



**HARRIS COUNTY HOSPITAL DISTRICT
MINUTES OF THE BOARD OF MANAGERS MEETING**

Thursday, August 25, 2005

Board Room – Administration Building

BOARD MEMBERS PRESENT

BOARD MEMBERS ABSENT

Mr. J. Evans Attwell, Chair
Mr. Stephen H. DonCarlos, Vice Chair
Ms. Carolyn Truesdell, Secretary
Dr. Daniel D. Louie, Asst. Sec.
Mr. Danny Jackson
Mr. Elvin Franklin, Jr.
Mr. Jim Lemond
Ms. Mary Spinks
Mr. E. Dale Wortham

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. George Masi, Chief Operating Officer
Mr. Jack McCown, Harris County Purchasing Agent
Mr. Kelly Johnson, Harris County Purchasing
Attorney Mercedes Leal, County Attorney's Office
Mr. Steve Brewer, Commissioner Steve Radack's Office
Ms. Suzanne McPherson, Commissioner El Franco Lee's Office
Ms. Catarina Cron, Judge Robert Eckels' Office
Ms. Gloria Moreno, Commissioner Sylvia Garcia's Office
Administrative Staff
Media
Guests
(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Mr. J. Evans Attwell, Chair, called the meeting to order at 9:01 A.M. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meeting

Motion 05.8-351

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the minutes of the July 28, 2005 regular meeting of the Board of Managers with the noted corrections.

III. Hear from Citizens

Mr. Walter Protheroe addressed the Board regarding his treatment as a patient of the HCHD.

The following individuals addressed the Board regarding School-based Clinics: *Ms. Aurora Hurtado, Ms. Frances Baccigalopi, Ms. Charlotte Wright, Mr. Scott Davis, Ms. Evelyn Henry and Ms. Susan Johnson.* They all thanked the Board for its support and asked that they please continue this much needed service to the respective communities.

Mr. Joseph LeBlanc addressed the Board regarding his treatment as a patient of the HCHD.

Ms. Carolyn Arnold addressed the Board regarding the contract award process at HCHD. Mr. Attwell suggested she continue her remarks following Executive Session.

Mr. Attwell announced that the October 27, 2005 Board meeting will be moved to November 3, 2005, to enable Board Members to attend the National Association of Public Hospitals (NAPH) Conference being held in Washington DC in late October. He then called on Mr. Danny Jackson to present Agenda Items related to Purchasing.

IV. Purchasing

The Fiscal Affairs Committee met on August 19, 2005 and brings forth the following items for consideration.

Mr. Jackson announced the following changes to agenda items related to Purchasing: Agenda Item A(1)c. correct amount is \$55,000, A(1)d. has been withdrawn, A(1)j. correct amount is \$500,000, A(1)o. has been withdrawn, and A(1)s. Aetna Life Insurance Company had not paid their taxes until after their bid and the Committee recommends to waive that requirement.

A(1). Consideration of Recommendation regarding Approval of Purchases requiring Board Approval:

a. **Motion 05.8-352**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed that the Board approve the third of four (4) renewal options for Gulf Coast Collections, Inc, in the estimated amount of \$428,297 for the term August 29, 2005 through August 28, 2006 and Premium Asset Recovery Corporation in the estimated amount of \$442,114 for the term August 23, 2005 through August 22, 2006 for a total estimated amount of \$870,411 to provide collection services for overdue patient accounts.

b. **Motion 05.8-353**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve year four (4) of five (5) for Xerox Corp. (PP-CE-249) in the estimated amount of \$230,300 for operation of the Hospital District Copy Center to include equipment, personnel and supplies for the term October 1, 2005 through September 30, 2006.

c. **Motion 05.8-354**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve the second of four (4) renewal options for (1) Accent Companies, Inc.; (2) Caring Professional Health Services, Inc.; (3) Corestaff Services; (4) Elite Personnel Consultants, Inc. d/b/a Evins Temporaries; (5) Inquest Staffing LLC; (6) Kforce Professional Staffing; (7) Resource Staffing, Inc.; and (8) Robert Half International, Inc. in the combined estimated amount of \$55,000 to provide temporary fiscal operations personnel during peak periods and/or to temporarily fill positions of employees who are assigned to special, long-term projects for the term September 1, 2005 through August 31, 2006.

d. Premier Contract PP-CE-276; BM 05.2-89: Resilient Flooring

This item was withdrawn.

e. **Motion 05.8-355**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board rescind an award to McKesson Automation Systems, Inc. for the term one year upon execution of Agreement, with four (4) one-year renewal options.

f. **Motion 05.8-356**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award, on the basis of best proposal meeting requirements, to S/T Health Group Consulting, Inc. in the estimated amount of \$250,000 (S/T Health Group will be paid a 40% fee based on credits and/or refunds received by the Hospital District.) to provide price verification for outpatient drugs purchased under Section 340B of the Public Health Service Act (created under Section 602 of the Veterans Health Care Act of 1992) and for inpatient drugs purchased through the Group Purchasing Organization for the term one-year upon execution of Agreement with one (1) one-year renewal option.

g. **Motion 05.8-357**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve awards, on the basis of best proposals meeting requirements, to (1) International Quality Healthcare Professional Connection, LLC (\$18,500 fees per placement); (2) RN India, Inc. (\$13,500 fees per placement); and (3) Global Healthcare Recruitment, Inc. (\$13,500 fees per placement) for a total estimated amount of \$360,000 for 20 nurses based on highest vendor placement fees for the term September 1, 2005 through July 31, 2006 subject to execution of the Agreements.

h. **Motion 05.8-358**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an exemption from the competitive bid requirement for an award to: (1) Advantage Nursing Services, Inc.; (2) Cross County Staffing, Inc. aka Cross County TravCorps; (3) AMN Healthcare, Inc.; and (4) Progressive Nursing Staffers of Texas, Inc. in the estimated amount of \$750,000 each for a total estimated amount of \$3,000,000 to provide travel nurse services to the Harris County Hospital District during critical staffing shortages for the term August 1, 2005 through July 31, 2006 with (1) one year renewal option. The awards are subject to the County Attorney's Office preparing Agreements to cover these services.

i. **Motion 05.8-359**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an exemption from the competitive bid requirement for an award to: (1) A & B Health-Temp Agency, Inc.; (2) Advanced Health Education Center, Ltd, DBA Medrelief Staffing; (3) Face to Face Health Care Services; (4) Infinity Staffing and Total Healthcare; (5) Interim Healthcare Staffing; (6) Medical Staffing Staffing Network, Inc.; (7) Megacare Staffing Services, Inc.; (8) Nursefinders, Inc. d/ba/a Nursefinders of Dallas; (9) Omega Healthcare/Staffing Services; (10) Prime Staff, LP; (11) Progressive Nursing Staffers of Texas, Inc.; (12) Quality Health Services, Inc.; (13) SHC Services, Inc. dba Supplemental Health Care; (14) States Health In. dba States Health Care Serv.; (15) The Right Solutions, L.L.P.; (16) UltraStaff (JWS Health Consultants, Inc. dba Ultrastaff); (17) Star Healthcare Services; (18) Sisters of Grace Health Services, Inc.; (19) Staff Search Healthcare; and (20) TRII Star Medical Staffing, Inc.

j. **Motion 05.8-360**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award, on the basis of the best bid, to Cardinal Health 102, Inc. in the estimated amount of \$500,000 to provide registered and certified pharmacy technicians and pharmacist for the term August 1, 2005 through May 31, 2006 with three (3) one year renewal options. The award is subject to the County Attorney's Office preparing an Agreement to cover these services.

k. **Motion 05.8-361**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award to Baxter BioScience distributed through F.F. F. Enterprises, Inc. (PP-PW6FFF01 & PP-PH6BAX02) in the amount of \$1,500,000 for Plasma Products Committed Supply Program for the term July 1, 2005 through June 30, 2006.

l. **Motion 05.8-362**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve the purchase of quality control materials to be utilized by the Hospital District laboratories from Microgenics Corp for the estimated amount of \$128,215 and Bio-Rad Laboratories for the estimated amount of \$1,230 for a total estimated amount of \$129,445 for the term September 1, 2005 through August 31, 2006.

m. **Motion 05.8-363**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve the purchase of cleansing products for bed-ridden patients from Sage Products, Inc. through Cardinal for the estimated amount of \$292,114 for the term September 1, 2005 through August 31, 2006.

n. **Motion 05.8-364**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve, on the basis of best overall contract, the purchase of disposable anesthesia products from Vital Signs, Inc. through Cardinal Healthcare for the estimated amount of \$125,236 for the term September 1, 2005 through August 31, 2006.

o. Premier Contract PP-SS-026: Forms and Related Products

This item was withdrawn.

p. **Motion 05.8-365**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve, on the basis of best contract, the purchase of suction canisters, yankauers & tubing from Cardinal Health, Inc. for the estimated amount of \$177,335 for the term September 1, 2005 through August 31, 2006.

q. **Motion 05.8-366**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve, on the basis of best contract meeting requirements, the purchase of CT-C Tomography Unit to provide CT services in the Emergency Center in the amount of \$826,835.

r. **Motion 05.8-367**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds and an extension for Abbott Laboratories, Inc. Diagnostics Division in the estimated amount of \$71,960 to provide hematology analyzers and testing products for the term May 1, 2005 through August 31, 2005 or until a new contract is in place. (\$431,741 previous funding for the term May 1, 2003 through April 30, 2005 for total funding of \$503,701.)

s. **Motion 05.8-368**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve awards, on the basis of best proposals meeting requirements for Core Benefits, to National Pacific Dental (Dental) - \$1,703,762; Spectera Insurance Company, Inc. (Vision) - \$677,159; The Hartford (Basic Life and AD&D and Voluntary Life and AD&D) - \$809,549; and Aetna Life Insurance Company (Flexible Spending Accounts (FSA) and Qualified Transportation Benefits (QTB) - \$80,175 for a total of \$3,270,645 and best proposals meeting requirements for Voluntary Benefits, to Hartford Voluntary Life - \$267,012, Hartford Voluntary Dependent Life - \$36,912 and Hartford Voluntary AD&D – amount based on criteria met by individual employee. Core Hospital District Estimated Contributions \$2,196,943; Core Employee Estimated Contributions \$1,073,702; and Employee Estimated Contributions for Voluntary Benefits \$303,924. The term is March 1, 2006 through February 28, 2007, with four (4) one year renewable options, subject to execution of the Agreements. Aetna Life Insurance Company was delinquent on its County tax obligation at the time it submitted a proposal and since that time, Purchasing has verified that Aetna has paid the delinquent taxes and the Committee recommends that the Board approve a waiver of the procedure for implementation of Local Government Code 262.0276 approved by the Board April 29, 2004 (BM 04.4-186) and grant this award.

A(2). Harris County Purchasing Transmittals of Completed Items under \$100,000 for Information Purposes Only

(These items did not require Board approval.)

- a. Job 05/0205: Sale of Surplus Medical and Dental Equipment
Transmittal of an award, on the basis (revenue generating) of highest bids, to Pantur, Inc. (Dental Equipment) \$4,889 and Medtopia (Medical Equipment) \$4,005 for a total amount of \$8,894 for the sale of surplus medical and dental equipment.
- b. Premier Contract PP-NS-209: Patient Bedside Products
Transmittal of purchase of patient bedside products from Medegen Medical Products through Cardinal Healthcare for the estimated amount of \$75,990 for the term July 1, 2005 through June 30, 2006.
- c. Premier Contract PP-NS-275: Infant Diapers and Related Products
Transmittal of purchase of infant diapers and related products from Procter & Gamble through Cardinal Health for the estimated amount of \$55,638 for the term September 1, 2005 through August 31, 2006.
- d. Premier Contract PP-NS-169: Respiratory Therapy: Oxygen Delivery Disposables
Transmittal of purchase of respiratory therapy: oxygen delivery disposables from Cardinal Health Medical Products and Services through Cardinal Healthcare for the estimated amount of \$41,303 for the term September 1, 2005 through August 31, 2006.
- e. Job 05/0201: OB-View Imaging Management and Reporting System
Transmittal of an award, on the basis of low bid meeting specifications, to Digisonics, Inc. for OB-View Imaging Management and Reporting System in the amount of \$57,500.
- f. Job 03/0326: Desilvering of X-rays
Transmittal of the second of four (4) renewal options for Jasco/KoolX-Consultants T.C. in the estimated amount of \$3,000 for desilvering X-rays for the term September 1, 2005 through August 31, 2006. The vendor has agreed to the same terms, conditions and pricing as set forth in the awarded contract.

The Information Technology Committee did not meet and the following items are coming directly to the Board for approval:

B. Information Technology Items related to Purchasing requiring Board approval.

1. **Motion 05.8-369**

Moved by Dr. Louie, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the fourth and final renewal option for Shared Technologies in the estimated amount of \$350,000 for 24 hour monitoring and maintenance of Meridian PBX; Telephone Systems; Telephones and Related equipment for the term November 1, 2005 through October 31, 2006.

2. **Motion 05.8-370**

Moved by Dr. Louie, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an exemption from the competitive bid requirements for Baylor College of Medicine in the amount of \$169,000 for Physician Advisory Consulting Services associated with the Picture Archiving Communications System (PACS) Project for the term June 1, 2005 through March 1, 2006.

3. **Motion 05.8-371**

Moved by Dr. Louie, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for DIR through SBC Communications, Inc. in the amount of \$140,000 for additional networking and infrastructure upgrades associated with the PACS (Picture Archiving Communications System) Project.

4. Award of contract to Epic Systems Corporation for Implementation of a Patient Management/Patient Accounting Solution

This item was withdrawn.

C. The following item was previously presented to the Board and now comes for reconsideration:

Award of a Contract for the Review and Analysis of the Cost for Voice and Data Communication Circuits and Accounts for the Harris County Hospital District.

Motion 05.8-397

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that before entering into a contract the Board seek an Attorney General's opinion as to the validity of the previous vote. (Reference Board of Managers Meeting July 28, 2005 Agenda Item IV. B. 3.)

This item was taken out of order following Executive Session.

V. Miscellaneous Purchasing Item

Motion 05.8-372

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award to Witt/Kieffer, Ford, Hadelman, and Lloyd Corporation, Search Firm to assist in the search for a new Senior Vice President/Chief Financial Officer for the Harris County Hospital District. Estimated amount is \$104,420 for the term one (1) year upon execution of Agreement.

VI. Reports of the Committees

Mr. Attwell called on Mr. DonCarlos to present the agenda item related to Joint Conference Committee.

A. Joint Conference Committee

The Joint Conference Committee met August 17, 2005 and brings forth the following informational report:

Report from Joint Conference Committee

No action required.

Mr. Attwell called on Mr. Danny Jackson to present the agenda items related to Fiscal Affairs.

B. Fiscal Affairs Committee

1. The Fiscal Affairs Committee met on August 19, 2005 and brings forth the following items for approval:

- a. Financial Statement

The financial report for July 31, 2005 was included in the packets and reviewed by Ms. Gwen Huskey. She highlighted the following:

- Net profit of \$2.97 million for the month of July.
- Total operating income for July indicates a profit of \$70 per equivalent patient day.

- Net patient revenues of \$6.5 million were 17% greater than budget, resulting from cost report settlements for Years 1998 – 2000.
- Cash receipts were \$23.1 million.
- Total operating expenses increased \$1.8 million month-to-month. The primary increases in supplies and purchased services were for pharmaceuticals and various non-clinical purchased services.
- Reduction in Pension Plan costs; current Pension Plan funded ratio is 82.5%; the Pension Plan unfunded amount is \$65 million.

Much discussion ensued. Mr. David Lopez discussed the Mid-Year Review that will be presented to Commissioners' Court in September. Mr. Attwell asked that the Board be furnished a hard copy of his intended presentation.

Motion 05.8-373

Moved by Mr. Jackson, seconded by Dr. Louie, and unanimously passed, that the Board Accept the July 31, 2005 Financial Report Subject to Audit.

b. **Motion 05.8-374**

Moved by Mr. Jackson, seconded by Dr. Louie, and unanimously passed, that the Board Accept the July 31, 2005 Pension Plan Report Subject to Audit.

c. **Motion 05.8-375**

Moved by Mr. Jackson, seconded by Dr. Louie, and unanimously passed, that the Board approve David S. Lopez - President & Chief Executive Officer; George V. Masi - Executive Vice President & Chief Operating Officer; and Gwendolyn Huskey, Interim Chief Financial Officer, to have authority to give written instructions to State Street Bank, trustee of the pension plan for movement of money in the Pension Plan.

d. **Motion 05.8-398**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board approve that the Harris County Hospital District President/CEO be authorized to use the FQHC Promissory Installment Note to disburse loans to Pasadena in the amount of \$75,000 each to Health Center, El Centro-Eastwood Health Center and Alvin Community Health Endeavor as recommended by the FQHC Facilitation Resources Advisory Committee.

This item was taken out of order following Executive Session.

e. **Motion 05.8-376**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and OneStar Foundation-AmeriCorps Program, a Federal grant through Gateway to Care to provide support for AmeriCorps Navigators for the term October 1, 2005 through September 30, 2006 and acceptance of funding in the amount of \$613,025.

f. **Motion 05.8-377**

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and the Health Resources and Services Administration (HRSA) in support of a behavioral and mental healthcare program for children, adolescents and parents called ROCK (Reach Our Community's Kids) for the term July 1, 2005 through June 30, 2006 and acceptance of funding in the amount of \$50,000.

g. **Motion 05.8-378**

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and the Department of State Health Services Breast and Cervical Cancer Control Services for the term July 1, 2005 through June 30, 2006 and acceptance of funding in the amount of \$57,000.

2. The following item did not go to the Fiscal Affairs Committee and comes directly to the Board:

Dr. Glen Johnson presented the July 2005 Financial Statements of Community Health Choice, Inc.

No action required. Presented for information only.

Dr. Johnson asked if Agenda Item VII. B. could be considered at this time.

Mr. Attwell called on Mr. Elvin Franklin, Jr. to present the Agenda Items related to Clinic Committee.

C. Clinic Committee

The Clinic Committee met August 12, 2005 and brings forth the following items for approval:

1. Items Related to Contractual Agreements

a. Motion 05.8-380

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and Sheldon Independent School District to administer a School-based Program at Sheldon Elementary School for the period March 1, 2006 through August 31, 2006.

b. Motion 05.8-381

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve renewal of an Agreement between the Harris County Hospital District and Deer Park Independent School District to administer a School-based Program at Deepwater Elementary School and surrounding schools for the period September 1, 2005 through August 31, 2006.

c. Motion 05.8-382

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve renewal of an Agreement between the Harris County Hospital District and Galena Park Community Resource and Training Center to administer a School-based Program at the Community Resource and Training Center for the period September 1, 2005 through August 31, 2006.

d. **Motion 05.8-383**

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve renewal of an Agreement between the Harris County Hospital District and Galena Park Independent School District to administer a School-based Program at Cloverleaf Elementary School and surrounding schools for the period September 1, 2005 through August 31, 2006.

e. **Motion 05.8-384**

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve renewal of an Agreement between the Harris County Hospital District and Channelview Independent School District to administer a School-based Program at Channelview Independent School District Annex Campus and surrounding schools for the period September 1, 2005 through August 31, 2006.

f. **Motion 05.8-385**

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve renewal of an Agreement between the Harris County Hospital District and North Forest Independent School District to administer a School-based Program at Smiley High School and surrounding schools for the period September 1, 2005 through August 31, 2006.

g. **Motion 05.8-386**

Moved by Mr. Franklin, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve renewal of an Agreement between the Harris County Hospital District and Houston Independent School District to administer a School-based Program at Patrick Henry Middle School, Marshall Middle School, and Sherman Elementary School for the period September 1, 2005 through August 31, 2006.

h. **Motion 05.8-387**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and Harris County on behalf of the Sheriff's Office for the purpose of Referring HIV-infected persons to Primary Health Care and Outpatient Case Management Services at Thomas Street

Center at no cost to either party. The term of the agreement is the date of the execution of the contract through December 31, 2007.

i. **Motion 05.8-388**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and Baylor College of Medicine, Department of Obstetrics and Gynecology to provide a physician to read and make reports on individual based ultrasound scans in the amount of \$100,000 for the term September 1, 2005 through August 31, 2006.

j. **Motion 05.8-389**

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve an amended Agreement between the Harris County Hospital District and the Department of State and Health Services: Maternal and Child Health Title V Grant Program for the District to receive additional funds in the amount of \$86,667 to provide prenatal, preventive and primary child health services for children and adolescents, and family planning services for Title V eligible clients for the period September 1, 2004 through December 31, 2005.

k. **Motion 05.8-390**

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District, Maternal and Child Health Program, and the Department of State Health Services in the amount of \$397,017 for the term September 1, 2005 through August 31, 2006.

2. Miscellaneous Agenda Item

Motion 05.8-391

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Board approve acceptance of Calling Cards valued at \$110,000 from the Susan G. Komen Breast Cancer Foundation.

3. Report on Ongoing Activities of the Council-at-Large

No report was presented.

Mr. Attwell called on Ms. Carolyn Truesdell who called on Mr. King Hillier to present agenda items related to the Governmental & Public Affairs Committee.

D. Governmental & Public Affairs Committee

The Governmental & Public Affairs Committee did not meet and brings forth the following items:

1. Update, Discussion and Possible Action regarding Activities in Austin that affect HCHD and its Legislative Platform
No action taken.
2. Update, Discussion and Possible Action regarding Upcoming Site Visits to HCHD Facilities by the Harris County Congressional and the State Legislative Delegation
No action taken.
3. Update, Discussion and Possible Action on Pending Medicaid Issues regarding the Statewide Rollout of Managed Care Models to include Primary Care Case Management (PCCM), Hospital Carve-outs and Integrated Case Management (ICM)
No action taken.
4. Update, Discussion and Possible Action on the Regional UPL Initiative in Harris and Surrounding Counties

Motion 05.8-392

Moved by Dr. Louie, seconded by Ms. Truesdell, and unanimously passed, that the Board approve a resolution in support of the development of a Medicaid Upper Payment Limit Program (UPL) in Harris County (“Harris UPL”).

5. Update, Discussion and Possible Action regarding Pending Federal Legislative and Policy Issues Affecting HCHD

Mr. Hillier discussed an upcoming Congressional Briefing in Washington, D.C. on Legislation regarding the 340B Pharmaceutical Coalition which would extend the pharmaceutical discount to the inpatient side of HCHD operations, a potential cost savings of \$2–3 million.

Mr. Hillier also discussed a NAPH Section 1011 program for reimbursement for care of undocumented immigrants within the public hospital systems. The system that HCHD has in place is far ahead of other hospital systems. Statewide, up to \$50 million is available annually.

No action taken.

Mr. Attwell called on Ms. Mary Spinks to present agenda item related to the Buildings & Properties Committee.

E. Buildings & Properties Committee

The Buildings & Properties Committee met August 17, 2005 and took no action.

Mr. Attwell called on Mr. Dale Wortham to present agenda items related to the Personnel Committee.

F. Personnel Committee

The Personnel Committee did not meet and brings the following items directly to the Board for consideration:

1. Consideration of Approval of Affiliation Agreement between the Harris County Hospital District and University of Houston-Clear Lake (Administrative Residency Program)

This item was withdrawn.

2. Consideration of Approval of Affiliation Agreement between the Harris County Hospital District and Trinity University (Administrative Residency Program)

This item was withdrawn.

3. Consideration of Acceptance of the Annual Accounting Results of the Aetna Choice POS II Medical Plan for District Employees, Retirees and Eligible Dependents

This item was withdrawn.

4. **Motion 05.8-393**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds of \$25,000 for arbitration expenses.

VII. Miscellaneous Agenda Items

A. Motion 05.8-399

Moved by Mr. Lemond, seconded by Mr. Franklin, and unanimously passed, that the Board approve that the Administration inform Gateway to Care of the Board's interest in having them establish themselves as a 501c(3) separate from the HCHD with a transition date not later than March 2006.

This item was taken out of order following Executive Session.

B. Motion 05.8-379

Moved by Mr. Lemond, seconded by Mr. Franklin, and unanimously passed, that the Board approve for Dr. Glen R. Johnson to serve on the Advisory Committee for Grace Clinic, a commercial HMO in Lubbock, Texas and accept an honorarium of \$1200 per meeting to defray any travel expenses.

This item was taken out of order following agenda item VI. B. 2.

C. Motion 05.8-394

Moved by Mr. Franklin, seconded by Dr. Louie and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and Baylor College of Medicine Perfusionists Services in the estimated amount of \$70,000 and any additional amounts as become necessary, which may from time to time be certified by the District Controller for the term one (1) year upon the execution of the Agreement.

D. Motion 05.8-395

Moved by Mr. Franklin, seconded by Dr. Louie, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve and hereby authorize the execution of an Agreement between the Harris County Hospital District and Texas Children's Hospital for On-call Health Care Services to be provided by Texas Children's Hospital in an amount not to exceed \$75,000 for the term one (1) year upon execution of this Agreement and renewed for additional one (1) year periods with the written Agreement of both parties.

E. Motion 05.8-396

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously passed, that the Board approve the first amendment revision of the Interlocal Agreement between the Mental Health Mental Retardation Authority (MHMRA) and the Harris County Hospital District to share patient medical records.

VIII. Items Related to Miscellaneous Reports

Strategic Project Status on Epic, PeopleSoft H.R. & Payroll, Picture Archival and Communications System (PACs) and Patient Management and Accounting

No action required. Presented for information only.

IX. Executive Session

At 10:50 A.M., Mr. Attwell stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code and Chapter 551, Texas Government Code, Section 071 and 072 as permitted by law. He stated that the regular meeting of the Board would reconvene at the close of Executive Session.

X. Reconvene

At 12:20 P.M., Mr. Attwell reconvened the meeting and asked if there were further input to the Agenda.

- A. Report by Corporate Compliance Officer 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

This item was withdrawn.

- B. Discussion of Acquisition of Real Property in Connection with the Hospital District's 2015 Strategic Plan, pursuant to Tex. Gov't Code Ann. § 551.072 and Possible Action regarding the Matter upon return to Open Session

No action taken.

- C. Consultation with the County Attorney regarding Award of Contract for the Review and Analysis of the Cost for Voice and Data Communication Circuits and Accounts for the Hospital District, pursuant to Tex. Gov't Code Ann. § 551.071 and to take Appropriate Action regarding the Matter upon return to Open Session

See agenda item IV.C. Following Agenda Item VII. E., Ms. Carolyn Arnold and Mr. Aaron Arnold further addressed the Board regarding Item IV.C.

- D. Consultation with the County Attorney regarding the Hospital District's Agreement with the Houston Endowment, Inc. for the FQHC Revolving Loan Program, pursuant to Tex. Gov't Code Ann. § 551.071 and to take Appropriate Action regarding the Matter upon Return to Open Session

See agenda item VI. B.1.d.

- E. Discussion of No. 14-04-00263-CV – Tomball Hospital Authority v. Harris County Hospital District, in the 14th Court of Appeals, pursuant to Tex. Gov't Code Ann. § 551.071

No action required.

Mr. Attwell called on Ms. Mary Schneider who announced that Senator Kay Bailey Hutchison's office would be extending an invitation to Mr. David Lopez to be the Healthcare expert to address the Republican Caucus, composed of all Republican House Members and Republican Senators the last weekend in September.

XI. Adjournment

Moved by Ms. Truesdell, seconded by Dr. Louie, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 12:32 P.M.

I certify that the foregoing are the Minutes of the Meeting of the Board of Managers of the Harris County Hospital District held at the Administration Building in Houston, Texas on August 25, 2005.

J. Evans Attwell, Chairman
Board of Managers
Harris County Hospital District
Houston, Texas

Carolyn Truesdell, Secretary

Recorded by Anne McCowan