



HARRIS HEALTH SYSTEM
MINUTES OF THE BOARD OF MANAGERS MEETING
Thursday, December 6, 2012
Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. Stephen DonCarlos, Chair
Ms. Carolyn Truesdell, Vice Chair (9:05 a.m.)
Mr. E. Dale Wortham, Secretary
Dr. George Santos
Mr. TJ Tijerina, Jr.
Mr. Lawrence Finder
Ms. Daisy Stiner (9:10 a.m.)
Mr. Elvin Franklin, Jr. (9:09 a.m.)
Dr. Atul Varadhachary (12:30 p.m.)

BOARD MEMBERS ABSENT

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. George Masi, Chief Operating Officer
Mr. Michael Norby, Chief Financial Officer
Mr. Kelly Johnson, Harris County Purchasing Agent
Ms. Vivian Groce, Harris County Assistant Purchasing Agent
Attorney Mercedes Leal, County Attorney's Office
Ms. Peggy Boice, Judge Ed Emmett's Office
Ms. Elizabeth Neal, Commissioner Jack Cagle's Office
Dr. John Burruss, AMS
Dr. Matthew Wall, Chairman, Medical Executive Board
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 9:03 a.m. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meeting

Motion 12.12-146

Moved by Mr. Finder, seconded by Dr. Santos, and unanimously passed, that the Board approve the minutes of the October 25, 2012 Board of Managers meeting and the October 22, 2012 and November 12, 2012 Called Board Meetings.

III. Announcements/Special Presentations

Mr. David Riddle recognized Ms. Martha Rankin for her dedication and exceptional work with Patient and Customer Relations. He shared a letter of appreciation for Ms. Rankin written by a patient. Ms. Rankin was recognized by the Board.

Dr. Klotman recognized Dr. Carlos Vallbona for his dedication through the years. Dr. Vallbona came to Baylor College of Medicine 56 years ago and is one of the longest standing members of the faculty. One of many accomplishments was his creation of the Family Medicine Program at Baylor. He asked the Board to consider future approval of naming opportunities honoring Dr. Vallbona. Mr. Lopez stated that Administration endorses and supports this recommendation.

IV. Hear from Citizens

No citizens were present to speak.

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

Motion 12.12-147

Moved by Mr. Tijerina, seconded by Mr. Franklin, and unanimously passed, that the Board approve items IV.A1a through IV.A1tt (with the exception of items A1b, A1k, and A1p, which were withdrawn prior to the meeting).

A. Items related to Purchasing

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

- a. award on the basis of low quote per item for OFIS (\$1,909), Vanguard Environments (\$34,766), Exemplis Corp. c/o J Tyler (\$47,180), Contract Resource Group (\$53,490), McCoy (\$95,849), and Jimenez Contract Services (\$281,801) for office furniture for the Lyndon B. Johnson General Hospital, Westland Specialty Clinic Project, Phase 2 in the total multi-vendor amount of \$514,995.
- b. WITHDRAWN.
- c. approve the fourth and final renewal option 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, 2013 through January 31, 2014.
- d. approve utilization for Royal American Services, Inc. (primary vendor) and PRC Roofing Company, Inc. (secondary vendor) for job order contracting for small and large roofing projects in the estimated amount of \$700,000 for the term December 6, 2012 through March 31, 2013.
- e. ratification for Cenikor Foundation, Inc. for substance abuse treatment and onsite dental health care services for homeless individuals in the amount of \$84,000 in HRSA grant funds for the term November 1, 2012 through October 31, 2013.
- f. award for the University of Texas Health Science Center at Houston for physician services – Ryan White HIV/AIDS Treatment Extension Act of 2009 Part C in the amount of \$20,230 in Ryan White grant funds for the term January 1, 2013 through December 31, 2013.

- g. approve corrected amount for Baylor College of Medicine for primary health services through the Homeless Program in the corrected amount of \$262,140 (previously approved amount for \$190,500) for primary health services through the Homeless Program for the term November 1, 2012 through October 31, 2013.
- h. rescind award for The Grand-Aides Foundation™ for development of a pilot program to enhance primary healthcare services in the estimated amount of \$325,000 (funded by Texas Health and Human Services Commission – HHSC) for a one-year term.
- i. award for Novartis Vaccines, GlaxoSmithKline, and Sanofi-Pasteur for influenza vaccine for the 2012-2013 season in the estimated amount of \$519,307.
- j. ratify the first of two renewal options for Morris & Dickson Co., LLC for prime distributor for pharmaceutical supplies in the estimated amount of \$0 (zero) for the term October 5, 2012 through October 4, 2013.
- k. WITHDRAWN.
- l. ratify on the basis of sole source for Becton Dickinson and Company (BD) through Cardinal Healthcare (PP-NS-654) for sharps disposal containers in the estimated amount of \$135,242 for the term October 1, 2012 through September 30, 2013.
- m. ratify third year of funding for GPO contracts for Tetra Medical Supply Corporation (PP-NS-606) (\$20,278), AMD-Ritmed, Inc. (PP-NS-608) (\$81,347), and Tyco Healthcare Group, PL The Kendall Co. (PP-NS-605) (\$171,723) for bandages, dressings and gauze in the estimated amount of \$273,348 for the term November 1, 2012 through October 31, 2013.
- n. ratify the following purchase on the basis of lowest complete contract for Medline Industries Inc. for mobility aids in the estimated amount of \$112,593 for the term November 1, 2012 through October 31, 2013.
- o. award on the basis of sole source for Global Healthcare Exchange, LLC (GHX) for MetaTrade and Procurement Suite Software in the amount of \$250,000.
- p. WITHDRAWN.
- q. approve additional budgeted funds and an extension for DynaGene – a LabCorp Company for special reference laboratory testing in the additional budgeted amount of \$307,771 for the extended term February 1, 2013 through July 31, 2013 (Board previously approved funds in the amount of \$615,542 for the term February 1, 2012 through January 31, 2013).
- r. approve the second of four renewal options for Abbott Diabetes Care Sales Corporation for point of care glucometer analyzers, reagents, consumables, service and training in the estimated amount of \$1,138,922 for the term March 1, 2013 through February 28, 2014.
- s. approve the fourth and final renewal option for Roche Diagnostics, Inc. for real time PCR, HBV, HCV and HIV viral load testing/PCR/genotyping and GC/chlamydia testing in the estimated amount of \$1,388,002 for the term January 23, 2013 through January 22, 2014.
- t. approve the first of four renewal options for PSS World Medical dba Physician Sales & Services (\$54,552) and Cardinal Health (\$67,963) for rapid HIV-1, HIV-2

and rapid pregnancy test kits in the estimated amount of \$122,515 for the term February 1, 2013 through January 31, 2014.

- u. approve additional budgeted funds and an extension for Abbott Laboratories, Inc. (PP-LA-263 fka PP-LA-205) for hematology analyzers, reagents, consumables and service in the additional budgeted amount of \$165,516 for the extended term December 1, 2012 through May 31, 2013 (Board previously approved funds in the amount of \$503,059 for the term June 1, 2011 through November 30, 2012).
- v. ratify termination of the Agreement effective November 16, 2012 for American Red Cross, Southwest Region for blood products and components.
- w. award 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, 2013 through December 31, 2013.
- x. award on the basis of low bid for North American Communications Resource, Inc. for PBX operator console system in the amount of \$183,718 for twelve months after system acceptance with four one-year renewal options.
- y. ratify additional budgeted funds for Dell Marketing, L.P. (DIR-SDD-890) for Dell IT equipment in the estimated additional budgeted amount of \$695,000 for the term December 1, 2011 through November 30, 2012 (Board previously approved funds in the amount of \$1,191,229 for the same term).
- z. award on the basis of product standardization for Dell Marketing, L.P. (DIR-SDD-890) for Dell IT equipment in the estimated amount of \$2,797,000 for the term December 1, 2012 through November 30, 2013.
- aa. approve renewal for Dell Marketing, LP (DIR-SDD-1014) for software maintenance for various Microsoft Desktop Productivity Software in the estimated amount of \$1,386,284 for the term January 1, 2013 through December 31, 2013.
- bb. award for Microsoft Corporation (DIR-SDD-1927) for Microsoft Windows 7 technical services in the estimated amount of \$127,600.
- cc. renewal on the basis of sole source for Micromedex, a business of Thomson Reuters (Healthcare) Inc. for Micromedex Database License Software Subscription in the estimated amount of \$151,250 for the term December 31, 2012 through December 31, 2013.
- dd. renewal on the basis of sole source for CA, Inc. for maintenance and support for Service Desk Manager, Spectrum and e-Health Monitoring Software in the estimated amount of \$104,825 for the term December 29, 2012 through December 28, 2013.
- ee. renewal on the basis of sole source for Surgical Information Systems (SIS) for maintenance and support for surgery management software in the estimated amount of \$191,237 for the term January 1, 2013 through December 31, 2013.
- ff. award on the basis of only bid received and a modification of contract for CapsuleTech, Inc. for anesthesia device connectivity middleware software in the amount of \$109,382.
- gg. ratify the third of four renewal options for All Health Staffing, Medical Staffing Network, On Assignment Staffing Services, Inc. dba On Assignment Healthcare

Staffing, Elite Personnel Consultants, Inc. dba Evins Temporaries, Pulse Staffing, and Supplemental Health Care for temporary therapist personnel in the estimated amount of \$175,000 for the term November 1, 2012 through October 31, 2013.

- hh. approve additional budgeted funds for Letter Logic, Inc. for patient billing services in the estimated budgeted amount of \$140,000 for the term January 1, 2012 through December 31, 2012 (Board previously approved funds in the amount of \$600,000 for the same term).
- ii. approve the first of four renewal options for Letter Logic, Inc. for patient billing services in the estimated amount of \$740,000 for the term January 1, 2013 through December 31, 2013.
- jj. approve the first of four renewal options for KPMG, LLP for external audit services in the estimated amount of \$436,000 for the term December 6, 2012 through December 5, 2013.
- kk. award on the basis of best proposal meeting requirements for MedAssets Net Revenue Systems, LLC (Option 2) for claims payment analysis solution in the estimated amount of \$275,661 for the a one-year initial term with four one-year renewal options.
- ll. approve additional budgeted funds and an extension for Cardon Healthcare Network, LLC (Cardon) (\$1,080,000) and Resource Corporation of America (RCA) (\$1,140,000) for certification of pending Medicaid cases and other related third party sources in the additional budgeted multi-vendor amount of \$2,220,000 for the extended term February 8, 2013 through August 7, 2013 (Cardon) and February 22, 2013 through August 21, 2013 (RCA) (Board previously approved funds in the amount of \$6,000,000 for the term February 8, 2012 through February 7, 2013 (Cardon) and February 22, 2012 through February 21, 2013 (RCA)).
- mm. award 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 additional budgeted amount of \$436,081 for the term January 26, 2012 through January 25, 2013 (Board previously approved funds in the amount of \$500,000 for the same term).
- nn. approve the first of four renewal options 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 \$391,680 for the term January 26, 2013 through January 25, 2014.
- oo. approve the third of four renewal options for Advanced Health Education Center dba MEDRelief Staffing, Advance'd Temporaries, Inc., All Health Staffing, Crdentia Corporation, JWS Health Consultants, Inc. dba UltraStaff, Protouch Nurses dba Protouch Staffing, Pulse Staffing, RTG Medical, Rad-Link Staffing, Inc., and TexMed Staffing, LC for nursing temporary personnel in the estimated amount of \$3,700,000 for the term January 1, 2013 through December 31, 2013.
- pp. approve corrected term and amount for The University of Texas M.D. Anderson Cancer Center for radiation therapy and related services in the corrected amount of \$200,000 (\$102,508 – as approved) for the corrected term (first renewal option) November 1, 2012 through October 31, 2013 (term as approved

- November 1, 2012 through October 31, 2013 with four one-year renewal options).
- qq. approve additional budgeted funds for The University of Texas Health Science Center at Houston for career coaching and educational program implementation services in the additional amount of \$7,712 for the term September 1, 2012 through August 31, 2013 (Board approved funds in the amount of \$42,000 for the same term).
- rr. award on the basis of product standardization for Olympus America, Inc. (PP-OR-778) for endoscopy equipment in the amount of \$322,533.
- ss. award on the basis of sole source for FujiFilm Medical Systems USA, Inc. for service and maintenance for computed radiography equipment in the estimated amount of \$397,000 for a one-year initial term with four one-year renewal options.
- tt. award on the basis of single source contract for Philips Healthcare (PP-MM-166) for physiological monitoring equipment in the amount of \$160,076.

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

- a. transmittal of renewal on the basis of sole source for Virtual Hold Technology, LLC for Call Center Virtual Hold Queuing System software license, maintenance and support in the estimated amount of \$52,150 for the term December 23, 2012 through December 22, 2013.
- b. transmittal of exemption from the competitive bid requirements for General DataTech, L.P. for network engineering and consulting engineering services in the estimated amount of \$54,400 for the term October 17, 2012 through October 16, 2013.
- c. transmittal on the basis of lowest quote for General DataTech, L.P. for Cisco network switches in the amount of \$88,702.
- d. transmittal of the first of four one-year renewal options for Kronos Incorporated for maintenance for time, attendance and scheduling system in the estimated amount of \$50,429 for the term October 31, 2012 through April 27, 2013.
- e. transmittal of the fourth and final renewal option for Siemens Healthcare Diagnostics, Inc. for Hepatitis C Virus (HCV)/PCR/Genotyping and GC/Chlamydia testing in the estimated amount of \$95,896 for the term March 1, 2013 through February 28, 2014.
- f. transmittal of additional budgeted funds for Abbott Laboratories, Inc. (PP-LA-236 fka PP-LA-162) for i-STAT blood gas analyzers in the additional budgeted amount of \$37,129 for the term August 1, 2012 through July 31, 2013 (Board previously approved funds in the amount of \$1,555,728 for the same term).
- g. transmittal of second year funding for GPO Contract for Smiths Medical ASD, Inc. (PP-OR-699) for implantable infusion ports in the estimated amount of \$57,482 for the term November 1, 2012 through October 31, 2013.
- h. transmittal on the basis of best contract for Covidien US (PP-OR-882) for OR accessory products in the amount of \$67,128 for the term November 1, 2012 through October 31, 2013.

- i. transmittal on the basis of lowest priced contract for Medline Industries for OR basins in the estimated amount of \$89,545 for the term November 1, 2012 through October 31, 2013.
- j. transmittal of budgeted funds for HDR Architecture, Inc. for professional and engineering services for the renovation of six floors at the old Ben Taub General Hospital in the estimated additional amount of \$9,964 (Board previously approved funds in the amount of \$3,649,371).
- k. transmittal on the basis of lowest priced contract for GE Healthcare for ultrasound system in the amount of \$99,084.
- l. transmittal on the basis of best contract for SonoSite, Inc. for portable ultrasound system in the amount of \$64,917.
- m. transmittal of award on the basis of single source contract for Philips Healthcare (PP-MM-166) for wireless antennas and access points for telemetry monitoring in the estimated amount of \$98,669.
- n. WITHDRAWN.
- o. transmittal of additional non-budgeted funds for Discovery Benefits, Inc. for Group Flexible Spending Accounts in the estimated non-budgeted additional amount \$16,000 for the term March 1, 2012 through February 28, 2013 (Board previously approved funds in the amount of \$38,928 for the same term).
- p. transmittal of additional budgeted funds and an extension for MC AnalyTXs, Inc. for Claims Payment Analysis Tool/Services in the additional budgeted amount of \$75,000 for the extended term February 18, 2013 through August 17, 2013 (Board previously approved funds in the amount of \$150,000 for the term February 18, 2012 through February 17, 2013).
- q. transmittal of exemption from the competitive bid requirements for Southeast Reimbursement Group, LLC for Medicare/Medicaid Cost Report in the estimated amount of \$66,900 for a one-year term.
- r. transmittal of the second of four renewal options for Washington Inventory Service dba WIS International for physical inventory services for drugs and devices in the estimated amount of \$70,000 for the term February 1, 2013 through January 31, 2014.
- s. transmittal of renewal on the basis of sole source for EBSCO Industries – EBSCO Publishing for nursing reference database access in the estimated amount of \$96,114 for the term January 1, 2013 through December 31, 2013.
- t. transmittal of exemption from the competitive bid requirements for Baylor College of Medicine for physician services – early intervention, Ryan White HIV/AIDS Treatment Extension Act of 2009 Part C in the estimated amount of \$70,160 (Ryan White Grant funds) for the term January 1, 2013 through December 31, 2013.

Motion 12.12-148

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board approve agenda items V.B. – V.S.

Item V.T. was withdrawn from the agenda.

- B. Approval of the Harris Health System's Policy #4169 – Emergency Center Consultation Response and Admission Standards
- C. Ratification of an Interlocal Agreement between the Harris County Hospital District d/b/a Harris Health System and the City of Houston for Prenatal/Post-Partum Dental Services for Title V Eligible Patients in the not-to-exceed amount of \$200,000 for the term November 1, 2012 through August 31, 2013.
- D. Approval of a Settlement Agreement between the Harris County Hospital District d/b/a Harris Health System Health for the Homeless Program and Salvation Army Men's Shelter Harbor Light for the Provision of Substance Abuse Treatment in the not-to-exceed amount of \$100,000 for the term November 1, 2011 through October 31, 2013.
- E. Approval of a Settlement Agreement between the Harris County Hospital District d/b/a Harris Health System Health for the Homeless Program and Cenikor Foundation for the Provision of Substance Abuse Treatment in the not-to-exceed amount of \$100,000 for the term November 1, 2011 through October 31, 2012.
- F. Approval of an Amendment between the Harris County Hospital District d/b/a Harris Health System and the City of Houston Department of Health and Human Services funded under the Centers for Disease Control and Prevention (CDC) to Provide Health Education and Risk Reduction Services to Eligible HIV-Infected Patients. This amendment extends the term of the agreement through December 31, 2013.
- G. Approval of an Amendment between the Harris County Hospital District d/b/a Harris Health System and Baylor College of Medicine funded under the Centers for Disease Control and Prevention (CDC) to Provide a Retention in Care Program for HIV-Infected Patients in Medical Care. This amendment extends the term of the agreement through June 27, 2013.
- H. Renewal of an Agreement between the Harris County Hospital District d/b/a Harris Health System and the Texas Department of State Health Services to Provide an HIV Perinatal Transmission Prevention Program throughout the State of Texas in the amount of \$120,000 for the term January 1, 2013 through December 31, 2013.
- I. Approval of an Amendment between the Harris County Hospital District d/b/a Harris Health System and the City of Houston Department of Health and Human Services funded under the Centers for Disease Control (CDC) to Provide Routine Opt-Out HIV Screening to Eligible Patients. This amendment extends the term of the agreement through December 31, 2013.
- J. Approval of an Agreement between the Harris County Hospital District d/b/a Harris Health System and Denver Health and Hospital Authority funded under the Centers for Disease Control and Prevention (CDC) to provide a Sexually Transmitted Disease (STD) Educational Intervention and Clinical Consultation for Healthcare Professionals at Thomas Street Health Center in the amount of \$10,000 for the term January 1, 2013 through December 31, 2013.
- K. Renewal of a Grant Award from the United States Department of Health and Human Services Administration (HRSA) to the Harris County Hospital District d/b/a Harris Health System funded under Part C of the Ryan White HIV/AIDS Treatment Extension Act of 2009 to provide Early Intervention Primary Medical Care to Eligible HIV-Infected Patients in the not-to-exceed amount of \$900,000 for the term January 1, 2013 through December 31, 2013.

- L. Approval to Enter into a New Lease Agreement with Kynto Ventures, LLC for 50 Parking Spaces for the Peoples Health Center for one year plus three annual renewals. The initial term of this lease agreement will begin January 1, 2013 through December 31, 2013 at the same rate of \$40 per space (\$2,000 per month).
- M. Approval to Enter into a New Lease Agreement with Mount Houston CCG Partners LP for Harris Health System's East Mount Houston Eligibility Center for one year plus four annual renewals. The initial term of the lease agreement begins February 1, 2013 through January 31, 2014 at a not-to-exceed base rate of \$6,200 per month plus a prorate share of the operating expenses which are estimated at \$2850 per month.
- N. Approval of the Second Amendment to the Harris County Hospital District 401K Plan effective January 1, 2013.
- O. Ratification of Installation of an ATM at Smith Clinic in Partnership with Houston Municipal Employees Federal Credit Union under the terms of our existing Facilities Use Agreement with the Houston Municipal Employees Federal Credit Union.
- P. Approval of the Trust Agreement between the Harris County Hospital District and Fidelity Management Trust Company for Plan Administration and Trustee Services for the Harris County Hospital District Employees' Deferred Compensation Plan.
- Q. Ratification of a Memorandum of Understanding between the Harris County Hospital District d/b/a Harris Health System and the Texas Health and Human Services Commission (HHSC) to Participate in the Community Partner Program III Pilot through August 31, 2014 at no cost.
- R. Ratification of an Agreement between the Harris County Hospital District d/b/a Harris Health System and The University of Texas M.D. Anderson Cancer Center for the Research Study to Reduce Tobacco Related Health Disparities in the not-to-exceed amount of \$41,000 for the term September 1, 2012 through August 31, 2013.
- S. Acceptance of a Grant from the U.S. Department of Agriculture in the Amount of \$64,705 for the Period of October 1, 2012 through September 30, 2014.
- T. WITHDRAWN.

VI. Reports of the Committees

A. Joint Conference Committee

Acceptance of the Medical Executive Board Report.

Dr. Wall presented the Medical Executive Board Report for November 2012. Dr. Santos noted that the physician satisfaction rates have been unacceptably low compared to other hospitals. This should be a major focus moving forward. Mr. Lopez agreed, stating that there has been considerable dialogue with medical staff leadership. This will be a high priority item until improvement is made. One of the items that will come back to the Board is the Harris Health mission statement. The teaching element was taken out a few years back and will be put back in to the statement. Dr. Santos addressed the requirement for residents and fellows to obtain NPI numbers by March 2013. Dr. Wall stated that this is a simple process and only requires them going online to register for one. Dr. Dyer noted that this is being overseen by the GME offices. Mr. Reeves noted that physicians are not able to prescribe without this number.

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

Motion 12.12-149

Moved by Ms. Stiner, seconded by Mr. Finder, and unanimously passed, that the Board accept the Medical Executive Board Report.

B. Budget and Finance Committee

Mr. Norby presented the October 2012 Financial Report. He stated that adjusted patient days were 2.5% greater than budget with approximately 66% of the volume representing outpatient care. Clinic visits were 3.7% greater than budget and primary care clinic visits were 4.4% greater than the month's budget. Specialty clinic visits were 1.9% greater than budget for the month. Discussion ensued. Operating income for October is a loss of \$4 million compared to a budgeted loss of \$4.1 million. Year-to-date net income is approximately \$5 million below budget. Discussion further ensued. A copy of the report is available in the permanent record.

1. Motion 12.12-150

Moved by Mr. Tijerina, seconded by Mr. Finder, and unanimously passed, that the Board accept the October 2012 Financial Report subject to audit.

Mr. Norby presented the October 2012 Pension Plan Report. A copy of the report is available in the permanent record.

2. Motion 12.12-151

Moved by Mr. Franklin, seconded by Mr. Tijerina, and unanimously passed, that the Board accept the October 2012 Pension Plan Report subject to audit.

3. Presentation of October 2012 Financial Statements and Background and Strategic Priorities of Community Health Choice, Inc.

Mr. Janda presented the October 2012 Financial Statements of Community Health Choice, Inc. Net loss for October was \$4,392,475, which was partly due to the 5% premium rate reduction effective September 1, 2012. Net income year-to-date is 49.6% below budget. Total revenue was 1% below budget for the month and 4% above budget year-to-date. A copy of the report is available in the permanent record.

4. Report regarding Ambulatory Care Services Nursing Model and Harris Health System Contract Nursing Status

Ms. Cloyd addressed the Ambulatory Care Services Nursing Model and Harris Health System Contract Nursing Status. The goal of nurse staffing initiatives is to improve access, improve quality and improve patient satisfaction. She presented the current model and the proposed model for the Board's review. She also presented nursing agency expense for FY10-FY13. Questions were raised regarding our internal registry staff. Ms. Cloyd stated that registry staff are not classified as full time employees for Harris Health. Discussion ensued. Ms. Cloyd noted that they are meeting the overall budget and work very closely with finance. The HR Department does the recruiting for nursing and requests for registry go through a staffing office. People are hired directly to the registry and there are some full-time employees who also work registry. Registry employees are required to go through all orientation that full-time employees go through. Significant discussion ensued. A copy of the report is available in the permanent record.

B. PI & Patient Safety Committee

Dr. Matthew Wall was thanked for all of his work and dedication during his tenure as Medical Executive Board Chairman.

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

Dr. Sutton reviewed the Harris County Hospital District Quality Scorecard. He focused on the red (areas needing improvement) with the Board. A copy of the report is available in the permanent record.

2. Review, Discussion and Possible Action regarding Det Norske Veritas (DNV)

Ms. Hardy-Decuir gave a presentation on Det Norske Veritas (DNV). A DNV representative presented a report at a past meeting, but her presentation looks deeper into the pros and cons of the move. Benefits of DNV include creating a framework for systems thinking, emphasis on the Quality Management System, and ISO 9001 – foundation for Baldrige and Magnet excellence. The cost comparison between DNV and The Joint Commission was reviewed. Discussion ensued. It was noted that approval will come forward through Purchasing at a future meeting. A copy of the report is available in the permanent record.

3. Presentation by Press Ganey of the 2012 Physician Satisfaction Survey Results

Ms. Barbara Burnes from Press Ganey was introduced to the Board. She gave a presentation on the 2012 physician satisfaction survey results. Physician response rates were reviewed. Significant discussion ensued regarding the decline in physician response rates. Improvement strategies were discussed with the Board. Further discussion ensued. Dr. Santos stated that he would like this report to be a standing element of the PI & Patient Safety Committee meeting. A copy of the report is available in the permanent record.

D. Planning & Operations Committee

1. **Motion 12.12-152**

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the lease proposal with SLS-South Loop, LLC for lease space at 2636 South Loop, Houston, TX for Community Health Choice, Inc.'s operations in anticipation of the July 2013 expiration of current lease agreement.

2. Review and Discussion of the Property Acquisition and Lease Approval Process

A copy of the report was available in the packet for review and is available in the permanent record.

E. Ad Hoc 1115 Waiver

1. Authorization for President/CEO or his Designee to Sign Regional Healthcare Partnership Certifications for the 1115 Demonstration Program

Motion 12.12-153

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board approve item VI.E.1.

2. Discussion and Consideration of State and Regional Activities related to Texas' 1115 Medicaid Waiver Status

Mr. Lopez addressed the 1115 Waiver, stating that Memorial Hermann and HCA have now presented their projects under Pass 1. Harris Health is starting to receive some feedback from the state on items that have already been presented. Discussion ensued regarding funding. Further discussion ensued and clarification was given regarding timelines.

3. Discussion and Consideration of State and Regional Activities related to Texas' 1115 Medicaid Waiver Finance

Mr. Norby gave an overview of the 1115 Medicaid Waiver Finance.

4. Review of Approval of submission of plans to Increase Access to Physical and Occupational Therapy. This will increase the number of outpatient physical and occupational therapy providers in order to improve access and meet unmet demand for patients who are being referred for services from NCQA medical homes and specialty clinics. (*Motion 12.11-145, November 12, 2012*)

It was stated that item VI.E.4 and the Casa (spoke clinic) item did not make the Pass 1 cut and will go on Pass 2.

5. Review of Approval of submission of plans related to a partnership with The Methodist Hospital (*Motion 12.11-133, November 12, 2012*)

- Obstetrical Management
- Behavioral Health Management

6. Review of Approval of submission of plans related to a partnership with Texas Children's Hospital (*Motion 12.11-134, November 12, 2012*)

- Child Abuse Services
- Development Pediatrics
- Pediatric Neurology
- Transition Medicine – Medical Home
- Women's Mental Healthcare
- Pediatric Otolaryngology

7. Review of Approval of submission of plans related to a partnership with St. Joseph's Medical Center (*Motion 12.11-135, November 12, 2012*)

- Expansion of Labor and Delivery Room and Service Expansion
- The Joslin Diabetes Center
- Med/Psyche Inpatient Unit
- Partial Hospitalization Program

Items VI.E.5-VI.E.7 were approved subject to funding. A few projects that have been dropped from the original approval (VI.E.5) and will not be funded. All of the projects under VI.E.6 fit into the financial criteria. The first two items on VI.E.7 will not be funded.

8. Approval of Submission of Plans related to a Partnership with HCA Healthcare.

Behavioral Health Telemedicine (*PH-13*)

Expand OB/GYN Care Capacity in East Houston (*PH-14*)

Geriatric Patient Care Navigation (*PH-15*)

The HCA projects were reviewed for approval. Behavioral Health Telemedicine will expand the existing telemedicine program to include 24/7 tele-psychiatry program in its Bayshore ED as well as in the EDs in West Houston Medical Center, East Houston Regional Medical Center, and Woman's Hospital. OB/GYN Care Capacity in East Houston will expand availability of services through existing OB clinics located in areas of Bayshore Medical Center and East Houston Regional Medical Center. Geriatric Patient Care Navigation will improve the overall experience and quality of care for the geriatric population. This includes hospital designated beds, training, tracking and navigation.

Dr. Santos recused himself.

Motion 12.12-154

Moved by Ms. Truesdell, seconded by Ms. Stiner, and passed, that the Board approve agenda item VI.E.8 (Dr. Santos recused himself).

9. Approval of Submission of Plans related to a Partnership with Memorial Hermann Healthcare System

Home Health Psych Services (*PH-16*)
Psych Response Team - Case Management (*PH-17*)
24 Hour Nurse Triage Line (*PH-18*)
Patient Care Navigation (*PH-19*)
Convenient Care Centers (*PH-20*)
Physician Network Development (*PH-21*)
Primary Care Expansion - School Based Health (*PH-22*)
MHMD Care Management (*PH-23*)
Palliative Care Programs (*PH-24*)
Crisis Stabilization Service (*PH-25*)

Motion 12.12-155

Moved by Mr. Tijerina, seconded by Mr. Franklin, and passed, that the Board approve agenda item VI.E.9 (Dr. Santos recused himself).

10. Approval of Submission of Plans to Establish a Patient Care Navigation Program for High-Risk Mothers (OB Navigation Program). The OB Navigation Program would improve access to pre- and postnatal care through comprehensive, effective patient navigation through the Harris Health System and through a woman's pregnancy. (*HH-13*)
11. Approval of Submission of Plans to Expand Adult Dental Services in the Proposed New and Existing Primary Care Locations. (*HH-11*)
12. Approval of Submission of Plans to Expand Point-of-Care Services provided by Clinical Pharmacists. (*HH-26*)
13. Approval of Submission of Plans to Expand Prescribing Healthy Eating using Health Center based Farmer's Markets. (*HH-23*)
14. Approval of Palliative Care Program. This expanded program will provide better, more cost-effective care to the most debilitated, expensive patients through the creation of an integrated inter-professional team of specially trained providers. (*HH-24*)
15. Approval of Submission of Plans to Expand the House Call Program. (*HH-25*)
16. Approval of Submission of Plans to Establish Wound Care Clinics (4) to Deliver Wound Care to include Complex, Debridement and Wound Vac Care and Monitoring. (*HH-27*)
17. Approval of Submission of Plans to Implement Pediatric Dental Services. This would improve access to dental care for children and adolescents by establishing pediatric and adolescent oral health services/clinics in areas of need. (*HH-37*)

Brief descriptions were given of items VI.E.10-VI.E.17, which were included in the packet. Mr. Norby noted that all of these items are approved subject to available funding.

Motion 12.12-156

Moved by Mr. Finder, seconded by Mr. Franklin, and unanimously passed, that the Board approve agenda items VI.E.10. through VI.E.17 subject to available funding.

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 Harris Health System Public Policy Platform for the 83rd Legislative Session. A copy of the report is available in the permanent record.

Motion 12.12-157

Moved by Ms. Truesdell, seconded by Mr. Finder, and unanimously passed, that the Board approve the Harris Health System Public Policy Platform.

VII. Miscellaneous Agenda Items

- A. Staffing Advisory Committee's Semi-Annual Evaluation of the Nurse Staffing Plan & Aggregate Staffing Variance

Mr. Douglas Wakhu presented the Staffing Advisory Committee's Semi-Annual Evaluation of the Nurse Staffing Plan & Aggregate Staffing Variance. Ms. Stiner asked if the model presented earlier in the meeting would apply to this. Ms. Cloyd answered yes. Dr. Santos questioned the vacancy levels in critical care. Ms. Cloyd stated that they have particular issues with vacancies at Ben Taub, but are doing well on recruitment and filling those vacancies. The system level vacancy rate runs 8%-9% (below TMC rates), but varies unit to unit. Dr. Santos stated that it would be helpful to see vacancy rates system wide sometime in the next quarter. Ms. Cloyd stated that she would present that report by service level. Mr. Franklin asked to receive a report showing the turnover rate of employees with less than 5 years of service. Mr. DonCarlos asked that this be placed on the February 2013 agenda. A copy of the report is available in the permanent record.

Motion 12.12-158

Moved by Dr. Santos, seconded by Mr. Franklin, and unanimously passed, that the Board approve agenda items VII.B. through VII.F.

- B. Approval of an Agreement with Memorial Hermann Hospital for Participation in the CMS Advanced Practice Registered Nurse Demonstration
- C. Ratification of the Participating Hospital Agreement with SETRAC for the Assistant Secretary for Preparedness and Response (ASPR) HealthCare Preparedness Program (HPP) for ASPR Year 11. Participating agreements include Ben Taub General Hospital, Quentin Mease Community Hospital, and Lyndon B. Johnson General Hospital. Agreements are retroactive to July 1, 2012 and end on June 30, 2013.
- D. Ratification of an Agreement between the Harris County Hospital District and Johnson & Johnson Patient Assistance Foundation, Inc. to Participate in the Hospital Access Patient Assistance Program for Healthcare Facilities at no cost.
- E. Ratification of an Agreement between the Harris County Hospital District and Alcon Laboratories, Inc., and its affiliate, Falcon Pharmaceuticals, Ltd., to Participate in the Alcon Patient Assistance Program at no cost.
- F. Ratification of an Agreement between the Harris County Hospital District and Lilly Cares Foundation ("Lilly Cares"), to Participate in the Lilly Cares 340B Clinic and Health Care Facilities Program at no cost.

VIII. President/Chief Executive Officer's Report to Include Possible Action regarding: 1) Approval of Memorial Hermann & HCA DSRIP Projects and 2) Dr. Carlos Vallbona

Approval of Memorial Hermann & HCA DSRIP Projects

This item was addressed earlier in the meeting.

Dr. Carlos Vallbona

This item was addressed earlier in the meeting.

IX. Executive Session

At 12:18 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 072. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

X. Reconvene

At 1:26 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. Discussion regarding the Acquisition of Real Property in Connection with the Harris County Hospital District's 2015 Strategic Plan, pursuant to Tex. Gov't Code §551.072 and Possible Action regarding this Matter upon Return to Open Session.

Motion 12.12-159

Moved by Ms. Truesdell, seconded by Dr. Santos, and unanimously passed, that the Board approve using up to \$7,736,350 in funds that have already been allocated under our strategic capital construction plan for the purpose of acquiring an ambulatory surgical center located at 8111 Southwest Freeway, Houston, Texas.

Motion 12.12-160

Moved by Ms. Truesdell, seconded by Dr. Santos, and unanimously passed, that the Board approve using a not-to-exceed amount of \$3,450,000 from routine capital funds that have been previously approved for the new Peoples Clinic located at 6371 Richmond Avenue, Houston, Texas, 77057.

D. Consultation with the County Attorney regarding a Claim for Damages, pursuant to Tex Gov't Code Ann. §551.071 and Possible Action regarding this Matter upon Return to Open Session.

No action taken.

- E. Consultation with the County Attorney regarding the Legal Structure and Bylaws of Community Health Choice, Inc., pursuant to Tex Gov't Code Ann. §551.071 and Possible Action regarding this Matter upon Return to Open Session.

No action taken.

XI. Adjournment

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

There being no further business, the meeting adjourned at 1:30 p.m.

I certify that the foregoing are the Minutes of the Meeting of the Board of Managers of the Harris County Hospital District d/b/a Harris Health System held at the Administration Building in Houston, Texas on December 6, 2012.

Mr. Stephen DonCarlos, Chair
Board of Managers

Mr. E. Dale Wortham, Secretary
Board of Managers

Recorded by Christie Reno