



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

Thursday, September 29, 2005

Board Room – Administration Building

BOARD MEMBERS PRESENT

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

BOARD MEMBERS ABSENT

Dr. Daniel D. Louie, Asst. Sec.

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. Mark Fury, Commissioner Steve Radack's Office
Ms. Catarina Cron, Judge Robert Eckels' 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 9:07 A.M. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meeting

Motion 05.9-401

Moved by Mr. Jackson, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve the minutes of the August 25, 2005 regular meeting of the Board of Managers.

III. Hear from Citizens

Mr. Joseph LeBlanc addressed the Board regarding the improved parking at LBJ Hospital.

Mr. Attwell stated that, at this time (9:12 A.M.) the Board will go into Executive Session to consider agenda item VIII. A. He stated that the regular meeting of the Board would reconvene at the close of Executive Session.

Mr. Attwell called on Mr. Danny Jackson to present agenda items related to purchasing (Taken out of order following Agenda Item V. C. - 10:30 A.M.).

IV. Purchasing

Mr. Elvin Franklin, Jr. was not present for any of the Purchasing Agenda Items.

The Fiscal Affairs Committee did not meet and brings directly to the Board the following items:

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

a. **Motion 05.9-409**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed that the Board approve an award on the basis of best overall contract to Premier, Inc. (through an agreement with the Hospital District Foundation) to obtain owner membership with Premier, Inc. for the term one year upon execution of agreement with continuous one-year renewal options until either party terminates, renewable one-year at a time. The award is subject to execution of an agreement between the Hospital District and the Foundation, and approval of an agreement between Premier, Inc. and the Foundation by the Foundation's Board of Trustees.

b. **Motion 05.9-410**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve awards on the

basis of lowest priced proposal and best proposal meeting requirements to Newman and Newman, Inc. (video portion only) for the estimated amount of \$38,150 and Steven Sessions, Inc. (communication plan, promotional and unpaid advertising, website design and development) for the estimated amount of \$131,900 to inform Hospital District patients, Harris County community and in-house providers about the Insight Program for the term one year upon execution of agreement with three (3) one-year renewal options. The awards are subject to execution of the agreements.

c. **Motion 05.9-411**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of best proposal meeting requirements to PSC Info Group in the estimated amount of \$510,560 to provide printing, processing and mailing of patient statements for the term December 1, 2005 through November 30, 2006 with four (4) one-year renewal options. The award is subject to execution of the agreement.

d. **Motion 05.9-412**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the purchase of forms and related products from The Standard Register Company (Option 2) in the amount of \$1,284,841 for the term October 1, 2005 through September 30, 2006.

e. **Motion 05.9-413**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award on the basis of best proposal meeting requirements to Business Strategy, Inc. in the estimated amount of \$25,000 to audit the Hospital District's accounts payable and procurement operation, identify methods to minimize overpayments and collect any overpayments for the term one year upon execution of agreement with four (4) one-year renewal options. The award is subject to execution of the agreement.

f. **Motion 05.9-414**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve a decrease in funding and a revision in term and scope for QuadraMed Corporation as listed below:

\$2,118,000	previously approved not to exceed funds for the term 2/7/05 – 12-31-05
<u>(265,537)</u>	decrease in funding
\$1,852,463	revised not to exceed funds for the new term ending 3/31/06

to clean up the Master Patient Index prior to activation of Epic clinical applications by reviewing, validating and merging a smaller number (56,658) of potential duplicate pairs of records that was originally anticipated (85,000).

g. Job 01/0207; BM 05.7-13: Analyzer and Reagents for GC/Chlamydia Testing – Gen-Probe

This item was pulled.

h. **Motion 05.9-415**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an exemption from the competitive bid requirement for an award to Jon Clark through Phase 2 Consulting in the amount of \$205,400 to augment the revenue cycle assessment in improving productivity, efficiency and reimbursement in the revenue cycle for the term September 5, 2005 through March 3, 2006. The award is subject to execution of the agreement.

i. **Motion 05.9-416**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the second of three renewal options for Stericycle, Inc. in the estimated amount of \$436,500 to provide medical waste disposal for the term October 1, 2005 through September 30, 2006.

j. **Motion 05.9-417**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the first of three (3) renewal options for Palmer & Cay Consulting Group in the estimated amount of \$249,750 to provide actuarial and

advisory services for retirement and post-employment programs, advisory services for health and welfare benefit plans and assist with employee benefits communications for the term October 1, 2005 through September 30, 2006.

The vendor has agreed to renew under the same terms and conditions as set forth in the agreement, with no increase in pricing.

k. **Motion 05.9-418**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve the fourth and final renewal option to Hernandez Landscape Company in the estimated amount of \$103,659 to provide grounds maintenance for the term November 1, 2005 through October 31, 2006.

The vendor has agreed to renew under the same terms and conditions as set forth in the awarded contract, with no increase in pricing. The higher estimated cost for the current year is due to an increase in areas maintained and frequency of service.

- l. Job 05/0247: Pediatric Orthotic and Durable Medical Equipment – City Brace Co., Inc. (Group 1) and Rehab Specialties, Inc. (Group 2)

This item was pulled.

m. **Motion 05.9-419**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds and an extension for Abbott Laboratories, Inc. Diagnostics Division in the amount of \$71,960 for the extended term 9/1/05 – 12/31/05 to continue providing hematology analyzers and testing products. (\$431,741 previously approved funds for the term 5/1/03 – 8/31/05 for a total of \$503,701).

Additional funds are required to pay expenses incurred while a new contract is being negotiated. The vendor has agreed to extend this contract under the same terms and conditions, with no increase in pricing, until a new contract is in place.

n. **Motion 05.9-420**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds and an extension for ExpressBill, Inc. in the amount of \$180,000 for the extended term of 9/1/05 – 11/30/05 or until a new agreement is in place to continue to provide printing, processing and mailing of patient statements until a new award is made and an agreement is executed. (\$626,633 previously approved funds for the term 6/29/04 – 8/31/05 for a total of \$806,633).

The vendor has agreed to extend under the same terms and conditions as set forth in the agreement, with no increase in pricing.

o. **Motion 05.9-421**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds and an extension for Abbott Diagnostics in the amount of \$145,000 for the extended term 10/1/05 – 12/31/05 to continue providing Hepatitis and HIV testing. (\$530,630 previously approved funds for the term 10/1/04 – 9/30/05 for a total of \$675,630).

Additional funds are required to pay expenses incurred while a new contract is being negotiated. The vendor has agreed to extend this contract under the same terms and conditions, with no increase in pricing, until a new contract is in place.

p. **Motion 05.9-422**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an extension for Rauland-Borg Corporation through Halco Life Safety Systems, Inc. requiring no additional funds to provide a nurse call system for monitoring patient activity for the term October 1, 2005 through September 30, 2006 (extended term).

(This project was awarded March 8, 2004 in the amount of \$3,318,410.)

q. **Motion 05.9-423**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds

for Schindler Elevator Corporation (PP-CE-271) in the estimated amount of \$48,000 (previous funding \$215,174 for total funding of \$263,174) to provide one full-time resident technician on-site at Ben Taub General Hospital for the term January 1, 2005 through December 31, 2005.

r. **Motion 05.9-424**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for K & K Best Care Ambulance Services, Inc. in the amount of \$350,000 additional funds for the term 12/1/04 – 11/30/05 due to increased patient transports as well as the decision not to implement an EMS expansion plan. (\$300,000 previously approved funds for the term 12/1/04 -11/30/05 bringing the total to \$650,000).

s. **Motion 05.9-425**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for Dynagene in the amount of \$26,393 for the term 8/1/04 – 7/31/05 due to increased Special Reference testing volume. (\$84,882 previously approved funds for the term 8/1/04 – 7/31/05 for a total of \$111,275).

t. **Motion 05.9-426**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve funding for year three (3) of a three (3) year agreement for Cardinal Health 200 Inc. (Medical/Surgical Distribution PP-DS-003) in the estimated amount of \$569,034 for prime vendor distribution of med-surg and laboratory products in association with the District's JIT Program for the term October 1, 2005 through September 30, 2006.

This agreement was awarded on October 1, 2003 and provides an increase in price for year three (3).

u. **Motion 05.9-427**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve additional funds for Premium Asset Recovery Corporation in the amount of \$250,000 for the term 8/23/04 – 8/22/05 for Collection Services (Supplemental Agencies for Primary Secondary

Placements). (\$400,000 previously approved funds for the term 8/23/04 – 8/22/05 for a total of \$650,000).

Collections were higher than anticipated resulting in additional commission owed to the vendor.

v. **Motion 05.9-428**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an award to Universal Hospital Services in an estimated amount of \$151,592 to provide rental of life support equipment for the term November 1, 2005 through October 31, 2006.

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

(These items do not require Board approval.)

a. Physician Services for Employee Health Clinics

Transmittal of an exemption from the competitive bid requirements for an award to Baylor College of Medicine in the amount of \$67,000 to provide a physician for the Hospital District's Employee Health Clinics at Ben Taub General Hospital and Lyndon B. Johnson General Hospital for the term May 15, 2005 through May 14, 2006. This award is subject to execution of the agreement.

b. Clinical Case Management Services

Transmittal of exemption from the competitive bid requirements and the first of two (2) renewal options for Christian D. Eckman, M.D. (Physician Advisor) through Baylor College of Medicine in the amount of \$80,000 to continue working with Ben Taub General Hospital in developing and implementing methods to optimize utilization of hospital services for patients and ensure quality of care for the term July 1, 2005 through June 30, 2006.

The vendor has agreed to the same terms and conditions as set forth in the agreement, with no increase in pricing.

c. Financial Investment Services

Transmittal of renewal for Harris County in the amount of \$30,616 to provide continued financial investment services for the term February 6, 2005 through February 5, 2006.

d. Job 05/0005: Health Care Coverage for Gateway to Care AmeriCorp Members

Transmittal of the first of four (4) renewal options for ASRM – on behalf of BCS Insurance Company in the estimated amount of \$45,200 to provide health care coverage for active AmeriCorp members for the term October 1, 2005 through September 30, 2006.

The vendor has agreed to the same terms and conditions as set forth in the policy.

e. Job 04/0310; BM 04.11-463: Printer Literature

Transmittal of the first of four (4) renewal options for Print Rite, Inc. in the estimated amount of \$70,000 to provide Corporate Communications with printing services for the District's various newsletters, brochures and other printed literature for the term November 1, 2005 through October 31, 2006.

The contractor has agreed to renew under the same terms and conditions as set forth in the contract, with no increase in pricing.

f. Appraisal Services

Transmittal for the purchase of Appraisal Services from Navigant Consulting Inc. as listed below:

\$83,000	(original agreement)
5,000	(amendment 1)
<u>10,000</u>	(amendment 2)
\$98,000	

g. Premier Contract PP-PH6JJ-H01: RhoGAM®UF (RH Immune Globulin)

Transmittal for the purchase of RhoGam®UF (Rh immune globulin) from Johnson and Johnson Health Care through Ortho-Clinical Diagnostics in the estimated amount of \$61,463 for the term September 1, 2005 through August 31, 2006.

h. Premier Contract PP-OR-088: Surgical Hand Scrub Products

Transmittal for the purchase of surgical hand scrub products from Cardinal Health, Inc. in the estimated amount of

\$51,680 for the term November 1, 2005 through October 31, 2006.

i. Premier Contract PP-NS-168: Suction Catheters

Transmittal for the purchase of suction catheters from Cardinal Health, Inc. in the estimated amount of \$34,261 for the term October 1, 2005 through September 30, 2006.

j. Premier Contract PP-NS-187: I.D. Wristbands

Transmittal for the purchase of I.D. Wristbands from Hollister Incorporated through Cardinal Health in the estimated amount of \$29,765 for the term October 1, 2005 through September 30, 2006.

k. Repair of the Urological X-Ray System

Transmittal for the purchase of emergency repair of the urological X-ray system in Ben Taub Operative Services from Mallinckrodt Inc. in the amount of \$29,673.

l. HIV-1 Western Blot Confirmation Kit

Transmittal for a purchase on the basis of sole source of HIV-1 Western Blot Confirmation Kit from Bio-Rad Laboratories in the estimated amount of \$60,000 for the term October 1, 2005 through September 30, 2006.

m. Job 05/0228: Two Whole Blood Analyzers, Reagents and Consumables for Hemoglobin A1c and Variant Hemoglobin Tests

Transmittal of award on the basis of low bid to Bio-Rad Laboratories, Inc. in the estimated amount of \$84,600 for two whole blood analyzers, reagents and consumables for Hemoglobin A1c and Variant Hemoglobin tests for the term October 1, 2005 through September 30, 2006 with four (4) one-year renewal options.

n. Transmittal of Purchases for Categories of Goods and/or Services

Transmittal of purchase in the amount of \$259,887 for the following categories of goods and/or services: (1) Sole Source; (2) Group Purchasing Organization Premier Partners contract; (3) Standardized by the Harris County Hospital District Standardization Committee; (4) Catalog Information Systems Vendors (CISV) program designated by the Texas

Building and Procurement Commission; (5) Various other state contract (e.g. TXMAS, DIR, etc.); (6) Personal Services; and (7) Professional Services. (Appendix "A")

The Information Technology Committee met September 16, 2005 and brings forth the following items:

A(1)a. **Motion 05.9-429**

Moved by Mr. Jackson, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award on the basis of best proposal meeting requirements to Epic Systems Corporation in the amount of \$7,137,011 for software, service and first year maintenance required for implementation of the Patient Management/Patient Accounting Solution Systems subject to the execution of the agreement.

A(1)b. **Motion 05.9-430**

Moved by Mr. Lemond, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve the third year of a three (3) year agreement for Computer Associates International, Inc. in the amount of \$109,522 for MIPS Software License and Maintenance for the IBM 0A2 Z800 Mainframe for the term December 1, 2005 through November 30, 2006.

The vendor has agreed to renew under the same terms and conditions, with no increase in pricing, as set forth in the awarded contract.

A(1)c. **Motion 05.9-431**

Moved by Mr. Lemond, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve the purchase of Microsoft Enterprise License Agreement from DIR through SHI Government Solutions in the amount of \$1,000,000 for the term January 1, 2006 through December 31, 2006 (year three of a three (3) year agreement).

The vendor has agreed to renew under the same terms and conditions with an increase in pricing as set forth in the awarded agreement. This renewal reflects an increase of \$28,850 due to additional licenses added through out the term.

A(1)d. **Motion 05.9-432**

Moved by Mr. Lemond, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve the renewal of an

award on the basis of sole source to Thomson Healthcare in the amount of \$117,159 for Micromedex Intranet Database Customer License Agreement for the term December 31, 2005 through December 30, 2006.

The vendor has agreed to renew under the same terms and conditions with an increase in pricing as set forth in the awarded agreement. This renewal reflects an increase of \$5,401 due to additional updates and upgrades throughout the term.

A(1)e. **Motion 05.9-433**

Moved by Mr. Lemond, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve a purchase on the basis of sole source of Annual Software License and Maintenance for 3M Encoder Application from 3M Health Information Systems in the amount of \$135,694 for the term October 28, 2005 through October 27, 2006.

The vendor has agreed to renew under the same terms and conditions, with an increase in pricing, as set forth in the awarded agreement. This renewal reflects an increase of \$6,762 due to an increase in license fees.

A(1)f. **Motion 05.9-434**

Moved by Mr. Lemond, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve the second of four (4) renewal options with Siemens Medical Solutions USA, Inc. in the amount of \$150,000 for Software Maintenance for NOVIS Radiology System for the term December 16, 2005 through December 15, 2006.

The vendor has agreed to renew under the same terms and conditions, with no increase in pricing, as set forth in the awarded contract.

A(1)g. **Motion 05.9-435**

Moved by Mr. Lemond, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve the third of a three (3) year agreement with International Business Machines (IBM) Mainline Information Systems in the amount of \$445,692 for lease of the IBM 0A2 Z800 Mainframe for the term December 15, 2005 through December 14, 2006.

The vendor has agreed to renew under the same terms and conditions as set forth in the awarded contract, with no increase in pricing.

V. Reports of the Committees

Mr. Elvin Franklin, Jr. was not present for any of the Joint Conference Agenda items.

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 September 14, 2005 and brings forth the following informational report:

Report from Joint Conference Committee

No action required.

The following items did not go to Joint Conference Committee and come directly to the Board for approval:

1. Motion 05.9-436

Moved by Mr. DonCarlos, seconded by Ms. Spinks, and unanimously passed, that the Board approve the appointments, reappointments and changes of status for members of the HCHD Medical Staff for August and September 2005 and recommended by the Medical Board.

2. Motion 05.9-437

Moved by Mr. DonCarlos, seconded by Mr. Lemond, and unanimously passed, that the Board accept the Medical Board Report as included in the packet. (Appendix "B")

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

B. Fiscal Affairs Committee

Mr. Elvin Franklin, Jr. was not present for any of the Fiscal Affairs Committee Agenda items.

The Fiscal Affairs Committee did not meet and brings directly to Board for approval the following items:

1. Financial Statement

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

- The District reported a net profit of \$20.2 million
- Net revenues of \$21.1 million
- Total expenses of \$1.1 million
- Operating Income is \$20 million above budget

Much discussion ensued.

Motion 05.9-438

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board Accept the August 31, 2005 Financial Report Subject to Audit.

Mr. Stephen DonCarlos was absent when the vote was taken.

2. **Motion 05.9-439**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board Accept the Second Quarter Investment Report for the period ended August 31, 2005.

Mr. Stephen DonCarlos was absent when the vote was taken.

3. **Motion 05.9-440**

Moved by Mr. Jackson, seconded by Ms. Spinks, and unanimously passed, that the Board accept the Pension Plan Report for the period ended August 31, 2005 subject to final audit.

Mr. Stephen DonCarlos was absent when the vote was taken.

4. **Motion 05.9-441**

Moved by Mr. Wortham, seconded by Mr. Jackson, and unanimously passed, that the Board accept the Actuarial Valuation Report for the Harris County Hospital District Pension Plan as of January 1, 2005.

5. Update and Discussion regarding Short Term Financing Needs

Ms. Gwen Huskey reported, that based on the changes in funding, the Hospital District will not need Short Term Financing.

No action required.

6. **Motion 05.9-442**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve payment to the Texas Hospital Association for 2005-2006 membership dues in the amount of \$110,142.

7. **Motion 05.9-443**

Moved by Mr. Jackson, seconded by Ms. Spinks, and unanimously passed, that the Board approve a renewal agreement between the Harris County Hospital District and the Department of Assistive and Rehabilitative Services (DARS) for Copying.

8. **Motion 05.9-444**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board approve an amendment to the agreement between the Harris County Hospital District and the Houston Endowment, Inc.

9. **Motion 05.9-445**

Moved by Ms. Spinks, seconded by Mr. Jackson, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and the Better Business Bureau Education Foundation and acceptance of funding in the amount of \$15,731.

10. **Motion 05.9-446**

Moved by Ms. Spinks, seconded by Mr. Jackson, and unanimously passed, that the Board approve the third one-year renewal (FY2006) of an agreement between the Harris County Hospital District and the City of Houston on behalf of the Houston/Harris County Area Agency on Aging for continued implementation of the Caregiver Education and Training Program and acceptance of funding in the amount of \$100,000.

11. Discussion and Possible Recommendations regarding the Fiscal 2006 Mid-Year Review

Informational purposes only and no action required.

12. Presentation of August 2005 Financial Statements of Community Health Choice, Inc.

Informational purposes only and no action required.

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

C. Clinic Committee

This item was taken out of order (9:45 A.M.) following VIII. A.

The Clinic Committee met September 16, 2005 and brings forth the following items for approval:

1. Items Related to Contractual Agreements

a. Motion 05.9-402

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and the University of Texas Health Science Center at Houston for the purpose of providing physician services to HIV-infected individuals. Ryan White Title III funds this agreement in the amount of \$4,526. The term of the agreement is October 1, 2005 through December 31, 2005.

b. Motion 05.9-403

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and the University of Texas Health Science Center at Houston for the purpose of providing the services of an Associate Medical Director of HIV Services. Ryan White Title I funds this agreement in the amount of \$58,464. The term of the agreement is October 1, 2005 through February 28, 2006.

c. Motion 05.9-404

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board approve an Inter-local Agreement between the Harris County Hospital District and Harris County on behalf of its Public Health and Environmental Services Department to provide Educational Workshops to Eligible HIV-infected individuals. The term of the Agreement is date of execution through February 28, 2007.

d. **Motion 05.9-405**

Moved by Mr. Franklin, seconded by Mr. Wortham, and unanimously passed, that the Board approve for the Harris County Hospital District and Northwest Assistance Ministries (NAM) to enter into a lease agreement and acceptance of donated medical equipment and furnishings for the purpose of relocating E.A. Squatty Lyons Health Center. This is a five-year contract at \$1.50 per square foot with a 3% inflation factor per year. HCHD will be responsible for utilities. The agreement commences November 1, 2005 through October 31, 2010, subject to preparation of the agreement by the County Attorney's office.

Mr. Ken Wine, Executive Board Member of Northwest Assistance Ministries made a brief presentation to the Board.

e. **Motion 05.9-406**

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board approve an Inter-local Services and Facility Use Agreement between the Harris County Hospital District and the City of Houston on behalf of its Department of Health and Human Services to provide medical health services at La Nueva Casa de Amigos Community Health Center. Partial funding will be provided through the Department of State Health Services Title V Grant Funds in the amount of \$200,000 per year with possible increases throughout the term of the Agreement. The term of this agreement will be for five years subject to the Hospital District receiving a satisfactory proportionate share of any additional Title V Grant Funds.

Mr. Franklin questioned if the City's grant money increases will the City increase our percentage? He asked that something be put in the Agreement regarding this concern.

Mr. Stephen Williams, Director, City Health Department was present to address concerns presented by the Board. In respond to Mr. Franklin's question relative to the City increasing our Title V Grant Funds, he stated that he would be open to the District receiving a "proportionate" share of the Title V Grant Funds.

2. **Miscellaneous Items**

a. **Motion 05.9-407**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board approve ratification of Memorandum of Understanding between the Harris County Hospital District and Texas Children's Hospital Houston-Harris County Immunization Registry at no cost to the District.

b. **Motion 05.9-408**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board approve ratification of the Notice of Grant Award base adjustment in the amount of \$29,098 from the Health Resources and Services Administration Division of the U.S. Department of Health and Human Services to the Harris County Hospital District to provide health care services to homeless individuals at homeless shelter sites. The term of the grant award is November 1, 2004 through October 31, 2005.

3. **Items related to Reports**

Report regarding Ongoing Activities of the Council-at-Large

There was not a report given.

Mr. Attwell stated that the meeting would return to the order of the Agenda starting with Agenda Item IV. Purchasing (10:30 A.M.).

Mr. Attwell called on Mr. Dale Wortham who called on Ms. Lou Gould to present agenda items related to Personnel Committee.

D. Personnel Committee

Mr. Elvin Franklin, Jr. was not present for any of the Personnel Committee Agenda items.

The Personnel Committee met September 16, 2005 and brings forth the following items for approval:

1. **Items related to Affiliation Agreements**

a. **Motion 05.9-447**

Moved by Mr. Wortham, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve Renewal of an Affiliation Agreement between the Harris County Hospital

District and Trinity University to establish a paid Administrative Residency Program in an amount not to exceed \$42,000.

b. **Motion 05.9-448**

Moved by Mr. Wortham, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve Renewal of an Affiliation Agreement between the Harris County Hospital District and the University of Houston-Clear Lake to establish a paid Administrative Residency Program in an amount not to exceed \$42,000.

2. **Miscellaneous Items**

a. **Motion 05.9-449**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve a Non-Discrimination Policy to prohibit discrimination on the basis of race, color, religious creed, sex, age, nation origin or disability. (This policy supersedes Section 5 of the 1997 Employee Handbook.)

b. **Motion 05.9-450**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an Employee Recognition Policy to express appreciation to eligible employees who are employed by the Harris County Hospital District. (This policy supersedes policies #3607 and #3608 of the policy manual.)

c. **Motion 05.9-451**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve funds for the RideSponsor Program with Metropolitan Transit Authority (BM 05.3-168) in an amount not to exceed \$300,000 for FY 2005 – 2006.

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

E. Governmental & Public Affairs Committee

Mr. Elvin Franklin, Jr. was not present for any of the Governmental & Public Affairs Committee Agenda items.

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

Report on State and Federal Legislative Update and Possible Consideration of Recommendations regarding Policy Issues and Appropriations affecting the Harris County Hospital District

Mr. King Hillier made the following report:

- County Judge Robert Eckels testified before the Senate Homeland Security Committee on September 29, 2005 in Washington, D.C. He discussed the Harris County Hospital District's financial needs to continue providing care to the numbers of Hurricanes Katrina and Rita evacuees. At the same time David S. Lopez gave a similar presentation to the Senate Republican Hispanic Summit in D.C.
- An update regarding ongoing efforts working with FEMA, Centers for Medicare and Medicaid Services (CMS) and the Texas Health and Human Services Commission regarding financial reimbursement for services rendered to evacuee populations.
- Due to both hurricanes, the Legislative Budget Board has not met to consider execution of the Governor's Executive Order regarding the reinstatement of funds to the statewide trauma fund. It is anticipated that the LBB will vote later in October or November

Ms. Mary Schneider made the following report:

- An update on the current status of the Harris County Hospital District earmarks and the federal appropriations process.
- House and Senate leaders are indicating that the Labor Health and Human Services budget items will not be considered until late fall possibly late November or December.
- Impact of Hurricanes Katrina and Rita is unknown.

No action taken.

Mr. Lawrence Bell presented agenda item related to the Buildings & Properties Committee.

F. Buildings & Properties Committee

Mr. Elvin Franklin, Jr. and Ms. Mary Spinks were not present for any of the Buildings & Properties Committee Agenda items.

The Buildings & Properties Committee did not meet and brings directly to the Board the following items:

1. Motion 05.9-452

Moved by Mr. DonCarlos, seconded by Ms. Truesdell and unanimously passed, that the Board authorize the Hospital District to proceed with relocating the Gateway to Care Program to the City of Houston Third Ward Multi-Service Center by October 31, 2005 while the County Attorney and the City Attorney offices are finalizing the lease agreement which should contain a short cancellation clause. The lease agreement will be submitted for approval at the November 3, 2005 Board of Managers meeting.

2. Motion 05.9-453

Moved by Ms. Truesdell, seconded by Mr. Jackson and unanimously passed, that the Board authorize the Hospital District to enter into Lease Option 2 with South Loop Associates, L.P. (BNC) for the leasing of approximately 18,641 square feet of office space at 2636 South Loop West (8th floor). Lease Option 2 is for the period of November 1, 2005 to October 31, 2006, the monthly lease rate is \$24,077.96

3. Motion 05.9-454

Moved by Mr. Jackson, seconded by Ms. Truesdell and unanimously passed, that the Board authorize the Hospital District to enter into Lease Option 1 with Kynto Ventures, LLC for the leasing of approximately 15,000 square feet of office space for Peoples Health Center. Lease Option 1 is for the period of December 1, 2005 to November 30, 2006, the monthly lease rate is \$17,250. Additionally, it is recommended that the lease agreement be amended to reflect the additional cost of \$2,587.50 per month for common use space.

4. Motion 05.9-455

Moved by Mr. Jackson, seconded by Ms. Truesdell, and unanimously passed, that the Board authorize the Hospital District to enter into Lease Option 1 with the Bhandara Family Living Trust for the leasing of approximately 6,480 square feet of

space for the Southwest Eligibility Center. The lease rate for Lease Option 1 will be \$.950 per square foot (\$6,156/month).

5. **Motion 05.9-456**

Moved by Ms. Truesdell, seconded by Mr. Jackson, and unanimously passed, that the Board authorize the Hospital District to continue to make lease payments to Shemesh Enterprise, LP on a month-to-month basis until a new lease is executed for patient, visitor and staff parking at Casa de Amigos Health Center. The lease payment will be \$6,750 per month.

6. **Motion 05.9-457**

Moved by Ms. Truesdell, seconded by Mr. DonCarlos, and unanimously passed, that the Board authorize the Hospital District to extend the current sub-lease agreement with Neighborhood Centers Inc. for leasing of approximately 3,111 square feet of space for the Gateway to Care Program for an additional month. This lease extension is for the period of October 1, 2005 – October 31, 2005. The lease rate for this time period will be \$3,632.09/month.

7. **Motion 05.9-461**

Moved by Mr. Wortham, seconded by Ms. Truesdell, and unanimously passed, that the Board award the Ben Taub General Hospital Loading Dock Modifications Project for construct services to K. Austin & Associates, based on their best bid of \$139,736. Additionally, it is recommended that a \$20,960 (15% of bid) owner's contingency allowance be established.

This item was taken out of order.

VI. Miscellaneous Agenda Items

Mr. Elvin Franklin, Jr. and Ms. Mary Spinks were not present for any of the Miscellaneous Agenda items.

- A. Discussion of Delegation Agreement between the Harris County Hospital District and Community Health Choice, Inc. regarding Supervision of the President and CEO and Possible Action regarding this Matter

This item was passed and no action taken.

B. Motion 05.9-458

Moved by Mr. DonCarlos, seconded by Mr. Lemond, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and Starlight Children's Foundation and acceptance of one Fun Center valued at \$3,150 and place it in the Pediatric Emergency Center at Ben Taub General Hospital.

C. Motion 05.9-459

Moved by Ms. Truesdell, seconded by Mr. Lemond and unanimously passed, that the Board approve an Agreement between the Harris County Hospital District and Kids Wish Network to accept four pallets of toys valued at approximately \$75,000.

D. Motion 05.9-460

Moved by Ms. Truesdell, seconded by Mr. DonCarlos, and unanimously passed, that the Board approve a Memorandum of Understanding between the Harris County Hospital District and the Texas Medical Foundation (TMF) Health Quality Institute.

VII. Items Related to Miscellaneous Reports

Mr. Elvin Franklin, Jr. and Ms. Mary Spinks were not present for any of the Miscellaneous Reports Agenda items.

A. Report on RX for Fun Program: The Museum of Health and Medical Science and the Houston Museum of Natural Science

No action required. Presented for information only.

B. Report on Ben Taub General Hospital Art Donation

Mr. Attwell acknowledged the artwork donated by Charlotte and Jamil Azzam, M.D. to the Ben Taub General Hospital.

No action required. Presented for information only.

VIII. Executive Session

At 9:12 A.M., Mr. Attwell stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code. He stated that the regular meeting of the Board would reconvene at the close of Executive Session.

At 12:31 P.M., Mr. Attwell stated that the Board would go into Executive Session under Chapter 551, Texas Government Code, Section 071, 072, 074 and 805 as permitted by law. He stated that the regular meeting of the Board would reconvene at the close of Executive Session.

IX. Reconvene

At 9:45 A.M., Mr. Attwell reconvened the meeting and announced that, at this time Agenda Item V.C. Clinic will be taken out of order.

This item was taken out of order following agenda item III. Hear from Citizens.

- 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

No action taken.

At 2:12 P.M., Mr. Attwell reconvened the meeting and asked if there were further input to the Agenda.

Mr. Elvin Franklin, Jr. and Ms. Mary Spinks were not present for Executive Session Agenda items B – G.

- B. Discussion and Consideration of Acquisition of Real Property for the Alief Community Health Center pursuant to Tex. Gov't Code Ann. § 551.072, and Possible Action regarding the Matter upon return to Open Session

No action taken.

- C. Discussion of Civil Action No. 04-3066; *Sanitec Industries, Inc. v. Micro-Waste Corporation* in the U.S. District Court for the Southern District of Texas, Houston Division pursuant to Tex. Gov't Code Ann. § 551.071, and to Take Appropriate Action regarding this Matter Upon Return to Open Session

No action taken.

- D. Consultation with the County Attorney regarding a Proposed Lease Agreement with the City of Houston for the District to Operate an Outpatient, Chronic End-stage Renal Dialysis Center Plan pursuant to Tex. Gov't Code Ann. § 551.071

No action taken.

- E. Request by County Attorney for Executive Session to Discuss Possible Settlement of Claim of Juan Ramos, Arbitration# 70 160 00354 05 pursuant to Tex. Gov't Code Ann. § 551.071, and to take Appropriate Action regarding this Matter Upon Return to Open Session

Motion 05.9-462

Moved by Mr. Jackson, seconded by Mr. DonCarlos, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, rejected the offer of settlement from Juan Ramos, Arbitration# 70 160 00354 05.

- F. Discussion of Services and Product Lines of Community Health Choice, Inc. pursuant to Tex. Gov't Code Ann. §551.805, and Possible Action regarding the Matter Upon Return to Open Session

No action taken.

- G. Discussion of Employment Agreement between Harris County Hospital District and Dr. Glen R. Johnson, President and CEO of Community Health Choice, Inc., pursuant to Tex. Gov't Code Ann. §551.074, and Possible Action regarding this Matter Upon Return to Open Session

No action taken.

X. Adjournment

Moved by Mr. DonCarlos, seconded by Mr. Lemond, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 2:13 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 September 29, 2005.

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

Carolyn Truesdell, Secretary

Recorded by Anne McCowan