



HARRIS COUNTY HOSPITAL DISTRICT

**REGULAR MEETING OF THE
BOARD OF MANAGERS**

9:00 A.M.

June 29, 2006

Board Room

**Harris County Hospital District Administration Building
2525 Holly Hall Drive
Houston, Texas 77054**

AGENDA

- I. Call to Order and Record of Attendance – *J. Evans Attwell***
- II. Approval of the Minutes of Previous Meeting**
 - Regular Board Meeting May 25, 2006
 - Called Board Meeting June 14, 2006
- III. Hear from Citizens – *J. Evans Attwell***
- IV. Purchasing – *Danny Jackson***
 - The Fiscal Affairs Committee met on June 26, 2006 and brings forth to the Board the following items:
 - A(1). Consideration of Recommendation regarding Purchases Requiring Board Approval
 - a. Premier Contract BM 06.5-270: Rescission of award for Electrocardiology Systems – *GE Medical Systems Information Technologies, Inc.*
 - b. Premier Contract PP-NS-028: Award of Contract for Pneumatic Compression Devices – *Huntleigh Healthcare Inc.*
 - c. Catalog Information Systems Vendor (CISV): Purchase of Storage Expansion Upgrade for the Unix Systems – *Mark III Systems*
 - d. Premier Contract PP-PH6EXPO1: Award for Reverse Drug Distribution – *EXP Pharmaceutical Services Corp.*

- e. Job 06/0045: Award for Medical Transcription Services – *Medical Transcription Corp.*
 - f. Job 06/0152: Award for Transportation Services for Patients and Packages – *Greater Houston Transportation Company dba Yellow Cab*
 - g. Job 02/0399; BM 05.5-221: Renewal and Funding for Depositories – *JP Morgan Chase fka Bank One, N.A. and Bank of America, N.A.*
 - h. Premier Contract PP-OR-091: Renewal and Funding for O.R. Basin, Suture Removal and Laceration Trays (Previously referred to as Standard Surgical Set-Up Kits) – *Medline Industries, Inc.*
 - i. BM 04.8-372: Renewal and Funding for Hardware and Software Maintenance and Support for the Virtual Tape System – *Storage Technology Corporation*
 - j. BM 05.7-331: Renewal and Funding for IBM Enterprise Software Maintenance Agreement – *International Business Machines Corporation*
 - k. Premier Contract BM 05.7-350: Additional Funding for Extended Three Month Term for Premier Healthpak Reagent Rental Agreement (Blood Gas) – *Bayer Corporation Diagnostics Division*
 - l. BM 05.12-577: Additional Funding for Extended One Month Term and Personal Service Exemption for Consulting Services for Eligibility and Revenue Cycle Process Improvements – *Todd Halpin, M.B.A., C.P.A. through Phase 2 Consulting*
 - m. Job 005/0115; BM 05.80356: Renewal for Pharmaceutical Price Verification Services – *S/T/ Health Group Consulting, Inc.*
 - n. Job 04/0384; BM 05.5-219: Renewal for Off-Site Storage and Maintenance of Financial Assorted Business Records and Retrieval Services – *Iron Mountain*
 - o. Interlocal Agreement; BM 05.7-327: Renewal for Physician Advisory Consulting Services – *John W. Riggs, M.D. (Physician Advisor) through the University of Texas Health Science Center at Houston*
 - p. Premier Contract PP-OR-041; BM 05.7-324: Funding for Sterile Reprocessing – *SteriMed, Inc.*
- A(2). Transmittal of Completed Purchases Under \$100,000
(For Informational Purposes)
- a. Job 06/0154: Award for De-Installations and Removal of X-Ray Film Processors and Motorized View Boxes – *Rad Mart X-Ray*
 - b. Premier Contract PP-NS-216: Award for Transparent Dressings – *Smith & Nephew, Inc.*

- c. Premier Contract PP-NS-328: Award for Disposable Labor and Delivery Supplies – *Tyco Healthcare Group LP The Kendall Co.*
- d. Premier Contracts PP-NS-330 & PP-NS-331: Award for OB Monitoring Devices – (1) *Clinical Innovations, Inc.* and (2) *Tyco Healthcare Group LP The Kendall Co.*
- e. Job 02/0277: Renewal of Award for Preventive Maintenance, Inspection, and Repair of Emergency Generators – *Stewart & Stevenson*
- f. Job 02/0298: Renewal of Award for Still Photography and Video Production Services – *James LaCombe Productions*
- g. Purchases for Categories of Goods and/or Services: (1) Sole Source: Renewal of Hospital License for Ben Taub General Hospital and Quentin Mease Community Hospital; (2) Catalog Information Systems Vendor (CISV): SurfControl Yearly Maintenance Renewal; and (3) Premier/Standardized: (1) Deposit for 6-Month Telemetry Equipment Clinical Trial; and (2) Q-Matic Extended Warranty – (1) *Texas Department of Licensing & Regulation and Regulation and Q-Matic Corporation;* (2) *Set Solutions, Inc.;* and (3) *Spacelabs Medical, Inc. and Medtronic Emergency Response System*

V. Reports of the Committees

A. Joint Conference – *Stephen DonCarlos*

The Joint Conference Committee met June 14, 2006 and brings forth to the Board the following items:

- 1. Report of the Board of Managers Joint Conference Committee – *Stephen DonCarlos*
- 2. Consideration of Recommendation of Approval of a Cord Blood Bank Collection Agreement between the Harris County Hospital District, the University of Texas M.D. Anderson Cancer Center, and Baylor College of Medicine – *Beth Cloyd and Elizabeth Shpall, M.D.*

The following items did not go to Joint Conference Committee and comes directly to the Board:

- 1. Consideration of Recommendation regarding the Credentialing Changes for Members of the HCHD Medical Staff – *Wayne J. Riley, M.D.*
- 2. Consideration of Acceptance of the Medical Board Report – *Wayne J. Riley, M.D.*

The following items were withdrawn at the May 25, 2006 Board meeting and are now resubmitted for the Board's consideration:

1. Consideration of Approval of an Agreement between the Harris County Hospital District (HCHD) and MD Anderson Cancer Center (MDACC) to Provide Faculty Staffing at LBJ for Our Cancer Program – *Beth Cloyd*
2. Consideration of Approval of a Memorandum of Understanding for Collaborative Oncology Program between the Harris County Hospital District (HCHD) and MD Anderson Cancer Center (MDACC) – *Beth Cloyd*

B. Fiscal Affairs – *Danny Jackson*

The Fiscal Affairs Committee met June 26, 2006 and brings forth to the Board the following items:

1. Consideration of Approval of the Harris County Hospital District's FY 2006 Financial Audit – *Gwendolyn Huskey*
2. Consideration of Approval of the Audits of the Harris County Hospital District's Employee Benefit Plans – *Gwendolyn Huskey*
3. Consideration of Acceptance of the Harris County Hospital District's FY 2006 Federal & State Grant Programs Audit – *Gwendolyn Huskey*
4. Update on the Harris County Hospital District's Statistical Trends – *Nancy Brock*
5. Consideration of Acceptance of the Harris County Hospital District's May 2006 Financial Report Subject to Final Audit – *Gwendolyn Huskey*
6. Consideration of Acceptance of the Harris County Hospital District's May 2006 Pension Plan Report Subject to Final Audit – *Gwendolyn Huskey*
7. Consideration of Acceptance of the Harris County Hospital District's First Quarter Investment Report for the Period Ended May 31, 2006 – *Gwendolyn Huskey*
8. Consideration of Approval of Utilization of Commercial Paper Program to Fund (1) Award of Construction Services Agreement with 3D/ International, Inc. for the Ben Taub General Hospital CT/Urgent Care Renovation Project and (2) Architectural and Engineering Services Agreement with Browne Penland McGregor Stephens, Architects, Inc. for the New LBJ Emergency Center Project – *Liz Alhand*

The following items did not go to the Fiscal Affairs Committee and come directly to the Board:

1. Discussion and Approval of Fiscal Year 2005 Audited Financial Statements for Community Health Choice, Inc. –
Glen R. Johnson, M.D.
2. Discussion and Approval of Recommendation of Community Health Choice, Inc.’s Board of Directors Capital Repayment of \$4.0 Million to the Harris County Hospital District –
Glen R. Johnson, M.D.
3. Presentation of the May 2006 Financial Statements of Community Health Choice, Inc. – *Glen R. Johnson, M.D.*

C. Clinic Committee – *Elvin Franklin, Jr.*

The Clinic Committee did not meet and brings directly to Board the following item:

Report regarding Ongoing Activities of the Council-at-Large –
Elvin Franklin, Jr.

D. Personnel Committee – *E. Dale Wortham*

The Personnel Committee met June 12, 2006 and brings forth to the Board the following items:

1. Items Related to HCHD Pension Plan

Consideration of Appointment to the Harris County Hospital District Pension & Disability Committee – *Lou Gould*

2. Items Related to HCHD 401(k) Plan

- a. Consideration of Modifying Section 6.01(b) of the 401(k) Plan Document (“Plan”) related to Financial Hardship Distributions to be Consistent with the New Department of Treasury Regulations – *Lou Gould*
- b. Consideration of Approval to Delegate Oversight for the Deferred Compensation Program (457(b)), Governmental Plan to the 401(k) Committee – *Lou Gould*
- c. Consideration of Approval to Replace the Magellan Fund with Legg Mason, a Large Cap Core Mutual Fund, for the 401(k) Plan – *Lou Gould*
- d. Consideration of Appointment to the Harris County Hospital District 401(k) Administrative Committee – *Lou Gould*
- e. Consideration of Approval of Additional Signature Authority for Schedule “D” of the Trust Agreement between the Harris County Hospital District and Fidelity Management Trust company for the 401(k) Plan – *Lou Gould*

3. Items Related to Agreement Ratifications

- a. Consideration of Ratification of an Agreement between the Harris County Hospital District and University of Texas Medical Branch to Continue Participation in the United States Department of Labor H-1B Technical Skills Training Program for Acceptance of \$210,000 in Grant Funds – *Lou Gould*
- b. Consideration of Ratification of the Agreement Period for the Non-Financial Internship Agreement between the Harris County Hospital District and Houston Works USA – *Lou Gould*

E. Governmental & Public Affairs Committee – *Carolyn Truesdell*

The Governmental & Public Affairs Committee did not meet and brings directly to the Board the following items:

1. Update, Discussion and Possible Action regarding Activities in Austin relating to HCHD and Its Legislative Platform – *R. King Hillier and Mary Schneider*
2. Discussion, Update and Possible Action regarding the Regional UPL Initiative in Harris and Surrounding Counties – *R. King Hillier and Mary Schneider*
3. Update, Discussion and Possible Action regarding Pending Federal Legislative, Line Items and Policy Issues Affecting HCHD – *R. King Hillier and Mary Schneider*

F. Buildings & Properties Committee – *Mary Spinks*

The Buildings & Properties Committee met June 16, 2006 and brings forth to the Board the following items:

1. Consideration of Award of Contract for Construction Services to 3D/International, Inc. for the Ben Taub General Hospital CT/Urgent Care Renovation Project – *Lawrence Bell*
2. Consideration of Award of Contract for Construction Services to Structural Concrete Systems, LLC. for the Ben Taub General Hospital Parking Garage Improvement Project – *Lawrence Bell*
3. Consideration of Intent to Enter into Lease Option 3 with the Houston Small Business Development Corporation for Lease Space (Dental Center) – *Lawrence Bell*
4. Consideration of Intent to Enter into Lease Option 3 with Dr. Haram S. Azard and Mr. Manohar S. Mann of ComRealty for Lease Space (South Loop Eligibility Center) – *Lawrence Bell*

5. Consideration of Approval to Enter into a Professional Services Agreement with Brown Penland Mcgregor Stephens, Architects, Inc. for the New LBJ Emergency Center – *Lawrence Bell*

The following item did not go to the Buildings and Properties Committee and comes directly to the Board:

Consideration of Ratification of Expenditures Associated with Offsite Storage and Moving Services Provided by A-Rocket Moving and Storage, Inc. – *Lawrence Bell*

VI. Miscellaneous Agenda Items – *J. Evans Attwell*

- A. Ratification of an Amendment of an Agreement between the Harris County Hospital District and the Harris County Hospital District Foundation regarding the HCHD Foundation's Participation in the Premier Group Purchasing Program on Behalf of the Hospital District – *Ottley Sims*
- B. Consideration of Approval for Authorization for the Harris County Hospital District (HCHD) to Contract with the Council on Alcohol and Drugs-Houston, for the Provision of Mental Health, Behavioral Health, Alcohol and Drug Abuse Services at the Harris County Hospital District Community Health Clinics – *Beth Cloyd*
- C. Consideration of Approval for Authorization for the Harris County Hospital District to Contract with the Methodist Hospital for Hospital Services Not Provided at District Facilities – *Beth Cloyd*
- D. Consideration of Approval of an Agreement between the Harris County Hospital District and Baylor College of Medicine for a Medical Director of Psychiatry (DMIE Program) – *Beth Cloyd*
- E. Consideration of Approval of an Agreement between the Harris County Hospital District (HCHD) and the Department of State Health Services for the Maternal and Child Health Title V Grant Program for the term September 1, 2006 through August 31, 2007 – *Robert Scholz*
- F. Consideration of Approval of an Agreement between the Harris County Hospital District and Baylor College of Medicine for the Maternal and Child Health Title V Grant Program Medical Supervision for the Term from September 1, 2006 through August 31, 2007 – *Robert Scholz*
- G. Consideration for Acceptance of an Award of \$55,500 for the Harris County Hospital District (HCHD) from the Department of State Health Services for Breast and Cervical Cancer Control Services – *Robert Scholz*
- H. Consideration of Approval of a Clinical Research Grant Agreement between the Harris County Hospital District and Amgen Inc. – *Robert Scholz*

- I. Consideration of Approval of an Agreement between the Harris County Hospital District and Genentech, Inc. to Participate in the Genentech Patient Pharmaceutical Assistance Program – *Robert Scholz*
- J. Consideration of Approval of an Agreement between the Harris County Hospital District and MGI Pharma, Inc. to Participate in the MGI Pharma, Inc. Patient Pharmaceutical Assistance Program – *Robert Scholz*
- K. Consideration of Ratification of an Affiliation Agreement between the Harris County Hospital District and Texas Southern University and Consideration of Approval of a Renewal Option of an Affiliation Agreement between the Harris County Hospital District and Texas Southern University – *Robert Scholz*
- L. Consideration of Approval of Agreements between the Harris County Hospital District on Behalf of Ben Taub General Hospital, Lyndon Baines Johnson General Hospital, and Quentin Mease Community Hospital and the Southeast Texas Trauma Regional Advisory Council for Receipt of Federal U.S. Health and Human Services, Health Resources and Services Administration (HRSA) – *Robert Scholz*

VII. Executive Session – J. Evans Attwell

- A. Report by Corporate Compliance Officer regarding Compliance with Medicare, Medicaid, HIPPA, and other Federal and State Health Care Program Requirements and a Status of Fraud and Abuse Investigations pursuant to § 161.032 of the Texas Health & Safety Code – *Walter Freitag*
- B. Consultation with the County Attorney regarding Cause No. 817,712; County Civil Court at Law #4; *Harris County Hospital District v. Pillard* (LBJ Expansion Project: Tracts 58, 59, and 60), pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session – *Robert Soard*
- C. Consultation with the County Attorney regarding the Status of Litigation involving the Harris County Hospital District vs. Textac Partners I, et al., pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session – *Robert Soard*
- D. Consultation with the County Attorney regarding Cause No. 03-60995-4; *Lorena Salinas v. HCHD* – CC at Law #4, Nueces County Texas, pursuant to Tex. Gov't Code Ann. §551.071 and Settlement of Claims Regarding this Matter Upon Return to Open Session – *Glen Van Slyke*

- E. Consultation with the County Attorney regarding Response and Audit of Documents subpoenaed by Department of Health and Human Services Offices of Inspector General, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session – *Glen Van Slyke*
- F. Discussion of Reinstatements of Barbara Wigrys and Lisa Guillory pursuant to Tex. Gov't Code Ann. §551.074, and Possible Action regarding this Matter Upon Return to Open Session – *David Lopez*

VIII. Reconvene

IX. Adjournment