

HARRISHEALTH SYSTEM

HARRIS HEALTH SYSTEM

MINUTES OF THE BOARD OF MANAGERS MEETING

Thursday, March 27, 2014

Board Room – Administration Building

Members Present:

Ms. Carolyn Truesdell, Chair
Mr. Elvin Franklin, Jr.
Ms. Daisy Stiner
Mr. Brandon Capetillo
Ms. Anne Clutterbuck
Mr. Lawrence Finder
Dr. George Santos
Mr. TJ Tijerina

Members Absent

Mr. E. Dale Wortham

Others Present:

Mr. David Lopez, President & Chief Executive Officer
Mr. George Masi, Executive Vice President & Chief Operations Officer
Mr. Michael Norby, Executive Vice President & Chief Financial Officer
Ms. Victoria Nikitin, Vice President, Financial Services
Dr. Fred Sutton, Executive Vice President & Chief Medical Officer
Mr. Tim Tindle, Executive Vice President & Chief Information Officer
Ms. Beth Cloyd, Executive Vice President & Chief Nursing Officer
Dr. Ericka Brown, Sr. Vice President & Administrator, Ambulatory Care Services
Dr. Robert Trenchel, Sr. Vice President & Administrator, Ben Taub General Hospital
Dr. Jessie L. Tucker, III, Sr. Vice President & Administrator, LBJ Hospital
Ms. Mercedes Leal, Attorney, Harris County Attorney's Office
Mr. DeWight Dopslauf, Purchasing Agent, Harris County Purchasing
Dr. Stephen Greenberg, General Director, Affiliated Medical Services
Dr. Tien Ko, Chairman, Medical Executive Board
Ms. Peggy Boice, Harris County Judge Ed Emmett's Office
Ms. Suzanne McPherson, 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

Ms. Carolyn Truesdell, Chair, called the meeting to order at 9:05 a.m., and noted that a quorum was present. The attendance was recorded.

II. Approval of the Minutes of Previous Meeting

Motion 14.03-29

Moved by Dr. George Santos, seconded by Mr. TJ Tijerina, Jr., and unanimously passed, that the Board approve the minutes of the February 27, 2014 Board of Managers meeting.

III. Announcements/Special Presentations

A. Special Recognition – Dr. Carmel Dyer, Chief of Staff, Lyndon B. Johnson General Hospital (LBJGH), recognized the recipients of the Lyndon B. Johnson Leadership Award for their outstanding leadership in medical practice and patient care. The recipients include: Dr. Kelley W. Carroll, Medical Director at the E.A. Squatty Lyons Community Health Center; Dr. Glorimar Medina-Rivera, Assistant Chief of Anesthesia, LBJGH; Dr. Erin Furr-Stimming, Chief of Neurology, LBJGH; and, Dr. Cheryl Person, Chief of Psychiatry, LBJGH.

IV. Hear from Citizens

No citizen appeared to speak.

V. Election of Officers

Motion 14.03-30

Moved by Mr. Lawrence Finder, seconded by Ms. Anne Clutterbuck, and unanimously passed, that the Board elect the following members as Board Officers: Mr. Elvin Franklin, Jr., Chair; Ms. Daisy Stiner, Vice-Chair; and, Dr. George Santos, Secretary.

Ms. Truesdell stated that it was an honor to serve as Chair of the Board of Managers and she expressed her appreciation and gratitude to all the members of the Board and administration. Dr. George Santos, Chair of the Nominating Committee, thanked Ms. Truesdell and announced the Nominating Committee's proposed slate of officers for the Harris Health System Board of Managers pursuant to the Bylaws. The slate was presented as follows: Mr. Elvin Franklin, Jr., Chair, Ms. Daisy Stiner, Vice Chair, and Dr. George Santos, Secretary. Mr. David Lopez, President and Chief Executive Officer, thanked Ms. Truesdell for her leadership and guidance while serving as the Chair of the Harris Health System Board of Managers.

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

Motion 14.03-31

Moved by Dr. George Santos, seconded by Mr. Brandon Capetillo, and unanimously passed, that the Board approve agenda items VI.A(1)a – VI.A(1)hh.

A. Items related to Purchasing

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

- a. ratify additional (budgeted) funds and an extension for SpiveyHealthLaw to provide consulting services relating to the Medicaid Disproportionate Share Hospital and Medicaid 1115 Waiver Program in the additional budgeted amount of

\$43,750 for the extended term March 1, 2014 through September 30, 2014 (Board previously approved funds in the amount of \$80,000 for the term March 1, 2013 through February 28, 2014).

- b. approve the fourth and final renewal option for Brink's, U.S., a Division of Brink's, Incorporated to provide armored car services in the estimated amount of \$109, 200 for the term April 1, 2014 through March 31, 2015.
- c. award on the basis of best proposal meeting requirements for Buck Consultants, LLC to provide a compensation study in the estimated amount of \$119,000 for a six month initial term with one (1) six month renewal option.
- d. approve Metropolitan Transit Authority of Harris County, Texas to provide RideSponsor Q® Fare Card Sales Program in the estimated amount of \$225,000 for the term April 3, 2014 through April 2, 2015.
- e. approve (budgeted) funds and an extension for The University of Texas Medical Branch at Galveston (Office of Continuing Education) to provide Perinatal HIV Prevention Online Program in the estimated of \$1,000 for the extended term April 1, 2014 through March 31, 2015 (Board previously had not approved any funds for the term April 1, 2013 through March 31, 2014).
- f. ratify a provision by The University of Texas Health Science Center at Houston (Department of General Medicine) to provide primary medical care services to eligible HIV- infected patients in the amount of \$397,235 (Ryan White Grant Funds) for the term March 1, 2014 through February 28, 2015.
- g. ratify an exemption from the competitive bid requirements for Baylor College of Medicine to provide various medical services to eligible HIV-infected patients in the amount of \$963,774 (Ryan White Grant Funds) for the term March 1, 2014 through February 28, 2015.
- h. approve an exemption from the competitive bid requirements and the third of five (5) renewal options for Baylor College of Medicine to provide health services for school based teen clinic program in Precinct 1 in the estimated amount of \$150,000 for the term April 5, 2014 through April 4, 2015.
- i. approve an exemption from the competitive bid requirements and the third of five (5) renewal options for Baylor College of Medicine to provide physician services for school based teen clinic program in Precinct 2 in the estimated amount of \$150,000 for the term April 16, 2014 through April 15, 2015.
- j. approve on the basis of sole source for Baylor College of Medicine dba Lions Eye Bank of Texas to provide ophthalmic tissue services in the estimated amount of \$125,000 for the term March 18, 2014 through March 17, 2015.
- k. award on the basis of best bids for Acadian Ambulance Service, Inc. (Primary Vendor - \$467,110), Acute Medical Services LLC (Secondary Vendor - \$489,400) and Best Care EMS Ltd. (Tertiary Vendor - \$628,023) to provide ambulance services in the estimated total multi-vendor amount of \$1,000,000 for the term April 1, 2014 through March 31, 2015 with four (4) one-year renewal options.

- l. approve the first of four (4) renewal options for LSDP LLC dba Lonestar Delivery & Process to provide courier services in the estimated amount of \$199,400 for the term April 1, 2014 through March 31, 2015.
- m. approve additional (budgeted) funds and an extension for Becton Dickinson and Company through BD Biosciences to provide flow cytometry analyzers, reagents, consumables and services in the additional budgeted amount of \$132,658 for the extended term April 24, 2014 through October 31, 2014 (Board previously approved funds in the amount of \$265,315 for the term April 24, 2013 through April 23, 2014).
- n. approve second year funding for Becton Dickinson and Company [PP-LA-246] (\$96,710) and Greiner Vacuette North America, Inc. [PP-LA-247] (\$201,090) to provide blood specimen collection in the estimated total multi-vendor amount of \$297,800 for the term May 1, 2014 through April 30, 2015.
- o. award on the basis of only proposal received for College of American Pathologists to provide external proficiency testing provider and services in the estimated amount of \$143,790 for a one-year initial term with four (4) one-year renewal options.
- p. ratify renewal as an exception to the Harris Health System Purchasing Manual requirements for Det Norske Veritas Healthcare, Inc. dba DNV Healthcare, Inc. to provide management system certification/accreditation in the estimated amount of \$72,878 for the term March 8, 2014 to March 7, 2015.
- q. ratify the second of four (4) renewal options for OfficeMax® to provide general office supplies and related paper products in the estimated amount of \$1,788,622 for the term January 1, 2014 through December 31, 2014.
- r. ratify purchase on the basis of best contracts for Becton Dickinson and Company [PP-LA-309] (\$8,402 – Item 1) and Smiths Medical, ASD, Inc. [PP-LA-314] (\$431,986 – Items 2-9, 11, 12) in the estimated total multi-vendor amount of \$440,388 for the term February 1, 2014 through January 31, 2015.
- s. ratify purchase on the basis of best contracts for Medline Industries Inc. [PP-NS-756] (\$16,010 – Items 45 – 48) and CareFusion 2200, Inc. [PP-NS-754] (\$129,193 – Items 1, 3-5, 7-9, 11-39, 41-43) to provide bedside procedure trays and needles in the estimated total multi-vendor amount of \$145,203 for the term January 1, 2014 through December 31, 2014.
- t. ratify second year funding for Musculoskeletal Transplant Foundation [PP-OR-910] to provide bone, tissue and synthetic implantable products in the estimated amount of \$457,449 for the term March 1, 2014 through February 28, 2015.
- u. ratify purchase on the basis of best contract for Smiths Medical ASD, Inc. [PP-OR-979] to provide regional anesthesia trays in the estimated amount of \$133,533 for the term February 1, 2014 through January 31, 2015.
- v. approve the second year funding for Smiths Medical ASD, Inc. [PP-OR-897] (\$75,118) and Arizant Healthcare, Inc. [PP-OR-896] (\$316,554) to provide patient warming products in the estimated total multi-vendor amount of \$391,672 for the term March 1, 2014 through February 28, 2015.

- w. ratify third year funding for Boston Scientific Company [PP-OR-790] (\$162,700) and Cook Medical Inc. [PP-OR-791] (\$191,734) to provide specialty urological products in the estimated total multi-vendor amount of \$354,434 for the term February 1, 2014 through January 31, 2015.
- x. award on the basis of best proposal meeting requirements for Hollister Incorporated to provide patient bowel management systems in the estimated amount of \$101,945 for a one-year initial term with four (4) one-year renewal options.
- y. ratify purchase on the basis of single source contract for 3M Company [PP-NS-808] to provide tape products in the amount of \$110,177 for the term February 1, 2014 through January 31, 2015.
- z. approve purchase on the basis of best contracts for Smith Medical ASD, Inc. [PP-OR-1059] (\$37,845 – Items 1-2) and Angiodynamics Inc. [PP-OR-1055] (\$84,560 – Items 3-5) to provide implantable infusion ports in the estimated total multi-vendor amount of \$122,405 for the term April 1, 2014 through October 31, 2015.
- aa. approve purchase on the basis of best contracts for Medical Components Inc. [PP-NS-691] (\$74,425 – Items 1-4) and Angiodynamics Inc. [PP-NS-692] (\$82,730 – Items 5-17) to provide dialysis products and accessories in the estimated total multi-vendor amount of \$157,155 for the term April 1, 2014 through October 31, 2014.
- bb. approve an exemption from the competitive bid requirements for Craven and Plummer to provide prenatal dental services for patients in the amount of \$199,950 (DSHS grant funds) upon execution through August 31, 2014.
- cc. award on the basis of most qualified vendors meeting requirements for AMN Healthcare, Inc., CHG Medical Staffing, Inc. dba RNnetwork, Cross Country Staffing, Favorite Healthcare Staffing, Inc., Integrated Healthcare Solutions, LLC, JWS Health Consultants, Inc. d/b/a/ UltraStaff, Med Pros Group dba, Pro Health Staffing, RCM Health Care Services, SHC Services, Inc. dba Supplemental Health Care, Source One Healthcare Professionals, Inc. dba TexMED Staffing, in affiliation with People 2.0 Global, Inc., and Worldwide Travel Staffing, Limited to provide travel nursing temporary personnel in the estimated total multi-vendor amount of \$12,000,000 for a one-year initial term with four (4) one-year renewal options.
- dd. approve the third of four (4) renewal options for Kronos Incorporated to provide maintenance for time, attendance and scheduling system in the estimated amount of \$149,398 for the term April 28, 2014 through April 27, 2015.
- ee. award on the basis of lowest bid meeting specifications for Fibertown Houston, LLC to provide data center co-location services in the estimated amount of \$271,970 for the term April 1, 2014 through March 31, 2015 with (4) one-year renewal options.
- ff. approve purchase on the basis of sole source for Epic Systems Corporation to provide maintenance for Epic Clinical and Business Software in the estimated amount of \$3,637,650 for the term April 1, 2014 through March 31, 2015.

- gg. approve purchase on the basis of low quote for General DataTech, L.P. to provide maintenance and support for Cisco Equipment in the estimated amount of \$1,135,046 for the term April 1, 2014 through March 31, 2015.
- hh. rescind award for Allscripts Healthcare, LLC to provide clinical case management system.

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

- a. transmittal of purchase on the basis of sole source for Q-Matic Corporation to provide Q-Matic Software support and maintenance in the estimated amount of \$60,702 for the term March 1, 2014 through February 28, 2015.
- b. transmittal of award on the basis of product standardization for Stryker Sales Corporation [PP-MM-207] to provide EMS Stretchers (Cots) in the amount of \$63,785 for the term March 2013 (expires February 2016).
- c. transmittal of purchase on the basis of single source contract for Bracco Diagnostics Inc. [PP-IM-171] to provide barium products in the amount of \$71,663 for the term January 1, 2014 through December 31, 2014.
- d. transmittal of third year funding for Atrium Medical Corporation [PP-OR-818] to provide chest drainage products in the estimated amount of \$75,589 for the term April 1, 2014 through March 31, 2015.
- e. transmittal of purchase on the basis of best contract to Stryker Corporation [PP-OR-1053] – Option 1 (Items 1-10) to provide surgical automatic tourniquet systems and accessories in the estimated amount of \$53,022 for the term March 1, 2014 through February 28, 2015.
- f. transmittal of additional (budgeted) funds for Laboratory Corporation of America (LabCorp) to provide reference laboratory testing services in the additional budgeted amount of \$28,050 for the term January 22, 2014 through January 21, 2015 (Board previously approved funds in the amount of \$1,791,355 for the term January 22, 2014 through January 21, 2015).
- g. transmittal of purchase on the basis of sole source for API Healthcare Corporation to provide maintenance and support for the Payrollmation Time and Attendance System in the estimated amount of \$82,225 for the term May 1, 2014 through April 30, 2015.
- h. transmittal of purchase on the basis of sole source for Epic Systems Corporation to provide implementation of Epic Clinical Case Management module in the estimated amount of \$74,000.
- i. transmittal of the first of four (4) renewal options on the basis of sole source for MC AnalyTXs, Inc. to provide Medicare and Medicaid Third Party Payor Logging Software in the estimated amount of \$99,000 for the term May 13, 2014 through May 12, 2015.
- j. transmittal of the first of four (4) renewal options for Greater Houston Transportation Company (Primary Vendor) Options: 1A, 1B, 2A and 2B, and Cardinal Delivery Services LLC (Secondary Vendor) Options: 2B and 3B to provide

transportation services for patients and packages in the estimated amount of \$75,000 for the term September 1, 2013 through August 31, 2014.

- k. transmittal of an exemption from the competitive bid requirements for Baylor College of Medicine to provide HIV perinatal transmission prevention activities program in the amount of \$93,348 (DSHS-Perinatal Grant Funds) for the term January 1, 2014 through December 31, 2014.
- l. transmittal of an exemption from the competitive bid requirements for Baylor College of Medicine to provide physician services – early intervention, Ryan White HIV/AIDS Treatment Extension Act of 2009 Part C in the amount of \$70,160 (Ryan White Grant Funds) for the term January 1, 2014 through December 31, 2014.
- m. transmittal of an exemption from the competitive bid requirements and renewal for Joann Marruffo, DDS to provide Maxillofacial Prosthodontic Services for Patients in the amount of \$50,000 for the term March 31, 2014 through March 30, 2015.
- n. transmittal of the first of four (4) renewal options for Environmental Testing Services, Inc. to provide piped medical gas/vacuum assessment and prevention maintenance, gas monitoring and ventilation assessment, and minor and emergency repairs in the estimated amount of \$55,186 for the term April 1, 2014 through March 31, 2015.
- o. transmittal of an emergency purchase for Creative Office Furniture, Inc. (\$44,073) and Global Industries, Inc. c/o Creative Office Furniture, Inc. (TXMAS contract) (\$19,451) to provide replacement of office furniture for the basement at Ben Taub Hospital in the amount of \$65,728 (\$63,524 – project price / \$2,204 – owner contingency).

Motion 14.03-32

Moved by Mr. Elvin Franklin, Jr., seconded by Mr. Lawrence Finder, and unanimously passed, that the Board approve agenda items VI.B – VI.N.

- B. Approval of the new Harris Health System Policy No. 7.33, Infant Feeding Policy.
- C. Approval to Transition the Harris Health System Merit Program to a Common Merit Increase Date for All Employees in FY2015.
- D. Approval to Enter into a First Amendment to the Interlocal Agreement with Harris County for the Purpose of Providing Remote Access and Viewing of Harris Health System's Medical Records.
- E. Approval to Ratify an Agreement between the Harris County Hospital District d/b/a Harris Health System and The University of Texas MD Anderson Cancer Center.
- F. Acceptance of the Harris County Auditor's Harris Health System Nursing Controlled Substances Controls Report.
- G. Approval of a Facility Use Agreement between the Harris County Hospital District d/b/a Harris Health System and the Houston Food Bank to Provide Space at Thomas Street Health Center for the Houston Food Bank to Raise Awareness and

- Application Assistance for all State-Funded Social and Health Services to HIV Positive Patients of Harris Health System.
- H. Approval of an Agreement between the Harris County Hospital District d/b/a Harris Health System and the City of Houston on behalf of its Department of Health and Human Services funded under the Centers for Disease Control and Prevention (CDC) to Provide Routine Opt-Out HIV Screening to Harris Health System Patients.
 - I. Approval of a Memorandum of Understanding between the Harris County Hospital District d/b/a Harris Health System and Watch Over Me for the Purpose of Providing Watches and Journals to Harris Health System Homeless Clients.
 - J. Approval to Renew an Agreement between the Harris County Hospital District d/b/a Harris Health System and Harmony House to Provide On-site Health Care and Eligibility Services to Eligible Homeless Individuals of the Health Care for the Homeless Program.
 - K. Approval to Renew an Interlocal Agreement between the Harris County Hospital District d/b/a Harris Health System and Harris County Public Health and Environmental Services (HCPHES) Funded by Ryan White HIV/AIDS Treatment Extension Act Part A to Provide Primary Medical Care, Psychiatric Services, Obstetric and Gynecological Care, and Local Pharmacy Assistance Program to HIV Positive Patients of Harris Health System.
 - L. Approval to Renew a Point of Entry Agreement (formally referred to as a Memorandum of Understanding) between the Harris County Hospital District d/b/a Harris Health System and the City of Houston on behalf of its Department of Health and Human Services for the Purpose of Locating and Re-establishing Medical Care for Harris Health HIV Positive Patients who have no Evidence of Medical Care for a Period of at Least Six Months.
 - M. Approval to Renew a Facility Use Agreement between the Harris County Hospital District d/b/a Harris Health System and Bering Omega Community Services to Provide Space at Thomas Street Health Center for Bering Omega Community Services to Provide Housing and Placement Assistance for HIV Positive Patients.
 - N. Approval to Renew a Facility Use Agreement between the Harris County Hospital District d/b/a Harris Health System and Houston Volunteer Lawyers to Provide Space at Thomas Street Health Center for Houston Volunteer Lawyers to Provide Legal Assistance and Consultation for HIV Positive Patients.

VII. Reports of the Committee

A. Joint Conference Committee

Motion 14.03-33

Moved by Dr. George Santos, second by Mr. Brandon Capetillo, and unanimously passed, that the Board accept agenda item VII.A.1.

1. Acceptance of the Medical Executive Board Report for March 2014.

Dr. Tien Ko, Chairman, Medical Executive Board, presented the Medical Executive Board Report for March 2014. Dr. Ko thanked Ms. Truesdell for her leadership and

for being a strong advocate for physicians and staff, and he welcomed Mr. Elvin Franklin, Jr. to his new role as Board Chair. In reference to the Delivery System Reform Incentive Payment (DSRIP), Dr. Ko stated that the medical staff is closely monitoring the clinic construction progress and the provider recruitment initiative to staff the clinics. A copy of the report is available in the permanent record.

Ms. Daisy Stiner requested that the final resolution to the Magnetic Resonance Imagery (MRI) safety issue be reported to the Board of Managers.

Motion 14.03-34

Moved by Dr. George Santos, seconded by Ms. Daisy Stiner, and unanimously passed, that the Board approve agenda items VII.A.2 and VII.A.3.

2. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (March 2014).
3. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (Pending Items, March 2014).

B. Performance Improvement & Patient Safety Committee

1. Review and Discussion Regarding the Harris Health System Performance Improvement and Patient Safety Reports
 - a. Review and Discussion Regarding Harris Health System Quality Executive Summary and Scorecard

Dr. Fred Sutton, Chief Medical Officer, presented the Quality Executive Summary and Scorecard. Dr. Sutton stated that quality issues regarding congestive heart failure post operation care and post operation infection rates continue to improve. A copy of the report is available in the permanent record.

- b. Review and Discussion Regarding the Patient Satisfaction Trend Charts

Dr. Sutton presented the Patient Satisfaction Trend Charts. Dr. Sutton stated that patient satisfaction regarding the two-bed conversion remains positive and that patient satisfaction regarding cleanliness continues to improve. A copy of the report is available in the permanent record.

- c. Review and Discussion Regarding the Medical Staff Satisfaction Progress Report

Dr. Sutton presented the Medical Staff Satisfaction Progress Report. Dr. Sutton stated that the workflow process for physicians is being analyzed. He stated that a process is being developed to ensure that the medical staff addresses and resolves their specific concerns, prior to escalation. A copy of the report is available in the permanent record.

- d. Review and Discussion Regarding the Emergency Center Medical Screening Exam Process

Dr. Sutton presented the Emergency Center Medical Screening Exam Process. Dr. Sutton stated that the process for conducting medical screenings in a timely manner is still being monitored. Dr. Santos stated that committees are being established to analyze patient flow and the impact on

bed management. He commented that this analysis will help determine specific processes required to decompress the emergency centers.

Mr. George Masi, Executive Vice President and Chief Operations Officer, agreed that the process for examining patient flow has begun. Mr. Tindle, Executive Vice President and Chief Information Officer, stated that the committee comprised of executive leadership, medical staff, administrators, and case management is examining patient through-put. Mr. Tindle added that the management of patient flow is also connected to implementation of the Epic Case Management System. He stated that the patient flow analysis will result in the identification of critical areas requiring improvement and the opportunity to provide Epic System solutions. Dr. Santos requested that the patient flow analysis also identify barriers to effective medical screening and effective bed management. A copy of the report is available in the permanent record.

- e. Review and Discussion Regarding the Harris Health System 2014 Patient Satisfaction Goals and Objectives

Dr. Sutton presented the 2014 Patient Satisfaction Goals and Objectives report. A copy of the report is available in the permanent record.

- f. Review and Discussion Regarding the Ambulatory Care Services (ACS) Access to Care Report

Dr. Ericka Brown, Vice President and Administrator, Ambulatory Care Services(ACS), presented the ACS Access to Care Report. Dr. Brown stated the Board requested clarification regarding the budgeted provider and nursing support vacancy report. She stated that the revised report addresses the Board members' concerns. A copy of the report is available in the permanent record.

Ms. Truesdell requested clarification of the decline in Saturday clinic visits. Dr. Brown explained that as a result of the expansion of the Harris Health System platform and existing clinics, some of the patient volume has transitioned to the same day clinics that offer patient care during weekday hours. Dr. Brown noted that the Saturday clinic appointments will be phased out.

Ms. Stiner requested clarification regarding the increase in primary care patient volume for the Federally Qualified Health Centers (FQHCs). Dr. Brown explained that as a result of DSRIP, Harris Health System has partnered with seven FQHCs, which continue to increase the number of primary care visits. A copy of the report is available in the permanent record.

- g. Review and Discussion Regarding the Harris Health System DNV 2013 Survey Findings – Progress Report

Dr. Sutton presented the DNV 2013 Survey Findings – Progress Report. A copy of the report is available in the permanent record.

- 2. Review and Discussion Regarding the Harris Health System Quality Infection Prevention Report
 - a. Review and Discussion Regarding Infection Prevention: Standard Infection

Ratio Interpretation and Surgical Site Infections

Dr. Sutton presented the Infection Prevention: Standard Infection Ratio Interpretation and Surgical Site Infections Report. Dr. Sutton stated that medical staff from both pavilions have created a program to examine the pre-surgery, inter-surgery and post-surgery protocols. He stated that the metrics for infection prevention will be documented and monitored to ensure Federal and State regulatory compliance. A copy of the report is available in the permanent record.

- b. Review and Discussion Regarding Infection Prevention at Ben Taub General Hospital

Dr. Sutton presented the Infection Prevention report for Ben Taub General Hospital. A copy of the report is available in the permanent record.

- c. Review and Discussion Regarding Infection Prevention at Lyndon B. Johnson General Hospital.

Dr. Sutton presented the Infection Prevention report for Lyndon B. Johnson General Hospital. A copy of the report is available in the permanent record.

3. Review and Discussion Regarding the Harris Health System Quality Restraint and Seclusion Report

- a. Dr. Sutton presented the Restraint and Seclusion Usage Scorecard. Dr. Sutton stated that on April 1, 2014, Det Norske Veritas (DNV) will be on site to assess Harris Health System's restraint and seclusion policies and processes. Dr. Sutton stated that once DNV has completed the assessment, the results will be presented to the Board. A copy of the report is available in the permanent record.

C. Budget & Finance Committee

Motion 14.03-35

Moved by Mr. Elvin Franklin, Jr., seconded by Mr. Lawrence Finder, and unanimously passed, that the Board accept agenda items VII.C.1 through VII.C.3.

1. Acceptance of the Harris Health System February 2014 Financial Report Subject to Audit.

Mr. Michael Norby, Chief Financial Officer, presented the Harris Health System February 2014 Financial Report. He stated that the volume for adjusted patient days totaled 49,814 which was 13.3% greater than budget. Mr. Norby highlighted that the volume for primary care clinic visits totaled 68,264 which was 2.7% greater than budget, and that the volume for specialty clinics visits totaled 28,525 which was 10.7% greater than budget. Mr. Norby reported that the volume for emergency room visits for February 2014 totaled 13,353 which was 2.3% greater than budget.

Regarding operating expenses and revenue, Mr. Norby stated that the total operating expense for February 2014 was \$108.8M which was \$0.8M greater than budget and that the total net revenue was \$101.2M which was \$5.2M greater than budget. A copy of the report is available in the permanent record.

Mr. Norby also summarized the Annual Budget Review for FY2014. He stated that the volume for adjusted patient days totaled 610,544 which was an increase of 8.6% from FY2013. Mr. Norby highlighted that primary care clinic visits totaled 806,615 which was an increase of 2.6% from FY2013, and that volume for specialty clinic visits was 335,570 which was an increase of 9.6%. Mr. Norby reported that the volume for emergency rooms visits for FY2014 totaled 177,087 which was an increase of 2.0% from FY2013.

2. Acceptance of the Harris Health System February 2014 Pension Plan Report Subject to Audit.

Mr. Norby presented the Harris Health System February 2014 Pension Plan Report. Mr. Norby stated that as of February 28, 2014, the market value of the Pension Plan was \$556.1M and that the value was \$12.4M less than the value at the beginning of the calendar year. Mr. Norby noted that \$15.3M was distributed to plan participants. Mr. Norby reported that at the end of February, the Pension Plan was estimated to be 80.3% funded. A copy of the report is available in the permanent record.

3. Acceptance of the Harris Health System February 2014 Investment Report.

Mr. Norby presented the February 2014 Investment Report. Mr. Norby stated that as of February 29, 2014, the book value of the investment portfolio was \$571.8M. Mr. Norby also reported that as of February 28, 2014, the market value of the investment portfolio was \$572.2M. A copy of the report is available in the permanent record.

4. Review, Discussion and Possible Action Regarding the Potential Refunding or Restructuring of the Harris County Hospital District Senior Lien Refunding Revenue Bonds, Series 2010 and the Restructuring of Related Financial Management Products Agreements and the Engagement of a Financial Advisor and Bond Counsel Related to the Potential Transaction

Mr. Norby introduced Mr. Christopher Janning, Senior Vice President, FirstSouthwest, who presented the Harris County Hospital Senior Lien Refunding Revenue Bonds, Series 2010. Mr. Janning provided data regarding market conditions as well as benefits and liabilities for refunding or restructuring revenue bonds. The Board of Managers requested that Mr. Janning and administration submit best and worst case scenarios regarding the refunding or restructuring of the revenue bonds, series 2010. A copy of the report is available in the permanent record.

5. Presentation of the February 2014 Financial Statements of Community Health Choice, Inc.

Mr. Kenneth Janda, President and Chief Executive Officer, Community Health Choice, Inc. (CHC, Inc.) presented the February Financial Statements for Community Health Choice, Inc. Mr. Janda stated that the total operating revenue for February 2014 was \$57.8M. Mr. Janda also reported that the net income for February 2014 was \$543,009. A copy of the report is available in the permanent record.

D. Planning & Operations Committee

Items Related to Human Resources.

1. Review and Discussion Regarding the 2013 Plan Year Administrative Committee Report for the Pension Plan.

Ms. Carla Goleman, Director of Benefits, presented the 2013 Plan Year Administrative Committee Report for the Pension Plan and the 2013 Year. Ms. Goleman stated that the committee meets quarterly to review the plan assets and diversification. Ms. Goleman reported that the committee is comprised of members-at-large, representatives from Finance and Human Resources, an external consultant, and representatives from Harris County. A copy of the report is available in the permanent record.

2. Review and Discussion Regarding the 2013 Year Administrative Committee Report for the 401K and 457(b) Plans.

Ms. Carlo Goleman presented the 2013 Year Administrative Committee Report for 401K and 457(b) Plans. A copy of the report is available in the permanent record.

Motion 14.03-36

Moved by Dr. George Santos, seconded by Ms. Daisy Stiner, and unanimously passed that the Board approve agenda items VII.D.3 and VII.D.4.

3. Approval of an Affiliation Agreement between the Harris County Hospital District d/b/a Harris Health System and The University of Texas Medical Branch – Galveston (Bachelor of Science in Clinical Laboratory Program).
4. Approval of an Affiliation Agreement between the Harris County Hospital District d/b/a Harris Health System and The University of Texas Medical Branch – Galveston (Master of Science in Clinical Laboratory Science Program).

Motion 14.03-37

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

5. Approval of a Memorandum of Understanding (MOU) between the Harris County Hospital District d/b/a Harris Health System and Harris County to Facilitate Educational Collaboration.

Other Items

Motion 14.03-38

Moved by Mr. TJ Tijerina, Jr., seconded by Ms. Anne Clutterbuck, and unanimously passed, that the Board approve agenda item VII.D.1. under Other Items.

1. Approval of a Resolution Committing Support by Harris Health System Board of Managers and Administration or Level III Trauma Services at Lyndon B. Johnson General Hospital.
2. Approval of an Agreement between the Harris County Hospital District d/b/a Harris Health System and the Merck Patient Assistance Foundation, Inc. to Participate in the Merck Patient Assistance Program. **PULLED**

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.

Mr. R. King Hillier, Vice President, Public Policy and Government Relations, presented activities in Austin relating to legislative and regulatory issues impacting the Harris Health System. Mr. Hillier reported that a meeting had been held in Austin, TX and that representatives from the State, hospital associations, hospital administrators, and patient advocates assembled to discuss the initiative to renew the 1115 Waiver. Mr. Hillier stated that submission for the Waiver renewal is scheduled for September, 2015 and that it has not yet been determined whether the renewal will be for three (3) years or five (5) years.

2. Update, Discussion and Possible Action Regarding Pending Federal Legislative and Policy Issues Affecting Harris Health System.

Mr. Hillier presented the pending Federal Legislative and Policy Issues affecting Harris Health System. He reported that Ms. Anne Clutterbuck, Ms. Mary Schneider and he will be attending the *Policy Assembly: Take Action* meeting to be held April 1-2, 2014, Washington, DC, hosted by America's Essential Hospitals (formerly known as the National Association of Public Hospitals - NAPH). Mr. Hillier stated that he scheduled several meetings with the Congressional delegation to discuss healthcare issues regarding the expansion of primary care services and the impact of reduced Federal funding for healthcare providers.

VIII. Miscellaneous Agenda Items

Motion 14.03- 39

Moved by Dr. George Santos, seconded by Mr. Lawrence Finder, and unanimously passed, that the Board approve agenda item VIII.A.

- A. Approval of Amended and Restated Bylaws of the Harris County Hospital District Foundation.

Ms. Truesdell introduced the Amended and Restated Bylaws of the Harris County Hospital District Foundation (HCHD). She stated that she spoke with Mr. Hank Coleman, former General Counsel to the Foundation, regarding the amended Bylaws and the Foundation as a public charity that supports the Harris Health System. A copy of the Bylaws as amended is available in the permanent record.

- B. Review and Discussion Regarding HCHD Foundation Report of Program Grants in Support of Harris Health System [**Board Deliverable**]

Ms. Ruth Ransom presented the HCHD Foundation Report of Program Grants that are in support of Harris Health System. Ms. Ransom reported that in 2014, approximately \$3,011,355 in grants and individual contributions had been distributed to Harris Health System in support of healthcare programs. A copy of the report is available in the permanent record.

IX. President/Chief Executive Officer's Reports

- A. Payment Expectations: Self-Pay Patients

Mr. David Lopez, President and Chief Executive Officer, presented the Payment expectations for Self-Pay Patients. Mr. Lopez stated the administration had prepared

a letter requesting payment of appropriate co-pay fees to be sent to all self-pay patients who received medical services at Harris Health facilities. Mr. Bill Hill, Senior Vice President, Revenue Cycle, stated that the objective of the letter was to inform self-pay patients of payment expectations including their financial responsibility for payment of medical services received. Discussion ensued. The Board requested that administration cease issuance of the letter. The Board recommended that the payment expectations letter be thoroughly examined by administration to ensure that the letter does not misrepresent the mission of Harris Health System. The Board also requested that the matter be resubmitted to the Board for further review and consideration.

B. Naming Opportunity Request Form

Mr. David Lopez, President and Chief Executive Officer, presented the Naming Opportunity Request Form. Mr. Lopez reviewed the revised naming request form. Ms. Nicole Streeter, Director, Board of Managers, stated that the form was developed for internal routing purposes. Mr. Lopez confirmed that a policy already exists that specifically addresses the process for naming Harris Health System facilities.

C. Service Expansion Plan: Status Update

Mr. Lopez presented the Service Expansion Plan Status Update. Mr. Lopez stated that primary care clinic visits are projected to increase from 815,178 in FY2014 to 905,250 in FY2015, which represents an 11% increase. Mr. Lopez reported that the adjusted patient days will increase to 630,682, an increase of 3.5% for FY2015, and that total outpatient visits will increase to 1.96M visits, an increase of 6.7% for FY2015. A copy of the report is available in the permanent record.

X. Executive Session

At 11:53 a.m., Ms. Carolyn Truesdell stated that the Board would go into Executive Session under §161.032 of the Texas Health & Safety Code, and Texas Occupations Code Ann. §160.007, Texas Gov.t Code Ann. §551.071, and the Texas Gov.t Code Ann. §551.074. Ms. Truesdell stated that the regular meeting of the Board would reconvene at the close of Executive Session.

XI. Reconvene

At 1:08 p.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 Texas Health & Safety Code, and Possible Action Upon Return to Open Session.

No action was taken.

- B. Report by the Chief Medical Officer Regarding Quality of Medical and Health Care, pursuant to Texas Health & Safety Code Ann. §161.032 and Texas Occupations code Ann. §160.007 to Receive Peer Review and/or Medical Committee Report in connection with the Evaluation of the Quality of Medical and Health Care Services,

and Possible Action Upon Return to Open Session.

No action was taken.

- C. Consultation with the County Attorney Regarding Cause No. 2313-25194: *Whitaker v. Harris County Hospital District*; In the 215th Judicial District Court of Harris County, pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

Motion 14.03-40

Moved by Ms. Carolyn Truesdell, seconded by Dr. George Santos, and unanimously passed, that the Board adopt the following resolution:

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Managers, approves and hereby authorizes a settlement in connection with Cause No. 2012-25194; *Elizabeth Whitaker v. Harris County Hospital District*; In the 215th Judicial District Court of Harris County, Texas in an amount not to exceed \$94,000.00. David S. Lopez, President/CEO of Harris Health is authorized to execute any agreement, release or any other necessary documents to effect this settlement.

- D. Consultation with the County Attorney Regarding Case No. 2012-33659; *Rideaux et al. v. Lopez et al.*; In the 80th Judicial District Court of Harris County, Texas Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

Motion 14.03-41

Moved by Ms. Carolyn Truesdell, seconded by Dr. George Santos, and unanimously passed, that the Board adopt the following resolution:

The Harris County Hospital District d/b/a Harris Health System ("Harris Health"), by and through its Board of Managers, approves and hereby authorizes settlement in connection with Cause No. 2012-33659; *Eugene J. Rideaux, et al v. David S. Lopez, et al.*; In the 80th Judicial District Court Harris County, Texas, wherein Harris Health will, for a period of 2 years from the execution of the final Consent Judgment: (1) cease billing Plan 1 patients for co-pays (Harris County residents who fall at or below one hundred percent [100%] of the Federal Poverty Guidelines); (2) modify the language on eligibility notices and website eligibility calculator to clarify that co-payments will be requested at the time of service, but services will not be denied to Plan 1 patients who are unable to pay at the time of service; (3) educate the staff on these changes; and (4) notify Lonestar Legal Aid of any changes to (1)-(3) above for 2 years after the expiration of the Consent Judgment. David S. Lopez, President/CEO of Harris Health, is authorized to execute any agreement, release or any other necessary documents to effect this settlement.

- E. Consultation with the County Attorney Regarding Cause No. 2012-34696; *Martinez v. Harris County Hospital District*; In the 80th Judicial District Court of Harris County, pursuant to Texas Gov't Code Ann. §551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

Motion 14.03-42

Moved by Ms. Carolyn Truesdell, seconded by Ms. Daisy Stiner, and unanimously passed, that the Board adopt the following resolution:

The Harris County Hospital District d/b/a Harris Health System (“Harris Health”), by and through its Board of Managers, approves and hereby authorizes a settlement of Case No. 2012-34696; *Betty Martinez v. Harris County Hospital District*; In the 80th Judicial District Court of Harris County, Texas, in the amount of \$30,000.00 payable to Betty Martinez and her attorneys, Cline Ahmad. David S. Lopez, President/CEO of Harris Health, is authorized to execute any agreement, release or any other necessary documents to effect this settlement.

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

No action was taken.

XII. Adjournment

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

There being no further business, the meeting adjourned at 1:10 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 27, 2014.

Ms. Carolyn Truesdell, Chair
Board of Managers

Ms. Daisy Stiner, Secretary
Board of Managers