



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

**Thursday, December 6, 2007**

**Board Room – Administration Building**

**BOARD MEMBERS PRESENT**

Mr. Stephen DonCarlos, Vice Chair  
Ms. Carolyn Truesdell, Secretary  
Mr. E. Dale Wortham, Asst. Secretary  
Mr. Danny Jackson  
Mr. Elvin Franklin, Jr.  
Mr. Michael Jhin  
Ms. Mary Spinks  
Ms. Daisy Stiner

**BOARD MEMBERS ABSENT**

**OTHERS PRESENT**

Mr. David Lopez, President & Chief Executive Officer  
Mr. George Masi, COO  
Mr. Jack McCown, Harris County Purchasing  
Mr. Kelly Johnson, Harris County Purchasing  
Attorney Mercedes Leal, County Attorney's Office  
Ms. Suzanne McPherson, Commissioner El Franco Lee's Office  
Ms. Elizabeth Neal, Commissioner Jerry Eversole's Office  
Ms. Gloria Moreno, Commissioner Sylvia Garcia's Office  
Ms. Peggy Boice, Judge Ed Emmett's Office  
Mr. Mark Fury, Commissioner Steve Radack's Office  
Administrative Staff  
Guests  
Media

(Sign-in Sheets attached to permanent record)

**I. Call to Order and Record of Attendance**

Mr. Stephen DonCarlos, Vice Chair, called the meeting to order at 9:05 A.M. and noted that a quorum was present. The attendance was recorded.

**II. Approval of Minutes of Previous Meeting**

**Motion 07.12-546**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve the minutes of the October 25, 2007 regular meeting of the Board of Managers.

### **III. Oath of Office for Re-appointed Board Members**

Commissioner Jerry Eversole administered the Oath of Office to Ms. Mary Spinks and Ms. Daisy Stiner.

Commissioner Silvia Garcia administered the Oath of Office to Mr. Stephen DonCarlos and Mr. Dale Wortham.

### **IV. Election of Board Officers**

#### **Motion 07.12-547**

Moved by Mr. Franklin, seconded by Mr. Jackson, and unanimously passed that the following slate of officers are elected to serve for the next year: Mr. Stephen DonCarlos, Chairman, Ms. Carolyn Truesdell, Vice Chair, Mr. E. Dale Wortham, Secretary, and Mr. Danny Jackson, Assistant Secretary.

Following election of officers, Mr. DonCarlos presided over the Board as Chairman.

### **V. Recognition and Presentation Expressing Gratitude to Previous Board Members**

Mr. DonCarlos presented Dr. Daniel Louie, former member of the Board, with a gift on behalf of the entire Harris County Hospital District Board of Managers, to express gratitude for all of his valuable contributions during the time he served as a member of the Board of Managers.

### **VI. Resolution Memorializing the Contributions of Mr. Don Horn, Original Member of the Harris County Hospital District Board**

Mr. DonCarlos presented Mrs. Horn with a resolution memorializing her husband, Mr. Don Horn, for his contributions while serving as member of the Harris County Hospital District Board of Managers.

Mr. DonCarlos announced that the meeting will deviate from the order of the agenda and consider agenda items XII. B. & C.

### **VII. President/Chief Executive Officer's Report to Include Discussion and Updates regarding: Balanced Scorecard, Mission/Vision/Values/Promises, Smoke Free Environment, Chief Medical Officer, and Katrina Funds**

Mr. Lopez presented the President/CEO Report. Much discussion ensued. Highlights include:

- Announcement that the Balanced Scorecard will be presented at the January 2008 Board meeting.
- Requesting the Board's approval to revise the Mission Statement and Values which will be displayed on all patient meal trays and in all the HCHD pavilions.
- Requesting the Board's approval of a promise to HCHD patients, which will be displayed in all patient care areas.

- Announcement that Dr. Fred Sutton has accepted the position of HCHD Chief Medical Officer becoming the first CMO in the District's history.
- Announcement that all District campuses will become smoke free effective September 1, 2008.
- Announcement that the HCHD may be the recipients of additional funds for work that was performed during Hurricane Katrina.

## VIII. Consideration of Board of Managers Approval of Revised, Mission, Vision, and Values (and New Promises) for the Harris County Hospital District

### Motion 07.12-550

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board approve the revised mission, vision and values as well as the new patient promises for the Harris County Hospital District as follows: **Mission:** We improve our community's health by delivering high quality health care to Harris County residents. **Vision:** We will create a healthier community and be recognized as one of America's best community-owned healthcare systems. **We Value:** Our patients, staff and partners; compassionate care; trust; integrity; mutual respect; communication; and innovation. **Our promise to you is:** To provide high quality health care by knowledgeable and highly trained staff; to provide prompt, friendly, and courteous service; to be sensitive and responsive to your needs and concerns as well as those of your family; and to provide a clean, comfortable and safe environment in all of our settings.

## IX. Items Related to Purchasing

Mr. DonCarlos called on Mr. Danny Jackson to present items related to purchasing.

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

### a. Motion 07.12-551

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 1) AMN Healthcare, Inc.; 2) ATC Healthcare Services, Inc.; 3) Advantage Nursing Services, Inc.; 4) Advance'd Temporaries, Inc.; 5) CareerStaff Unlimited, Inc.; 6) Columbia Personnel Services; 7) Healthcareseeker.com; 8) Matrix Healthcare Service, Inc.; 9) MedStaff, Inc. dba MedStaff Healthcare; 10) Onward Healthcare; 11) Professional Placement Resources, LLC; 12) Rx Med Staff, LLC; 13) SHC Services, Inc.; 14) Star Nursing Inc.; 15) The Helms Group Inc. dba All Health Staffing; and 16) Trustaff Travel Nurses, LLC for travel nursing personnel in the estimated multi-vendor amount of \$2,250,000 for the term of one year upon execution of agreements with two one-year renewal options.

### b. Motion 07.12-552

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve revised terms for awards to Global Healthcare Recruitment,

Inc., International Quality Healthcare Professional Connection, LLC and RN India, Inc. for international nurse recruitment in the estimated multi-vendor amount of \$370,000 for the revised term of January 1, 2008 through December 31, 2008 with four one-year renewal options. (Term as awarded: September 1, 2005 through July 31, 2006 with four one-year renewal options; however, services have not yet begun.)

c. **Motion 07.12-553**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award on the basis of low bid meeting requirements to A-1 Personnel of Houston, Inc., Pulse Staffing and Supplemental Health Care for temporary therapy personnel in the estimated multi-vendor amount of \$500,000 for the term of one year upon execution of agreements with two one-year renewal options. The awards are contingent upon vendors providing a valid performance bond.

d. **Motion 07.12-554**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve a purchase on the basis of low bid of the installation of a wireless network from DIR through NWN Corporation (DIR Contract DIR-SDD-249) in the amount of \$736,249 to support the electronic medical records wireless devices being implemented as part of the Epic project subject to execution of the agreement.

e. **Motion 07.12-555**

Moved by Mr. Jackson, seconded by Mr. Franklin and unanimously passed, that the Board approve an award on the basis of only bid received to Kentech to furnish and deliver all labor and material to recondition Cummins generator sets at Ben Taub in the estimated amount of \$135,300.00.

f. **Motion 07.12-556**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award on the basis of low bid to The La Nair Co., Inc. in the estimated amount of \$203,000 to provide prosthetic, orthotic and pedorthotic devices for the term December 6, 2007 through November 30, 2008 with two one-year renewals.

g. **Motion 07.12-557**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award on the basis of only proposal received to Becton Dickinson and Company through BD Biosciences in the estimated amount of \$166,479 for analyzers, reagents and consumables for flow cytometry for the term one year upon execution of agreement with four one-year renewal options.

h. **Motion 07.12-558**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve a purchase on the basis of sole source of magnetic resonance imaging (MRI) system upgrade from GE Healthcare in the amount of \$601,532 to upgrade the existing MRI System located at the Lyndon B. Johnson General Hospital.

i. **Motion 07.12-559**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award on the basis of sole source from Mallinckrodt Medical Inc. (PP-IM-075) of radiopharmaceuticals in the estimated amount of \$891,669 for the term January 1, 2008 through December 31, 2008.

j. **Motion 07.12-560**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award to Cardinal Health 200 Inc. (PP-LA-174) for laboratory distribution in the estimated amount of \$2,477,572 for the term January 1, 2008 through December 31, 2008.

k. **Motion 07.12-561**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve funding for year two of a three year agreement with DIR through SHI Government Solutions for Microsoft enterprise license agreement in the estimated amount of \$1,200,000 for the term January 1, 2008 through December 31, 2008.

l. **Motion 07.12-562**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds and an extension for Cardinal Health 301, Inc. for automated medication distribution systems in the amount of \$477,638 for the extended term of September 1, 2007 through March 31, 2008. (The Board previously approved funds in the amount of \$806,424 for the term September 1, 2006 through August 31, 2007; these additional funds bring the total funded amount to \$1,284,062.)

m. **Motion 07.12-563**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds for Sun Microsystems (F.K.A. Storage Technology Corporation) for hardware and software maintenance and support for the virtual tape system in the amount of \$5,661 for the term September 1, 2007 through August 31, 2008. (The Board previously approved funds in the amount of \$131,628 for the term September 1, 2007 through August 31, 2008; these additional funds bring the funded amount to \$137,289.)

n. **Motion 07.12-564**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds for Healthlink, Inc.; CTG HealthCare Solutions; Kat & Associates, Inc.; Business Control Systems (F.K.A. Extyr); Elite Computer Consultants, L.P. (ECOM); and SDRG Controls, Inc. for information technology consulting in the amount of \$942,562 for the term May 27, 2007 through May 26, 2008. (The Board previously approved funds in the amount of \$2,433,107 for the term May 27, 2007 through May 26, 2008; these additional funds bring the funded amount to \$3,375,669.)

o. **Motion 07.12-565**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds and an extension for The Standard Register Company (PP-MM-015 formerly PP-SS-025) for forms and related products in the estimated amount of \$166,218 for the term January 1, 2008 through March 31, 2008. (The Board previously approved funds in the amount of \$664,871 for the term October 1, 2006 through December 31, 2007; these additional funds bring the total funded amount to \$831,089.)

p. **Motion 07.12-566**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds and an extension for Siemens Medical Solutions Diagnostics fka Bayer Corporation Diagnostics Division (PP-LA-160 formerly PP-LA-110) for premier healthpak reagent rental agreement (blood gas) in the amount of \$33,250 for the extended term January 1, 2008 through March 31, 2008. (The Board previously approved funds in the amount of \$290,410 for the term June 29, 2005 through December 31, 2007; these additional funds bring the total funded amount to \$323,660.)

q. **Motion 07.12-567**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve additional funds for United Healthcare Insurance Company (DPP0) in the amount of \$138,200 and Hartford Life & Accident Insurance Company (Life/AD&D) in the amount of \$115,400 for dental DHMO and DPPO, basic life and AD&D, voluntary life and voluntary AD&D, vision and flexible spending account coverage for combined additional funds in the amount of \$253,600 for the term March 1, 2007 through February 29, 2008. (The Board previously approved funds in the amount of \$3,652,000 for the term March 1, 2007 through February 29, 2008; these additional funds bring the total funded amount to \$3,905,600.)

r. **Motion 07.12-568**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award to Baxter BioScience, Grifols Biologicals, Talecris Biotherapeutics and ZLB Behring products distributed through F.F.F. Enterprises, Inc. for plasma and recombinant products program (Immune Globulin IV & Albumin, etc.) in the estimated amount of \$1,800,000 for the term July 1, 2007 through June 30, 2008.

s. **Motion 07.12-569**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award from Ortho Clinical Diagnostics Div. of Johnson & Johnson through Cardinal Healthcare for blood bank analyzers, reagents, consumables and service in the estimated amount of \$226,871 for the term January 1, 2008 through December 31, 2008.

t. **Motion 07.12-570**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award to Standard Textile Co., Inc. (PP-HK-046) for reusable textiles and textile services in the estimated amount of \$725,999 for the term January 1, 2008 through December 31, 2008.

u. **Motion 07.12-571**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve awards to Agfa Corporation Healthcare (PP-IN-008) in the estimated amount of \$130,231 and Medical Imaging through Merry X-Ray (PP-IM-009) in the amount of \$194,232 for conventional film and products, dry media and products in the total estimated multi-vendor amount of \$324,463 for the term January 1, 2008 through December 31, 2008.

v. **Motion 07.12-572**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve an award to Smith & Nephew Inc. Wound Management Holding through Cardinal Healthcare for advanced wound care, non-specialty in the estimated amount of \$165,090 for the term January 1, 2008 through December 31, 2008.

w. **Motion 07.12-573**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve the first of four renewal options for Medical Transcription Corp. for medical transcription services for the radiology department in the estimated amount of \$220,000 for the term October 1, 2007 through September 30, 2008.

x. **Motion 07.12-574**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve the first of four renewal options for:

Class 1 – Primary: Devolve Corp.	\$ 80,000
Secondary: NetVersant-Texas, Inc.	20,000
Class 2 – Primary: NetVersant-Texas, Inc.	320,000
Secondary: Devolve Corp.	80,000

for the combined estimated amount of \$500,000 for systimax VAR program for telephone and data cable labor, parts, materials and related items for the term January 1, 2008 through December 31, 2008.

y. **Motion 07.12-575**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board approve a renewal on the basis of sole source for Oracle USA, Inc. (F.K.A. PeopleSoft USA, Inc.) for annual maintenance and support for PeopleSoft software in the amount of \$371,452 for the term March 1, 2008 through February 28, 2009.

z. **Motion 07.12-576**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify an award to Cardinal Health Medical Products and Services through Cardinal Health for surgical and isolation masks in the estimated amount of \$197,709 for the term December 1, 2007 through November 30, 2008.

aa. **Motion 07.12-577**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify an award to Paperpak Holdings Ltd. through Cardinal Health for incontinence products in the estimated amount of \$142,190 for the term November 1, 2007 through October 31, 2008.

bb. **Motion 07.12-578**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify an award to Vital Signs Inc. through Cardinal Health for disposable anesthesia products in the estimated amount of \$142,043 for the term November 1, 2007 through October 31, 2008.

cc. **Motion 07.12-579**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify additional funds and an extension for Ethicon Inc./Ethicon Endo-Surgery, Inc. A Johnson & Johnson Company through Cardinal Health for endomechanical products in the amount of \$882,332 for the term October 1, 2007 through March 31, 2008.

dd. **Motion 07.12-580**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify a purchase made on an emergency basis for consulting and assessment of the quality of the indoor air in specific areas at Lyndon B. Johnson General Hospital from Environmental Resource Consultants (ERC) in the amount of \$96,420.00.

ee. **Motion 07.12-581**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify an award on the basis of best overall contract to Cardinal Health Medical Products & Services for surgical instruments in the estimated amount of \$200,195 for the term October 1, 2007 through September 30, 2008.

ff. **Motion 07.12-582**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify an award on the basis of best overall contract to Cardinal Health Medical Products and Services for respiratory therapy ventilator supplies and humidification devices in the estimated amount of \$157,341 for the term October 1, 2007 through September 30, 2008.

gg. **Motion 07.12-583**

Moved by Mr. Jackson, seconded by Mr. Franklin, and unanimously passed, that the Board ratify additional funds and an extension for Cardinal Health Medical Products and Services for exam and surgical gloves in the estimated amounts of \$523,469 for exam gloves and \$106,148 for surgical gloves for the extended term of August 1, 2007 through January 31, 2008. (The Board previously approved combined funds in the amount of \$383,827 for the term May 1, 2007 through July 31, 2007; these additional funds bring the total funded amount to \$1,013,444.)

A(2). Transmittal of Completed Purchases Under \$100,000

**(For Informational Purposes Only)**

- a. Transmittal of exemption from the competitive bid requirements for Locke Lord Bissell & Liddell, L.L.P. for special counsel to represent the Harris County Hospital District in connection with general immigration issues in the estimated amount of \$30,000 for the term October 29, 2007 through October 28, 2008 subject to execution of the agreement.
- b. Transmittal of an award on the basis of sole source to College of American Pathologists (CAP) for annual subscription renewal for proficiency testing products and surveys in the estimated amount of \$94,808 for the term January 1, 2008 through December 31, 2008.

- c. Transmittal of an award on the basis of sole source contract to 3M Company for transparent dressings in the estimated amount of \$80,667 for the term October 1, 2007 through September 30, 2008.
- d. Transmittal of an award to Covidien (fka Tyco Healthcare Group LP The Kendall Company) through Cardinal Health for vascular compression therapy anti-embolism stockings in the estimated amount of \$38,135 for the term December 1, 2007 through November 30, 2008.
- e. Transmittal of an award to Covidien (fka Tyco Healthcare Group LP The Kendall Company) through Cardinal Health for disposable labor and delivery supplies in the estimated amount of \$25,000 for the term December 1, 2007 through November 30, 2008.
- f. Transmittal of an award to Posey Company through Cardinal Health for restraints and fall prevention products in the estimated amount of \$49,217 for the term December 1, 2007 through November 30, 2008.
- g. Transmittal of award on the basis of best bid to Hallmark Industrial Supply for patient monitoring mounting hardware in the estimated amount of \$91,637.00.
- h. Transmittal of award on the basis of lowest priced contract to Conmed Corporation for electrosurgical units (9 ea.) in the amount of \$91,921.00.
- i. Transmittal of an award on the basis of best overall contract to C.R. Bard Inc. – Medical Division Fka C R Bard Inc. for wound drainage products in the estimated amount of \$27,232 for the term October 1, 2007 through September 30, 2008.
- j. Transmittal of an award on the basis of sole source to Mallinckrodt Inc. through Cardinal for contrast media (Barium) in the estimated amount of \$70,452 for the term January 1, 2008 through December 31, 2008.
- k. Transmittal of an award on the basis of sole source contract to 3M Company for adhesive skin closures in the estimated amount of \$27,673 for the term October 1, 2007 through September 30, 2008.
- l. Transmittal of the third and final renewal option for Marsh USA Inc. for actuarial and general risk management services in the estimated amount of \$73,000 for the term January 1, 2008 through December 31, 2008.
- m. Transmittal of purchases for goods and/or services from (1). DIR: Mark III Systems for additional licensing for IBM Shark server - \$ 36,800 and additional disk space and software maintenance for servers - \$45,020; (2). Premier: (a). Medtronic Emergency Response Systems for biphasic defibrillator and accessories - \$59,764; (b). GE Healthcare for compact digital ultrasound - \$35,290; and (c). Herman Miller for Healthcare for pharmacy millwork for Squatty Lyons Health Center - \$41,962; (3). Professional

Services: Baylor College of Medicine for perfusion services - \$70,000 and (4).  
Sole Source: Micro-Waste Corp for removal and rebuild of existing  
microwave disinfection shredder - \$31,570 for a combined total of  
\$320,406.00.

## **X. Agenda Items related to Policies**

Mr. DonCarlos called on Mr. Lopez, who called on Ms. Cornelia Dorfschmid to present the following items related to Policies.

A. The Corporate Compliance Committee met November 15, 2007 and brings forth the following:

1. **Motion 07.12-584**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Deficit Reduction Act Policy effective December 6, 2007.

2. **Motion 07.12-585**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Executive Corporate Compliance Committee Charter Policy effective December 6, 2007.

3. **Motion 07.12-586**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Executive Corporate Compliance Committee Subcommittees Policy effective December 6, 2007.

Mr. DonCarlos recommended that agenda items (A) 1-3 be approved to include the new Mission Statement and Values.

B. The Planning and Operations Committee met November 15, 2007 and brings forth the following:

4. **Motion 07.12-587**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Internet Acceptable Use Policy# 6.37 effective immediately.

C. The following items did not go to a Committee and come directly to the Board:

5. **Motion 07.12-588**

Moved by Mr. Jackson, seconded by Ms. Spinks, and unanimously passed, that the Board approve the revised Harris County Hospital District External Funding Proposal Development and Submission Grants Policy# 3.10. Following discussion the motion was amended to reflect: Moved by Mr. Wortham, seconded by Ms.

Spinks and unanimously passed to table this agenda item until the January 2008 Board meeting.

6. **Motion 07.12-589**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Revised Pathology Specimens Policy# 4395 effective November 2007.

7. **Motion 07.12-590**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed that the Board approve the Harris County Hospital District Revised Patient Visitor Policy# 4605 effective December 10, 2007.

8. **Motion 07.12-591**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed that the Board approve the Harris County Hospital District Revised Ancillary Reports Policy# 4412 effective December 6, 2007.

9. **Motion 07.12-592**

Moved by Ms. Stiner, seconded by Ms. Spinks, and unanimously passed that the Board approve the Harris County Hospital District Financial Approval for Same Day Surgery/Procedure/Admission Policy# 2335 effective December 6, 2007.

## **XI. Reports of the Committees**

Mr. DonCarlos presented agenda items relative to Joint Conference Committee.

### **A. Joint Conference Committee**

The Joint Conference Committee did not meet and brings directly to the Board the following:

3. **Motion 07.12-593**

Moved by Mr. DonCarlos, seconded Mr. Franklin, and unanimously passed, that the Board approve the November 2007 credentialing changes for members of the HCHD Medical Staff. (Appendix "A").

4. **Motion 07.12-594**

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

### **B. Budget and Finance Committee**

The Budget and Finance Committee met November 15, 2007 and brings forth the following:

Mr. Ferdinand Gaenzel presented the District's October 2007 financial report. Much discussion ensued. Highlights include:

~Total expenses for the month of October 2007 \$9.0 million less than anticipated

~Total revenues exceeded budget by \$7.9 million for a favorable \$16.9 million variance in operating income

1. **Motion 07.12-595**

Moved by Ms. Spinks, seconded by Mr. Jackson, and unanimously passed, that the Board accept the October 31, 2007 Financial Report subject to final audit.

2. **Motion 07.12-596**

Moved by Mr. Franklin, seconded by Ms. Truesdell, and unanimously passed, that the Board accept the October 31, 2007 Pension Report subject to final audit.

3. **Motion 07.12-597**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board ratify the Participating Hospital Agreement for Office of Assistant Secretary for Preparedness Program year six for Ben Taub, Quentin Mease and Lyndon B. Johnson for the term September 1, 2007 through July 31, 2008.

4. **Motion 07.12-598**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and the Harris County Area Agency on Aging (HCAAA) for the provision of Caregiver Education Program and acceptance of \$99,530 in funding and the subcontract with University of Texas Department of Gerontology for \$21,700.00.

5. **Motion 07.12-599**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board approve an amendment to a contract between the Harris County Hospital District and the Department of State Health Services for Breast and Cervical Cancer Control Services for a mid-year funding adjustment in the amount of \$32,750 for the term July 1, 2007 through June 31, 2008.

6. **Motion 07.12-600**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed that the Board approve additional operating expenses for increased hours of operations of the operating suites at Ben Taub General Hospital and Lyndon B. Johnson General Hospital in the amounts of \$80,920 and \$137,888, respectively for January and February 2008. And, additional capital funds and operating expenses (minor equipment and freight expenses) for FY 08 in the amounts of \$12,352,077.05 and \$2,290,170.00, respectively, to purchase additional equipment. (Equipment - Appendix "C").

7. Presentation of October 2007 Financial Statements of Community Health Choice, Inc.

Mr. Richard Lee presented the October 2007 Financial Statements of Community Health Choice, Inc. Highlights include:

- Net income for September 2007 - \$1,169,764
- STAR member months were 13% above budget for October
- CHIP member months were 54% above budget for October
- CHIP Perinate member months were 25% below budget for October
- Total revenue was 17% above budget for October
- Administration expenses are 7% below budget for October

**C. Corporate Compliance Committee**

The Corporate Compliance Committee met November 15, 2007 and brings forth the following:

**Motion 07.12-601**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Code of Conduct effective December 6, 2007.

**D. Planning and Operations Committee**

The Planning and Operations Committee met November 15, 2007 and brings forth the following:

**1. Items related to Specialty and Primary Clinics and other Facilities**

A. Ratifications

1. **Motion 07.12-602**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an amendment under Ryan White Part D between the Harris County Hospital District and The Resource Group, Inc. in the amount of \$150,802 to provide primary medical care services at District facilities for the term September 1, 2007 through August 31, 2008.

2. **Motion 07.12-603**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an amended agreement funded by Ryan White Part A between the Harris County Hospital District and Harris County in the amount of \$200,000 to provide primary medical care services to eligible HIV-infected females at District facilities for the term March 1, 2007 through February 29, 2008.

3. **Motion 07.12-604**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Houston Catholic Worker – Casa Juan Diego – Centro San Jose Obrero to provide on-site health care services to homeless individuals for the term November 1, 2007 through October 31, 2008.

4. **Motion 07.12-605**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Craven and Plummer, P.C. to provide on-site dental services to homeless individuals. This agreement will provide grant funds in an amount not to exceed \$163,400 for the term November 1, 2007 through October 31, 2008.

5. **Motion 07.12-606**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Howard Nelson to provide data management services for the Health Care for the Homeless Program. This agreement will provide federal grant funds in an amount not to exceed \$30,000 for the term November 1, 2007 through October 31, 2008.

6. **Motion 07.12-607**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Baylor College of Medicine, Department of Family and Community Medicine to provide on-site psychiatric services to homeless individuals. This agreement will provide federal grant funds in an amount not to exceed \$14,609 for the term November 1, 2007 through October 31, 2008.

7. **Motion 07.12-608**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Baylor College of Medicine, Department of Family and Community Medicine to provide on-site medical services to homeless individuals. This agreement will provide grant funds in an amount not to exceed \$121,743 for the term November 1, 2007 through October 31, 2008.

8. **Motion 07.12-609**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital

District and Salvation Army Adult Rehabilitation Center to provide on-site health care service to homeless individuals for the term November 1, 2007 through October 31, 2008.

9. **Motion 07.12-610**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Star of Hope to provide on-site health care services to homeless individuals for the term November 1, 2007 through October 31, 2008.

10. **Motion 07.12-611**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and S.E.A.R.C.H. to provide on-site registration services to homeless individuals for the term November 1, 2007 through October 31, 2008.

11. **Motion 07.12-612**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Jackson Hinds Garden to provide on-site health care services to homeless individuals for the term November 1, 2007 through October 31, 2008.

12. **Motion 07.12-613**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Salvation Army to provide substance abuse treatment and on-site health care services to homeless individuals. This agreement will provide federal grant funds in an amount not to exceed \$41,191 for the term November 1, 2007 through October 31, 2008.

13. **Motion 07.12-614**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and Open Door Mission to provide on-site health care services to homeless individuals for the term November 1, 2007 through October 31, 2008.

14. **Motion 07.12-615**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital

District and Compass to provide on-site registration services to homeless individuals for the term November 1, 2007 through October 31, 2008.

15. **Motion 07.12-616**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between the Harris County Hospital District and The Cenikor Foundation Inc. to provide substance abuse treatment to homeless individuals. This agreement will provide grant funds in an amount not to exceed \$83,784 for the term November 1, 2007 through October 31, 2008.

B. **Motion 07.12-617**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board accept the Notice of Grant Award 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 services to homeless individuals at homeless shelter sites. Federal grant funds are available in an amount not to exceed \$2,672,437 for the term November 1, 2007 through October 31, 2008.

C. **Motion 07. 12-618**

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and the City of Houston on behalf of its Department of Health and Human Services to provide HIV health education and risk reduction at District facilities in the amount of \$150,000 for the term January 1, 2008 through December 31, 2008.

D. **Motion 07. 12-619**

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and University of Texas Health Science Center at Houston to provide physician services to eligible HIV-infected individuals at District facilities funded under unrestricted grant funds in the amount of \$137,053 for the term January 1, 2007 through December 31, 2007.

E. **Motion 07.12-620**

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve rescission of an agreement between the Harris County Hospital District and University of Texas Health Science Center at Houston funded under Ryan White CARE Act Titles I, III, and IV to provide physician services at District facilities in the amount of \$137,053 for the term January 1, 2007 through February 29, 2008.

F. **Motion 07.12-621**

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve an amended agreement between the Harris County Hospital District and the City of Houston on behalf of its Department of Health and Human Services to provide HIV Health Education and Risk Reduction at District facilities in the amount of \$78,941.33 for the term upon full execution of the contract through December 31, 2007.

G. **Motion 07.12-622**

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and the City of Houston on behalf of its Department of Health and Human Services to provide expanded and integrated HIV testing for populations disproportionately affected at District facilities in the amount of \$244,960 for the term upon full execution of the contract through September 29, 2008.

H. **Motion 07.12-623**

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and Texas Department of State Health Services to provide an HIV Perinatal Transmission Prevention Program for hospital labor and delivery units throughout Texas in the amount of \$140,000 for the term January 1, 2008 through December 31, 2008.

**2. Items related to Reports**

Report regarding Ongoing Activities of the Council-at-Large

No report was presented.

**3. Items related to Personnel**

**Motion 07.12-624**

Moved by Ms. Stiner, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional signature authority of Norma Campos for Schedule "D" of the Trust Agreement between the Harris County Hospital District and Fidelity Management Company for the 401K Plan.

**4. Items Related to Buildings and Properties**

A. **Motion 07.12-625**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board authorize the Hospital District to lease from Hull & Hull, Inc. a 2,400 sq. ft. temporary building located at the District's Holly Hall property for one year with an option to buy. The lease term is November 1, 2007 through October 31, 2008 at a monthly rate of \$2,526.73 per month.

**B. Motion 07.12-626**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board authorize the Hospital District to enter into a new five-year lease agreement with Galileo Mount Houston TX LP for the District's East Mount Houston Eligibility Center. The term of the lease agreement is February 1, 2008 through January 31, 2013 for the approximate five-year total of \$476,800 subject to negotiations.

**C. Motion 07.12-627**

Moved by Ms. Spinks, seconded by Ms. Truesdell, and unanimously passed, that the Board authorize the Hospital District to enter into the second half of the 3<sup>rd</sup> term of the lease agreement with South Loop Associates, L.P. for the leasing of approximately 35,770 square feet of space for our health maintenance organization, Community Health Choice (CHC) for the term January 1, 2008 through June 30, 2008 at a rate of \$48,170.27 (\$16.16 sq. ft.) per month. The reserved parking fee will be \$40.00 per space. Community Health Choice (CHC) will fund the costs associated with the monthly lease payments and reserved parking fees.

**D. Motion 07.12-628**

Moved by Ms. Spinks, seconded by Ms. Stiner, and unanimously passed, that the Board award the Ben Taub General Hospital, 6<sup>th</sup> Floor Catheterization Lab Holding Area Project for construction services to Trademark Construction based on their base bid of \$117,100 and an owner's contingency amount of \$11,710 (10% of base bid) for a total cost of \$128,810.00.

**E. Motion 07.12-629**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board award the LBJ Nuclear Medicine Renovation Project for construction services to BEY Commercial based on their best bid of \$459,162 and an owner's contingency amount of \$65,000.00.

**F. Motion 07.12-630**

Moved by Mr. Wortham, seconded by Mr. Franklin, and unanimously passed, that the Board authorize the Hospital District to enter into a Personal Services Agreement, developed and approved by the County Attorney's office, with Hammes Company Healthcare Consulting, LLC for the planned emergency department expansion at LBJ General Hospital for a fee not to exceed \$318,000.00.

## **5. Miscellaneous Agenda Items (Planning & Operations)**

### **Motion 07.12-631**

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board ratify a Memorandum of Understanding between the Harris County Hospital District and Denver Harbor Health Center located in Harris County allowing the Federally Qualified Community Health Center (FQHC) to make written referrals through the District's Clinical Case Management Department effective on the later date signed by both parties and continue thereafter, unless terminated in accordance with the terms contained in the agreement.

## **E. Legislative Committee**

The Legislative Committee did not meet and the following items come directly to the Board:

1. Update, Discussion and Possible Action regarding Activities in Austin relating to Regulatory Issues Impacting HCHD, the 80<sup>th</sup> Legislative Session and the HCHD Legislative Platform

No action taken. Mr. Lopez presented information on the Texas Healthcare Reform. Much discussion ensued. Highlights include:

- Section 1115 Waiver is designed to use federal funds to defray costs associated with providing uncompensated health care
- The financing agreement under this waiver will establish new requirements to specifically reduce the costs of uncompensated care
- The State seeks federal authority to establish a new expenditure certification process for allowable public expenditures to provide a portion of the State's share of waiver benefit costs
- Mr. Lopez will meet with Commissioner Hawkins to discuss the 1115 waiver in detail

Ms. Spinks requested that a list of committee members in charge of overseeing the 1115 waiver to be provided to the Board.

2. Update, Discussion and Possible Action regarding Pending Federal Legislative, Line Items and Policy Issues Affecting HCHD.

No action taken.

## **XII. Miscellaneous Agenda Items**

### **A. Motion 07.12-632**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve a Memorandum of Understanding between the Harris County Hospital

District and the Texas Medical Center (TMC) to establish a collaborative relationship with TMC's National Center for Human Performance.

**B. Motion 07.12-548**

Moved by Mr. Wortham, seconded by Ms. Stiner, and unanimously passed, that the Board approve rescission of previously approved Board Motion# 07.1-43 (This motion approved the HCHD Foundation revised Bylaws, thereby, making the HCHD Foundation a Supporting Organization, Type III).

**C. Motion 07.12-549**

Moved by Mr. Wortham, seconded by Ms. Stiner, and unanimously passed, that the Board approve the Harris County Hospital District Foundation Bylaws as presented.

Mr. DonCarlos announced that the meeting will return to the order of the agenda beginning with agenda item VIII.

**D. Motion 07.12-633**

Moved by Ms. Stiner, seconded by Ms. Truesdell, and unanimously passed, that the Board approve a subcontract between the University of Texas M.D. Anderson Cancer Center and the Harris County Hospital District and the acceptance of funding provided by the National Cancer Institute. (Funding includes indirect cost rate charges, investigational drug charges, patient enrollment fees and charges for research specific procedures.)

**XIII. Executive Session**

At 11:20 A.M., Mr. DonCarlos stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code, Section 160.007 of the Texas Occupations Code and Chapter 551 of the Texas Government Code Section 071 and 074. Mr. DonCarlos stated that the regular meeting of the Board would reconvene at the close of Executive Session.

**XIV. Reconvene**

At 12:42 P.M., Mr. DonCarlos reconvened the meeting and asked if there were further input to the agenda.

Mr. Michael Jhin departed the meeting during Executive Session.

A. Report by Interim Vice President of Corporate Compliance regarding Compliance with Medicare, Medicaid, HIPAA, and other Federal and State Health Care Program Requirements and a Status of Fraud and Abuse Investigations, pursuant to §161.032 of the Texas Health and Safety Code.

Presented as information only, requiring no action.

B. Consultation with the County Attorney regarding Cause No. 2006-75889; Melodee Reese, et al v. Baylor College of Medicine, et al; in the 113<sup>th</sup> Judicial District Court of

Harris County Texas, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session

**Motion 07.12-634**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approves and hereby authorize the settlement of all claims related to Cause No. 2006-75889; Melodee Reese, et al v. Baylor College of Medicine, et al; in the 113<sup>th</sup> Judicial District Court of Harris County Texas, by payment of a total sum not to exceed \$25,000.00, and authorize David S. Lopez, President/CEO to execute any agreement, release or other necessary documents to effect this settlement.

Mr. Michael Jhin departed the meeting prior to this vote.

- C. Consultation with the County Attorney regarding Cause No. 2006-79923; Nadine Marie Zapletal v. Harris County Hospital District in the 269<sup>th</sup> Judicial District Court of Harris County Texas, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session

**Motion 07.12-635**

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve and hereby authorize the settlement of all claims related to Cause No. 2006-79923; Nadine Marie Zapletal v. Harris County Hospital District, in the 269<sup>th</sup> Judicial District Court of Harris County Texas, by payment of a total sum not to exceed \$70,786.23 and authorize David S. Lopez, President/CEO to execute any agreement, release or other necessary documents to effect this settlement.

Mr. Michael Jhin departed the meeting prior to this vote.

- D. Consultation with the County Attorney regarding an Auto Accident on October 23, 2007 between a HCHD Shuttle Bus and HISD School Bus, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session

**Motion 07.12-636**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve and hereby authorize the settlement of a claim by the Houston Independent School District relating to an auto accident on October 23, 2007 in the amount of \$336.50, and further authorize David S. Lopez, President/CEO to execute any release or other necessary documents to effect this settlement.

Mr. Michael Jhin departed the meeting prior to this vote.

- E. Consultation with the County Attorney regarding Cause No. 816,923; Harris County Hospital District v. Textac Partners I, et al; in the County Civil Court at Law No. 2 of

Harris County, Texas, pursuant to Tex. Gov't Code Ann. §551.071 and Possible Action regarding this Matter Upon Return to Open Session

No action taken.

F. **Motion 07.12-637**

Moved by Mr. DonCarlos, seconded by Mr. Franklin, and unanimously passed to table this agenda item stating "Consideration of Employment Contract Extension and Salary Adjustment of Glen R. Johnson, M.D., President and Chief Executive Officer of Community Health Choice, Inc., pursuant to Tex. Gov't Code Ann. §551.074" until the January Board meeting.

Mr. Michael Jhin departed the meeting prior to this vote.

G. Discussion regarding Salary Adjustment of Vice President of Legal Affairs pursuant to Tex. Gov't Code Ann. §551.074 and Possible Action Upon Return to Open Session

No action taken.

**XV. Adjournment**

There being no further business, the meeting adjourned at 12:45 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 December 6, 2007.

Mr. Stephen DonCarlos, Vice Chair  
Board of Managers

E. Dale Wortham, Asst. Secretary

Recorded by Charlaa Hunter &  
Anne McCowan