



HARRIS HEALTH SYSTEM
MINUTES OF THE BOARD OF MANAGERS MEETING
Thursday, July 25, 2013
Board Room – Administration Building

BOARD MEMBERS PRESENT

Ms. Carolyn Truesdell, Chair
Mr. Elvin Franklin, Jr., Vice Chair (9:04 a.m.)
Ms. Daisy Stiner (9:05 a.m.)
Ms. Anne Clutterbuck
Mr. Stephen DonCarlos
Mr. Lawrence Finder
Dr. George Santos
Mr. TJ Tijerina
Mr. E. Dale Wortham

BOARD MEMBERS ABSENT

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. George Masi, Chief Operations Officer
Mr. Michael Norby, Chief Financial Officer
Dr. Fred Sutton, Chief Medical Officer
Mr. Tim Tindle, Chief Information Officer
Ms. Beth Cloyd, Chief Nursing Officer
Mr. DeWight Dopslauf, Harris County Purchasing Agent
Ms. Vivian Groce, Harris County Assistant Purchasing Agent
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office
Dr. Stephen Greenberg, 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
Mr. Henry J.N. "Kitch" Taub, II, Chair, HCHD Foundation Board
Administrative Staff
Guests
(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Ms. Carolyn Truesdell, 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 13.07-91

Moved by Mr. E. Dale Wortham, seconded by Dr. George Santos and unanimously passed, that the Board approve the minutes of the June 24, 2013 Public Budget Hearing.

III. Announcements/Special Presentations

Below are the July 2013 special presentations:
(Please note presentations were taken out of order.)

A. Special Presentation

Mr. George Masi presented Mr. Jeff Webster with a Harris Health System Hall of Fame plaque for his years of service as Senior Vice President and Administrator at Ben Taub General and Quentin Mease Hospitals from October 2006 to July 2013.

B. Board Resolution

Ms. Carolyn Truesdell, Chair, presented Mr. Jeff Webster with a Board Resolution and thanked him for his years of service and commitment to providing quality healthcare to the patients of Harris Health System.

Mr. Webster thanked the Board of Managers and stated that he was honored to be a part of the wonderful mission and ministry of healthcare at Harris Health.

IV. Hear from Citizens

No citizens signed up to speak.

Miscellaneous Agenda Item, VII.A. was presented out of order.

Mr. Henry J.N. "Kitch" Taub, II, Chair of the Board of Trustees of the Harris County Hospital District (HCHD) Foundation, presented the HCHD Foundation Audited Financials to the Board. Mr. Taub reported that total distribution **from inception** from the HCHD Foundation to Harris Health System were \$32 million and distributions for the Smith Tower Capital Campaign were approximately **\$10 million**. He also reported that the HCHD Foundation will distribute annual fund contributions to Harris Health in the amount of \$700,000 in July 2013. Mr. Taub announced that two fundraising events remain for the year. The first event, *Jubilee of Caring*, will be held on Thursday, October 10, 2013 at the River Oaks Country Club. The second event, *Mallets and Medicine* will be held on Sunday, October 27, 2013 at the Houston Polo Club.

Mr. Taub provided a status report regarding Premier Investment Group, Inc. and informed the Board that the official documents have been executed and submitted by the HCHD Foundation and that an Initial Public Offering (IPO) is scheduled for October/November 2013. He stated that if the IPO is successful, it will provide significant benefits to Harris Health System. At the Board's request, Mr. Taub will also develop a fundraising strategy for

the new Outpatient Center naming opportunities and work towards implementation in September 2013.

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

Agenda items A(1)e, A(1)l, A(1)m were pulled. Agenda items A(1)cc, A(1)ee, A(1)nn were revised.

Motion 13.07-92

Moved by Mr. E. Dale Wortham, seconded by Mr. Elvin Franklin, Jr., and unanimously passed, that the Board approve agenda items V.A (1)a through V.A (1)qq.

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

- a. approve exemption from the competitive bid requirements and the first and final renewal options for Baylor College of Medicine, Ann Smith Barnes, M.D., who serves as Medical Director for the Comprehensive Weight Management and Disease Prevention Program in the estimated amount of \$175,830 for the term August 1, 2013 through July 31, 2014.
- b. ratify the fourth and final renewal for Advanced Health Education (dba MEDRelief Staffing); Favorite Healthcare Staffing, Inc.; JWS Health Consultants, Inc.; (dba UltraStaff); Lead Staffing Corporation; Medical Contracting Services, Inc.; Medical Staffing Network, Inc.; Omega Rules Professional Nurses, Inc.; ProTouch Staffing Inc.; Smith & Dean Inc. (dba Dean's Professional Services); SunPlus Health Care Solutions, Inc.; and TexMed Staffing, LC to provide qualified non-professional healthcare temporary personnel in the multi-vendor estimated amount \$1,500,000 for the term July 1, 2013 through June 30, 2014.
- c. approve exemption from the competitive bid requirements and renewal for St. Luke's Episcopal Hospital to provide anticipated gastric motility studies and lithotripsy for gall bladder and common bile duct post-unsuccessful attempts, in the estimated amount of \$500,000 for the term August 15, 2013 through August 14, 2014.
- d. approve renewal for the Mental Health and Mental Retardation Authority of Harris County (MHMRA) to provide security services for space leased to MHMRA for the Neuro-Psychiatric Center at Ben Taub General Hospital in the estimated revenue amount of \$249,060 for the term September 1, 2013 through August 31, 2014.
- e. PULLED
- f. approve purchase on the basis of low quote for Business Security Solutions, LLC to provide continued use and support of Websense Web Security Software in the amount of \$139,770 for the term July 30, 2013 through July 30, 2014.
- g. approve the first of four (4) renewal options for Hill-Rom Company, Inc., to provide maintenance and support for the Fetal Monitoring Software System in the estimated amount of \$121,178 for the term August 1, 2013 through July 31, 2014.

- h. approve the fourth and final renewal option for Legacy Data Access, Inc. to provide data hosting services **for** continued access to data and information previously stored on the IBM Mainframe in the estimated amount of \$112,800 for the term August 25, 2013 through August 24, 2014.
- i. approve purchase of the following on the basis of best quote to General Datatech, L.P. (DIR-SDD-1385) to provide Cisco network switches, supervisors and SmartNet maintenance in the amount of \$1,455,755.
- j. approve renewal of the following for Network Sciences, Inc., to provide the Joint Eligibility Software System used to determine patient eligibility for charity care programs in the estimated amount of \$411,096 for the term August 22, 2013 through August 21, 2014.
- k. approve utilization of Chastang Ford (Primary Vendor) and Tommie Vaughn Motors, Inc. (Secondary Vendor) for maintenance of automobiles and light trucks in the multi-vendor estimated amount of \$115,000 for the term July 25, 2013 through June 30, 2014.
- l. PULLED
- m. PULLED
- n. approve additional (budgeted) funds and an extension for the University of Texas Health Science Center **at** Houston to provide anatomical pathology reference testing services for Lyndon B. Johnson General Hospital in the additional amount of \$51,629 for the extended term August 1, 2013 through December 31, 2013 (Board previously approved funds in the amount of \$320,166 for the term November 1, 2010 through July 31, 2013).
- o. approve additional (budgeted) funds and an extension for Baylor College of Medicine to provide anatomical pathology reference testing services for Ben Taub General Hospital in the additional amount of \$60,072 for the extended term August 1, 2013 through December 31, 2013 (Board previously approved funds in the amount \$436,481 for the term November 1, 2010 through July 31, 2013).
- p. approve funding for the fourth year of a five (5) year Agreement for Diagnostica Stago, Inc. (PP-LA-268 fka PP-LA-208) to provide analyzers, reagents, and consumables for hemostasis and coagulation testing in the estimated amount of \$285,543 for the term August 16, 2013 through August 15, 2014.
- q. approve additional (budgeted) funds and an extension for IRIS Diagnostics (PP-LA-269 fka PP-LA-210) to provide urinalysis analyzers, consumables and reagents for patient testing in the additional amount of \$32,903 for the extended term August 1, 2013 through October 31, 2013 (Board previously approved funds in the amount of \$544,963 for the term August 11, 2010 through July 31, 2013).
- r. approve award on the basis of best proposal meeting requirements for Nanosphere, Inc., to provide a Molecular Clostridium Difficile (**C.diff**) testing system in the estimated amount of \$101,384 for a one-year initial term with four (4) one-year renewal options.
- s. approve purchase on the basis of best contract for Roche Diagnostics Corporation to provide an automated solution to include equipment, services, reagents, and

supplies for Clinical Chemistry and Immunoassay testing in the estimated amount of \$1,918,028 for a one-year initial term with four (4) one-year renewal options.

- t. ratify renewal for Harris Health System to conduct various assessments and review of Harris County Public Health Services laboratories to ensure each laboratory is in compliance with applicable local, state and federal guidelines in the estimated revenue amount of \$35,100 for the term June 15, 2013 through June 14, 2014.
- u. ratify the first of four (4) renewal options for MicroVention, Inc. to provide second Generation Embolization Coils and related products for treatment of brain aneurysms in the estimated amount of \$226,000 for the term June 1, 2013 through May 31, 2014.
- v. ratify the third of four (4) renewal options for Genzyme Biosurgery to provide Septrafilm® adhesion barrier film in the estimated amount of \$186,000 for the term July 1, 2013 through June 30, 2014.
- w. ratify third year funding for the GPO contract for Sammons Preston Rolyan (PP-NS-632) to provide physical therapy products including wrist supports, resistive bands, sacroiliac supports and compression gloves in the estimated amount of \$206,101 for the term May 1, 2013 through April 30, 2014.
- x. approve purchase on the basis of best contract for Bard Medical Division (PP-NS-757) to provide general urological products such as catheters, urine meters, and drainage bags in the estimated amount of \$311,248 for the term August 1, 2013 through July 31, 2014.
- y. approve the third of four (4) renewal options for RecoverCare, LLC for rental of therapeutic and bariatric beds, surfaces, various accessories and services in the estimated amount of \$195,000 for the term September 3, 2013 through September 2, 2014.
- z. approve purchase on the basis of lowest price contract for Compression Therapy Concepts (PP-NS-740) to provide vascular compression therapy devices/products in the amount of \$284,496 for the term August 1, 2013 through July 31, 2014.
- aa. approve purchase on the basis of best contracts for MarPac Inc. [PP-OR-918] (\$711 – Items 54-55), Smiths Medical ASD, Inc. [PP-OR-921] (\$5,565 – Items 56-64), and Covidien Sales, LLC (PP-OR-919) (\$48,657 – Items 1 -53) to provide tracheostomy tubes and related products in the multi-vendor estimated amount of \$54,933 for the term August 1, 2013 through July 31, 2014.
- bb. approve purchase on the basis of best contracts for Ansell Healthcare Products Inc., [PP-OR-996] (\$1,885 – Items 54-56), Molnlycke Health Care [PP-OR-999] (\$18,052 – Items 42-53), and Cardinal Health 200, LLC [PP-OR-997] (\$311,817 – Items 1-41) to provide sterile gloves used by surgical scrub teams in the estimated amount of \$311,754 for the term August 1, 2013 through July 31, 2014.
- cc. approve purchase on the basis of best contract to Cardinal Health 200, LLC (PP-NS-761) to provide exam gloves in the estimated amount of \$1,201,621 for the term August 1, 2013 through July 31, 2014.

- dd. approve the first of four (4) renewal options for Medinc of Texas, LP to provide arthroscopic implants for minimally invasive surgical procedures in the estimated amount of \$186,699 for the term August 23, 2013 through August 22, 2014.
- ee. approve exemption from the competitive bid requirements for Stryker Sales Corporation through Stryker Endoscopy Division to provide laparoscopic surgical services to assist perioperative services in operating room (OR) setup and equipment sterilization processing in the estimated amount of \$2,082,834 for a one-year initial term with four (4) one-year renewal options.
- ff. approve the first of four (4) renewal options for Carefusion Solutions, LLC to provide software maintenance and support for the Alaris Large Volume Infusion pumps in the estimated amount of \$202,580 for a term commencing on the date of execution of the Amendment.
- gg. approve purchase on the basis of best contract to Sunoptic Technologies, LLC (PP-OR-924) to provide ten (10) surgical wired headlights required for the new Outpatient Center at Lyndon B. Johnson General Hospital, and seven (7) surgical headlights for Ben Taub and Lyndon B. Johnson General Hospitals in the amount of \$156,558.
- hh. approve award on the basis of lowest priced proposal for Philips Healthcare, a division of Philips Electronics North America Corporation to provide one (1) general purpose ultrasound system for Lyndon B. Johnson General Hospital Radiology in the estimated amount of \$194,190 for the term of one (1) year.
- ii. approve purchase on the basis of product standardization for Dräger Medical, Inc. (PP-OR-1013) to provide one (1) additional anesthesia system, isoflurane vaporizers, mounting hardware solution cable management hardware and other ancillary components in the amount of \$268,743 for the term July 2013 through June 2016.
- jj. approve award on the basis of best proposal for Leica Biosystems (part of Leica Microsystems) to provide one (1) tissue processor system including four (4) microtomes for Ben Taub General Hospital and one (1) tissue processor system including four (4) microtomes and one (1) cassette printer for Lyndon B. Johnson General Hospital in the amount of \$325,523 for the term of one (1) year.
- kk. approve purchase on the basis of best contract to Stryker Instruments (PP-OR-1018) to provide four (4) oral and five (5) orthopedic power handpieces (drills/saws) and consumables for the new Outpatient Center at Lyndon B. Johnson General Hospital in the amount of \$368,026 for the term August 1, 2013 through April 30, 2014.
- ll. approve award on the basis of best proposal for OrthoScan to provide three (3) mini C-Arms for Lyndon B. Johnson General Hospital Outpatient Center, OR and Emergency Center in the amount of \$209,750 for the term of one (1) year.
- mm. approve assignment of rights and responsibilities of the following contract for Texas Access Controls (assignor) and Door Services Corporation, a subsidiary of Overhead Door Corporation (assignee) to provide maintenance services for

automatic doors in the amount of \$200,000 for the term May 1, 2013 through April 30, 2014.

- nn. approve additional (budgeted) funds for Skanska USA Building Inc. to provide renovation of the Outpatient Center at Lyndon B. Johnson General Hospital Specialty Clinic in the estimated additional amount of \$1,157,602 (Board previously approved funds in the amount of \$14,157,176 for the same term).
- oo. approve exemption from the competitive bid requirements for PBK to provide architectural interior design and facility optimization services for new and existing Harris Health System facilities in the estimated amount of \$250,000 for a one-year initial term with three (3) one-year renewal options.
- pp. ratify Agreement for University of Texas Medical Branch at Galveston (Office of Continuing Education) to provide an internet-based perinatal HIV prevention online training program for physicians and nurses in the amount of \$0 (zero dollars) for the term April 1, 2013 through March 31, 2014.
- qq. ratify additional (budgeted) funds and an extension for Iron Mountain Records Management to provide off-site storage and maintenance of medical records, x-ray film and retrieval services in the additional amount of \$749,775 for the extended term May 1, 2013 through October 31, 2013 (Board previously approved funds in the amount of \$1,561,460 for the term May 1, 2012 through April 30, 2013).

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

- a. transmittal of award on the basis of low quote for National Signs, LLC. (TASB BuyBoard #346-10) to replace external signage for Cypress, Pasadena and Vallbona Health Centers due to damage or name change, in the amount of \$75,053.
- b. transmittal of award on the basis of best offer to Royal Recognition, Inc., to provide an Employee Service Recognition Award Program in the estimated amount of \$44,662.
- c. transmittal of the third of four (4) renewal options for vendors including: Health TECH Resources, Inc., (formerly H/P Technologies), Hudson Global Resources Management, Inc., iSphere Innovation Partners, LLC, Med Career Advisors, Search Technology, LLC, and TEKsystems, Inc., to provide recruitment services for information technology (IT) personnel in the multi-vendor estimated amount of \$85,000 for the term August 1, 2013 through July 31, 2014.
- d. transmittal of the third of four (4) renewal options for Recourse Communications, Inc., Terry Stukalin Health Care Management Services, Inc., and The Edge Group to provide recruitment services for Directors of Nursing, Nursing Program Managers and Administrative Directors for Nursing in the multi-vendor estimated amount of \$75,000 for the term June 25, 2013 through June 24, 2014.
- e. transmittal of renewal for the following on the basis of sole source to Philips Medical Systems North America Company to provide application software maintenance and support for the CompuRecord® Anesthesia Information System in the estimated amount of \$53,740 for the term June 1, 2013 through May 31, 2014.

- f. transmittal of purchase on the basis of sole source for Sunquest Information Systems, Inc. to provide an interface upgrade to support the electronic transmission of results from lab blood analyzer instruments and the lab information system in the amount of \$66,545 for the term June 18, 2013 through June 17, 2014.
- g. transmittal of purchase on the basis of product standardization for Philips Healthcare (PP-MM-166) to provide a total of 24 patient vital signs monitors for Ben Taub General Hospital Six Floor Medical/Surgical Suite, Fourth Floor SICU; Baytown, Casa de Amigos, Gulfgate, Settegast and Vallbona Health Centers, and Southside Health Clinic examination rooms, in the estimated amount of \$55,413 for the term expiring February 2015.
- h. transmittal of the first and final renewal option for Advanced Sterilization Products Services, Inc. to provide continued maintenance and service of Sterrad Sterilizers and Evotech Sterilizers Systems at Ben Taub and Lyndon B. Johnson General Hospitals in the estimated amount of \$67,087 for the term September 26, 2013 through September 25, 2014.
- i. transmittal of purchase on the basis of sole source for KARL STORZ Endoscopy-America, Inc. to provide repair and replacement services for various KARL STORZ endoscopic surgical telescope instruments in the amount of \$77,280 for a one-year term upon execution of Agreements.
- j. transmittal of purchase on the basis of sole source for Dynasplint Systems, Inc. to provide dynamic splints and associated services in the estimated amount of \$50,000 for the term September 1, 2013 through August 31, 2014.
- k. transmittal of exemption from the competitive bid requirements for Baylor College of Medicine for the Medical Director of Riverside Dialysis Center, Dr. Horacio J. Adroque, Professor of Medicine, Renal Division of Baylor College of Medicine, to continue serving as Medical Director of the Riverside Dialysis Center in the amount of \$60,000 for the term June 1, 2013 through May 31, 2014 with two (2) one-year renewal options.
- l. transmittal of utilization for Sun Coast Resources, Inc. to obtain diesel fuel for emergency generators in the estimated amount of \$75,000 for the term July 25, 2013 through June 30, 2014.

Motion 13.07-93

Moved by Mr. Elvin Frankin, Jr, seconded by Mr. TJ Tijerina, Jr., and unanimously passed, that the Board approve agenda items V.B. through V.N.

Ms. Truesdell noted, in reference to agenda item V.B., that Harris Health System has no outstanding commercial paper notes.

Dr. George Santos questioned whether the lease agreement, referenced in item V.C., was owned by Universal Health Services (UHS). It was confirmed that Bellaire Medical Plaza SPE, LLC was not owned by UHS; therefore, Dr. Santos was not required to recuse himself from voting on item V.C. Ms. Daisy Stiner asked that the Board be made aware of all DSRIP related purchasing items. Mr. Lopez assured the Board that he will provide a list of all DSRIP projects.

- B. Consideration of Approval of the Agreement of Resignation, Appointment and Acceptance with Deutsche Bank and U.S. Bank.
- C. Consideration of Approval to Enter into a New Lease Agreement with Bellaire Medical Plaza SPE, LLC to Lease Approximately 6,598 Square Feet of Space Located at 5420 Dashwood, Houston, Texas 77081 for an Ambulatory Care Clinic.
- D. Consideration of Approval to Enter into the 2nd Year of the 2nd Five-Year Renewal Option of the Lease Agreement with Petereit Investments, Inc. to Lease Approximately 15,232 Square Feet of Space Located at 1712 First Street, Suites M & N, Humble, Texas 77338 for the E.A. Squatty Lyons Health Center.
- E. Consideration of Approval to Enter into a Renewal of the 2nd Year Lease Agreement with Kynto Ventures, LLC to Lease Space Located at 6601 Tarneff Drive, Houston, Texas 77074 for the Vallbona Health Center.
- F. Consideration of Approval to Enter into a Renewal of the 5th Year of the Lease Agreement with University Christian Church to Lease 43 Parking Spaces Located at 3610 Southmore, Houston, Texas 77004 for Additional Parking at Quentin Mease Hospital.
- G. Consideration of Approval to Enter into an Interlocal Memorandum of Understanding between Harris County Hospital District d/b/a Harris Health System and Houston Community College for Adult Education Services Program.
- H. Consideration of Approval to Renew a Supplemental Grant Award from the City of Houston on behalf of its Department of Health and Human Services to the Harris County Hospital District d/b/a Harris Health System funded under the Texas Department of State Health Services to Provide Expanded HIV Testing at Harris Health System Facilities.
- I. Consideration of Approval of an Amendment between Harris Health System and Harris County Public Health and Environmental Services Funded under Part A of the Ryan White HIV/AIDS Treatment Extension Act of 2009 to Provide Primary Medical Care, Medical Case Management, and Obstetric and Gynecological Services to Eligible HIV-Infected Patients.
- J. Consideration of Approval to Renew a Grant Award from the United States Department of Health and Human Services Administration to the Harris County Hospital District d/b/a Harris Health System funded under Part D of the Ryan White HIV/AIDS Treatment Extension Act of 2009 to Provide Family Centered Care involving Outpatient and Ambulatory Care for Women, Infants, Children and Youth with HIV/AIDS.
- K. Consideration of Approval to Renew a Grant Award from the United States Department of Health and Human Services Administration to the Harris County Hospital District d/b/a Harris Health System funded under Part F of the Ryan White HIV/AIDS Treatment Extension Act of 2009 for Special Projects of National Significance to Build a Medical Home for HIV-Positive Homeless Populations with multiple diagnoses in Harris County.
- L. Consideration of Approval of a Grant Proposal in Response to a Service Area Competition from the United States Department of Health and Human Services –

Health Resources and Services Administration to Provide Health Care Services to Persons Experiencing Homelessness as a Health Care Issue from the Homeless Program under Section 330(h) of the Public Health Service Act through Harris County Hospital District d/b/a Harris Health System – Health Care for the Homeless Program.

- M. Consideration of Approval to Amend the Sub-Award Agreement with Memorial Hermann Health Care System for the Texas Gulf Coast Graduate Nursing Education (Advanced Practice Registered Nurse) Demonstration Project.
- N. Consideration of Approval to Ratify an Amendment to the Agreement between Harris County Hospital District d/b/a Harris Health System and the Texas Department of State Health Services for Title V Prenatal Services.

{End of Consent Agenda}

VI. Reports of the Committee

A. Joint Conference Committee

- 1. Consideration of Acceptance of the Medical Executive Board Report

Motion 13.07-94

Moved by Dr. George Santos, seconded by Mr. E. Dale Wortham, and unanimously passed, that the Board accept agenda item VI.A.1. A copy of the report is available in the permanent record.

Dr. Ko noted that the Epic System upgrade took place on July 14, 2013 and there were no major adverse events.

Dr. Sutton informed the Board about the Physician Satisfaction Survey Campaign scheduled to be held September 9-30, 2013, and he briefly reviewed strategies to increase physician participation. Mr. Tijerina, Jr. asked if the Board could assist in increasing physician participation in the upcoming survey. Dr. Sutton assured the Board that their resources will be utilized.

Discussion ensued regarding Ben Taub and Lyndon B. Johnson General Hospitals room conversion. Dr. Santos expressed concern about the room conversion project and the impact on patient satisfaction and inpatient capacity. Dr. Santos' primary concern was related to the possibility of Ben Taub General Hospital becoming an *adult-only* medical-surgery hospital. Mr. Masi stated that the Strategic Planning Committee will convene on August 13, 2013 to discuss the development of a viable health network model, as the Harris Health System core model will not sustain the patient flow generated by DSRIP or any additional expansion. It is imperative that Harris Health System Administration and the Board of Managers focus on a comprehensive strategy for the future of Harris Health System.

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

Motion 13.07.95

Moved by Mr. Elvin Franklin, Jr., seconded by Ms. Daisy Stiner, and unanimously passed, that the Board approve agenda items VI.A.2 and VI.A.3. Copies of the reports are available in the permanent record.

4. Consideration of Approval of the Agreement between Harris County Hospital District d/b/a Harris Health System and Top Care Medical, P.A., a Texas Professional Association, for the Purpose of Providing Primary Care Medical Services.

Mr. Masi stated that the Agreement with Top Care Medical, P.A., d/b/a/ Clinicas Mi Doctor will allow additional patients to be treated in primary care medical services. The Agreement is effective for an initial term of one-year upon execution with three additional one-year automatic renewal options. Harris Health System will pay Top Care Medical, P.A. \$110 per outsourced patient visit with the total maximum sum not to exceed \$575,000 for the initial term. Discussion ensued. Dr. Brown noted that the \$110 paid, per patient, covers all care provided to patients outsourced from Harris Health System. Top Care Medical, P.A. is a primary care facility; however, it will only provide episodic care for outsourced Harris Health patients based upon a predetermined set of acceptable treatments. Dr. Brown also informed the Board that Top Care Medical, P.A. will be responsible for their own insurance and all associated physicians are certified. Appointments will be made on a same-day basis using Epic Care Link scheduling, which has been implemented to allow Harris Health System to send pertinent patient information to Top Care Medical, P.A. However, Harris Health System will maintain control of access to outsourced patient medical records. In addition, Harris Health System also has a contract monitoring program, in which a representative from Ambulatory Care Services will monitor all quality indicators noted in the Agreement.

Motion 13.07.96

Moved by Dr. George Santos, seconded by Mr. TJ Tijerina, Jr., and unanimously passed, that the Board approve agenda item VI.A.4. A copy of the Agreement is available in the permanent record.

5. Review and Discussion Regarding the Mid-Level Providers Productivity Related to Relative Value Unit (RVU) Work Thresholds **[Board Deliverable]**

Mr. George Masi presented the report on Relative Value Unit (RVU) Work Thresholds for Mid-Level Providers noting that there is no language in the AMS contract that stipulates targets or thresholds as defined by the AMS contract. Once the AMS contract review process begins, the RVU risk corridor model, as it relates to provider productivity targets and associated reimbursements, will undergo thorough review and analysis, and be modified as appropriate to ensure relevance in the current Harris Health expanded access model. A copy of the report is available in the permanent record.

B. Performance Improvement & Patient Safety Committee

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

Dr. Sutton reviewed the Harris Health System Quality Scorecard with the Board. He reported that medication reconciliation has reached the 90th percentile at both pavilions due to the aggressive work and collaboration with the physicians. Interest expressed by the Board of Managers has also helped generate more cooperation from physicians and chiefs of staff. A copy of the report is available in the permanent record.

2. Review and Discussion Regarding the Restraint Rate and Seclusion Rate Reports
[Board Deliverable]

Dr. Sutton indicated that Harris Health System is compliant with all metrics. Discussion ensued. Copies of the reports are available in the permanent record.

3. Review and Discussion Regarding the Efficiency Report for Physicians in the Harris Health System **[Board Deliverable]**

Dr. Brown presented the Efficiency Report for Providers in Ambulatory Care Services (ACS). She noted that the report is a review of each Community Health Center's average provider productivity for Family Medicine, as defined by Medical Group Management Association (MGMA) Academic Practices. The MGMA monthly visit volume at the median is 287 for physicians and 288 for mid-level providers and Harris Health's average visits are 334 and 287 for physicians and mid-levels, respectively. Dr. Brown also noted that although ACS currently measures actual productive time, MGMA does not distinguish between productive and non-productive time, and their benchmarks are based solely on paid FTE. ACS will continue to monitor provider productivity on a monthly basis using MGMA standards. Discussion ensued. A copy of the report is available in the permanent record.

4. Review and Discussion Regarding the ACS Operational and Productivity Analysis Report for Harris Health System **[Board Deliverable]**

Dr. Brown presented ACS Operational and Productivity Analysis. She reported that the Harris Health System Health Centers are trending at 76% of optimal monthly volume for the month of April; the current **staff** vacancy rate across all health centers is 9.8%; and the current provider vacancy rate across all health centers is 10%. Discussion ensued. A copy of the report is available in the permanent record.

C. Budget and Finance Committee

1. Consideration of Acceptance of the Harris Health System June 2013 Financial Report Subject to Audit

Mr. Norby presented the June 2013 Financial Report. He reported that June 2013 year-to-date (YTD) Adjusted Patient days were 1.3% less than budget with approximately 67.1% of the volume representing outpatient care. Primary Care Clinic visits were 7.1% less than the month's budget and total specialty clinic visits were 2.4% greater than budget. Emergency Center visits were reported at 14,946 and were 6.8% greater than budget. System-wide, surgery cases were 1.9% less than budget expectations. Total Net Revenue of \$95.6 million was \$2.0 million less than budget and approximately \$3 million below YTD. Total expenses of \$102.3 million were greater than the budget of \$102.1 million and operating income for June 2013 was a loss of \$6.7 million, compared to a budgeted loss of \$4.5 million. June 2013

cash receipts netted \$144.4 million compared to a budget of \$67.5 million due to receipt of Section 1115 Waiver funds that finalized payment for federal fiscal year 2012. Mr. Norby stated that on Friday, July 12, 2013, Harris Health System executed an Intergovernmental Transfer (IGT) of approximately \$147 million dollars to the state for the first and second quarter of Federal FY2013 Uncompensated Care (UC). This will produce a dramatic decrease in cash balances at the end of July 2013; however, in mid-August 2013, the state will distribute \$170 million to Harris Health System for UC.

2. Consideration of Acceptance of the Harris Health System June 2013 Investment Report

Mr. Norby provided a brief overview of the Investment Report noting numbers were slightly lower in May, due to IGT related to DSRIP.

3. Consideration of Acceptance of the Harris Health System June 2013 Pension Plan Report. Subject to Audit.

Mr. Norby presented the Pension Plan Report and noted that June 2013 market performance was slightly down, but has recovered as of July 2013. To date, the Harris Health System Pension Plan is approximately 75% funded.

Motion #13.07-97

Moved by Mr. Elvin Franklin, Jr., seconded by Mr. Stephen DonCarlos, and unanimously passed, that the Board accept agenda items VI.C.1- VI.C.3. Copies of the reports are available in the permanent record.

4. Presentation of the June 2013 Financial Statements of Community Health Choice, Inc.

Mr. Kenneth Janda stated that the Community Health Choice, Inc., budget is operating as projected and that membership is on target with 240,000 plus members. Revenue continues to be lower than budget due to the state's non-distribution of additional funds to pay primary care physician services under the Affordable Care Act. Mr. Janda also reported that Community Health Choice, Inc. is on target for marketing a new insurance product to individuals eligible for subsidies under the new healthcare act. He commented that Community Health Choice, Inc. has received positive feedback regarding its annual report, which was distributed at the meeting. The report was a collaborative effort between the marketing department and their external public relations and ad agency. Mr. Lopez suggested that Community Health Choice, Inc. participate in Harris Health System's strategic planning process regarding primary care, outsourcing, contract matters, and regulatory compliance issues related to the Affordable Care Act.

D. Planning and Operations Committee

Items Related to Building and Properties

1. Consideration Approval to Name the Health Center Located at 64 Bissonnet, Houston, TX 77074 (Bayland Park, Precinct 3), "Bayland Geriatric Health Center"

Mr. TJ Tijerina, Jr., requested clarification regarding signage and branding at the Bayland Geriatric Health Center. Ms. Callaway explained that the health center is located in the Bayland Community Center and will have separate signage that will look similar to the current sign. Mr. Tijerina, Jr., also inquired about signage and branding at the Cypress Health Clinic on Jones Road, as the current signage does not identify Harris Health System as the health care provider. Ms. Callaway stated that in compliance with the lessor's terms and conditions regarding signage, Harris Health System is not listed on their building or property; however, Cypress Health Center and Harris Health System are listed on the tenant sign. Mr. Elvin Franklin, Jr., suggested that during future lease negotiations, signage and branding opportunities be an integral part of the negotiation and agreement.

Motion #13.07.98

Moved by Dr. George Santos, seconded by Ms. Anne Clutterbuck and unanimously passed, that the Board approve agenda item VI.D.1.

2. Consideration of Approval to Name the Health Center Located at 5503 N. Fry Road, Katy, TX 77449 (Precinct 3), "Danny Jackson Health Center"

Ms. Callaway stated that the recommendation is being made to name the N. Fry Road Health Center after former Board of Managers member, Mr. Danny Jackson. Mr. Lopez stated that Commissioner Steve Radak is supportive of the suggestion to name the health center after Mr. Jackson and thanks the Board for their suggestion. Mr. Lopez added that initial contact has been made with Mr. Jackson's family.

3. Consideration of Approval to Enter into a New Lease Agreement with India House Houston for the Leasing of Approximately 7,477 Square Feet of Space Located at 8888 West Bellfort, Houston, Texas 77031 for an Ambulatory Care Clinic

Mr. Ronald Johnson stated that the five-year lease with India House, located in Precinct 1, begins on December 2013. Mr. Lopez reported that he spoke with Commissioner El Franco Lee regarding the location of India House and stated that Commissioner Lee was supportive of this location as it is equal distance between the Vallbona and El Franco Lee Health Centers. Mr. Lopez indicated that there is a significant demand for healthcare services in that area, and the projected volume is 18,500 patient visits annually. Mr. Franklin requested clarification regarding health services currently being provided at the India House location and whether there will be any duplication of services when Harris Health System leases the space. Dr. Ericka Brown clarified that the service currently provided at that location is a volunteer specialty service that will no longer occupy or provide health services while Harris Health System leases the facility. She also noted that Harris Health System will be providing same day clinic service at the India House location.

Motion #13.07.99

Moved by Ms. Daisy Stiner, seconded by Mr. Stephen DonCarlos, and unanimously passed, that the Board approve agenda items VI.D.2. and VI.D.3.

Other Items

4. Consideration of Approval of a two-month extension to the Breast and Cervical Cancer Services Contract and an additional award of \$94,883 to the Harris County Hospital District from the Department of State Health Services for FY2013

Motion 13.07-100

Moved by Dr. George Santos, seconded by Ms. Daisy Stiner, and unanimously passed, that the Board approve agenda item VI.D.4.

5. Consideration of Approval to Ratify an Agreement between the Texas Department of State Health Services and Harris County Hospital District d/b/a Harris Health System to participate in the ImmTrac Texas Immunization Registry

Motion 13.07-101

Moved by Dr. George Santos, seconded by Mr. TJ Tijerina, Jr., and unanimously passed, that the Board approve agenda item VI.D.5.

6. Presentation of the Harris Health System Think Innovation Program

Ms. Carolyn Oddo presented the Harris Health System Think Innovation Program to the Board. She guided the Board through the Think Innovation portal and provided examples of employee-inspired workplace improvements and cost savings. Ms. Oddo stated that the Think Innovation program is aligned with Harris Health System's mission to provide high-quality healthcare to its patients, and it is now considered a national model for other hospitals, healthcare systems and organizations. A copy of the report is on 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, and Policy Issues Affecting Harris Health System

Mr. R. King Hillier presented the legislative report. A written report was distributed. A copy of the report is available in the permanent record.

F. Audit Committee

1. Consideration of Acceptance of the Harris County Auditor's Harris Health System Harris County Residents' Financial Assistance Program Eligibility Report

Mr. Charlie McDonald, from the Harris County Auditor's Office presented the Harris County Auditor's Harris Health System Harris County Residents' Financial Assistance Program Eligibility Report. Mr. McDonald cited the following opportunities for improvement to existing controls: 1) improve documentation for Eligibility Manager's review and approval of Eligibility Counselor overrides of assistance plan; 2) perform tests to ensure program changes and/or updates of NSI controls; 3) apply NSI controls to prevent assistance plan enrollments from exceeding one-year; and, 4) improve controls to ensure Eligibility Counselors comply with policies for verification of income.

Motion 13.07-102

Moved by Mr. Elvin Franklin, Jr., seconded by Mr. Stephen DonCarlos, and unanimously passed, that the Board accept agenda item VI.F.1. A copy of the report is available in the permanent record.

2. Consideration of Acceptance of the Harris County Auditor's Harris Health System Construction/Routine Facility Maintenance (Engineering) Report

Mr. Mark Ledman, from the Harris County Auditor's Office, presented the significant points regarding the Harris County Auditor's Harris Health System Construction/Routine Facility Maintenance (Engineering) Report. Mr. Ledman identified several improvements that should be implemented: 1) require review and approval by a second member of the engineering management team (Director level or higher) for work that is awarded to vendors with a value less than \$50,000; 2) document inspection of work performed by technicians to support work performance, job skills and training needs; 3) require that engineering employees reaffirm their understanding and compliance with the Harris Health System Conflict of Interest Policies on an annual basis; 4) secure shop tools at facilities, and reinforce monitoring and documentation controls when issuing and returning shop tools; and, 5) secure supplies with restricted, monitored and controlled access.

Mr. Norby noted that Harris Health System has taken the auditor's recommendation into account and has begun to implement these improvements.

Motion 13.07-103

Moved by Dr. George Santos, seconded by Ms. Anne Clutterbuck, and unanimously passed, that the Board accept agenda item VI.F.2. A copy of the report is available in the permanent record.

VII. Miscellaneous Agenda Items

- A. Review and Discussion Regarding the Annual Report from the Harris County Hospital District Foundation. Agenda item VII.A was presented out of order. Please refer to page #2.
- B. Consideration of Acceptance of the Harris Health System Annual Report. Agenda item VII.B was pulled.

VIII. President/Chief Executive Officer's Report to Include: 1) Report on Texas Department of Health Validation Survey and 2) Report on Epic Upgrade

Texas Department of Health Validation Survey

Dr. Sutton reported that the Centers for Medicare and Medicaid Services (CMS) surveyed Harris Health System from July 9-12, 2013 and did not find any substantial deficiencies; however, a few minor deficiencies were identified and have been corrected. The Texas Department of Aging and Disability Services (DADS) also surveyed the Quentin Mease Hospital facility, and only a few minor deficiencies were noted; those deficiencies have also been rectified. Mr. Lopez will forward the detailed responses from each survey to members of the Board.

Epic Software Upgrade

Mr. Louis Greak stated that the Epic Software upgrade was successful and necessary to accommodate ICD-10 codes that become effective October 1, 2013. Mr. Greak noted other benefits of the upgrade, including: 1) recorded activities for revenue and clinical cycles; 2) enhanced documentation; and, 3) improved analytics and reporting capabilities which will generate in-depth reports in a timelier manner. Mr. Lopez commented on the exemplary collaboration between staff and departments during the Epic Software upgrade.

IX. Executive Session.

At 11:51 a.m., Ms. Carolyn Truesdell stated that the Board would go into Executive Session under §161.032 of the Texas Health & Safety Code, Texas Occupations Code §160.007, and Texas Occupations Code Ann. 551.071, and Texas Gov't Code Ann. §418.183(f). Ms. Truesdell stated that the regular meeting of the Board would reconvene at the close of Executive Session.

X. Reconvene

At 12:45 a.m., Ms. Carolyn 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, and Possible Action Upon Return to Open Session

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. Consultation with the County Attorney Regarding a claim by Manu Mathew Thomas, pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding this Matter upon Return to Open Session

Motion 13.07-104

Moved by Ms. Daisy Stiner, seconded by Mr. TJ Tijerina, Jr., and unanimously passed, that the Board adopt the following resolution:

The Harris Health System, by and through its Board of Managers, approves and hereby authorizes payment in connection with the automobile claim filed by Manu Mathew Thomas and payable to Manu Mathew Thomas in the amount of \$2,915.43. David S. Lopez, CEO of Harris Health, is authorized to execute any agreements, release or any other necessary documents to effect this settlement.

- D. Discussion Regarding the Emergency Management Operations, pursuant to Texas Gov't Code Ann. §418.183(f) and Possible Action Regarding this Matter Upon Return to Open Session

Motion 13.07-105

- E. Moved by Mr. Elvin Franklin, Jr., seconded by Mr. Stephen DonCarlos, and unanimously passed, that the Board adopt the following resolution:

The Harris Health System, by and through its Board of Managers, approves and hereby authorizes the President/CEO of Harris Health to execute agreements as the President/CEO determines are needed for Harris Health to act as an emergency response provider.

XI. Adjournment

Moved by Mr. Elvin Franklin, Jr., seconded by Mr. Stephen DonCarlos, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 12:50 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 July 25, 2013.

Respectfully submitted,

Ms. Carolyn Truesdell, Chair
Board of Manager

Ms. Daisy Stiner, Secretary
Board of Managers

Recorded by Brittini Theard