

HARRIS HEALTH SYSTEM

HARRIS HEALTH SYSTEM

MINUTES OF THE BOARD OF MANAGERS MEETING

Thursday, May 29, 2014

Board Room – Administration Building

Members Present:

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

Members Absent

Ms. Anne Clutterbuck

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
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

Mr. Elvin Franklin, Jr., Chair, called the meeting to order at 9:01a.m., and noted that a quorum was present. The attendance was recorded.

Mr. Franklin requested that the Board take a moment of silence in remembrance of Mr. H. Ben Taub, who recently passed away.

II. Approval of the Minutes of Previous Meeting

Motion 14.05-57

Moved by Mr. Brandon Capetillo, seconded by Mr. E. Dale Wortham, and unanimously passed, that the Board approve the minutes of the April 24, 2014 Board of Managers meeting.

III. Announcements/Special Presentations

- A. Special Recognition – Dr. Margo Alford-Hilliard, former Senior Vice President, Community Health and Wellness, and Ms. Kimberly Seals, Program Coordinator, March of Dimes, recognized Ms. June Hanke, Strategic Analyst Planner, for her dedication and volunteer leadership in the improvement of the health of mothers and children. Ms. Hanke was named the 2013 March of Dimes’ Program Services Volunteer of the Year.
- B. Special Recognition – Dr. Carmel Dyer, Chief of Staff, Lyndon B. Johnson General Hospital, recognized Dr. Arlo Weltge, Emergency Specialist, LBJGH, for receiving the J.T. “Lamar” McNew Award. Dr. Dyer cited examples of Dr. Weltge’s contributions in medical science and education. Dr. Weltge is a renowned specialist in the fields of emergency and occupational medicine and a clinical professor at The University of Texas Medical School.
- C. Special Recognition – Dr. Beth Cloyd, Chief Nursing Executive, recognized nurses saluted by the Houston Chronicle during National Nurses Week. Ms. Cloyd thanked Ms. Marguerite Hiller and Ms. Rosamma Finney for their compassion, their dedication to the nursing profession and their contribution toward the mission of Harris Health System. Dr. Cloyd also recognized nurses Christine Harvey and Steve Peardon, who were also saluted by the Houston Chronicle but were unable to attend the Board meeting.
- D. Special Recognition – Dr. Beth Cloyd, recognized Ms. Mari-ellen Sharp, Associate Administrator, Clinical Case Management, on her retirement from 11 years of service to Harris Health System. Dr. Cloyd stated that Ms. Sharp’s leadership and progressive thinking in the area of clinical case management has greatly fostered the mission of Harris Health System. Ms. Sharp stated that being part of the Harris Health System team has been a joy and the highlight of her career.

IV. Hear from Citizens

Mr. Walter Protheroe stated that Harris Health System Executive Administration still has not provided the appropriate response to his concerns.

Ms. Cynthia Cole, Executive Director, Local #150 – AFSCME (American Federation of State, County and Municipal Employees). Ms. Cole spoke on behalf of Harris Health System employees who are members of Local No.150. Ms. Cole requested that the Administration and Board examine Human Resources issues related to the

application of FMLA and termination of long-term employees. She also thanked the Administration for matters relating to Social Workers.

V. Consideration of Approval to Sunset the Ad Hoc – Community Health Choice, Inc., Committee

Motion 14.05-58

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

VI. Consideration of Approval of Appointments to the 2014 – 2015 Board of Managers' Standing and Special Committees

Motion 14.05-59

Moved by Dr. George Santos, seconded by Mr. TJ Tijerina, Jr., and unanimously passed, that the Board approve the following changes to the Board of Managers' Standing and Special Committees:

STANDING COMMITTEES:

Information Technology Committee

Ms. Daisy Stiner, Chair
Mr. Brandon Capetillo, Member

Planning and Operations Committee

Mr. Lawrence Finder, Chair
Ms. Carolyn Truesdell, Member

Audit Committee

Mr. Brandon Capetillo, Chair

Corporate Compliance

Ms. Carolyn Truesdell, Chair

SPECIAL COMMITTEES:

Ad Hoc – CEO Evaluation Committee

Ms. Daisy Stiner, Chair

Bylaws Review Committee

Ms. Anne Clutterbuck, Member

Legislative Committee

Ms. Daisy Stiner, Chair
Mr. Lawrence Finder, Member

Strategic Planning Committee

Mr. Brandon Capetillo, Chair

Post Retirement Benefit Committee

Ms. Daisy Stiner, Member
Ms. Carolyn Truesdell, Member

Operational Assessment Committee

Mr. Brandon Capetillo, Chair
Dr. George Santos, Member
Ms. Carolyn Truesdell, Member

A complete list of the members of the committees is attached to these minutes. Refer to Appendix A.

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

Motion 14.05-60

Moved by Mr. Lawrence Finder, seconded by Mr. E. Dale Wortham, and unanimously passed, that the Board approve agenda items VII.A(1)a – VII.A(1)gg and VII.A(1)m – VII.A(1)ww. Purchasing items VII.A(1)h – VII.A(1)l and VII.A(2)g were **PULLED**.

A. Items related to Purchasing

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

Mr. Finder recused himself from the following purchasing items: A(1)c, A(1)cc, A(1)dd, A(1)kk, A(1)nn, A(1)oo, A(1)pp, A(1)rr, and A(2)c.

- a. ratify funding for year three of a five (5) year Agreement for Stericycle, Inc. [PP-FA-222] to provide Waste Management Products and Services in the estimated amount of \$375,000 for the term May 1, 2014 through April 30, 2015.
- b. ratify funding for the third year of a five (5) year Agreement for Stericycle, Inc. (Sharps Containers and Disposal Services) to provide reusable sharps containers and disposal services for contaminated sharps in the estimated amount of \$214,212 for the term May 15, 2014 through May 14, 2015.
- c. ratify the second of four (4) renewal options for WM Healthcare Solutions, Inc. (Pharmaceutical Waste) to provide pharmaceutical waste disposal services in the estimated amount of \$137,433 for the term April 16, 2014 through April 15, 2015.
- d. ratify a revised amount for Texas Health and Human Services Commission (HHSC) to provide outstationed eligibility advisors/ME specialists in health care facilities in the revised amount of \$847,080 (Board previously approved funding in the amount of \$990,432).
- e. ratify an exemption from the competitive bid requirements for The University of Texas Health Science Center at Houston to provide physician services to eligible HIV-Infected Patients - Ryan White HIV/AIDS Treatment Extension Act of 2009 Part C for Ryan White Grant Funds in the amount of \$20,230 for the term January 1, 2014 through December 31, 2014.
- f. approve provision by The University of Texas Health Science Center at Houston – School of Dentistry Office of Continuing Education to provide Oral Health and HIV Symposium in the amount of \$5,050.
- g. approve an exemption from the competitive bid requirements and renewal for Baylor College of Medicine to provide physician services for the school-based teen clinic program in Precinct 3 in the estimated amount of \$150,000 for the term July 1, 2014 through June 30, 2015.
- h. **PULLED**
- i. **PULLED**

- j. **PULLED**
- k. **PULLED**
- l. **PULLED**
- m. approve renewal for Harris County Public Health Services to receive Laboratory Technical Consulting Services in the estimated revenue amount of \$35,100 for the term June 15, 2014 through June 14, 2015.
- n. approve the first of four (4) renewal options for Fisher Healthcare to provide quality control products for various laboratory testing in the estimated amount of \$187,701 for the term July 10, 2014 through July 9, 2015.
- o. approve additional (budgeted) funds and an extension for Becton, Dickinson and Company to provide PCR/Genotyping and GC/Chlamydia Testing in the additional budgeted amount of \$142,581 for the extended term July 1, 2014 through October 31, 2014 (Board previously approved funds in the amount of \$1,048,274 for the term February 2, 2012 through June 30, 2014).
- p. approve additional (budgeted) funds and an extension for Gulf Coast Regional Blood Center to provide blood products and components in the additional budgeted amount of \$2,156,452 for the extended term June 1, 2014 through August 31, 2014 (Board previously approved funds in the amount of \$8,212,554 for the term June 1, 2013 through May 31, 2014).
- q. approve additional (budgeted) funds and an extension 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, and TexMed Staffing, LC to provide non-professional healthcare temporary personnel in the additional budgeted multi-vendor amount of \$375,500 for the extended term July 1, 2014 through September 30, 2014 (Board previously approved funds in the amount of \$1,500,000 for the term July 1, 2013 through June 30, 2014).
- r. approve the second of four (4) renewal options for FMA Alliance, Ltd [Bad Debt Services] (\$250,000), NCO Financial Systems [Bad Debt Services] (\$100,000), and Firstsource Solutions USA, LLC [Early-Out Services] (\$150,000) to provide collection services for overdue patient accounts in the estimated multi-vendor amount of \$500,000 for the term June 12, 2014 through June 11, 2015 (FMA Alliance, Ltd.), June 13, 2014 through June 12, 2015 (Firstsource Solutions USA, LLC), and October 22, 2014 through October 21, 2015 (NCO Financial Systems) (Board previously approved funds in the amount of \$2,000,000 for the previous year).
- s. approve awards on the basis of best proposals meeting requirements for PreCheck, Inc., CARCO Group, Inc., and K Griff Investigation and Civil Processing Inc. to provide pre and post-employment background screening in the estimated multi-vendor amount of \$165,000 for a one-year initial term with four (4) one-year renewal options.

- t. ratify additional (non-budgeted) funds and an extension for Harger Howe & Associates to provide employment recruitment advertising and miscellaneous creative services in the additional non-budgeted amount of \$123,000 for the extended term April 1, 2014 through June 30, 2014 (Board previously approved funds in the amount of \$664,000 for the term October 1, 2012 through March 31, 2014).
- u. approve the following award on the basis of best proposal meeting requirements for TMP Worldwide Advertising & Communications, LLC to provide employee recruitment advertising and creative services in the estimated amount of \$155,000 for a one-year initial term with four (4) one-year renewal options.
- v. ratify the first of four (4) renewal options for Astadia, Inc. f.k.a. Idea Integration Corp. (Categories 3,4,5 and 7), Computer Task Group, Inc. (CTG) (Categories 1, 2 and 6), Elite Computer Consultants, L.P. dba ECOM (Category 2), Encore Health Resources (Categories 1 and 6), General Datatech, L.P. (Category 3), Protiviti, Inc. (Category 7), and Zensar Technologies, Inc. (Category 5) to provide information technology consulting/contracting in the estimated multi-vendor amount of \$2,274,554 for the term March 1, 2014 through February 28, 2015.
- w. approve renewal for Emporos Systems Corporation to provide maintenance and support for the pharmacy cashiering system in the estimated amount of \$183,222 for the term June 16, 2014 through June 15, 2015.
- x. approve the third of four (4) renewal options for Shared Technologies, Inc. to provide maintenance of telephone and voice communication systems in the estimated amount of \$915,464 for the term June 1, 2014 through May 31, 2015.
- y. approve the second of four (4) renewal options for USA Mobility Wireless, Inc. to provide leasing wireless pagers, messaging services and related items in the estimated amount of \$280,500 for the term June 1, 2014, through May 31, 2015.
- z. approve additional (budgeted) funds for Fusion Consulting Inc. to provide business analytics, intelligence and consulting services in the estimated additional budgeted amount of \$1,300,000 for the term November 13, 2013 through November 12, 2014 (Board previously approved funds in the amount of \$960,000 for the term November 13, 2013 through November 12, 2014).
- aa. approve purchase on the basis of sole source for Epic Systems Corporation to provide Epic implementation services in the estimated amount of \$327,000.
- bb. approve purchase on the basis of low quote for Accudata Systems [DIR-SDD-1643] to provide maintenance and support of Check Point Pointsec Software in the estimated amount of \$125,669 for the term June 1, 2014 through June 1, 2015.
- cc. approve renewal on the basis of sole source for Citrix Systems, Inc. to provide maintenance and support for Citrix Hardware/Software in the estimated amount of \$183,908 for the term August 1, 2014 through July 31, 2015.
- dd. approve purchase on the basis of only quote for Oracle USA, Inc. [DIR-VPC-03-018] to provide Oracle Unlimited License Agreement (ULA) in the estimated amount of \$1,305,884 for a three-year term upon execution of Agreement.

- ee. approve additional (budgeted) funds for General DataTech, L.P. [DIR-SDD-1385] to provide Cisco Security Enterprise Software in the estimated additional budgeted amount of \$226,395 for the three-year term (Board previously approved funds in the amount of \$500,804 for the three-year term).
- ff. approve the first of three (3) renewal options for EFI Global, Inc. to provide asbestos sampling, analysis, design and abatement monitoring in the estimated amount of \$150,000 for the term June 4, 2014 through June 3, 2015.
- gg. approve the first of three (3) renewal options for EFI Global, Inc. to provide on-call environmental and indoor air quality consulting services in the estimated amount of \$150,000 for the term June 4, 2014 through June 3, 2015.
- hh. approve the fourth and final renewal option for Milam & Co. Painting, Inc. (Primary) and Teko Contractors (Secondary) to provide paint and sheetrock maintenance services in the estimated multi-vendor amount of \$630,637 for the term June 22, 2014 through June 21, 2015.
- ii. approve purchase on the basis of low quote per category for HBI Office Solutions (IV, V - \$11,256), Vanguard Environments (III, VII - \$137,990), and Contract Resource Group (I, II, VI - \$174,767) to provide office furniture for Ben Taub, Vallbona and Gulfgate Same Day Clinics, and Spring Branch and Fry Road Health Centers in the total multi-vendor amount of \$324,013.
- jj. approve the second-year funding for Koch Filter Corporation [PP-FA-352] to provide Air Filtration Products in the estimated amount of \$149,765 for the term June 1, 2014 through May 31, 2015.
- kk. ratify purchase on the basis of best contract for Cardinal Health 200, LLC [PP-OR-1074] – Option 1 to provide custom procedure trays in the estimated amount of \$2,557,306 for the term January 1, 2014 through December 31, 2014.
- ll. ratify purchase on the basis of best contracts for Becton, Dickinson and Company [PP-NS-780] – Option 2 (\$3,270 – Items 24, 25, 28, 30), Covidien Sales, LLC (all through Cardinal Health) [PP-NS-781] – Option 1 (\$371,001 – Items 3-23, 26, 27) to provide standard hypodermic products in the estimated multi-vendor amount of \$374,271 for the term October 1, 2013 through September 30, 2014.
- mm. ratify purchase on the basis of best contracts for Smiths Medical ASD Inc. – Option 2 (\$3,776 – Items 19, 21) and Covidien Sales, LLC (all through Cardinal Health) – Option 1 (\$165,775 – Items 1-18, 20) to provide Safety Hypodermic Products in the estimated multi-vendor amount of \$169,551 for the term October 1, 2013 through September 30, 2014.
- nn. ratify purchase on the basis of best contract for Cardinal Health 200, LLC [PP-OR-1017] – Option 1 to provide sterile packs and gowns in the estimated amount of \$447,462 for the term January 1, 2014 through December 31, 2014.
- oo. approve second-year funding for Medline Industries, Inc. through Cardinal Health [PP-NS-723] to provide personal care kits and components in the estimated amount of \$203,158 for the term July 1, 2014 through June 30, 2015.

- pp. ratify second-year funding for Kimberly Clark Corporation [PP-NS-728] (\$30,450) and Cardinal Health 200, LLC [PP-NS-726] (\$263,550) to provide disposable non-sterile protective apparel in the estimated multi-vendor amount of \$294,000 for the term May 1, 2014 through April 30, 2015.
- qq. approve the fourth and final renewal option for Genzyme Biosurgery to provide Resorbable Barrier Adhesion Film in the estimated amount of \$196,487 for the term July 1, 2014 through June 30, 2015.
- rr. approve second-year funding for Medtronic USA Inc. [PP-CA-222] (\$5,950 – Items 131-134), Merit Medical Systems, Inc. [PP-CA-223] (\$17,847 – Items 135- 154), Abbott Laboratories Inc. [PP-CA-219] (\$108,150 – Items 105-119), and Boston Scientific Corporation (all through Cardinal Health) [PP-CA-220] (\$125,415 – Items 1-104) to provide diagnostic and interventional cardiology products in the estimated multi-vendor amount of \$257,362 for the term July 1, 2014 through June 30, 2015.
- ss. ratify contract for Mental Health and Mental Retardation Authority of Harris County (MHMRA) to engage Harris Health System to provide meals for patients at the NeuroPsychiatric Center at Ben Taub Hospital in the estimated revenue amount of \$281,424 for the term March 7, 2014 through March 6, 2015 with one-year renewal options.
- tt. approve purchase on the basis of lowest priced contract for Philips Healthcare [PP-CA-195] to provide a hemodynamic monitoring system in the amount of \$272,006.
- uu. approve purchase on the basis of best contract for Olympus America, Inc. [PP-OR-778] to provide urology endoscopes and video equipment in the amount of \$301,822.
- vv. approve award on the basis of lowest priced proposal for Universal Ophthalmic Instruments, Inc. to provide eye exam and eye care equipment and products in the estimated amount of \$353,000.
- ww. approve purchase on the basis of best contract for Carestream Health, Inc. [PP-IM-214] to provide portable digital x-ray systems in the amount of \$874,200.

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

- a. transmittal of the fourth and final renewal option for Terry Stukalin Health Care Management Services, Inc. to provide recruitment services for Directors of Nursing, Nursing Program Managers and Administrative Directors for Nursing in the estimated amount of \$75,000 for the term June 25, 2014 through June 24, 2015.
- b. transmittal of purchase on the basis of low quote per category for Facility Interiors (IV - \$2,349), HBI Office Solutions (I,II - \$5,509), McCoy-Rockford, Inc. (V - \$6,960), Staples-Business Interiors (III - \$9,462), Executive Office Concept (EOC) c/o J Tyler (VIII - \$17,266), Contract Resource Group (VI - \$17,673), and National Office Furniture c/o J Tyler (VII - \$23,682) to provide office furniture for the Pediatric and Adolescent Health Center in the total multi-vendor amount of \$82,901.
- c. transmittal of additional (budgeted) funds for Abbott Laboratories, Inc. to provide automated hepatitis testing system including analyzer(s) reagents, consumables, and

- service in the additional budget amount of \$29,016 (Board previously approved funds in the amount of \$750,813).
- d. transmittal of purchase on the basis of best contract to Mortara Instrument, Inc. to provide cardiac stress systems in the amount of \$97,555.
 - e. transmittal of purchase on the basis of lowest priced contract for Midmark Corporation through Midwest Medical Supply [PP-AC-095] to provide tabletop sterilizers in the amount of \$72,135.
 - f. transmittal of renewal for Microsoft Corporation [DIR-SDD-1927] to provide Microsoft premier support services in the estimated amount of \$90,690 for the term May 28, 2014 through May 27, 2015.
 - g. **PULLED**
 - h. transmittal of purchase on the basis of low quote for General DataTech, L.P [DIR-SDD-1385] to provide Cisco Nexus hardware and support in the amount of \$77,331.
 - i. transmittal of purchase on the basis of low quote for Carahsoft Technology Corporation [GS-35F-0119Y] to provide maintenance and support for SAP BusinessObjects Data Management Software in the estimated amount of \$88,468 for the term March 16, 2014 through March 15, 2015.
 - j. transmittal of purchase on the basis of best contract for Mark III Systems [DIR-SDD-2106] to provide IBM hardware services in the estimated amount of \$65,000.
 - k. transmittal of an exemption from the competitive bid requirements and the third of four (4) renewal options for Donald David Stalinsky d/b/a Stalinsky Design to provide graphic design services in the estimated amount of \$90,000 for the term March 9, 2014 through March 8, 2015.
 - l. transmittal of additional grant funds for Craven and Plummer, Inc. to provide Title V prenatal and postpartum dental services in the additional grant fund amount of \$26,305 for the term September 1, 2013 through August 31, 2014 (Board previously approved funds in the amount of \$26,954 for the term September 1, 2013 through August 31, 2014).

Motion 14.05-61

Moved by Mr. Lawrence Finder, seconded by Mr. E. Dale Wortham, and unanimously passed, that the Board approve agenda items VII.B – VII.T.

Mr. Lawrence Finder requested clarification regarding the affiliation agreements for legal engagements, asking whether competitive bids and pricing structures had been negotiated. Ms. Mercedes Leal, Attorney, Harris County Attorney's Office, stated that the affiliation agreements are the result of the County Attorney's review of the requests for quotation (RFQs) from legal firms. She stated that the RFQ criteria for legal firms included their track records, quality of work and best price for legal engagements.

Mr. Finder also requested clarification regarding the percentage of students that remain with Harris Health System subsequent to graduation or completion of matriculation. Dr. Carmel Dyer, Chief of Staff, LBJGH, commented that 45% of the physicians in Harris County were trained at the Baylor College of Medicine and The University of Texas

Medical Center and many have proved their dedication to the mission of Harris Health System by becoming healthcare providers within the Harris Health System.

Ms. Carolyn Truesdell introduced a matter regarding additional expenditures related to the DSRIP program. She stated that due to the 50% increased cost of square footage for the same day clinics and the higher than estimated fees for the County's Public Infrastructure Department (PIDs) management services, plans for same day clinics have been altered and the Lyndon B. Johnson free-standing clinic will now be consolidated into the LBJ Outpatient Clinic. Mr. Elvin Franklin, Jr., acknowledged the significance of the revised DSRIP plan and the increased cost of \$6M overage. He stated that even though the expenditures for the DSRIP program have increased, Harris Health System must proceed and move forward with the DSRIP plans to ensure compliance with the DSRIP standards and ensure program metrics are met.

- B. Approval to Name the Same Day Clinic Located at 1623 Airline Drive, Houston, Texas 77009 – Harris Health Sunset Heights Clinic.
- C. Approval to Enter into the 4th Term of the Lease Agreement with Copperfield Timbercreek Atrium, LLC for Lease Space Located at 5870 N. Highway 6, Suite 108, Houston, Texas 77084 – the Bear Creek Pediatric and Adolescent Health Center.
- D. Approval to Enter into a New Lease Agreement with University Christian Church for 43 Parking Spaces Located at 3610 Southmore, Houston, Texas 77004 for Additional Parking at Quentin Mease Community Hospital.
- E. Approval to Enter into the 4th Term of the Lease Agreement with A-S 47-Jones-Cypress N. Houston, L.P. for Lease Space Located at 12340 Jones Road, Suite 100, Houston, Texas 77070 – the Cypress Pediatrics and Adolescent Health Center.
- F. Approval to Enter into the 11th Term of the Lease Agreement with Houston Business Development, Inc. for Lease Space Located at 5220-5250 Griggs Road, Houston, Texas 77021 – the Dental Center.
- G. Approval for the Expenditure of Additional Funds for Harris Health System's DSRIP Program.
- H. Approval of the new Harris Health System Policy No. 6.44, Reasonable Accommodation Policy.
- I. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System and Houston Community College District (Community Health Worker Certificate Program).
- J. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System and Houston Community College District (Emergency Medical Services Certificate Program).
- K. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System and Houston Community College District (Pharmacy Technician Certificate Program).
- L. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System and Houston Community College District (Associate Degree in Health Information Technology Program).

- M. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System and Texas Department of State Health Services (Texas WIC Dietetic Internship Program).
- N. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System, Baylor College of Medicine and the University of Houston (Master of Arts Degree in Communication Sciences and Disorders Program).
- O. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System and Appalachian College of Pharmacy (Pharm.D. Program).
- P. Approval of an Affiliation Agreement between Harris County Hospital District d/b/a Harris Health System and the University of Incarnate Word (Doctor of Physical Therapy Program).
- Q. Approval to Renew Engagements with Outside Legal Counsel for Legal Services Regarding Healthcare and Reimbursement Matters, Employee Benefits and Immigration Matters.
- R. Approval to Ratify a Second Amendment to an Agreement between Harris County Hospital District d/b/a Harris Health System and the Dallas County Hospital District, The Parkland Foundation for Texas/Oklahoma AIDS Education and Training Center Funded Under Ryan White HIV/AIDS Treatment Extension Act Part F to Provide State-of-the-Art Education and Treatment, Training and Consultation, and Support to Healthcare Professionals Treating HIV-Infected Patients.
- S. Approval of an Amendment between Harris County Hospital District d/b/a Harris Health System and the Texas Department of State Health Services and Acceptance of Grant Funding for Title V Maternal Health Program.
- T. Approval of an Amendment between Harris County Hospital District d/b/a Harris Health System and the Texas Department of State Health Services and Acceptance of Grant Funding for Title V Child Health Program.

VIII. Reports of the Committee

A. Joint Conference Committee

Motion 14.05-62

Moved by Ms. Daisy Stiner, seconded by Mr. Lawrence Finder, and unanimously passed, that the Board accept agenda item VIII.A.1.

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

Dr. Tien Ko, Chair, Harris Health System Medical Executive Board, presented the Medical Executive Board Report. Dr. Ko announced that the OpTime rollout will begin soon and is designed to help monitor operating room utilization at both Ben Taub and Lyndon B. Johnson General Hospitals. Dr. Ko also announced that the Medical Staff retreat will be held in the Fall of 2014. He stated that the agenda of the retreat will focus on improving collaboration between nurses, administration and physicians and will explore ways to improve the quality of medical care.

Ms. Carolyn Truesdell requested an update regarding the status on the Lyndon B. Johnson Outpatient Surgery Center. Mr. Mark Sams, Vice President, Planning Facilities Management and Engineering, stated that the third floor of the LBJ Outpatient Service Center would be finalized in two weeks. Mr. George Masi, Executive Vice President and Chief Operations Officer, added that two surgical rooms were complete and that surgeons were hired.

Dr. Stephen Greenberg, General Director, Affiliated Medical Services (AMS), announced that Dr. Yvonne Chu, Baylor College of Medicine, Chief of Ophthalmology Department, will serve as the new General Director of AMS. Dr. Greenberg stated that he will return to the AMS Board of Trustees. Dr. Greenberg also announced that Dr. Mohammad Zare, the current interim Chief of Staff, will become the official Chief of Staff of AMS. Dr. Greenberg noted that each of these changes will become effective July 1, 2014.

Motion 14.05-63

Moved by Mr. E. Dale Wortham, seconded by Ms. Daisy Stiner, and unanimously passed, that the Board approve agenda item VIII.A.2.

2. Approval Regarding the Credentialing Changes for Members of the Harris Health System Medical Staff (May 2014).

Motion 14.05-64

Moved by Mr. E. Dale Wortham, seconded by Ms. Carolyn Truesdell, and unanimously passed, that the Board approve agenda item VIII.A.3.

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

Motion 14.05-65

Moved by Mr. E. Dale Wortham, seconded by Mr. Brandon Capetillo, and unanimously passed, that the Board approve agenda item VIII.A.4.

4. Consideration of Approval of a Recommendation Regarding Neurosurgery Clinical Privileges Form for Harris Health System

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, Executive Vice President and Chief Medical Officer, presented the Quality Executive Summary and Scorecard. He stated that all quality indicators have met the benchmarks and goals. 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. He stated that trends and indicators regarding patient satisfaction continue 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. He stated that a recent meeting with frontline ambulatory care physicians provided an opportunity to address their concerns regarding medical issues and the practice of medicine. A copy of the report is available in the permanent record.

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

Dr. Sutton presented the Emergency Center Medical Screening Exam Process Goals. He stated that Ben Taub General Hospital and Lyndon B. Johnson General Hospital have implemented new processes to decrease average wait time before a patient is seen by a medical provider. He reported that both pavilions are meeting the wait time target of four hours or less. A copy of the report is available in the permanent record.

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

2. Review and Discussion Regarding the Harris Health System Quality Infection Prevention Report

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

Dr. Sutton introduced the discussion regarding Infection Prevention at Ben Taub General Hospital. Dr. Santos commended Dr. Sutton and the infection prevention team for their commitment to decreasing the infection rate, detecting infection problems and initiating corrective action in instances where cases of infection have been reported. A copy of the report is available in the permanent record.

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

Dr. Sutton introduced the discussion regarding Infection Prevention at 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. Review and Discussion Regarding Restraint and Seclusion Usage Scorecard.

Dr. Sutton introduced the Harris Health System Quality Restraint and Seclusion Report. Dr. George Santos commended Dr. Sutton and the medical staff on the improved restraint and seclusion process that is currently being implemented. A copy of the report is available in the permanent record

4. Review and Discussion Regarding the Recommitment with Essential Hospitals Engagement Network Collaboration Report **[For Information Only]**

C. Budget & Finance Committee

Motion 14.05-66

Moved by Mr. E. Dale Wortham, seconded by Ms. Daisy Stiner, and unanimously passed, that the Board accept agenda items VIII.C.1 through VIII.C.3.

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

Mr. Michael Norby, Executive Vice President, Chief Financial Officer, presented the Harris Health System April 2014 Financial Report. He stated that adjusted patient days totaled 52,506. Mr. Norby reported that April primary care clinic visits totaled 76,537 and that specialty clinic visits totaled 30,074. Mr. Norby stated that total net revenue was \$110.2M which was 3.5% less than budget and that total expenses were \$108.3M. Mr. Norby noted an operating income of \$1.9M, which was \$5.7M less than budget. Mr. Norby stated that Uncompensated Care (UC) revenue for FY2013 is still an unresolved matter. He stated that he is communicating with the State and that he will provide an update to the Board once the UC negotiation with the State is resolved or when information becomes available. Operating income is a loss of \$7.7M year-to-date as of the end of April, against a budgeted \$2.3M gain.

Ms. Carolyn Truesdell requested an update on the status of wait lists. Mr. George Masi, Executive Vice President and Chief Operations Officer, stated Harris Health System and Affiliated Medical Service (AMS) are preparing a comprehensive report that will delineate wait lists for primary care appointments, specialty care referrals, procedures and surgeries, the number of patients in queue for appointments, and the number of referrals moved to network providers. Mr. Masi noted that a meeting with the AMS partners is scheduled for Wednesday, June 4, 2014 and that the update regarding wait lists will be presented in Committee, July 17, 2014.

Mr. TJ Tijerina informed the Board that Mr. Norby and the executive leadership team have been reviewing expenses related to overtime and contract labor. Mr. Tijerina also stated that Mr. Norby will provide quarterly reports regarding the status of executive budgets to the Board. He stated that any variances will require an action plan to reduce expenses. Mr. Tijerina noted that if the budgets for the first two quarters of the fiscal year are not on target, the frequency of the updates will increase to monthly.

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

Mr. Norby presented the Harris Health System April 2014 Pension Plan Report. Mr. Norby stated that the market value of the pension plan as of April 30, 2014 was \$562.4M. Mr. Norby noted that as of April 30, 2014, the pension plan was 75.6% funded. A copy of the report is available in the permanent record.

3. Consideration of Acceptance of the Harris Health System April 2014 Investment Report.

Mr. Norby presented the Harris Health System April 2014 Investment Report. He reported that as of April 30, 2014, the investment balance was \$468M. A

copy of the report is available in the permanent record.

4. Presentation of the April 2014 Financial Statements of Community Health Choice, Inc.

Mr. Janda, President and Chief Executive Officer, Community Health Choice, Inc., presented April 2014 Financial Statements of Community Health Choice, Inc. (CHC, Inc.). Mr. Janda reported that the net income for April 2014 was \$3.6M and that the income for 2014 year-to-date was \$3.1M, which is above budget. A copy of the report is available in the permanent record.

D. Planning & Operations Committee

Other Items

Motion 14.05-67

Moved by Dr. George Santos, seconded by Ms. Daisy Stiner, unanimously passed, that the Board approve agenda items VIII.D 1. through VIII.D.5.

1. Approval of a Grant Agreement in Memorium between Harris County Hospital District d/b/a Harris Health System and the Harris County Hospital District Foundation for The Vallbona/Peoples Clinic Expansion and Remodel.
2. Approval of a Grant Agreement between Harris County Hospital District d/b/a Harris Health System and the Harris County Hospital District Foundation for the Houston Affiliate Susan G. Komen Grant.
3. Approval of a Grant Agreement between Harris County Hospital District d/b/a Harris Health System and the Harris County Hospital District Foundation for the American Cancer Society/Walgreens' Community Health Empowerment Program Grant.
4. Approval of a Grant Agreement between Harris County Hospital District d/b/a Harris Health System and the Harris County Hospital District Foundation for The Stanford and Joan Alexander Foundation Grant.
5. Approval of a Grant Agreement between Harris County Hospital District d/b/a Harris Health System and the Harris County Hospital District Foundation for the Fred and Mabel R. Parks Foundation Grant.

E. Legislative Committee

1. Update, Discussion and Possible Action Regarding Activities in Austin Relating to Legislative/Regulatory Issues Impacting Harris Health System, the 84th Legislative Session, and the Harris Health System Legislative Platform.

Mr. R. King Hillier, Vice President, Public Policy and Government Relations, presented the Activities in Austin Related to the Legislative/Regulatory Issues Impacting Harris Health System, the 84th Legislative Session, and the Harris Health System Legislative Platform. Mr. Hillier reported that the debate regarding the tax rollback and appraisal cap legislation has increased and that potential changes may impact Harris Health System revenue stream.

Mr. Hillier reported that he will continue to meet with local and State Representatives regarding a Texas Expansion (Medicaid). Mr. Hillier stated that

the THOT will be hosting an 1115 Waiver Renewal strategy session in Austin, TX on June 20, 2014.

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

Mr. Hillier presented the report Regarding Pending Federal Legislative and Policy Issues Affecting Harris Health System. Mr. Hiller stated that there will be a joint meeting with Pharmaceutical Research and Manufacturers of America (PhRMA) and the Teaching Hospitals of Texas (THOT) to discuss potential qualifications and criteria for the 340B drug pricing. He also announced that he and Ms. Mary Schneider have been invited to the 340B Leadership Summit to discuss the future of the 340B drug program. He noted that the meeting will be held June 10, 2014, Washington, DC.

IX. President/Chief Executive Officer's Reports

- A. Review, Discussion and Possible Action Regarding Medicaid Funding Options

Mr. David Lopez, President and Chief Executive Officer, presented the Medicaid Funding Options. Mr. Lopez led the discussion and highlighted the following Medicaid proposal options which include: 1) an increase in State General Revenue; 2) an increase in Hospital District Funding and Intergovernmental Transfers (IGT Appropriations); 3) an increase in Non-Hospital District Funding and IGTs; 4) an increase and/or a modified State Business Tax; 5) an increase in Tobacco Tax and/or creation of a tax on Sugary Beverages; 6) an increase in Health Insurance Premium Tax; and, 7) creation of a Hospital Assessment. Significant discussion ensued. Mr. Lopez also informed the Board that he is a member of a Texas Hospital Association Committee on alternative funding for Medicaid expansion. A copy of the report is available in the permanent record.

X. Executive Session

At 10:55 a.m., Mr. Elvin Franklin, Jr., 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, and the Texas Gov.t Code Ann. §551.071.

XI. Reconvene

At 11:24 p.m., Mr. Elvin Franklin, Jr., 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.

XII. Adjournment

Moved by Ms. Daisy Stiner, seconded by Dr. George Santos, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 11:24 a.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 May 29, 2014.

Respectfully submitted,

Mr. Elvin Franklin, Jr., Chair
Board of Managers

Dr. George Santos, Secretary
Board of Managers

Recorded by Henrietta Robinson