



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

Thursday, November 6, 2008

Board Room – Administration Building

BOARD MEMBERS PRESENT

Mr. Stephen DonCarlos, Chair
Ms. Carolyn Truesdell, Vice Chair
Mr. E. Dale Wortham, Secretary
Mr. Michael Jhin
Ms. Mary Spinks
Ms. Daisy Stiner
Mr. Elvin Franklin, Jr.
Dr. George Santos

BOARD MEMBERS ABSENT

Mr. Danny Jackson, Asst. Secretary

OTHERS PRESENT

Mr. David Lopez, President & Chief Executive Officer
Mr. Kelly Johnson, Harris County Purchasing
Attorney Mercedes Leal, County Attorney's Office
Ms. Peggy Boice, Judge Ed Emmett's Office
Ms. Nikki Harrison Caffey, Commissioner Sylvia Garcia's Office
Ms. Elizabeth Neal, Commissioner Jerry Eversole's Office
Mr. Lester Byrd, Commissioner El Franco Lee's Office
Mr. Mark Fury, Commissioner Steve Radack's Office
Administrative Staff
Guests

(Sign-in Sheets attached to permanent record)

I. Call to Order and Record of Attendance

Mr. Stephen DonCarlos, Chair, called the meeting to order at 9:06 A.M. and noted that a quorum was present. The attendance was recorded.

II. Approval of Minutes of Previous Meetings

Motion 08.11-595

Moved by Mr. Franklin, seconded by Ms. Spinks, and unanimously passed, that the Board approve the minutes of the October 16, 2008 regular meeting of the Board of Managers.

III. Hear from Citizens

There were no citizens to address the Board.

IV. President/Chief Executive Officer's Report to Include: 1) Balanced Scorecard; 2) UTMB Update; and 3) Impact of Election on the District

Individuals presented updates as listed below:

1. Balanced Scorecard – Mr. Joe Dygert presented. Much discussion ensued. Highlights include:
 - Scorecard measures for the months of June 2008 through August 2008 to include: Volumes, Financials, Emergency Centers and Appointments.
 - Quality measures to include:
 - HCHD Patient Satisfaction
 - Central Line Infections
 - AMI – Inpatient Mortality
2. UTMB Update – Mr. David Lopez presented an update on UTMB. Much discussion ensued. He noted that UTMB had county contracts where they provided care to the indigent population on a contractual basis. He noted that HCHD could also do this however it will require approval from the Board and Commissioners Court. Mr. Franklin asked that a task force be put in place to look at the other counties that UTMB had a contract with.
3. Impact of Election on the District – Mr. Lopez presented Barack Obama and Joe Biden's plan to lower the cost of healthcare and its impact on the Hospital District.

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

A. Items related to Purchasing

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

a. **Motion 08.11-596**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award on the basis of low bid to Hologic, Inc. for digital mammography radiographic system in the amount of \$272,000.

b. **Motion 08.11-597**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the third of five renewal options to Pharmacy Healthcare Solutions, Ltd. for Indigent Patient Drug Reimbursement Program (product recovery services) in the estimated amount of \$775,000 for the term December 1, 2008 through November 30, 2009.

c. **Motion 08.11-598**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the renewal of an award on the basis of sole source to IBM Corporation for IBM Operating System Software license and maintenance in the amount of \$185,569 for the term December 15, 2008 through December 14, 2009.

d. **Motion 08.11-599**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the second of four renewal options to The University of Texas M.D. Anderson Cancer Center for radiation therapy and related services in the estimated amount of \$2,000,000 for the term November 1, 2008 through October 30, 2009.

e. **Motion 08.11-600**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the first of four renewal options to Dunbar Armored for armored car services for automated parking collection units in the estimated amount of \$105,000 for the term January 1, 2009 through December 31, 2009.

f. **Motion 08.11-601**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award to GlaxoSmithKline in the amount of \$120,000 and Novartis Vaccines in the amount of \$260,000 for influenza vaccine for the 2008 – 2009 season in the total estimated amount of \$380,000.

g. **Motion 08.11-602**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award to Sanofi Pasteur distributed – Direct* for influenza vaccine for the 2008 – 2009 season in the estimated amount of \$105,000.

h. **Motion 08.11-603**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award to Philips Medical Systems North America for physiological patient monitors and upgrades (43 ea.) in the amount of \$344,169.

i. **Motion 08.11-604**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award to: 1) Gowan Inc. (Job No. 07/0283) - \$197,123; 2) Highlight Electric (Job No. 07/0120) - \$41,957; 3) SimplexGrinnell (TXMAS – 5-03FAC010) - \$161,598 and; 4) Johnson Controls (TXMAS – 5-03FAC020) - \$28,448 for re-commission existing

smoke evacuation project for Ben Taub General Hospital in the total amount of \$429,126.

j. **Motion 08.11-605**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award on the basis of sole source to T-System, Inc. for emergency center documentation and charting system in the amount of \$111,000 for the term date of execution ending twelve months thereafter.

k. **Motion 08.11-606**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award on the basis of only bid to Herman Miller through Office Pavilion for clinical modular casework for Lyndon B. Johnson General Hospital in the amount of \$93,005.

l. **Motion 08.11-607**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award on the basis of best bid to Boston Scientific Corporation for holmium laser and disposable laser fibers for urology surgeries in the amount of \$332,017.

m. **Motion 08.11-608**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award on the basis of best contract to Philips Medical Systems N.A. for radiographic/fluoroscopic system in the amount of \$350,402.

n. **Motion 08.11-609**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve funding for year two of a three-year agreement to HealthFirst TPA, Inc. d/b/a TriSurant for workers' compensation third party administration and associated services in the estimated amount of \$3,112,000 for the term January 1, 2009 through December 31, 2009.

o. **Motion 08.11-610**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award on the basis of lowest priced contract to Beckman Coulter, Inc. for integrated platform (chemistry and immunochemistry analyzers, automation, reagents, consumables and service) in the estimated amount of \$185,310 (\$370,620 estimated for two year term) for the estimated term November 1, 2008 through October 31, 2009 (two year term with annual funding).

p. **Motion 08.11-611**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional funding and an extension to Siemens Healthcare Diagnostics, Inc. (fka Dade) for integrated platform (chemistry and immunochemistry analyzers, automation, reagents, consumables and service) for the estimated amount of \$47,366 for the extended term of November 1, 2008 through April 30, 2009.

q. **Motion 08.11-612**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional funds and an extension to Beckman Coulter, Inc. for integrated platform (chemistry and immunochemistry analyzers, automation, reagents, consumables and service) in the estimated amount of \$53,175 for the extended term November 1, 2008 through January 31, 2009.

r. **Motion 08.11-613**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional funding and an extension to Siemens Healthcare Diagnostics (fka Dade Behring, Inc.) in the estimated amount of \$53,280 for the extended term November 1, 2008 through April 30, 2009.

s. **Motion 08.11-614**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional funds and an extension to Abbott Diagnostics, Inc. through Cardinal Health for blood glucose meters, reagents, training and service in the estimated amount of \$266,043 for the extended term November 1, 2008 through April 30, 2009.

t. **Motion 08.11-615**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional funds and an extension to Baylor College of Medicine, Department of Molecular & Human Genetics, Medical Genetics and; DynaGene a LabCorp Company for special reference laboratory services in the additional amount of \$167,116 for the extended term November 1, 2008 through April 30, 2009.

u. **Motion 08.11-616**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional funds and an extension to LabCorp for reference laboratory testing services in the additional amount of \$470,000 for the extended term October 1, 2008 through March 31, 2009.

v. **Motion 08.11-617**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve additional funds to Baylor College of Medicine for anatomical pathology reference testing services in the additional amount of \$108,657 for the term November 1, 2007 through October 31, 2008.

w. **Motion 08.11-618**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify the termination of an agreement to McKesson Health Systems, Inc. for meds manager software maintenance in the amount of \$118,707 for the term October 1, 2007 through September 30, 2008.

x. **Motion 08.11-619**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify acceptance of a donation to Baylor College of Medicine for computed tomography (CT system) in the amount of \$136,562 (current book value).

y. **Motion 08.11-620**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify additional funds to Highlights Electrical for term contract for electrical maintenance services in the additional amount of \$314,106 for the term September 1, 2008 through August 31, 2009.

z. **Motion 08.11-621**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify additional funds to Medical Advocacy Services for Healthcare, Inc. (MASH) - \$39,510; and NCO Financial Systems, Inc. (NCO) - \$174,517, for third party specialists to assist with certification of pending Medicaid cases and other related third party sources in the additional estimated amount of \$214,027.

aa. **Motion 08.11-622**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify additional funds and an extension to Roche Diagnostics Company for PCR genotyping system analyzer and reagents in the additional amount of \$201,600 for the extended term August 1, 2008 through January 31, 2009.

bb. **Motion 08.11-623**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify additional funds and an extension to Micrus Endovascular Corp. for embolization coils in the additional amount of \$134,000 for the extended term August 1, 2008 through September 30, 2008.

cc. **Motion 08.11-624**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify a renewal to Hill-Rom for specialty beds in the estimated amount of \$527,138 for the term April 1, 2008 through March 31, 2009.

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

(For Informational Purposes Only)

- a. Transmittal of an award on the basis of sole source to NeuroLogica Corporation for maintenance of computed tomography (CT) scanner in the amount of \$35,000 for the term of one year upon execution of agreement with two one year renewal options.
- b. Transmittal of an award on the basis of sole source to Kimberly-Clark Corporation for closed ventilation suction products in the estimated amount of \$84,853 for the term October 1, 2008 through September 30, 2009.
- c. Transmittal of an award on the basis of best overall contract to Ehob, Inc. (Mattress overlay products and replacement mattresses) for chair cushions in the estimated amount of \$98,198 for the term October 1, 2008 through September 30, 2009.
- d. Transmittal of an award on the basis of best overall contract to 3M Company for waterless brushless surgical hand scrub in the estimated amount of \$46,122 for the term October 1, 2008 through September 30, 2009.
- e. Transmittal of an award on the basis of lowest priced contract to Integra Neurosciences (Neurosurgical Products) for cranial access kits in the estimated amount of \$41,280 for the term October 1, 2008 through September 30, 2009.
- f. Transmittal of an award on the basis of lowest priced contract to Metrex Research Corporation for high level disinfectant wipes in the estimated amount of \$96,471 for the term October 1, 2008 through September 30, 2009.
- g. Transmittal of an award on the basis of low bid to MDL Enterprise, Inc. for term contract for pharmacy printers and chips in the amount of \$61,695 for the term September 23, 2008 through September 22, 2008 with four one-year renewal options.
- h. Transmittal of an award on the basis of low bid to Eagle Electronic Resources for term contract for the disposal of salvage electronic equipment and related items in the estimated amount of \$3,555 for the term November 1, 2008 through October 31, 2009 with four one-year renewal options.
- i. Transmittal of an award on the basis of only bid received to Ellex, Inc. for ophthalmic ultrasound scanning system in the amount of \$34,913.

- j. Transmittal of an award on the basis of only bid received to Lombart Instrument for ophthalmic equipment in the amount of \$47,020.
- k. Transmittal of additional funds and an extension to Baylor College of Medicine for anatomical pathology reference testing services in the additional amount of \$40,251 for the term November 1, 2008 through January 31, 2009.
- l. Transmittal of additional funds to Hill-Rom for specialty beds in the estimated amount of \$96,338 for the term April 1, 2007 through March 31, 2008.

A(3). Transmittal Matrix of Completed Items:

(For Informational Purposes Only)

- a. Transmittal of an award on the basis of sole source to Synergetics, Inc. for consumables associated with the Sonopet/Omni system in the estimated amount of \$68,856 for the term October 30, 2008 through October 30, 2009.
- b. Transmittal of personal services to Thomson Reuters for strategic planning facilitation services in the estimated amount of \$75,700 for the term August 28, 2008 through October 31, 2008.
- c. Transmittal of a renewal to Federal Costing Concepts, LLC to maintain and negotiate indirect cost rate agreements in the estimated amount of \$29,000 for the term January 3, 2009 through January 2, 2010.
- d. Transmittal of additional funds to Resource Staffing for temporary staffing positions in fiscal operations and other departments in the estimated amount of \$30,000 for the term September 1, 2008 through October 31, 2008.
- e. Transmittal of a renewal to Compucycle, Inc. for sale of computer equipment and wipe hard drives in the estimated revenue amount of \$43,865 for the term November 1, 2008 through October 31, 2009.
- f. Transmittal of an award on the basis of sole source to SSI (fka SeeBeyond Technologies Corporation) for maintenance for *eWay Bundle in the estimated amount of \$35,364 for the term April 15, 2008 through April 14, 2009.
- g. Transmittal of an award on the basis of sole source to API Software, Inc. for software maintenance and support for application used to track clock-in/clock-outs and work schedules in the estimated amount of \$68,810 for the term December 4, 2008 through December 3, 2009.
- h. Transmittal of an award on the basis of sole source to Vicro Lab, Inc. for Vicro[®]TYPE Analysis Services and VicroNET[™] Software for HIV patients in the estimated amount of \$72,000 for the term November 16, 2008 through November 15, 2009.

B. Motion 08.11-625

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an award the purchase of furniture utilizing TXMAS contracts on the basis of lowest quote per item to: 1) Corporate Express - \$28,135 (Item I); 2) Facility Interiors - \$59,898 (Item IV); 3) Krueger International c/o The Ofis - \$76,278 (Item V); 4) Vanguard Environments - \$94,259 (Item II & III); 5) Haworth c/o Facility Interiors - \$916,374 (Item VI), for furniture for the Kirby Office Project.

C. Motion 08.11-626

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve a Point of Entry Agreement between Harris County Hospital District and AIDS Foundation Houston to facilitate access to treatment services for HIV+ individuals for the term March 1, 2008 through February 28, 2009 (Neither party will pay or receive compensation under this agreement).

D. Motion 08.11-627

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between Harris County Hospital District and Baylor College of Medicine, Department of Pediatrics funded by Ryan White Modernization Act Part D to provide pediatrician services to eligible HIV-infected adolescents at District Facilities in the amount of \$34,840 for the term September 1, 2008 through August 31, 2009.

E. Motion 08.11-628

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between Harris County Hospital District and Baylor College of Medicine to provide medical direction and evaluation services funded under Special Projects of National Significance (SPNS) Program in the amount of \$50,372.99 for the term September 1, 2008 through August 31, 2009.

F. Motion 08.11-629

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the 2008 HCHD Charity Care Schedule of Benefits and Service Exclusions.

G. Consideration of Approval for Participation in the National Database for Nursing Quality Indicators (NDNQI).

This item was pulled.

H. Motion 08.11-630

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an agreement between Harris County Hospital District and Midwestern State University to investigate the effect of off-peak hospital work environment on nurses' work at Ben Taub General Hospital in the amount of \$19,600 for the term October 15, 2008 through August 31, 2009.

I. **Motion 08.11-631**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify the one time authorization for advancing Paid Time Off (PTO) to HCHD employees due to Hurricane Ike effective the period September 14, 2008 through September 20, 2008.

J. **Motion 08.11-632**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve retirement benefits policy #6.28 effective immediately.

K. **Motion 08.11-633**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the newly revised grant submissions for Federal, State, and Local Government Entities Policy (No: 3.10).

L. **Motion 08.11-634**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Media Relations Policy #8.02 to be effective December 4, 2008.

M. **Motion 08.11-635**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District External Funding Proposal Development and Submission (Private Grants) Policy #3.27.

N. **Motion 08.11-636**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve the Harris County Hospital District Fair and Accurate Credit Transactions Act (FACTA) Compliance Policy to be effective November 6, 2008.

O. **Motion 08.11-637**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify an amendment to the contract between the Harris County Hospital District and Mental Health Mental Retardation Authority of Harris County (MHMRA) for security staffing at their facilities in the Neuro Psychiatric Center Building (NPC), which increases MHMRA fees paid to HCHD for security services by \$5,000 and authorizes flat billing per month of \$20,755 for an annual payment of \$249,056 to HCHD for these services.

P. **Motion 08.11-638**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board approve an agreement between the Harris County Hospital District and Mary Schneider for intergovernmental relations in an amount not to exceed \$100,000 for hourly services and \$50,000 for allowable and other business expenses for the term November 3, 2008 through November 2, 2009.

VI. Reports of the Committees

Mr. DonCarlos called on Ms. Spinks, who called on Dr. Greenberg to present agenda items relative to Joint Conference Committee.

A. Joint Conference Committee

1. **Motion 08.11-639**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board ratify the credentialing changes for October for members of the HCHD Medical Staff. (Appendix “A”).

2. **Motion 08.11-640**

Moved by Mr. Wortham, seconded by Ms. Spinks, and unanimously passed, that the Board accept the Medical Board Report as included in the packet.

B. Budget and Finance Committee

Mr. DonCarlos called on Mr. Ferdinand Gaenzel to present agenda items relative to Budget and Finance Committee.

1. **Motion 08.11-641**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board accept the September 30, 2008 Financial Report subject to final audit.

2. **Motion 08.11-642**

Moved by Ms. Truesdell, seconded by Ms. Spinks, and unanimously passed, that the Board accept the Pension Plan Report for the period ended September 30, 2008 subject to final audit.

3. Consideration to Approve Payment to the Harris County Hospital Healthcare Alliance for 2008 – 2009 Membership Dues.

This item deferred until the December 4, 2008 Board meeting.

4. **Motion 08.11-645**

Moved by Ms. Stiner, seconded by Mr. Franklin, and unanimously passed, that the Board approve the first amendment to the current agreement with Mir Fox Rodriguez, P.C. to assist Corporate Compliance in conducting continuous auditing and monitoring services in the total amount not to exceed \$150,000 for the term June 1, 2008 through May 31, 2009.

Ms. Mary Spinks, Mr. Dale Wortham and Dr. George Santos departed the meeting prior to this vote.

This item was taken out of order.

5. Presentation of August 2008 Financial Statements of Community Health Choice, Inc.

Mr. Kenneth Janda presented the September 2008 Financial Statement of Community Health Choice, Inc. Highlights for the month of September include:

- Net Income for September \$1,716,619
- STAR Member Months 5% below budget for the month
- CHIP Member Months 25% above budget for the month
- CHIP Perinate Member Months 13% above budget
- Total Revenue 6% below budget for the month

C. Planning and Operations

Mr. DonCarlos called on Mr. Franklin, who called on Ronald Johnson to present agenda items relative to Planning & Operations Committee.

1. Motion 08.11-643

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board take the following action:

- (1) Ratify the initial determination that good cause exists for finding that violations of prevailing wage requirements have occurred by Excel Plumbing, Inc., a subcontractor of Trademark Enterprises, d/b/a Trademark Construction & Remodeling, Inc., while providing plumbing services at the construction site for the Hospital District's New Alief Health Center (see attachment – Appendix "B"). It is further recommended that back wages and penalties for underpayment of workers be applied in accordance with TEX. GOV'T CODE §2258.
- (2) Make a determination that there is good cause to withhold further payments of any kind to Trademark, in accordance with TEX. GOV'T CODE §2258.051(2), due to continued violations of the prevailing wage requirements.

2. Motion 08.11-644

Moved by Ms. Truesdell, seconded by Mr. Wortham, and unanimously passed, that the Board approve the additional cost of \$107,092.37 over the original approved amount of \$218,950.00 (includes 10% owner's contingency of \$19,905.00) awarded to Pavecon, LTD for a total cost of \$326,042.37 to complete the build-out of a parking lot at Baytown Community Health Center.

D. Legislative Committee

1. Update, discussion and possible action regarding activities in Austin relating to regulatory issues impacting HCHD, the 80th Legislative Session and the HCHD legislative platform.
2. Update, discussion and possible action regarding pending federal legislative, line items and policy issues affecting HCHD.

The above agenda items will be addressed at the December 4, 2008 Board meeting.

VII. Executive Session

At 11:18 A.M., Mr. DonCarlos stated that the Board would go into Executive Session under Section 161.032 of the Texas Health & Safety Code and Chapter 551 of the Texas Government Code Section 071. He also stated that the Board would recess during executive session and return to executive session at 12:15 P.M. and that the regular meeting of the Board would reconvene at the close of Executive Session.

At 11:33 A.M., the Board recessed in order to participate in a luncheon honoring Mr. Quentin R. Mease's 100th Birthday. Mr. DonCarlos honored Mr. Mease's 100th birthday and recognized him for his many contributions to the Harris County Hospital District. He also did a special recognition to Commissioner El Franco Lee, Ms. Louis Moore (former COO for HCHD) along with other previous members of the HCHD Board of Mangers, HCHD Foundation and Ms. Mary Attwell (wife of former Chairman of the Board).

At 12:15 P.M., Mr. DonCarlos stated that the Board would return to Executive Session and will reconvene at the close of Executive Session.

VIII. Reconvene

At 2:33 P.M., Mr. DonCarlos reconvened the meeting and stated that no action was taken in Executive Session.

- A. Consultation with the County Attorney regarding Joining Possible Lawsuit Challenging CMS Medicaid Drug Rebate Rule affecting Hospital Outpatient Clinic Administered Drugs pursuant to Tex. Gov't Code Ann. § 551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

No action taken.

- B. Consultation with the County Attorney regarding a Deed Conveying Real Property held in Trust by the Huffman Independent School District on 514 Springwater Drive in Harris County, Texas, to James & Billie Lannom relating to Cause No. 2002-25883; *Huffman Independent School District v. Cunningham, Brian T., et al.*, in the 125th 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 08.11-646

Moved by Mr. Franklin, seconded by Ms. Stiner, and unanimously passed, that the Board approve a Deed Conveying Real Property held in Trust by the Huffman Independent School District on 514 Springwater Drive in Harris County, Texas, to James & Billie Lannom relating to Cause No. 2002-25883; *Huffman Independent School District v. Cunningham, Brian T., et al.*, in the 125th Judicial District Court of Harris County, Texas. David S. Lopez, President/CEO is authorized to execute any agreement, release or other documents to effect this conveyance.

Ms. Mary Spinks, Mr. Dale Wortham and Dr. George Santos departed the meeting prior to this vote.

- C. Consultation with the County Attorney regarding Cause No. 2008-44764; *Harris County Hospital District v. NovaPro Solutions L. P.*; in the 55th 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 08.11-647

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve the settlement and release of all claims related to *Cause No. 2008-44764; Harris County Hospital District vs. NovaPro Risk Solutions L.P.* in the 55th Judicial District Court of Harris County Texas according to the following items: NovaPro Risk Solutions, L.P. will pay \$93,465.00 to the Harris County Hospital District, in interest-free installments within 12 month of the date the agreement is executed and in return for such payment, Harris County Hospital District shall dismiss its lawsuit. David S. Lopez, President/CEO is authorized to execute any agreement, release or other necessary documents to effect this settlement.

Ms. Mary Spinks, Mr. Dale Wortham and Dr. George Santos departed the meeting prior to this vote.

- D. Consultation with the County Attorney regarding Cause No. 2008-45075; *Eugene Krus v. Harris County Hospital District*, in the 215th 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 08.11-648

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve the settlement and release of all claims related to *Cause No. 2008-45075; Eugene Krus v. Harris County Hospital District*, in the 215th Judicial District Court of Harris County, Texas according to the following terms:

Eugene Krus shall pay to the Harris County Hospital District, \$13,000.00, which Harris County Hospital District will accept as payment in full for all accounts covered by its hospital lien filed on November 20, 2006. This settlement is conditioned on a dismissal with prejudice of all claims against the Harris County Hospital District. David S. Lopez, President/CEO is authorized to execute any agreement, release or other necessary documents to effect this settlement.

Ms. Mary Spinks, Mr. Dale Wortham and Dr. George Santos departed the meeting prior to this vote.

- E. Consultation with the County Attorney regarding Cause No. 2008-41447; *Jessie Woods v. Harris County Hospital District*, in the 164th 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 08.11-649

Moved by Ms. Truesdell, seconded by Mr. Franklin, and unanimously passed, that the Harris County Hospital District, by and through its Board of Managers, approve the settlement and release of all claims related to Cause No. 2008-41447; *Jessie Woods, et al v. Harris County Hospital District, et al*; in the 164th Judicial District Court of Harris County, Texas by payment of a total sum not to exceed \$25,000.00 and the discharge of all unpaid accounts of Joseph Woods, Deceased. David S. Lopez, President/CEO is authorized to execute any agreement, release or other necessary documents to effect this settlement.

Ms. Mary Spinks, Mr. Dale Wortham and Dr. George Santos departed the meeting prior to this vote.

- F. Consultation with the County Attorney regarding Methods for Employing Physicians to Staff District Facilities pursuant to Tex. Gov't Code Ann. § 551.071, and Possible Action Regarding this Matter Upon Return to Open Session.

No action taken.

- G. Discussion regarding the Status and Terms of the Employment Contract of the President and Chief Executive Officer of Community Health Choice, Inc. pursuant to Tex. Gov't Code Sec. 551.074, and Possible Action Regarding this Matter Upon Return to Open Session.

Motion 08.11-650

Moved by Mr. Franklin, seconded by Mr. Jhin, and unanimously passed, that the Board of Managers approve the termination without cause of Dr. Glen Johnson on the terms presented to the Board where the District pays one year's salary as severance pursuant to his contract.

Ms. Mary Spinks, Mr. Dale Wortham and Dr. George Santos departed the meeting prior to this vote.

The Performance Improvement and Patient Safety Committee did not meet and brings directly to the Board agenda item H:

- H. Report by the Chief Medical Officer regarding Quality of Medical and Health Care, pursuant to Tex. Health & Safety Code Ann. §161.032 and Tex. Occupations Code Ann. § 160.007 to Receive Peer Review and/or Medical Committee Report in Connection with the Evaluation of the Quality of Medical and Health Care Services, and Possible Action Regarding this Matter Upon Return to Open Session.

No action taken.

- I. Report by 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 Investigation pursuant to Section 161.032 of the Texas Health & Safety Code.

No action taken.

- J. Consideration of Employment of Individual to be Vice President of Corporate Compliance Department Pursuant to Tex. Gov't Code Ann. § 551.074 and Possible Action Regarding this Matter Upon Return to Open Session.

No action taken.

IX. Special Recognition of Mr. Quentin R. Mease

This agenda item was taken out of order. Refer to item VII. for more information.

X. Adjournment

Moved by Mr. Franklin, seconded by Ms. Stiner, and unanimously accepted to adjourn the meeting.

There being no further business, the meeting adjourned at 2:38 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 November 6, 2008.

Mr. Stephen DonCarlos, Chair
Board of Managers

Mr. E. Dale Wortham, Secretary

Recorded by Ms. Charlaa Hunter &
Ms. Anne McCowan