

**TARRANT COUNTY HOSPITAL DISTRICT (TCHD)  
d/b/a JPS HEALTH NETWORK BOARD OF MANAGERS  
THURSDAY, APRIL 16, 2009**

The TCHD Board of Managers met on Thursday, April 16, 2009 in the auditoriums of JPS Health Network Outpatient Building, 1500 South Main Street, Fort Worth, Texas for a meeting with the following Board Members present:

Steve Montgomery, Chair  
Dan Serna, Vice Chair  
Scott Fisher, Secretary  
Bernard Rubin, D.O., Member  
Tonya Veasey, Member  
Rev. Ralph Emerson, Member  
Trent Petty, Member  
Karen Van Wagner, Ph.D., Member  
Charles Webber, M.D., Member  
Bruce Capehart, Member  
Rex Hyer, M.D., Member (initial meeting)

**Others Attending:**

Robert Earley, President/CEO  
Bill Whitman, Exec. Vice President/COO  
Jay Haynes, M.D., Sr. Vice President/CMO  
G. Sealy Massingill, M.D., President, Medical Staff  
Randy Rogers, Interim Sr. Vice President/CFO  
Ron Stutes, Exec. Vice President/Arlington Administrator  
Commissioner J.D. Johnson, Precinct 4  
Jane Sanford, Judge Whitley's Office  
Sandra Godfrey, Precinct Administrator  
Krystal James, Precinct Administrator  
Jon Ed Robbins, Precinct Administrator  
Al Cordova, Vice President, Community Health Services  
Jamey Pennington, Vice President/CIO  
Josephine Fowler, Vice President Academic Affairs  
Rick Stevens, Vice President, Operations  
Charles Williams, Vice President of Support Services  
Trudy Sanders, Interim Chief Nursing Officer  
Rose Thomason, Interim Vice President Human Resources  
Kimberly Britton, Partners Executive Director  
Scott Herndon, Finance  
Marvin Collins, District Attorney's Office  
Ann Diamond, District Attorney's Office  
Larry Thompson, District Attorney's Office  
Neal Adams, Legal Services  
John Lynch, Legal Services  
Tony Spangler, Fort Worth Star-Telegram  
Dann Baker, JPS Chaplain  
Dennis Killy, Tarrant Alliance for Responsible Government

Ann Sutherland, Access Committee & League of Women Voters  
Dee Post, Recording Secretary

## **I. Call To Order:**

The meeting was called to order by the Board of Managers Chair, Steve Montgomery at 12:10 p.m.

## **II. Opening Prayer & Pledge to Flag:**

Dann Baker, JPS Chaplain, lead the audience in the prayer and pledge to the flag.

## **III. Board Chair Report, Deliberation(s) and/or Action(s) – S. Montgomery**

1. Mr. Montgomery informed the audience that Dr. Gary Floyd has stepped down as a Board member in order to take a position at the District. Mr. Montgomery added that he appreciates all of Dr. Floyd's time and efforts while serving on the Board.  
  
Mr. Montgomery recognized Commissioner Johnson for the swearing in of new board member Rex, Hyer, M.D. who will replace Gary Floyd, M.D. Dr. Hyer was sworn in and welcomed to the JPS Board.
2. YWCA Tribute to Women in Business Award – Josephine Fowler, M.D. was congratulated as this year's recipient of the YWCA Tribute to Women in Business Award. Dr. Fowler thanked everyone and commented she enjoys being at JPS and working in the community.

## **IV. Hearing of Citizens**

No citizens signed in to speak at today's meeting.

## **V. Approval of Minutes:**

- A. Mr. Fisher made the recommendation to approve the April 16, 2009 Board minutes. Mr. Capehart seconded the motion. All members were in agreement and the minutes were approved as presented.

### **B. Board Reading**

Board readings were included behind tab 2 of the Board book.

## **VI. Administrator's Report, Update on District Activities, Deliberation(s) and/or Action(s) Thereon: R. Earley**

### **A. Update on District Activities**

1. **Teaching Hospital of Texas Meeting Update** - Mr. Earley informed the Board that he recently attended a meeting of the Teaching Hospitals of Texas regarding stimulus funds. This organization is made up primarily of public hospitals and they were pleased with the participation of the Tarrant County Hospital District.
2. **Texas Legislative Update** – Mr. Earley informed the Board that there was movement by the Department of Human Services regarding tapping into state Trauma funds. This legislation did not pass and movement to move these funds back into Trauma funds is underway.

Mr. Earley also informed the Board that Parkland Hospital asked for interpretation on whether hospitals can hire their own physicians and Parkland received a ruling stating that they cannot. Parkland then introduced legislation stating that they can. Mr. Earley added that other public hospitals are stating that they also would like to hire their own doctors. JPS is not participating in these discussions.

3. **JPS Board Retreat Update** – Mr. Earley informed members that the Board Retreat will be conducted by the Studer Group. Mr. Earley added that Board members will review the scope and role of the Board and review future projects for the Hospital District. Also the healthcare

needs of the community will be discussed at the Board Retreat. Mr. Earley informed the Board that they will be receiving a survey from the Studer Group regarding how they see the future direction of the Hospital District. Mr. Earley distributed Hardwiring books to the Board members. Rev. Emerson reminded Mr. Earley that there was previous discussion regarding the various departments within the Hospital District and what their functions are. Mr. Earley replied that will be discussed including how the Hospital District is operated. Mr. Earley commented that he will also work with Mr. Serna and Dr. Van Wagner since they will not be able to attend the Board Retreat. Mr. Earley informed the Board that the agenda has not been finalized.

4. **Divisional Activities Report and Contracts/Settlements** - The April 2009 Board monthly report is included behind tab 3 of today's Board book.

## **VII. Discussion(s), Update and/or Information Regarding Patient Satisfaction Survey – B. Whitman**

Mr. Whitman reviewed the Patient Satisfaction Survey included behind tab 4 of the Board book. Mr. Whitman reported the inpatient satisfaction data declined in March, 2009 and informed the Board that there was a 24 percent lag factor in receipt of patient responses. Mr. Whitman informed the Board that the District will be receiving assistance from Press Ganey in this area.

Mr. Whitman added that the District is extremely busy and commented the highest number of emergency department patients was seen in March than ever before. Mr. Whitman further commented that only 29 percent of Emergency Department patients are discharged from the Emergency Department and 71 percent of patients that are seen in the Emergency Department are admitted to the hospital. Dr. Van Wagner commented that the high rate of admissions needs to be studied.

Mr. Whitman informed members that Press Ganey focuses their efforts on training. They ensure that leadership is trained before the training is offered to the remaining staff.

Mr. Whitman congratulated Al Cordova for all his efforts for improving clinic patient scores. Mr. Cordova has had his team working at improving clinic patient scores for about two weeks longer than the main hospital. Ms. Veasey congratulated Mr. Whitman and thanked him for his leadership. She added she is excited about the direction the Hospital District is going.

## **VIII. Items to be Withdrawn from the Consent Agenda:**

**Mr. Serna recommended the removal of the following item from the Consent Agenda:**

X. Matters from the Finance Committee

- C. Deliberation(s), Action(s), and/or Approval Regarding JPS Connection Scope of Services – J. Haynes, M.D./R. Fulkerson, M.D.

This item was tabled and will be presented at a later date.

**Rev. Emerson recommended the removal of all consent items listed under the Planning Committee.**

**Dr. Rubin also recommended the removal of item XIV. A. 2.**

**Ms. Veasey recommended the removal of item XIV. A. 6.**

XIV. Matters from the Planning Committee

- A. Deliberation(s), Action(s), and/or Approval Regarding the Following:

- \*\* 1. IT Strategic Plan Recommendations – J. Pennington**

Mr. Pennington explained that the Hospital District is at a decision point for the future of technology implementation. He added that the current technologies are at multiple points of non-support by their vendors. Rev. Emerson asked Mr. Pennington to ensure that as the development of the IT program continues, to consider MBE/WBE processes

going forward. Mr. Pennington replied that it is already in process. Dr. Rubin made the motion to approve the concept for the IT Strategic Plan and funds included under tab 11 of the Board book. Ms. Veasey seconded the motion. All Board members were in favor and the motion passed unanimously.

**\*\* 2. Inmate Patient Admission Unit Relocation Concept – B. Whitman**

Mr. Whitman explained that currently inmates that are brought into the hospital are placed in an area that is congested. Mr. Whitman asked for approval to look for an alternate area. He explained that federal guidelines require two guards for every prisoner. Mr. Whitman commented he does not know the total number of beds needed and explained that areas in the hospital could be remodeled to accommodate prisoners. Mr. Fisher informed Board members that this topic was discussed in length at the Planning Committee and moved that this item be approved. Dr. Webber seconded the motion. Ms. Veasey verified that the Board members were approving the concept only and that bids for architects and design would be approved at a later date. Mr. Whitman replied that he anticipates sending the design portion out for bids. Ms. Veasey asked Mr. Whitman to consider MBE/WBE companies. Mr. Whitman ensured Ms. Veasey that he would. All Board members were in agreement and the motion passed unanimously.

**\*\* 6. Pharmacy Clean-Room Renovations in Accordance with USP 797 Regulations – B. Whitman**

Mr. Whitman informed the Board that this is a request to upgrade each of the Inpatient Pharmacy sterile IV compounding clean room areas in order to achieve compliance. Addition information can be found under tab 11 of the Board book. Dr. Webber made the motion to approve this item. Mr. Capehart seconded the motion. There were no questions and the motion passed unanimously.

**IX. Consent Agenda: All Items with Asterisks (\*\*\*) are Part of the Consent Agenda, were Discussed in Board Committee Meetings, May Require Little or No Deliberation by the Board of Managers, but Require Board Approval.**

Dr. Webber made the motion to approve the remaining consent agenda items. Rev. Emerson seconded the motion. There was no further discussion. All Board members approved and the motion passed unanimously.

**X. Matters from the Finance Committee Requiring Deliberation(s), Action(s) and/or Approval – D. Serna/R. Rogers**

**A. February 2009 Unaudited Financial Reports Including JPS Physician Group – R. Rogers/Bill Whitman/R. Stutes/Corbin Wilson**

Mr. Whitman reviewed the key operating statistics and referred to page 56 of today's Board book. He reported that admissions for the month of February were down and the adjusted patient days and length of stay increased. He added the inpatient surgery cases volume was flat while the outpatient surgery cases increased. Births were a little below budget. Mr. Whitman further reported that there was an 8 percent increase in the number of Emergency Department visits from this time last year and arrival to discharge from the Emergency Department took 7 hours with an admission rate of 71 percent. He added that the number of patients that left without being seen continues to be tracked closely. Mr. Whitman continued by reporting the District experienced a 14 percent increase in clinic visits. There was a short discussion regarding the number of patients who do not keep their appointments. Members were informed that the no show rate is considered when booking appointments and as part of the budget process.

Mr. Rogers provided a brief review of the income statement. He explained the inpatient/outpatient mix and reported the operating expenses are not increasing. He further reported on labor costs and reported that contract labor is down. Mr. Whitman clarified that the majority of contract labor that the Hospital has today is at the Correctional Health facility. Rev. Emerson asked if the overtime is due to a shortage of FTEs. Mr. Whitman responded that some is from a shortage of FTEs, some is from contract labor but most of the overtime is within the departments. Randy informed members that he tries to keep overtime at 2 percent and has stressed to the departments not to have planned overtime..

Mr. Rogers reviewed the financial statement and reported a \$15 million loss. Mr. Rogers added that the executive staff members have put changes in place to bring the organization to a level of spending that equates to what is being earned. He added that hard decisions will need to be made during the next budget cycle. He further commented that donated drugs have decreased, admits are up and he provided a brief review of salaries. He further reported that contract services and implant cases have increased. Mr. Rogers added that property values are remaining strong and commercial insurance revenue is down.

Mr. Rogers continued by reviewing the operating revenue. He informed members that numerous meetings have taken place with the management staff to review the negative number. Mr. Rogers further informed members that all non essential travel for staff has been eliminated and staff members are submitting suggestions on other ways to save money within the organization.

Mr. Rogers commented that collections are up and the Hospital District's portfolio is out performing the majority of other hospitals. Mr. Petty informed members that the numbers that have been reviewed by Mr. Rogers have also been reviewed at length by the Finance Committee members. He congratulated Mr. Rogers, Mr. Whitman and Mr. Earley on the direction they have taken with operational cost savings.

Mr. Wilson briefly reviewed the income statement for the JPS Physician Group, which is included on page 111 of the Board book. He reported that total encounters continue at 20 percent above budget. He added that gross billings are exceeding the budget for the month. He further commented that salaries are under budget due to budgeted providers not yet being on board. He also explained that purchased services are on budget. Mr. Wilson asked if there were any questions regarding his report and there were none.

Mr. Stutes briefly reviewed the Arlington Hospital. He commented surgeries and radiology procedures are up and they are now performing knee replacements as well as other types of replacement surgeries. He added four operating rooms are being used full time. Mr. Stutes commented he expects the GI volume to increase and several robotic surgeries have been scheduled for next week. He reports he expects to see an increase in the number of CareFlites to JPS and reported all of the Arlington facilities are busy.

There was a short discussion regarding standardizing surgical supplies and equipment. Mr. Earley commented this process has already begun. Dr. Van Wagner commented that if the project was assigned to a staff member, the process would move along quickly. Dr. Massingill suggested staff and physicians sit down and discuss this. Dr. Van Wagner also suggested reviewing what equipment and supplies are on contract and what are not. Dr. Massingill informed the group that he will make sure this is addressed. Dr. Hyer commented physicians are more likely to address this when approached by their colleagues instead of Administration. Mr. Montgomery thanked everyone for their comments.

Dr. Van Wagner asked if all clinics are at capacity. Mr. Whitman replied that they are not and provided an example that one clinic is out of the way and not easily accessed. Dr. Van Wagner asked if the Hospital District has the ability to balance the patient volumes for each center. Mr. Cordova replied that this has been discussed and is already being done at some of the centers. Mr. Stutes added that several of the providers are trained to manage templates and patients. Dr. Rubin commented this task will not be able to happen until the electronic medical record is in place.

Mr. Capehart made the motion to approve the February 2009 unaudited financials as presented. Dr. Rubin seconded the motion. There were no further questions and the motion passed unanimously.

**B. Deliberation(s), Action(s) and /or Approval Regarding the Following Agreements – R. Rogers**

- \*\* 1. Columbia Plaza Medical Center of Fort Worth Subsidiary LP d/b/a Plaza Medical Center of Fort Worth – Second Amendment to Cardiovascular Services Agreement
- \*\* 2. Columbia Plaza Medical Center of Fort Worth Subsidiary LP d/b/a Plaza Medical Center of Fort Worth – Third Amendment to Agreement of Covenants and Restrictions
- \*\* 3. Columbia Plaza Medical Center of Fort Worth Subsidiary LP d/b/a Plaza Medical Center of Fort Worth – Fourth Amendment to Restrictive Covenants

**C. \*\* Deliberation(s), Action(s) and /or Approval Regarding JPS Connection Scope of Services – J. Haynes, M.D./R. Fulkerson, M.D.**

This item pulled under item VIII.

**D. \*\* Deliberation(s), Action(s) and /or Approval Regarding JPS Physician UPL Summary First Quarter Fiscal Year 2009 Payment – R. Rogers**

**E. \*\* Deliberation(s), Action(s) and /or Approval Regarding E-Prescribing – J. Pennington**

**F. \*\* Deliberation(s), Action(s) and /or Approval of Appointments/Reappointments of Tarrant County Hospital District's Appointees to the Board of Director for the Following Tax Increment Financing (TIF) Zone, Tarrant County – R. Rogers**

- 1. \*\* TIF #7 – City of Fort Worth, North Tarrant Parkway – appointment of Scott Herndon
- 2. \*\* TIF #8 – City of Fort Worth, Lancaster – Appointment of Scott Herndon
- 3. \*\* TIF #12 – City of Fort Worth, East Berry – Reappointment of Scott Herndon

**XI. Recess and Reconvene in Closed Session:**

The Board recessed and reconvened in closed session at 1:45 p.m.

**XII. Reconvene in Open Session for Deliberation(s) and/or Action(s) Deemed Necessary Regarding Any Matter Listed on the Closed Session Agenda, Paragraphs XI. A., B., C., D., E., F., and G.**

The Board reconvened in open session at 2:44 p.m.

**XI. A. Deliberation Regarding the Purchase, Exchange, Lease, or Value of Real Property Pursuant to Section 551.072, Texas Open Meetings Act.**

**1. Proposed Contract of Sale on Jennings Office Building**

Dr. Rubin made the motion to approve the sale of the Jennings Office building for the amount of \$685,000 pending approval of sale by Commissioner's Court. Mr. Capehart seconded the motion. All Board members were in favor and the motion passed unanimously.

**2. Proposed Letter of Intent to Purchase Property from Fort Worth Transportation Authority**

Mr. Serna moved to authorize Robert Earley as President and Chief Executive Officer to work with the General Counsel for Tarrant County Hospital District to negotiate a Letter of Intent and ultimately an Agreement of Purchase and sale to purchase 1.491 acres being specifically described as Lot 9R1, Block 93, Texas & Pacific Railroad Company Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, being a revision of Lots 14 thru 16 and Lot 9R, Block 93, Texas & Pacific Railroad Company Addition as recorded in volume 63, Page 107, and Volume 388-198, Page 69, of the Plat Records of Tarrant County, Texas, on such terms and conditions as Robert Earley, as President and Chief

Executive Officer, deems appropriate. Mr. Fisher seconded the motion. All Board members were in favor and the motion passed unanimously.

3. Proposed Sale of Tax Foreclosed Property Located at 1108 E. Berry Street, Fort Worth, Texas

Mr. Petty moved to approve the sale of the above property. Dr. Rubin seconded the motion. All Board members were in favor and the motion passed unanimously.

- B. Consultation with General Counsel to Receive Legal Advice on Pending/Contemplated Litigation and Other Matters under Subsections 1 and 2, Section 551.071, Texas Open Meetings Act.

1. Settlement of Claim with the Texas Health & Human Services Commission and with the Center for Medicare and Medicaid Service regarding Medicaid Graduate Medical Education Reimbursement Program.

Mr. Fisher moved that the Board of Managers authorize Robert Earley as President and Chief Executive Officer to work with the CEOs of Harris County Hospital District, Bexar County Hospital District, El Paso County Hospital District, and Lubbock County Hospital District along with Tarrant County Hospital District's General Counsel and the law firm of Vinson & Elkins to negotiate a settlement with the Texas Department of Health and Human Services Commission and the Centers for Medicare and Medicaid Services for graduate medical education with reimbursement payable to the teaching hospitals for all or portions of the teaching hospital's fiscal years coinciding with the State of Texas's fiscal years 1998 through 2001. Dr. Webber seconded the motion. All Board members were in favor and the motion passed unanimously.

- D. Deliberate Information Relating to a Proposed New Service or Product Lines.

1. Criminal District Attorney of Tarrant County, Texas – Contract for Legal Services

Dr. Rubin made the motion to approve the annual District Attorney's Contract for legal services to begin June 1, 2009. Dr. Van Wagner seconded the motion. There were no questions by the Board members and the motion passed unanimously.

2. Level 1 Trauma Center Survey Update – R. Gandhi, M.D./D. Bowers

Mr. Earley introduced Dr. Gandhi, Dr. McReynolds and Diane Bowers from the Trauma Department. Mr. Earley informed the Board that they have been working very hard in getting the District ready for the Level 1 Trauma Center survey. He further informed the Board that the Hospital District is well on the way to receiving that designation. He added that Tarrant County is the largest county in the state not to have a Level 1 Trauma Center. Dr. McReynolds informed the Board that the District asked for a consultative visit on becoming a Level 1 Trauma Center and the surveyors commented we were just about ready for a Level 1 designation now. Board members were informed that the surveyors had stated that the care in the JPS Trauma Department is 2 ½ times higher than what they see at other hospitals. Board members were further informed that only three areas were sited and they had nothing to do with patient care. Dr. Gandhi and Ms. Bowers distributed and reviewed an American College of Surgeons Level 1 Consultation Visit, March 12 – 13, 2009 presentation. Board members were informed that this item was for information only.

### **XIII. Matters from the Quality Committee Requiring Deliberation(s), Action(s) and/or Approval – B. Rubin, D.O.**

- A. Discussion(s), Information and/or Action Regarding the Following

\*\* 1. Joint Commission Measures of Success Report/Update – J. Haynes, M.D.

\*\* 2. Core Measure Report – J. Haynes, M.D.

3. Appointments/Reappointments to Medical Staff – J. Haynes, M.D.

Dr. Haynes reported there were no outstanding issues with the Appointments/Reappointments memo included behind tab 10 of the Board book. Dr. Webber moved to approve the Appointments/Reappointments memo as presented. Dr. Van Wagner seconded the motion. All Board members approved and the motion passed unanimously.

#### **XIV. Matters from the Planning Committee Requiring Deliberation(s), Action(s) and/or Approval – B. Rubin, D.O.**

##### **A. Deliberation(s), Action(s) and/or Approval Regarding the Following:**

**\*\* 1. IT Strategic Plan Recommendations – J. Pennington**

See item VIII.

**\*\* 2. Inmate Patient Admission Unit Relocation Concept. – B. Whitman**

See item VIII.

**3. Expansion Concept of JPS Urgent Care Center located at 1500 South Main Street, Fort Worth, Texas – B. Whitman**

Mr. Whitman explained that the overflow waiting room space for patients waiting to be seen in the Urgent Care Clinic is located in a hallway. Mr. Whitman explained that he would like to remodel the area left vacant by the old Cafeteria Express to make into a waiting area. Mr. Petty asked if this item would move forward as capital budget and Mr. Montgomery replied that it would. Mr. Whitman explained he was asking for approval of the concept only at this time. Dr. Rubin moved to approve this item. Dr. Webber seconded the motion. All Board members were in favor and the motion passed unanimously.

##### **Dr. Van Wagner left the meeting at 3:11 p.m.**

**4. Cancer Center Phase 5 Contract Award – B. Whitman**

Mr. Whitman explained that Phase 1 and 2 of this project were completed under budget and Phases 3 and 4 are under way. He further explained that Phase 5 will allow for the renovation of existing walls to create ten exam rooms. Mr. Whitman informed the Board that he does not anticipate the need for additional staffing once this process is complete. This item is included behind tab 11 of the Board book. Dr. Rubin moved for approval of the contract award to RJM Construction in the amount of \$409,425, as well as the authorization for expenditures of \$865,007 to complete the renovation project. Rev. Emerson seconded the motion. All members were in favor and the motion passed unanimously.

**5. Patient Care Pavilion CT Scanner Concept Approval – B. Whitman/R. Stevens**

Mr. Whitman asked for approval of the installation and modification of the Pavilion Radiographic spaces to add a second scanner and convert the existing 40 slice unit to a 64 slice unit. Mr. Whitman commented that down times have been experienced when the current CT Scanner goes down. Dr. Webber made the motion to approve the Pavilion CT Scanner conceptual budget of \$2,466,947 and authorization to expend funds to complete design and order equipment not to exceed \$1,601,000. Mr. Whitman added that staff will return to the Board of Managers to obtain Construction Contract award approval. Rev. Emerson seconded the motion. Dr. Hyer asked what the usage cost was for the tubes and what the operating cost of the CT Scanner is. Mr. Earley replied that the District will review his requests. There were no further questions and the motion passed unanimously.

**\*\* 6. Pharmacy Clean – Room Renovations in Accordance with USP 797 Regulations – B. Whitman**

See item VIII.

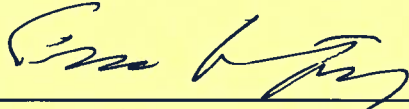
**XV. Report of Legal Counsel and/or Legal Matters Requiring Approval and/or Action – N. Adams**

No items were presented for approval.

**XVI. Adjourn**

There being no further business, the meeting was adjourned at 3:25 p.m.

**Approved:**



**Steve Montgomery, Chairman**