhachary, seconded by Mr. Finder, and unanimously passed, that the board approve the following changes to the Board of Managers' Committees and keep the membership on the remaining committees the same as 2011:

Budget and Finance: Carolyn Truesdell, Chair; Elvin Franklin, Jr., Lawrence Finder, Atul Varadhachary, M.D., TJ Tijerina, Jr.

Planning and Operations: Elvin Franklin, Jr., Chair; Dale Wortham, Lawrence Finder, TJ Tijerina, Jr.

Joint Conference: Atul Varadhachary, M.D., Chair; George Santos, M.D., TJ Tijerina, Jr.

Audit: Daisy Stiner, Chair; George Santos, M.D., TJ Tijerina, Jr.

Legislative: TJ Tijerina, Jr., Chair; Carolyn Truesdell, Daisy Stiner

VI. Special Presentation

A presentation was made regarding the trauma recertification at Ben Taub.

VII. Hear from Citizens

There were no citizens present to speak.

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

Item A2d was withdrawn.

Motion 12.1-04

Moved by Ms. Stiner, seconded by Dr. Varadhachary, and unanimously passed, that the Board approve items V.A1a to V.A1mm.

A. Items related to Purchasing

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

- a. approve final renewal option for IKON Office Solution for photocopier service in the estimated amount of \$440,000 for the term March 1, 2012 through February 28, 2013.
- b. approve the second of four renewal options for IKON Office Solution for high speed and color photocopiers in the estimated amount of \$285,715 for the term March 1, 2012 through February 28, 2013.
- c. approve additional funds for Miner-Dederick Construction, LLP for Construction Manager at Risk for the conversion of semi-private rooms at Ben Taub and Lyndon B. Johnson General Hospitals in the estimated additional amount of \$82,180 (Board previously approved funds in the amount of \$164,850).
- d. approve the second and final renewal option for Praxair Healthcare Services, Inc. for bulk liquid oxygen, tanks and various gases in the estimated amount of \$360,989 for the term February 1, 2012 through January 31, 2013.
- e. approve additional funds for Shared Technologies, Inc. for maintenance of telephone and voice communication systems in the estimated additional amount of \$422,440 for the term June 1, 2011 through May 31, 2012 (Board previously approved funds in the amount of \$652,105 for the same term).
- f. ratify renewal as an exception to the Hospital District Purchasing Manual requirements for SpecialtyCare Cardiovascular Resources, Inc. (f/k/a HCSG Cardiovascular Resources, Inc.) for extracorporeal (perfusion) services in the estimated amount of \$175,000 for the term July 11, 2011 through June 10, 2012.
- g. ratify funding on the basis of product standardization for DJO LLC (PP-NS-562) for orthopedic soft goods in the estimated amount of \$159,670 for the term December 1, 2011 through November 30, 2012.
- h. approve purchase on the basis of best contract for Smiths Medical, ASD Inc. (\$74,770-items 9-12) and Becton Dickinson & Company (\$146,797-items 1-8) for safety hypodermic products in the total multi-vendor estimated amount of \$221,749 for the term February 1, 2012 through January 31, 2013.
- i. approve purchase on the basis of best contract for Becton Dickinson & Company for standard hypodermic products in the

estimated amount of \$210,375 for the term February 1, 2012 through January 31, 2013.

- j. approve purchase on the basis of product standardization for Olympus America, Inc. (PP-OR-505) for endoscopy ultrasound system in the amount of \$498,524.
- k. approve purchase on the basis of sole source for Pharmacy Computer Services, Inc. for maintenance and support for Rx/3000 Outpatient Pharmacy Management System and Drug Information Database in the estimated amount of \$187,638 for the term February 1, 2012 through January 31, 2013.
- l. approve purchase on the basis of low quote for Mark III Systems for IBM storage infrastructure upgrade and expansion in the amount of \$906,924.
- m. award on the basis of best proposal meeting requirements for Elekta, Inc. for Radiation Oncology Information System and Radiation Treatment Planning System Software in the estimated amounts of \$2,182,867 (year 1) and \$3,357,271 (five-year period) for a one-year initial term with four one-year renewal options.
- n. award on the basis of low quote for Texas Electronic Information and Computer Corporation for Hewlett Packard Computer Servers in the amount of \$194,129.
- o. award on the basis of lowest priced proposal for Gulf Coast II Lithotripsy, LP for mobile lithotripsy services in the amount of \$238,000 for a one-year initial term with four one-year renewal options.
- p. approve utilization for FleetCor Technologies Operating Company, LLC dba Fuelman for fleet fuel monitoring and dispensing system in the estimated amount of \$383,000 for the term March 1, 2012 through February 28, 2013.
- q. approve the guaranteed maximum price for Skanska USA Building Inc. for Construction Manager at Risk for building construction, expansion and remodeling at Lyndon B. Johnson General Hospital in the total price of \$14,157,176 (\$12,857,167-construction price; \$1,300,000-owner contingency).
- r. award on the basis of low bid per item for PSS World Medical dba Physician Sales & Service (\$54,552) and Cardinal Health (\$67,963) for rapid HIV-1, HIV-2 and rapid pregnancy test kits in the total multi-vendor estimated amount of \$122,515 for the term February 1, 2012 through January 31, 2013 with four one-year renewal options.

- s. approve the third of four renewal options for Johnson Controls, Inc. for maintenance and service of building automation HVAC Systems in the estimated amount of \$240,932 for the term February 1, 2012 through January 31, 2013.
- t. ratify purchase on the basis of lowest priced contract for Professional Disposables International, Inc. (PP-NS-656) for super sani-cloth disposable germicidal wipes in the estimated amount of \$230,918 for the term December 1, 2011 through November 30, 2012.
- u. award on the basis of best bid meeting requirements by line item for Aesculap (\$113,239), Integra LifeSciences Corporation (Bid #2) (\$115,838), and Medtronic USA, Inc. (\$153,929) for neurosurgical products in the total multi-vendor estimated amount of \$383,006 for the term October 1, 2011 through September 30, 2012 with four one-year renewal options.
- v. approve the first of four renewal options for UnitedHealthcare Insurance Company-Dental, Standard Life Insurance (The Standard) – Basic Life and AD&D, and Davis Vision, Inc.-Vision for Dental DHMO and DPPO, Basic Life and AD&D, Voluntary Life and AD&D and Vision Coverage(s) in the estimated amount of \$5,511,666 for the term March 1, 2012 through February 28, 2013.
- w. approve funding for year four of a five-year agreement for International Business Machines Corporation (IBM) (DIR-SDD-953) for IBM Enterprise Wide hardware maintenance in the estimated amount of \$347,921 for the term February 15, 2012 through February 14, 2013.
- x. ratify the first of five renewal options for First DataBank, Inc. for national drug data file (NDDF™) license and maintenance in the estimated amount of \$158,604 for the term December 15, 2011 through December 14, 2012.
- y. approve renewal on the basis of sole source for Oracle USA, Inc. for PeopleSoft Software license and support in the estimated amount of \$530,273 for the term March 2, 2012 through March 1, 2013.
- z. award on the basis of low quote for Dell Marketing, L.P. for SAP Business Objects Software License and Maintenance in the amount of \$148,551 for the term March 16, 2012 through March 15, 2013.
- aa. ratify funding on the basis of product standardization for Welch Allyn Inc. through Cardinal Health (PP-NS-537) for blood

pressure cuffs in the estimated amount of \$360,000 for the term November 1, 2011 through October 31, 2012.

- bb. award on the basis of product standardization for Ethicon, Inc. (PP-OR-334) for suture products in the estimated amount of \$635,179 for the term February 1, 2012 through January 31, 2013.
- cc. award on the basis of low bid for CDW Government LLC for thin client network computers in the amount of \$261,593.
- dd. award on the basis of low bid for Mark III Systems for internal hard drives in the amount of \$125,210.
- ee. award on the basis of low quote for General Datatech, LP for Cisco network switches in the amount of \$216,083.
- ff. approve additional funds for CareFusion Solutions, Inc. (PP-CE-383) for lease and maintenance of Pyxis Supply Distribution System in the additional amount of \$562,925 for the term July 1, 2011 through June 30, 2012 (Board previously approved funds in the amount of \$608,227 for the same term).
- gg. award on the basis of best bids for Maxim Healthcare Services, Inc. dba Maxim Health Information Services and P2P Staffing Corp. dba MedPartners HIM for supplemental temporary certified coding specialists in the estimated amount of \$500,000 for the term January 26, 2012 through January 25, 2013 with four one-year renewal options.
- hh. approve funding for 3M Company (PP-NS-641) for tape products and cohesive bandages in the estimated amount of \$106,322 for the term February 1, 2012 through January 31, 2013.
- ii. ratify funding on the basis of product standardization for Laserband LLC (PP-MM-093) for labels, ID bands and related products in the estimated amount of \$104,661 for the term January 1, 2012 through December 31, 2012.
- jj. approve additional funds and an extension for John L. Wortham & Son, L.P. for all risk property insurance and boiler and machinery coverage in the additional amount of \$93,608 for the term April 1, 2012 through May 1, 2012 (Board previously approved funds in the amount of \$2,442,187 for the term April 1, 2011 through April 1, 2012).
- kk. ratify additional funds for Mallinckrodt, Inc., a Tyco Healthcare Company (PP-IM-075) for radiopharmaceuticals and radiopharmaceutical distribution in the estimated additional amount of \$279,720 for the term January 1, 2011 through December 31, 2011 (Board previously approved funds in the amount of \$900,971 for the same term).

- ll. ratify purchase on the basis of sole source for College of American Pathologists for subscription for proficiency testing products in the estimated amount of \$150,400 for the term January 1, 2012 through December 31, 2012.
- mm. transmittal of award on the basis of lowest priced proposal meeting requirements for Life Insurance Company of North America, a Cigna Company for long term disability coverage in the estimated monthly amount of \$79,483 and estimated annual amount of \$953,796 for the term March 1, 2012 through February 28, 2013 with four one-year renewal options.

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

- a. transmittal of the first of four renewal options for Washington Inventory Service dba WIS International for physical inventory services for pharmacy drugs and devices in the estimated amount of \$70,000 for the term February 1, 2012 through January 31, 2013.
- b. transmittal of purchase on the basis of best contract for Maquet, Inc. for intra-aortic catheters and pumps in the estimated amount of \$55,449 for the term February 1, 2012 through January 31, 2013.
- c. transmittal of purchase on the basis of low quote for Vanguard Environments for waiting area seating for Ben Taub and Lyndon B. Johnson General Hospitals in the amount of \$76,378.40.
- d. WITHDRAWN.
- e. transmittal of the fourth and final renewal option for Water and Power Technologies, Inc. for deionized water service in the estimated amount of \$55,000 for the term January 1, 2012 through December 31, 2012.
- f. transmittal of purchase for ISI Commercial Refrigeration, Inc. for replacement of dishwasher at Ben Taub General Hospital in the amount of \$98,995.
- g. transmittal of purchase for The Advisory Board Company for Advisory Board Memberships in the amount of \$60,000 for the term October 31, 2011 through October 30, 2012.
- h. transmittal of purchase on the basis of lowest priced contract for Smith Medical ASD, Inc. for patient controlled epidural analgesic infusion pumps in the amount of \$86,750.
- i. transmittal of purchase on the basis of sole source for Zoll Data Systems, Inc. for software programs for automated dispatch system in the amount of \$52,800 for the term November 18, 2011 through November 17, 2012.

- j. transmittal of purchase on the basis of best contract for Stryker Medical for stretchers in the amount of \$87,853.
- k. transmittal of purchase on the basis of sole source for CareFusion 211, Inc. for diagnostic sleep system upgrade in the amount of \$74,872.
- l. transmittal of additional funds for C.F. McDonald, Inc. for emergency power upgrade at the Lyndon B. Johnson General Hospital in the additional amount of \$6,012 (Board previously approved funds in the amount of \$2,505,563).
- m. transmittal of utilization for Pumpelly Oil Acquisition, LLC for diesel fuel and related items in the estimated amount of \$50,000 for the term July 1, 2011 through June 30, 2012.
- n. transmittal of additional funds for Skanska USA Building Inc. for Construction Manager at Risk for building construction, expansion and remodeling in the estimated additional amount of \$20,000 (Board previously approved funds in the amount of \$280,615).
- o. transmittal of additional funds for HDR Architecture, Inc. for professional architectural and engineering design services for renovation/reactivation of six floors, penthouse, and basement of the Old Ben Taub General Hospital in the estimated additional amount of \$67,245 (Board previously approved funds in the amount of \$3,702,755).
- p. transmittal of purchase on the basis of sole source for UpToDate, Inc. for UpToDate On-Line Subscription Clinical Resource Information in the estimated amount of \$78,797 for the term November 1, 2011 through October 31, 2012.
- q. transmittal of renewal on the basis of sole source for McKesson Information Solutions LLC for maintenance and support for the Trendstar® Decision Support Software in the estimated amount of \$74,784 for the term January 1, 2012 through December 31, 2012.
- r. transmittal of purchase on the basis of sole source for St. Jude Medical S.C., Inc. d/b/a St. Jude Medical, U.S. Division for EP-Workmate™ System Upgrade in the estimated amount of \$70,000.
- s. transmittal of purchase on the basis of sole source for Accudata Systems Inc. for RightFax System Refresh and Upgrade in the estimated amount of \$61,586.
- t. transmittal of renewal on the basis of sole source for Siemens Medical Solutions USA, Inc. for maintenance of the Novius

Radiology Information System (NRIS) in the estimated amount of \$91,664 for the term January 1, 2012 through December 31, 2012.

- u. transmittal of purchase for Pitney Bowes Inc. (985-L1) for lease for mail equipment, maintenance, mail sorting and Send Suite® Shipping Solutions Software in the amount of \$63,612 for the term January 1, 2012 through December 31, 2012.
- v. transmittal of purchase for Gartner Inc. (DIR-SDD-1273) for IT and Business Strategy Research Resource Services in the amount of \$81,415 for the term February 1, 2012 through January 31, 2013.
- w. transmittal of purchase on the basis of only quote for Hewlett-Packard Company (DIR-SDD-1364) for Hewlett Packard computer hardware server maintenance in the amount of \$64,598 for the term November 1, 2011 through October 31, 2014.
- x. transmittal of purchase on the basis of sole source for Bio-Rad Laboratories for HIV-1 Western Blot Confirmation Testing in the estimated amount of \$68,217 for the term October 1, 2011 through September 30, 2012.
- y. transmittal of award on the basis of low bid for Infinity Systems, Inc. for preventive maintenance, inspection, repair parts, labor and related items for refrigerators and freezers in the amount of \$53,720 for the term February 1, 2012 through January 31, 2013 with four one-year renewal options.
- z. transmittal of the second of four one-year renewal options for Brink's US, a Division of Brink's Incorporated for armored car services in the estimated amount of \$89,250 for the term April 1, 2012 through March 31, 2013.
- aa. transmittal of additional funds for AT&T Datacomm (DIR-SDD-233) for network hardware upgrade in the additional amount of \$64,618 (Board previously approved funds in the amount of \$4,231,364).
- bb. transmittal of purchase on the basis of sole source for Oracle USA, Inc. for PeopleSoft Enterprise Human Capital Management (HCM) Application Software Payroll Tax Updates in the amount of \$50,000.
- cc. transmittal of purchase on the basis of sole source for SAP America, Inc. for SAP Business Objects Services Validation in the estimated amount of \$51,968.
- dd. transmittal of additional funds and an extension for USA Mobility Wireless, Inc. (formerly Metrocall, Inc., D/B/A USA Mobility, Inc.) ("Arch Wireless") for leasing wireless pagers, messaging

services and related items in the additional amount of \$65,000 for the extended term of February 1, 2012 through March 31, 2012 (Board previously approved funds in the amount of \$205,000 for the term February 1, 2011 through January 31, 2012).

ee. transmittal of purchase on the basis of product standardization for Becton Dickinson and Company (BD) through Cardinal Healthcare (PP-NS-654) for sharps disposal containers in the estimated amount of \$95,000 for the term October 1, 2011 through September 30, 2012.

Discussion ensued regarding the Social Media Policy (VIII.E.). Minor changes were made to the policy.

Motion 12.01-05

Moved by Dr. Santos, seconded by Ms. Truesdell, and unanimously passed, that the Board approve agenda items VIII.B. – VIII.GG.

- B. Approval of the January 2012 Medical Staff Bylaws Changes
- C. Approval of the new Harris County Hospital District Prevention of Catheter Associated Urinary Tract Infections Policy #7.30
- D. Approval of the new Harris County Hospital District Mother-Friendly Workplace (Breastfeeding or Expression of Breast Milk) Policy #6.43 to be effective January 26, 2012.
- E. Approval of the new Harris County Hospital District Social Media Policy #3.50 to be effective January 26, 2012.
- F. Approval of the new Harris County Hospital District Removal and Disposal of Leased Copier Hard Drives Policy #3.54 to be effective January 26, 2012.
- G. Acceptance of the Third Quarter FY 2012 Investment Report
- H. Ratification of the Hospital Participating Agreement for the Assistant Secretary for Preparedness and Response (ASPR) HealthCare Preparedness Program (HPP) for ASPR Year 10
- I. Ratification of an Agreement between the Harris County Hospital District and the Dallas County Hospital District, The Parkland Foundation for Texas/Oklahoma AIDS Education and Training Center funded under Ryan White HIV/AIDS Treatment Extension Act Part F to provide State of the Art Education and Treatment, Training and Consultation and Support to Healthcare Professionals Treating HIV-Infected Patients. This reflects a decrease in the amount of funding from \$145,473 to \$82,000. The term of the agreement is July 1, 2011 through June 30, 2012.
- J. Approval of a Facility Use Agreement between the Harris County Hospital District and the AIDS Foundation Houston to Provide Child

Monitoring Services to Eligible HIV-Infected Patients at District Facilities at no cost for the term March 1, 2012 through February 28, 2013.

- K. Approval of a Facility Use Agreement between the Harris County Hospital District and the Houston Volunteer Lawyers to provide Legal Consultation Services to Eligible HIV-Infected Patients at District Facilities at no cost for the term March 1, 2012 through February 28, 2013.
- L. Approval of a Facility Use Agreement between the Harris County Hospital District and Bering Omega Community Services to provide Housing Assistance and Placement Services to Eligible HIV-Infected Patients at District Facilities at no cost for the term March 1, 2012 through February 28, 2013.
- M. Approval of a Facility Use Agreement between the Harris County Hospital District and Montrose Counseling Center to provide a Behavioral Counseling Support Group to Eligible HIV-Infected Patients at no cost for the term February 1, 2012 through January 31, 2013.
- N. Approval of an Agreement between the Harris County Hospital District and Harris County funded by the Ryan White HIV/AIDS Treatment Act of 2009 Part A to provide Primary Medical Care and Medical Case Management Services to Eligible HIV-Infected Patients at District Facilities in the amount of \$2,112,663 for the term March 1, 2012 through February 28, 2013.
- O. Approval of an Amendment between the Harris County Hospital District and Harris County funded by the Ryan White HIV/AIDS Treatment Act of 2009 Part A to provide Primary Medical Care and Medical Case Management Services to Eligible HIV-Infected Patients at District Facilities. The amendment increases funding by \$105,000 for a total agreement amount of \$6,443,989. The term of this agreement is March 1, 2011 through February 29, 2012.
- P. Approval of an Amendment to an Agreement from the City of Houston on the behalf of its Department of Health and Human Services to the Harris County Hospital District funded by the Centers for Disease Control and Prevention to provide Expanded and Integrated HIV Testing for Populations Disproportionately affected by HIV at District Facilities. The amendment extends the term of the agreement from September 29, 2012 to December 31, 2012.
- Q. Renewal of an Agreement between the Harris County Hospital District and the City of Houston on the behalf of its Department of Health and Human Services funded under the Centers for Disease Control and Prevention to provide HIV Routine Screening at District Facilities. The

term of this agreement is the date of full execution through December 31, 2012.

- R. Renewal of an Agreement between the Harris County Hospital District and the Texas Department of State Health Services to provide a HIV Perinatal Transmission Prevention Program for Hospital Labor & Delivery Units throughout Texas. The amount of the agreement is not to exceed \$140,000. The term of the agreement is January 1, 2012 through December 31, 2012.
- S. Renewal of a Grant Award from the United States Department of Health and Human Services Administration to the Harris County Hospital District to provide Early Intervention Services with respect to HIV Disease under the Ryan White HIV/AIDS Treatment Extension Act of 2009 Part C to Eligible HIV-Infected Patients at District Facilities. The amount of the grant award is not to exceed \$900,000. The term of the grant is January 1, 2012 through December 31, 2012.
- T. Approval of a Point of Entry Agreement as a requirement of the Ryan White HIV/AIDS Treatment Extension Act of 2009 between the Harris County Hospital District and Montrose Counseling Center for the term March 1, 2012 through February 28, 2014.
- U. Renewal of a Point of Entry Agreement as a requirement of the Ryan White HIV/AIDS Treatment Extension Act of 2009 between the Harris County Hospital District and the City of Houston Department of Health and Human Services for the term March 1, 2012 through February 28, 2014.
- V. Renewal of a Point of Entry Agreement as a requirement of the Ryan White HIV/AIDS Treatment Extension Act of 2009 between the Harris County Hospital District and the St. Hope Foundation for the term March 1, 2012 through February 28, 2014.
- W. Renewal of a Point of Entry Agreement as a requirement of the Ryan White HIV/AIDS Treatment Extension Act of 2009 between the Harris County Hospital District and Legacy Community Services for the term March 1, 2012 through February 28, 2014.
- X. Approval to Purchase a Texas Department of Transportation (TXDOT) Easement for a total amount of \$125,974 at Lyndon B. Johnson General Hospital.
- Y. Approval of funds in the amount of \$468,521 to have Copperfield Timbercreek Atrium, LLC complete the Build-Out of the New Highway 6 Pediatric and Adolescent Clinic Lease Space Located at 5870 N. Highway 6, Suite 108, Houston, Texas 77084.
- Z. Approval to Enter into an Agreement with CenterPoint Energy Services, Inc. and Harris County Hospital District to provide Natural Gas for Ben

Taub General Hospital (BTGH), Lyndon B. Johnson General Hospital (LBJGH), Quentin Mease Community Hospital (QMCH), the Newly Constructed Holly Hall Smith Clinic, Holly Hall Administration Building, and Thomas Street Clinic. The term of the contract is an initial term of three years beginning on February 1, 2012 and will automatically renew or extend for successive one year terms unless either party terminates the agreement by providing the other party with thirty days written notice prior to expiration date of the initial term, and with the understanding that funding is appropriated on a one-year basis, year to year.

- AA. Authorization of Intent to Enter into the 2nd Term of the Lease Agreement with Pasadena Realty Partners, LLC for Lease Space Located at 3925 Fairmont Parkway, Pasadena, Texas 77504 for the HCHD Pediatric and Adolescent Clinic. The 2nd term of the lease is from March 1, 2012 to February 28, 2013 at a monthly rate of \$24,529.17 (\$294,350/yr.).
- BB. Approval of the Amendment and Restatement of the Harris County Hospital District Pension Plan.
- CC. Approval of the First Amendment to the Harris County Hospital District 401K Plan effective January 1, 2012.
- DD. Approval of the First Amendment to the Harris County Hospital District Employees' Deferred Compensation Plan effective January 1, 2012.
- EE. Approval of Engagements with Outside Legal Counsel for Legal Services related to Healthcare and Reimbursement Matters, Employee Benefits and Immigration matters for the term February 1, 2012 to January 31, 2013, and for a not to exceed amount of \$300,000.
- FF. Acceptance of the Harris County Auditor's Hospital District Emergency Centers Collections Controls Report for othe four month period ended August 31, 2010.
- GG. Approval of the Harris County Hospital District Non-Discrimination in Access to Services, Programs, and Facilities Policy #3.52 to be effective January 26, 2012.

IX. Reports of the Committees

A. Joint Conference Committee

Dr. Matthew Wall presented the credentialing changes for members of the HCHD medical staff for January 2012. Typographical errors were noted. Discussion ensued. A copy of the report is available in the permanent record.

Motion 12.1-06

Moved by Dr. Santos, seconded by Mr. Finder, and unanimously passed, that the Board approve items IX.A.1 and IX.A.2.

1. Approval regarding the Credentialing Changes for Members of the HCHD Medical Staff
2. Approval of Credentialing for HCHD Medical Staff pending Evidence and Verification of Obtaining DEA/DPS Registrations.

Motion 12.1-07

Moved by Ms. Truesdell, seconded by Dr. Santos, and unanimously passed, that the Board approve items IX.A.3-IX.A.8.

3. Approval of the replacement of Emergency Medicine Clinical Privileges Forms for the Harris County Hospital District.
4. Approval of the replacement of Gastroenterology Clinical Privileges Forms for the Harris County Hospital District.
5. Approval of the replacement of Neurosurgery Clinical Privileges Forms for the Harris County Hospital District.
6. Approval of the replacement of Obstetrics/Gynecology Clinical Privileges Forms for the Harris County Hospital District.
7. Approval of the replacement of Pediatric Emergency Medicine Clinical Privileges Forms for the Harris County Hospital District.
8. Approval of the replacement of Urology Clinical Privileges Forms for the Harris County Hospital District.

B. Budget and Finance Committee

Mr. Norby presented the November and December 2011 Financial Reports. Copies of the reports are available in the permanent record.

1. Motion 12.1-08

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

Agenda Item IX.B.3 was addressed out of order.

Mr. Norby presented the November and December 2011 Pension Plan Reports. Copies of the reports are available in the permanent record.

2. Motion 12.1-10

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

Mr. Norby addressed the December Financial report. Admissions were 1.2% less than budget. Charity and the self-pay payor mix of 65.4% compared unfavorably to the budget of 56.9%. Medicaid represented 22.6% of total patients and was below the budget of 27%. Medicare represented 9.3% of all patients which compared favorably to the budget of 7.6%. Commercial insurance and other represented 2.7% of all patients and compared unfavorably to the budget of 8.5%. Discussion ensued. The unduplicated patient count is 7.7% below budget. Total new patients were 14.9% below budget for the month and 10.5% less than prior year. Significant discussion ensued.

3. Motion 12.1-09

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

4. Motion 12.1-13

Moved by Dr. Varadhachary, seconded by Mr. Finder, and unanimously passed, that the Board accept the December 2011 Pension Plan Report subject to audit.

5. Discussion and Possible Action regarding the FY 2013 Operating and Capital Budget.

Mr. Norby addressed the FY2013 Operating and Capital Budget. He summarized the changes to the budget since the December 19 Budget Workshop meeting. Significant discussion ensued regarding the 1115 Waiver. Mr. Norby distributed a handout regarding waiver estimates for FY 2012. The handout was reviewed and discussed. A copy of the report is available in the permanent record.

Motion 12.1-11

Moved by Dr. Varadhachary, seconded by Mr. Finder, and unanimously passed, that the Board approve the FY2013 Operating and Capital Budget for the 10-day posting period. The budget will be brought back to the February Board meeting for final approval prior to going to Commissioner's Court.

6. Presentation of the November 2011 and December 2011 Financial Statements of Community Health Choice, Inc.

Mr. Lee presented the November 2011 and December 2011 Financial Statements of Community Health Choice, Inc. Copies of the reports are available in the permanent record.

C. Planning & Operations Committee

Motion 12.1-14

Moved by Ms. Stiner, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the ratification of the contract between the Harris County Hospital District and the Texas Department of State Health Services (DSHS) to accept funding in the amount of \$200,000 and to authorize the CEO to enter into MOU's arising from this contract.

D. PI & Patient Safety Committee

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

Dr. Sutton reviewed the Harris County Hospital District Quality Scorecard with the Board. A copy of the report is available in the permanent record.

E. 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 Committee Report.

- X. President/Chief Executive Officer's Report and Possible Action to Include: 1) 1115 Waiver Health Plan Development: Update; 2) Recommendation that the Board of Managers Appoint Two (2) Board Members to the 1115 Waiver Advisory Committee; and 3) Recommendation that the Board of Managers Formally Adopt Harris Health System as the "DBA" for the Harris County Hospital District**

1115 Waiver Health Plan Development: Update

Mr. Lopez presented an update on the 1115 Waiver. The rules will not be available for another 2-3 months, but the District must move forward. The state will submit the plans they receive from the different regions to CMS around August 2012. He anticipated that the District would turn their region plan in around June or July 2012. Discussion ensued. It has not been decided who will be included in the region. The state initially said to plan a region including Harris and 9 surrounding counties. UTMB has submitted a white paper to the state saying that they would submit for a 27 county area. The two plans could then be combined into one. Mr. Lopez stated that he has had discussions with officials in Austin and the state will not mandate this. Significant discussion ensued. Mr. Lopez distributed a copy of the letter that will be sent inviting others to the 1115 Medicaid Waiver Community Planning Initiative that will be held at Rice on February 8. Further discussion ensued. A copy of the report is available in the permanent record.

Recommendation that the Board of Managers Appoint Two (2) Board Members to the 1115 Waiver Advisory Committee

Mr. Lopez addressed the 1115 Medicaid Waiver Community Planning Initiative, stating that they would like for Board members to attend. The meeting will be posted so all Board members are able to attend. It was asked that the map of counties previously sent out be emailed to the Board members.

Recommendation that the Board of Managers Formally Adopt Harris Health System as the “DBA” for the Harris County Hospital District

Mr. Lopez recommended that the board formally adopt Harris Health System as the dba for the Harris County Hospital District.

Ms. Stiner asked if they have met with all the stakeholders. Mr. DonCarlos stated that they have talked to the Commissioners and Judge and have not received any negative feedback. Ms. Stiner questioned the cost. Mr. Lopez stated that this has not come to the Board for approval. Ms. Stiner asked when they could provide the Board with a total estimated cost including signage changes. Mr. Lopez stated that he would get back with the Board with the budget. Mr. Finder stated that Commissioners Lee and Radack are in the same mindset that this does not need to be done without a competent upgrade in service and patient satisfaction. Ms. Truesdell noted that this is being addressed.

Motion 12.1-12

Moved by Dr. Santos, seconded by Dr. Varadhachary, and unanimously passed, that the Board formally adopt Harris Health System as the dba for the Harris County Hospital District effective October 2012.

XI. Executive Session

At 12:02 p.m., Mr. DonCarlos stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code, Texas Occupations Code 160.007, and Chapter 551 of the Texas Government Code Sections 071 and 074. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

XII. Reconvene

At 1:19 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 Cause No. 2010-00231; *Raymond Michael Lee v. Harris County Hospital District*; In the 80th 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.

No action taken.

- D. Discussion regarding the Employment and Duties of the Administrator for the Board Office Pursuant to Tex. Gov't Code §551.074 and Possible Action Regarding This Matter Upon Return to Open Session.

Mr. DonCarlos appointed an Ad Hoc Committee (Ms. Truesdell, Chair; Ms. Stiner, Dr. Varadhachary) to make recommendations regarding the structure and future of the Board Office.

XIII. Adjournment

Moved by Ms. Stiner, seconded by Mr. Tijerina, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 1:20 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 January 26, 2012.

Mr. Stephen DonCarlos, Chair
Board of Managers

Mr. E. Dale Wortham, Secretary
Board of Managers

Recorded by Christie Reno