



HARRIS HEALTH SYSTEM
MINUTES OF THE BOARD OF MANAGERS MEETING
Thursday, March 28, 2013
Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. Stephen H. DonCarlos, Chair
Ms. Carolyn Truesdell, Vice Chair
Mr. E. Dale Wortham, Secretary
Mr. TJ Tijerina, Jr.
Mr. Lawrence Finder
Ms. Daisy A. Stiner
Mr. Elvin Franklin, Jr.
Dr. George Santos
Ms. Anne Clutterbuck

BOARD MEMBERS ABSENT

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. George Masi, Executive VP & Chief Operations Officer
Mr. Michael Norby, Chief Financial Officer
Dr. Fred Sutton, Chief Medical Officer
Mr. Kelly Johnson, Harris County Purchasing Agent
Ms. Vivian Groce, Harris County Assistant Purchasing Agent
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office
Dr. John Burruss, General Director, Affiliated Medical Services
Dr. Tien Ko, Chairman, Medical Executive Board
Ms. Peggy Boice, Judge Ed Emmett's Office
Ms. Monica DelaRosa, Commissioner El Franco Lee's Office
Ms. Robyn Codner, Commissioner El Franco Lee's Office
Ms. Elizabeth Neal, Commissioner Jack Cagle'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 9:07 a.m. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meeting

Motion 13.03-41

Moved by Mr. Wortham, seconded by Mr. Tijerina, and unanimously passed, that the Board approve the minutes of the February 28, 2013 Board of Managers.

III. Oath of Office

Commissioner Jack Morman administered the Oath of Office to Ms. Carolyn Truesdell, Dr. George Santos, Mr. E. Dale Wortham and Mr. Lawrence Finder.

IV. Announcements/Special Presentations

Below are the March 2013 special presentations:

- A. Presentation on the Harris County Resource Allocation Process and Harris County Healthcare Taskforce by Mr. Bill Jackson, Executive Director, Harris County Budget Management Office

Mr. Bill Jackson discussed that most of the growth in the county has occurred in the unincorporated areas of Harris County. Mr. Jackson stated that Harris County receives most of its funds from property taxes and not sales taxes.

Mr. Jackson presented the history of the Hospital District tax rate and stated that the taxes allocated to health care, in various agencies and areas, grew from 25% of the total to 35% in the last 5 years and continues to grow yearly.

Mr. Jackson discussed the recession and decrease in property values that began in 2008, which led to the County imposing a hiring freeze. In addition, some Constables office's sacrificed their incentives, while other office's cut back on all employees' hours to keep expenses down, or the consolidated duties.

Mr. Jackson stated that we all share the same issues of funding and it is important for all of us to work together in the future. Mr. Jackson referred to Commissioner Lee's letter regarding access to Harris Health facilities. He suggested that a one-page plan summary be presented to the Court. It must be direct and to the point with absolute clarity. He also discussed a proposed Harris County Healthcare Taskforce to include representatives of Harris Health, MHMRA, Public Health and the Harris County Jail (Incarcerated Health).

Mr. Finder thanked Mr. Jackson for his input and informing the Board about the County's financial position. Ms. Truesdell noted that a few years ago, Harris Health System was in a situation similar to the County regarding cash flow late in the calendar year. She stated that the Board worked very hard to be fiscally responsible while still serving the public health needs. Mr. Jackson stated that he believes the Board is doing a good job with finances and is very pleased that the economy is improving. Discussion ensued. Mr. Franklin and Ms. Clutterbuck both thanked Mr. Jackson for the presentation. A copy of Mr. Jackson's presentation is available in the permanent record.

- B. Board Resolution from Board of Managers recognizing Dr. John Burruss has been moved to the April 25, 2013 Board Meeting.

V. Hear from Citizens

There were no citizens present to speak.

VI. Election of Officers

Motion 13.03-43

Moved by Dr. Santos, seconded by Mr. Franklin, and unanimously passed that the Board elect the following as Board Officers: Ms. Carolyn Truesdell, Chair; Mr. Elvin Franklin, Jr., Vice-Chair;

and Ms. Daisy A. Stiner, Secretary. Ms. Truesdell took over as Chair of the board and thanked Mr. DonCarlos for his excellent work as Board Chair.

VII. Consideration of Appointments to the Board of Managers' Standing and Special Committees

Motion 13.03-44

Moved by Mr. Franklin, seconded by Dr. Santos, and unanimously passed that Ms. Anne Clutterbuck be appointed to the following Board of Managers' Standing and Special Committees: Budget and Finance Committee, Planning and Operations Committee, Joint Conference Committee, Legislative Committee and Strategic Planning Committee.

Motion 13.03-45

Moved by Mr. Franklin, seconded by Ms. Stiner, and unanimously passed that the Board approve the following changes to the Board of Managers' Standing and Special Committees on the following committees:

STANDING COMMITTEES:

Budget and Finance Committee:

TJ Tijerina, Jr., Chair

Performance Improvement and Patient Safety Committee:

Stephen H. DonCarlos, Member

Joint Conference Committee:

Stephen H. DonCarlos, Member

SPECIAL COMMITTEES:

Ad Hoc – CEO Evaluation Committee:

E. Dale Wortham, Member

Bylaws Review Committee:

Lawrence Finder, Chair

Strategic Planning Committee:

Stephen H. DonCarlos, Member

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

Ms. Truesdell noted that item VIII.A.(1)t. should be corrected to show the contract award as \$938,233 and that item VIII.A.(1)e. was withdrawn. Mr. Finder recused himself from the vote on item VIII.A.(1)jj. (Waste Management of Texas to provide services for refuse removal service) because his firm provides legal representation for Waste Management of Texas.

Motion 13.03-46

Moved by Ms. Stiner, seconded by Dr. Santos, and unanimously passed, that the Board approve items VIII.A.(1)a.-VIII.A.(1)jj. (with the exception of item VIII.A.(1)e., which was withdrawn). Mr. Finder recused himself from the vote on agenda item VIII.A.(1)jj.

A. Items related to Purchasing

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

- a. ratify the first of four (4) renewal options for The University of Texas M.D. Anderson Cancer Center to provide colposcopy and other specialized medical services for Harris Health System eligible patients in the estimated amount of \$100,000 for the term March 1, 2013 through February 28, 2014.

- b. approve an exemption from the competitive bid requirements and renewal for Baylor College of Medicine to provide preventative medical services, including immunizations, general health assessments, laboratory services, athletic physicals, vision and hearing screening to HISD students in Precinct 2 in the estimated amount of \$150,000 for the term April 16, 2013 through April 15, 2014.
- c. approve an exemption from the competitive bid requirements and renewal for the Baylor College of Medicine to provide preventative medical services, including immunizations, general health assessments, laboratory services, athletic physicals, vision and hearing screening to children within the geographical boundaries of Harris County Precinct 1 in the estimated amount of \$150,000 for the term April 5, 2013 through April 4, 2014.
- d. approve the second of four (4) renewal options for Midwest Employers Casualty Company through Alamo Insurance Group, Division of Brown & Brown Insurance Services of San Antonio, Inc. to provide coverage above the Harris Health System self-insured retention level for Workers' Compensation and Employer's Liability Insurance in the estimated amount of \$248,390 for the term March 31, 2013 through March 31, 2014.
- e. WITHDRAWN.
- f. approve the purchase on the basis of sole source for Heat Transfer Solutions, Inc. to upgrade existing MarCraft HVAC System Air Handling Unit #7, which serves all operating rooms at Lyndon B. Johnson General Hospital in the estimated amount of \$245,000 (estimated price – \$222,950; owner contingency – \$22,050).
- g. approve an exemption from the competitive bid requirements for Smith Seckman Reid, Inc. to provide mechanical, electrical and plumbing engineering services for various projects for Harris Health System in the estimated amount of \$312,500 for a one-year initial term with three (3) one-year renewal options.
- h. approve an exemption from the competitive bid requirements for the Wylie Consulting Engineers to provide mechanical, electrical and plumbing engineering services for various projects for Harris Health System in the estimated amount of \$468,750 for a one-year initial term with three (3) one-year renewal options.
- i. approve an exemption from the competitive bid requirements for EFI Global, Inc. to provide on-call environmental and indoor air quality engineering services at various Harris Health System facilities in the estimated amount of \$150,000 for a one-year initial term with three (3) one-year renewal options.
- j. approve an exemption from the competitive bid requirements for EFI Global, Inc. to provide asbestos sampling and analysis, asbestos design, and abatement monitoring engineering services for various Harris Health System locations in the estimated amount of \$150,000 for a one-year initial term with three (3) one-year renewal options.
- k. rescind the award to Miner-Dederick Construction, LLP and approve a new award for Skanska USA Building, Inc. for Construction Manager at Risk for the Emergency Center Phase 2 Project at Ben Taub General Hospital, subject to execution of an executable Agreement, in the estimated amount of \$1,620,200.
- l. approve an exemption from the competitive bid requirements for FKP Architects to provide architectural services to develop a facility Master Plan Study for Lyndon B. Johnson General Hospital in the estimated amount of \$259,000.

- m. approve additional budgeted funds for Wilson Architectural Group, Inc. and ESPA, Corp. to provide design services for the build-out of the fifth operating room on the 3rd floor of the Westland Ambulatory Surgery Clinic in the estimated additional budgeted amount of \$35,200. (Board previously approved funds in the amount of \$3,844,461.)
- n. approve the award on the basis of best proposals meeting requirements for Computer Task Group, Inc. (CTG) (Category 1, 2 and 6), Elite Computer Consultants, L.P. dba ECOM (Category 2), Encore Health Resources (Category 1 and 6), General DataTech, LLC (Category 3), Idea Integration Corp. (Category 3, 4, 5 and 7), Protiviti, Inc. (Category 7), and Zensar Technologies, Inc. (Category 5) to provide augmented Information Technology capabilities and resources, as needed, in the total multi-vendor estimated amount of \$1,500,000 for a one-year initial term with four (4) one-year renewal options.
- o. ratify an extension for The University of Texas Health Science Center at Houston on behalf of its Gulf Coast Regional Extension Center for Harris Health System to provide continued onsite technical assistance and onsite or remote consultation to Eligible Health Care Professionals with focus of achieving all aspects of Meaningful Use of an electronic health record as defined by the Office of the National Coordinator in the additional revenue amount of \$198,300 for the extended term January 28, 2013 through September 1, 2013. (Board previously approved revenue in the amount of \$200,000 for the term February 27, 2012 through January 27, 2013.)
- p. approve the purchase on the basis of low quote for Business Security Solutions, LLC (DIR-SDD-1643) to provide maintenance and support for Pointsec encryption software in the estimated amount of \$103,725 for the term April 12, 2013 through April 11, 2014.
- q. approve the second of four (4) renewal options for Kronos Incorporated to provide software maintenance and support services for the time, attendance and scheduling system in the estimated amount of \$124,335 for the term April 28, 2013 through April 27, 2014.
- r. approve the purchase on the basis of sole source for Epic Systems Corporation to provide maintenance and support services for all Epic software in the estimated amount of \$3,651,981 for the term April 1, 2013 through March 31, 2014.
- s. approve the award on the basis of best proposal meeting requirements for Allscripts Healthcare, LLC. to provide and implement a software system that will facilitate real-time management of patients in the estimated amount of \$294,534 for a one-year initial term with four (4) one-year renewal options.
- t. approve the purchase on the basis of low quote to INX, Inc. (DIR-SDD-1386) to provide Cisco Smartnet maintenance and support for Cisco networking equipment in the amount of \$938,233 for the term April 1, 2013 through March 31, 2014.
- u. approve the purchase on the basis of sole source for Epic Systems Corporation for the Epic Willow Ambulatory Pharmacy System (replacing the PCSI Pharmacy Management System which is 13 years old), with ambulatory inventory, management module to provide Harris Health System with the ability to reduce on hand inventory in the estimated amount of \$1,175,852 for a one-year initial term.

- v. approve additional budgeted funds and an extension for CareFusion Solutions, Inc. (PPPH14CFS01) to provide the extended purchase, rental and maintenance of automation medication and supply distribution cabinets, medication and supply in the estimated additional budgeted amount of \$1,452,067 for the extended term March 1, 2013 through February 28, 2014. (Board previously approved funds in the amount of \$1,645,205 for the term March 1, 2012 through February 28, 2013.)
- w. approve additional budgeted funds for Kimberly-Clark Corporation (PP-OR-757) to provide sterilization wraps to wrap instrument sets, linen packs and basins prior to sterilization in the estimated additional budgeted amount of \$47,093 for the term September 1, 2012 through August 31, 2013. (Board previously approved funds in the amount of \$76,475 for the same term.)
- x. approve the purchase on the basis of best contracts for Smith Medical ASD, Inc. (PP-OR-897) (\$48,313; Items 15-19, Blood/Fluid Patient Warming Products) and Arizant Healthcare, Inc. (PP-OR-896) (\$279,221; Items 1-14, Forced Air Patient Warming Products) to provide forced air and blood/fluid patient warming products used to prevent hypothermia in the total multi-vendor estimated amount of \$327,534 for the term March 1, 2013 through February 28, 2014.
- y. approve the purchase on the basis of best contract for Musculoskeletal Transplant Foundation (PP-OR-910) to provide bone, tissue and synthetic implantable products used in bone graft surgical procedures in the estimated amount of \$501,679 for the term March 1, 2013 through February 28, 2014.
- z. ratify second-year funding for the GPO contract for Boston Scientific Company (PP-OR-790) (\$85,756) and Cook Medical Inc. (PP-OR-791) (\$114,977) to provide specialty urological products such as stents, guide wires, stone retrieval and catheters for the operating room in the total multi-vendor estimated amount of \$200,733 for the term February 1, 2013 through January 31, 2014.
- aa. ratify third-year funding for the GPO contracts for Merit Medical Systems, Inc. (PP-CA-175) (\$14,994), Abbott Vascular Devices (PP-CA-171) (\$48,525) and Boston Scientific Company (PP-CA-172) (\$155,164) to provide Harris Health System with products used for diagnostic and interventional cardiac catheterizations, including angioplasty balloons, guide wires, catheters, inflation devices, syringes, sheaths and introducers in the total multi-vendor estimated amount of \$218,683 for the term February 1, 2013 through January 31, 2014.
- bb. approve third-year funding for the GPO contract for Cardinal Health 200 Inc. (PP-NS-623) to provide Harris Health System with IV start kits, central line dressing change trays and Peripherally Inserted Central Catheters (PICC) in the estimated amount of \$433,826 for the term of May 1, 2013 through April 30, 2014.
- cc. approve the purchase on the basis of lowest price contract for Applied Medical Resources Corporation (PP-OR-844) to provide disposable surgical trocars used during laparoscopic surgery in the amount of \$187,022 for the term April 1, 2013 through March 31, 2014.
- dd. ratify the purchase on the basis of best contracts for Cardinal Health 200, LLC (PP-NS-743) (\$115,573; Items 1-9) and Covidien Sales LLC (PP-NS-745) (\$132,640; Items 16-33) to provide suction canisters, yankauers and tubing used to collect medical waste for Harris Health System in the total multi-vendor estimated amount of \$248,213 for the term February 1, 2013 through January 31, 2014.

- ee. ratify additional budget funds for Texas Medical Center – Hospital Cooperative Laundry Association to cover invoices for increased processing services for Ben Taub and Lyndon B. Johnson General Hospitals in the additional budgeted amount of \$250,000 for the term February 23, 2012 through February 22, 2013. (Board previously approved funds in the amount of \$1,929,005 for the same term.)
- ff. approve additional budgeted funds and an extension for GE Healthcare to provide remote services and diagnostics of radiology equipment in the additional budgeted amount of \$443,772 for the extended term March 1, 2013 through August 30, 2013. (Board previously approved funds in the amount of \$1,714,511 for the extended term July 1, 2011 through February 28, 2013.)
- gg. approve the purchase on the basis of lowest price contract for Covidien Sales LLC. (PP-OR-664) to provide six Electrical Surgical Units required for Lyndon B. Johnson Westland Operating Room suites that were included in the original scope and budget for the Westland project in the amount of \$112,133.
- hh. approve the fourth and final renewal option for Siemens Medical Solutions, USA, Inc. to provide remedial maintenance service required for CT Scanners in the estimated amount of \$515,594 for the term March 1, 2013 through February 28, 2014).
- ii. approve additional budgeted funds for Mortara Instrument, Inc. to provide additional and required Electrocardiography (ECG) systems, four (4) for Ben Taub and one (1) for Bayland Clinic in the additional budgeted amount of \$60,844. (Board previously approved funds in the amount of \$365,979.)
- jj. approve the corrected budgeted amount for Waste Management of Texas to provide services for refuse removal service for Harris County Hospital District d/b/a Harris Health System in the corrected budgeted amount of \$295,460. (Board previously approved funds in the amount of \$83,891 on October 25, 2012.) (Mr. Finder recused himself from the vote on agenda item VIII.A.(1).jjj.)

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

- a. transmittal of purchase on the basis of sole source for S & S HVAC Equipment, LLC to upgrade two (2) existing Marley cooling tower at Quentin Mease Community Hospital in the estimated amount of \$94,621.
- b. transmittal of purchase on the basis of sole source for Johnson Controls to upgrade Metasys server and connect the existing ninety-six (96) patient room fan coil unit FX Controllers to the Metasys server at Ben Taub General Hospital in the estimated amount of \$95,506.
- c. transmittal of award on the basis of low bid for Environmental Testing Services, Inc. to provide assessment, maintenance and repairs at Ben Taub and Lyndon B. Johnson General Hospitals and Quentin Mease Community Hospital in the amount of \$54,500 for the term April 1, 2013 through March 31, 2014 with four (4) one-year renewal options.
- d. transmittal of renewal on the basis of sole source for Baylor College of Medicine dba Lions Eye Bank of Texas to provide ophthalmic tissue, including corneal, whole globe, sclera, amniotic membrane and tutoplast pericardium for Harris Health System patients in the estimated amount of \$95,000 for the term March 18, 2013 through March 17, 2014.

- e. transmittal of second-year funding for the GPO contract for Atrium Medical Corporation (PP-OR-818) to provide Harris Health System with chest drainage products such as catheters and receptacles in the estimated amount of \$65,000 for the term April 1, 2013 through March 31, 2014.
- f. transmittal on the basis of only quote for Set Solutions, Inc. (DIR-SDD-960) to provide email management software utilized for spam filter and encryption of Harris Health System email in the estimated amount of \$97,288 for the term March 31, 2013 through March 30, 2014.
- g. transmittal of purchase on the basis of sole source for Epic Systems Corporation to interface Epic OpTime, Anesthesia and Stork software applications in the estimated amount of \$81,240 for the term February 12, 2013 through February 11, 2014.
- h. transmittal of purchase on the basis of only quote for Dell Marketing, LP (DIR-SDD-1014) to provide email management software utilized for compliance discovery, open records, archiving and searching Harris Health System email in the estimated amount of \$87,125 for the term March 4, 2013 through March 3, 2014.
- i. transmittal of purchase on the basis of sole source for Q-Matic Corporation to provide extended warranty for the Q-Matic ticket machines used in Harris Health System pharmacies in the estimated amount of \$55,747 for the term March 1, 2013 through February 28, 2014.
- j. transmittal of purchase on the basis of lowest priced contract for STERIS Corporation (PP-OR-968) to provide two (2) operating room surgical tables required for Lyndon B. Johnson General Hospital in the amount of \$60,948.
- k. transmittal of purchase on the basis of best contract for Physio-Control, Inc. (PP-CA-162) to provide three (3) defibrillators required for the Lyndon B. Johnson General Hospital Westland Clinic in the amount of \$67,310.
- l. transmittal of purchase on the basis of lowest price contract for Stryker Medical (PP-MM-084) to replace 13 of the 47 remaining patient beds that have exceeded life-expectancy for Ben Taub and Lyndon B. Johnson General Hospitals in the amount of \$81,460.

Ms. Truesdell addressed items VIII.E (Harris Health System Policy #3.55 Vaccine Preventable Disease Policy) and VIII.F. (Harris Health System Policy #4618 Code Purple) stating that the items were withdrawn at the committee meeting but now is being brought to the Board for consideration and board approval. Discussion ensued. Dr. Santos clarified that in item VIII.F. the phrase “moving Boarded patients to designated areas” refers to hallways and that although it rarely happens, patients have been moved into the hallway if more patient space is needed.

Motion 13.03-47

Moved by Mr. Wortham, seconded by Mr. Finder, and unanimously passed, that the Board approve agenda items VIII.B. – VIII.P.

- B. Approved Acceptance of a Research Subaward Agreement between Boston University and the Harris Health System, for studies conducted by researchers from several academic institutions, including Baylor College of Medicine (BCM), in the amount of \$6,930.00 for the budget period August 1, 2012 through July 31, 2013.

- C. Approved Acceptance of an Agreement between The University of Texas M. D. Anderson Cancer Center and the Harris Health System, to establish and operate a Cord Blood Bank and Donor Recruitment at Lyndon B. Johnson General Hospital and assist in the collection of cord blood for the Cord Blood Bank.
- D. Approved Acceptance of an Agreement between The University of Texas M. D. Anderson Cancer Center and the Harris Health System for a renewal/continuation of the Operational Agreement for its established Cord Blood Bank and Donor Recruitment at Ben Taub General Hospital and assist in the collection of cord blood for the Cord Blood Bank.
- E. Approved the new Harris Health System Policy #3.55 Vaccine Preventable Disease Policy, to reduce the transmission of infectious and communicable diseases, to be effective March 28, 2013.
- F. Approved the new Harris Health System Policy #4618 Code Purple, to decrease the saturation status in Acute Care areas by moving Boarded patients to designated areas within the inpatient units, to be effective February 28, 2013.
- G. Approved the new Harris Health System Policy #3.53 Information Technology Asset Management of Non-Capital Information Technology Assets Policy, to implement a system of internal controls to safeguard and manage non-capital information technology assets within the Harris Health System, to be effective March 28, 2013.
- H. Approved the Ratification of a Facility Use Agreement between the Harris County Hospital District d/b/a Harris Health System and the Houston Volunteer Lawyer, to provide at no costs, space at Thomas Street health Center to the Houston Volunteer Lawyers to provide legal consultation to eligible HIV-Infected Patients, for the term of March 1, 2013 through February 28, 2014.
- I. Approved the Revised Board Motion #12.12-148(M) regarding a New Lease Agreement with Mount Houston CCG Partners LP for Harris Health System's East Mount Houston Eligibility Center for a term of five (5) years and the option to renew under the same terms and conditions for one (1) additional term of five (5) years. The initial term of the lease agreement is February 1, 2013 through January 31, 2018 at a not-to-exceed base rate of \$5,834.00 per month plus, a prorated share of the operating expenses estimated at \$3,080.00 per month.
- J. Approved the Revised Harris Health System Policy #3001 Abuse, Neglect, and Exploitation of Patients Occurring at Harris Health System Facilities, to outline the duties of Staff regarding the abuse, neglect, and exploitation of patients while at Harris Health System facilities, to be effective March 28, 2013.
- K. Approved the Ratification of the Cooperative Agreement from the Center for Medicare and Medicaid Services for the Strong Start for Mothers and Newborns Program, to encourage women to adopt health-promoting behavior and thus improve health outcomes of pregnancies, specifically increased birth weight and gestational age for mothers at risk of delivering pre-term, in an amount not to exceed \$355,822.00 for the period of February 15, 2013 through February 14, 2014.
- L. Approved the Ratification of a Subcontract between Harris County Hospital District d/b/a Harris Health System and The University of Texas M. D. Anderson Cancer Center for the Research Study with Smoking Cessation Treatment, to provide research on the most effective smoking cessation strategies for patients of Safety Net Healthcare Systems, in the funded amount of \$111,582.00 for the term of September 1, 2012 through August 31, 2013.

- M. Approved the Continuation of an Agreement between the Harris Health System and Lord of the Streets Episcopal Church to Provide On-site Health Care and Eligibility Services to Eligible Homeless Individuals, to provide space inside its facility, as well as utilities, maintenance, security, and liability insurance at no cost to the Harris Health System, for the term of May 1, 2013 through April 30, 2014.
- N. Approved the Continuation of an Agreement between the Harris Health System and Harmony House Clinic to Provide On-site Health Care and Eligibility Services to Eligible Homeless Individuals, to provide use of the facility, utilities, maintenance, security, and insurance costs to homeless individuals residing at Harmony House, not to exceed the amount of \$75,000.00 for the term of April 1, 2013 through March 31, 2014.
- O. Approved the Contractor's Request for Revision Form for the Title V Grant from the Texas Department of State Health Services for Title V Services, to provide prenatal services to eligible women under the Title V programs.
- P. Approved the Revised Harris Health System Policy #3.35 Screening for Ineligible Persons, to provide guidelines for the Harris Health System to screen and remove from employment or association any Ineligible Person or entity as defined in the Policy, to be effective March 28, 2013.

IX. Reports of the Committees

A. Joint Conference Committee

1. Acceptance of the Medical Executive Board Report.

Dr. Tien Ko thanked former Chair, Mr. Stephen H. DonCarlos for his leadership and congratulated newly appointed Chair, Ms. Carolyn Truesdell stating that he is looking forward to working under her leadership.

Dr. Ko presented the Medical Executive Board Report and highlighted the Utilization Review Committee and updated the Board on the issue of shortage of staffing at the Transfer Center. He stated the Transfer Center will be hiring three more full-time employees which is close to industry standard and allows for three employees during the day and two at night to address the call volume flow. Dr. Ko also addressed bed utilization at Ben Taub and Lyndon B. Johnson General Hospitals. A copy of the Medical Executive Board report is available in the permanent record.

Motion 13.03-48

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

2. Approval regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (March 2013).
3. Approval regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (Pending Items, March 2013).

Dr. Ko presented the Credentialing Changes for Members of the Harris Health System Medical Staff (March 2013) and Credentialing Changes for Members of the Harris Health System Medical Staff (Pending Items, March 2013) to the Board and stated that there are four physicians who currently have pending matters. Dr. Ko stated that Dr. Valeria M. Contreras is in the process of completing her residency and that Dr. Todd Rosengart and Sarah Holtzman, PA-C, have verified their pending items as of last week and are current in all their licenses. He also stated that Dr. Philip Foster is in the process of renewing his Drug Enforcement Administration (DEA) registration, which expires on

March 31, 2013. Dr. Santos addressed Drs. Shobha Srikant Rao, Laresa Ridge Jackson, Eugene Sung-Kyun Kim and Maria Regina Laki Lantin-Hermoso who all have DEA/DPS that will be expiring next month and need to be addressed soon. Discussion ensued. Copies of the reports are available in the permanent record.

Motion 13.03-49

Moved by Mr. DonCarlos, seconded by Mr. Tijerina, and unanimously passed, that the Board approve items IX.A.2 and IX.A.3.

B. Performance Improvement & Patient Safety Committee

Review, Discussion and Possible Action Regarding the Harris County Hospital District d/b/a Harris Health System Quality Scorecard and Physician Satisfaction

Dr. Sutton presented the Harris Health System Quality Scorecard and Physician Satisfaction report to the Board. He reviewed the Executive Summary and stated that several discussions have transpired concerning the areas not meeting benchmarks and ways to implement solutions addressing each fall-out. Dr. Sutton further stated that every fall-out that occurred has been documented and addressed properly.

Dr. Sutton mentioned Patient Satisfaction stating he will be presenting preliminary data, more specifically, on the areas that have converted from 4-beds to 2-beds per patient room.

Dr. Sutton also stated that he will be presenting scorecards on physician satisfaction from both the ambulatory setting and the inpatient setting to the next committee meeting and will be reviewing some of the physician concerns and the solutions implemented. Discussion ensued. Dr. Santos requested a monthly report on the status of throughput in the emergency room, ambulatory care centers and surgical care. He also mentioned that inpatient surgical capacity needs to be addressed in the future, including looking at the possibilities of increasing in-house surgical capacity and off-site surgical options. Discussion ensued. A copy of the report is available in the permanent record.

Motion 13.03-50

Moved by Dr. Santos, seconded by Mr. Finder, and unanimously passed, that the Board accept the Harris Health System Quality Scorecard and Physician Satisfaction.

C. Budget and Finance Committee

Mr. Norby presented the February 2013 Financial Report, February 2013 Pension Plan Report and February 2013 Investment Report. He reviewed the executive summary and statistical highlights with the Board stating the overall volume for FY2013 adjusted patient days is 562,198, a 5.7% increase from the prior year for the same timeframe. Mr. Norby also noted that there have been 786,034 primary care visits, up 5% from the same time last year. Ms. Truesdell indicated that the current year's total emergency room visits are similar to last year's percentage and questioned if that is the average demand in the emergency department. Discussion ensued.

Mr. Norby discussed that all claims for outsourced patients are received, for verification and approval, and then forwarded to Harris County Clinical Services, which handles the payments. Discussion ensued. Mr. Norby stated that unduplicated patients for the current year, based on calculations, are 301,726 compared to 311,449 from last year. After the end of every fiscal year, the database is analyzed and the number of unduplicated patients is determined on a year-to-date basis. Dr. Brown stated that in

the future, to ensure a more accurate number of unduplicated patients, patients outsourced will be included in the numbers.

Mr. Norby stated that about 70% of the unduplicated patients are self-pay charity. Discussion ensued. Mr. Lopez discussed the reimbursement from the federal government for Medicaid and undocumented patients. Mr. Finder stated that the taxpayers in Harris County are paying what the federal government should be paying for Medicaid and undocumented patients. Significant discussion ensued.

Mr. Wortham stated that excluding immigrants from receiving healthcare is not an option; however, being reimbursed only 60% of the costs by the federal government is a major concern. Ms. Clutterbuck asked if we seek reimbursement for non-Harris County residents. Mr. Norby stated that patients that meet the requirements are tracked and reimbursement is sought. Mr. Norby stated that projects under development, such as the renovation of the Ben Taub Emergency Center are imperative and are expected to have a positive impact on throughput. Dr. Santos requested an analysis of the capital and throughput improvements projected for patient flow concerning the emergency room and ambulatory capacity to decide if we should continue with current projects. Discussion ensued. Copies of the reports are available in the permanent record.

1. **Motion 13.03-51**

Moved by Mr. Tijerina, seconded by Mr. Wortham, and unanimously passed, that the Board accept the February 2013 Financial Report, February 2013 Pension Plan Report, and February 2013 Investment Report. Copies of the reports are available in the permanent record.

2. **Motion 13.03-52**

Moved by Mr. Wortham, seconded by Mr. Tijerina, and unanimously passed, that the Board approve the additional budgeted funds in the amount of \$733,018 for Intelligent Retinal Imaging Systems™ for Diabetic Retinopathy Telescreening for Harris County Hospital District d/b/a Harris Health System. A copy of the report is available in the permanent record.

3. Presentation of February 2013 Financial Statements of Community Health Choice, Inc.

Mr. Janda presented the February 2013 Financial Statements of Community Health Choice, Inc. and reviewed the financial statements in detail with the Board. A copy of the report is available in the permanent record.

D. Planning and Operations Committee

1. Report on Merit Survey Data based on Employees' Salary Range and Performance Appraisal Scores.

Ms. Lou Gould presented the Merit Survey Data based on Employees' Salary Range and Performance Appraisal Scores and highlighted the merit grid for 2012 by scores and percentages. She stated that merit is a function of an employee's score and shows where the employee ranks in the merit pay range. Discussion ensued. 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 legislative/regulatory issues impacting Harris Health System, the 83rd Legislative Session, and the Harris Health System legislative platform

2. Update, discussion and possible action regarding pending federal legislative, line items and policy issues affecting Harris Health System

Mr. Hillier presented the 83rd Legislative Session activities and the federal legislative and policy issues impacting Harris Health System. He discussed the effect of sequestration on Harris Health System's current budget. He stated that currently there is approximately \$26.5M in federal active grant proposals. Mr. Hillier also stated that sequestration forces a 10% automatic reduction, an across-the-board cut, to nearly all federally funded discretionary programs, which cannot be comingled. Significant discussion ensued. Mr. Hillier stated that the Senate has passed the budget; However, the House is still gridlocked and the House budget will be heard on the House floor on April 4, 2013. Discussion ensued. Dr. Santos stated that his concerns are the penalties that could be associated with Texas' failure to participate in Medicaid expansion. A copy of the report is available in the permanent record.

F. Bylaws Committee

1. Approval of Revised Board of Managers' Bylaws

Ms. Truesdell presented the revised Board of Managers' Bylaws. A copy of the revised Board of Managers' Bylaws is available in the permanent record.

Motion 13.03-53

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

G. Corporate Compliance Committee

1. Approval of the Emergency Center Policy: EMTALA – Screening, Stabilization, and Transfer

Dr. Sutton presented the Emergency Center Policy: EMTALA – Screening, Stabilization, and Transfer and discussed the Emergency Center Policy which outlines the requirements of the Emergency Medical Treatment and Active Labor Act (EMTALA) and how Harris Health System complies and will comply with this requirement. Discussion ensued. A copy of the report is available in the permanent record.

Motion 13.03-57

Moved by Dr. Santos, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve the Emergency Center Policy: EMTALA – Screening, Stabilization, and Transfer.

X. Miscellaneous Agenda Items

A. Discussion Regarding the Harris Health System Strategic Planning Process

Mr. Tijerina discussed the Harris Health System Strategic Planning Process, stating that the Harris Health System strategic planning process has been discussed throughout this board meeting. He stated that a separate meeting to discuss the strategic planning process will take place in the near future for a more detailed discussion.

B. Review and Discussion regarding the development of a strategy to implement Commissioner El Franco Lee's request to Reduce Waiting Lists and Increase Patient-Capacity

Ms. Truesdell stated that a meeting to discuss the strategy to implement Commissioner El Franco Lee's request to Reduce Waiting Lists and Increase Patient-Capacity will take place in the near future for a more detailed discussion.

XI. President/Chief Executive Officer's Report to regarding: 1) Casa Health Center Environmental Assessment Report; 2) Dialysis Services in the Emergency Centers; and 3) DSH IGT's: Status Report

Casa Health Center Environmental Assessment Report

Mr. Lopez stated that, a few weeks ago, some of the medical staff raised concerns that the property around the Casa facility may be contaminated. Mr. Franklin stated that years ago a service station was located across the street from the health center and there were concerns that the underground fuel storage tank systems may have seeped under the facility causing water contamination. Mr. Lopez stated that Mr. Johnson has contacted a third-party company to evaluate the property to assess the surround grounds to find out if any seepage has occurred. Discussion ensued.

Dialysis Services in the Emergency Centers

Mr. Lopez stated that, about 5 or 6 years ago, there was an issue with hundreds of individuals receiving dialysis being seen at the emergency room to receive their acute dialysis care. This was very expensive and it was difficult to find beds for all of the patients. Mr. Lopez stated that about 5 years ago, a Chronic Dialysis Unit for dialysis patients was formed so that patients did not need to the emergency room for their acute dialysis care. Nevertheless, the emergency rooms are still receiving patients that need dialysis and acute dialysis care. Discussion ensued. Ms. Cloyd discussed a dialysis program that would allow for patients to be able to receive dialysis at their home freeing up beds for other patients in the emergency room. Mr. Lopez stated a more detailed plan will be developed and presented to the Board for their review at a later date.

DSH IGT's: Status Report

Mr. Lopez stated that the DSH IGT's status report was discussed during the Legislative presentation and there is no further update at this time.

XII. Executive Session

At 12:14 p.m., Ms. Truesdell 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, 072 and 074. Ms. Truesdell stated that the regular meeting of the Board would reconvene at the close of Executive Session.

XIII. Reconvene

At 1:51 p.m., Ms. Truesdell 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 Tex. 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. Occ. 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 the Matter Upon Return to Open Session

No action taken.

- D. Consultation with the County Attorney regarding Cause No. 4:12-cv-02855; *Aetna Life Insurance Company v. Harris County Hospital District*; In the United States District Court for the Southern District of Texas, pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session

Motion 13.03-54

Moved by Ms. Clutterbuck, seconded by Mr. Tijerina, and unanimously passed, that the Board authorize a settlement claim filed by Aetna Life Insurance Company in the amount of \$542,898.50. David S. Lopez, President/CEO, is authorized to execute any agreement, release or other necessary documents to effect this settlement.

- E. Consultation with the County Attorney regarding Cause No. 2011-19026; *Kathleen Shiets v. Harris County Hospital District*; 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 13.03-55

Moved by Ms. Clutterbuck, seconded by Ms. Stiner, and unanimously passed, that the Board authorize a settlement claim filed by Kathleen Shiets in the amount of \$45,000. David S. Lopez, President/CEO, is authorized to execute any agreement, release or other necessary documents to effect this settlement.

- F. Consultation with the County Attorney regarding a claim by Ju Xian Lin, pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session

Motion 13.03-56

Moved by Ms. Clutterbuck, seconded by Dr. Santos, and unanimously passed, that the Board authorize a settlement claim filed by JuXian Lin in the amount not to exceed \$54,000. David S. Lopez, President/CEO, is authorized to execute any agreement, release or other necessary documents to effect this settlement.

- G. Consultation with the County Attorney regarding the Agreement between Harris Health System and the Harris County Hospital District Foundation regarding the Premier Group Purchasing Organization, pursuant to Tex. Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session

No action taken.

- H. Discussion Regarding the Evaluation of the Harris Health System President/CEO, pursuant to Tex. Gov't Code Ann. §551.074 and Possible Action Regarding this Matter Upon Return to Open Session

No action taken.

XIV. Adjournment

Moved by Dr. Santos, seconded by Mr. Tijerina, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 1:53 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 March 28, 2013.

Ms. Carolyn Truesdell, Chair
Board of Managers

Ms. Daisy A. Stiner, Secretary
Board of Managers

Recorded by Diana Trevino Vasquez