

**TARRANT COUNTY HOSPITAL DISTRICT (TCHD)
d/b/a JPS HEALTH NETWORK
BOARD OF MANAGERS MEETING
THURSDAY, SEPTEMBER 15, 2011**

The TCHD Board of Managers met on Thursday, September 15, 2011 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:

Scott Fisher, Chair
Trent Petty, Vice Chair
Rev. Ralph Emerson, Member
Karen Van Wagner, Ph. D., Member
Charles Webber, M.D., Member
Rex Hyer, M.D., Member
Steve McCollum, Member
Dorothy DeBose, Member
DT Nguyen, Member

Absent: Charles Powell, Member
Roy Lowry, D. O., Member

Others Attending: Robert Earley, President/CEO
Bill Whitman, Chief Operating Officer
Gary Floyd, M.D., Chief Medical Officer
Jane Sanford, Judge Glen Whitley's Office
Jon Ed Robbins, Precinct Administrator
Karen Kayser, Assist. Precinct Administrator
Elizabeth Carter, M.D., President, Medical Staff
Jay Haynes, M.D., Vice President, Occupational & Employee Health
David Salsberry, Chief Financial Officer
Dresdene Flynn-White, Vice President, Human Resource Development
Doris Hunt, Vice President, Finance
Scott Rule, Vice President, Planning and Analysis
Corbin Wilson, JPS Physician Group
Colene Fielding, JPS Physician Group, Dir. of Finance
Chris Dougherty, Sr. Vice President, Community Health
Wendy Burkholder, Vice President, Community Health
Rick Edwards, M. D., Vice President, Community Health
Josephine Fowler, M.D., Vice President, Academic Affairs
Charles Williams, Vice President of Operations
Kathleen Whelan, Vice President of Operations
Raj Gandhi, M.D., Trauma Services Director
Carrie Hecht, Trauma Services
Erma Lee, Compliance Officer
Neal Adams, General Counsel
Marvin Collins, District Attorney's Office
Ann Diamond, District Attorney's Office
Alex Branch, Star Telegram
Dennis Killy, Tarrant Alliance for Responsible Government
Dann Baker, JPS Chaplain
Dee Post, Recording Secretary

I. Call To Order:

The meeting was called to order by the Board of Managers Chair, Scott Fisher at 12:25 p.m.

II. Opening Prayer & Pledge to Flag:

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

III. Board Chair Report, Deliberation(s) and/or Action(s) – S. Fisher**A. Recognitions**

There were no recognitions.

B. Board Chair Report

1. 2012 Budget – Mr. Fisher informed members that the JPS Health Network 2012 Budget had been approved at the September 13, 2011 Commissioner's Court meeting. Mr. Powell commented that he was in attendance at that meeting and congratulated Mr. Salsberry and his staff for all of their hard work on the 2012 Budget.
2. Draft 2012 Board and Board Committees Calendar – Mr. Fisher informed members that the draft 2012 meeting calendar is included behind tab 1 for everyone to note on their schedules. He added that the October 13th Board meeting for next month has been cancelled. The next Board of Managers meeting will be November 10, 2011.
3. Mr. Fisher asked Board members to note that the 2011 Board Christmas Dinner is being planned for December 8th – 7:00 p.m. Additional information will be provided soon on this item.
4. Mr. Fisher further informed members that a flow chart is included behind tab 1 that illustrates the flow process of the different departments within JPS Health Network.
5. Mr. Fisher noted that the invitation to the opening of the JPS School-Based Health Center – Southside was at the Board members places. This event will take place Sunday, September 18, 2011, 2:00 p.m. at the Southside Church of Christ.

IV. Hearing of Citizens

Dennis Killy – Mr. Killy spoke regarding the article included in this morning's Star Telegram regarding the topic of JPS patients not embracing the concept of taking ownership in their personal health management. He suggested patients be offered an incentive to come to JPS.

Ed McLaughlin – passed and did not speak

V. Approval of Minutes**A. Board Budget Workshop Minutes – August 6, 2011****B. Board Minutes – August 11, 2011**

Dr. Webber made the motion to approve the above minutes. Rev. Emerson seconded the motion. All members were in agreement and the minutes were approved.

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

A. Update on District Activities

1. Texas Department of Health and Human Services Commissioner Update –

Mr. Earley reported that the Commissioner has received indication from the Centers for Medicare and Medicaid Services that the 1115 Waiver is moving forward. Mr. Earley commented that he should know more about this topic for the November Board meeting.

2. JPS Joint Council Meeting, August 30, 2011-

Mr. Earley informed the Board that the largest participation of members for a Joint Council Meeting occurred at the August 30, 2011 meeting. He updated members that this meeting is made up of three Councils; Pastoral Council, Salud Council and Senior Leadership Lunch & Learn. These council members are an outreach source to the Tarrant County community. Mr. Earley thanked Rev. Emerson and staff for all of their hard work in keeping these three council members informed.

3. Leadership Development Training Update -

Mr. Earley informed members that Kathleen Whelan and staff plan and organizes leadership development training (LDI) about every three months. Physicians and providers are included and the JPS Mission and drive are reviewed. The next LDI training is scheduled for October 5 and 6, 2011.

4. Studer Group Conference Update – September 7 – 8, 2011

Mr. Earley informed members that the Studer Group Conference was held last week in San Antonio. He added that this was a great opportunity to hear from the JPS physicians in an outside setting and JPS was mentioned several times during the training due to the positive changes occurring at this facility.

5. American Heart Association Events Update and Hoops for Hearts

Mr. Earley informed members that the JPS Hoops for Hearts basketball event is being held Saturday, September 17th and is being sponsored by Rev. Emerson's church.

Mr. Earley also updated members that approximately 11,000 people participated in the American Heart Walk this year and JPS had the largest turn out of any of the other organizations.

6. Vice President of Operations

Mr. Earley informed members that Charles Williams has an opportunity to advance in his career and will be leaving JPS. Everyone wished Charles the very best.

VII. Deliberation(s), Action(s), and/or Approval of Trauma Resolution of Continued Support for an American College of Surgeons Verified Level 1 Trauma Facility – R. Gandhi, M.D., C. Hecht

Board members were referred to tab 3. Dr. Gandhi asked for Board approval of the Resolution included on page 20 in support of the Board's continued commitment to support the Level 1 Trauma Program and its commitment to maintain the high standards needed to provide optimal care of all trauma patients, and its statutorily created mission of providing health care to the indigent and needy residents of Tarrant

County, Texas. Dr. Webber made the motion to approve this item. Ms. DeBose seconded the motion. All Board members were in agreement and the motion passed unanimously.

VIII. Items to be Withdrawn from the Consent Agenda:

Dr. Webber tabled item XIII. B. 3. – Nurse Staffing Effectiveness.

Dr. Webber informed members that this item was presented at the September 14, 2011 Quality Committee meeting and requires approval. It is included behind tab 16, pages 178 – 195. Dr. Webber made the motion to approve this item. There was no further discussion. Ms. DeBose seconded the motion. All Board members were in agreement and the motion passed unanimously.

Mr. Adams informed members that item 4 on page 133, tab 12 was deleted from the document as recommended at the August 31, 2011 Finance Committee meeting. Mr. Adams added that remaining items included in the document will remain the same.

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.**

Mr. Petty made the motion to approve the remaining consent agenda items. Rev. Emerson seconded the motion. All members were in agreement and the motion passed unanimously.

X. Matters from the Executive Committee Requiring Deliberation(s), Action(s) and/or Approval – S. Fisher

**** A. Reports from Internal Auditor – J. Grantland**

- ** 1. Nutritional Services Revenue and Cash

The above item was approved under item XI. Consent Agenda.

XI. Matters from the Board Compliance Committee Requiring Deliberation(s), Action(s) and/or Approval – S. Fisher

**** A. Audits**

- ** 1. Hospital Reporting of Adverse Events
- ** 2. Hospital Readmission
- ** 3. Regulatory Education
- ** 4. Medicare Brachytherapy Reimbursement

**** B. Policies**

- ** 1. Joint Commission Leadership Chapter
 - ** a. Center for Medicare and Medicaid Services Conditions of Participation – Patient Rights §482.13 – The Grievance Process – Board Resolution

The above items were approved under item XI. Consent Agenda.

XII. Matters from the Finance Committee Requiring Deliberation(s), Action(s) and/or Approval – T. Petty

**** A. Finance Committee Minutes for Information**

- ** 1. Unapproved August 31, 2011 Minutes

**** B. Investment Report for the Period Ending June 30, 2011 – Estrada Hinojosa (S. Anderson and B. Koch)**

**** C. CFO Report and Update – D. Salsberry****** 1. 1115 Waiver Update – D. Salsberry**

Items A, B, and C, were approved under item IX. Consent Agenda.

D. Deliberation(s), Action(s) and/or Approval(s) Regarding the July 2011 Unaudited Financial Reports, including JPS Physician Group – B. Whitman, D. Salsberry, C. Fielding

Mr. Whitman reviewed the Network operating indicators for the month of July as included behind tab 9, on page 63. He reported that for the Emergency Department, the arrival to admit and arrival to discharge times decreased slightly from last month and the left without being seen rate increased slightly from the June stats. The next available appointment dates for new patients stabilized but did reflect a slight decline for the medicine department. Mr. Whitman moved to the inpatient quality metrics and informed members the month of May was the most recent month reported. Moving to the Network service goals, Mr. Whitman informed members that the inpatient percentile was flat as compared to last month. He added that for the first time since his tenure at JPS, the Emergency Department reflected an increase from 48 percent to 58 percent. He further commented that the District is beginning to see evidence of improvements in the Emergency Department due to the split flow process. He added that seven out of eight Core Measures were achieved in the Quality area and commented that on a month-to-month basis the inpatient area is showing improvement. He continued by reporting that ratings from the dates of December, 2010 to March, 2011 represent the baseline. He added that 85.6 percentile represents the fiftieth percentile, a tremendous amount of work and is a great improvement. He also reported that the District has a higher response rate from the Integrated Survey as compared to the Press Ganey Survey.

Mr. Whitman referred members to page 78 and highlighted the statistical indicators. He reported that total admissions increased by 4.1 percent and acute care patients increased by 4 percent from this same time as last year. The number of Emergency Room patients admitted as inpatients increased 1.4 percent from this same time as last year while NICU and Skilled Nursing Facility units reflected a lower length of stay than budgeted. He added medical surgical and ICU patient days increased by 7.1 percent. These four areas reflect an additional twenty one patient days that have to be accommodated. He further referred members to page 79 and reported a positive case mix. He commented that the Outpatient Community Health Center visits decreased by 13.7 percent for the month and explained that July is a month that several of the providers take vacation. He also added that some providers were on medical leave during this same time and some providers left the organization during the month. He reported the total outpatient visits had decreased by 10.3 percent for the month while clinic visits were flat. The total numbers of surgery cases increased significantly from this same time as last year with the first surgical case begin times improving.

Mr. Salsberry reviewed the financial performance and ratios included on page 67. He informed members that admissions for the month were slightly below budget due to the decreased clinic volumes. He continued by reporting that the case mix was positive and added that the District continues to prepare for Medicaid and other areas that will have an impact on the diagnosis related groups (DRG) cases. He also reported the operating financial performances were high for the month. Members will see the Pharmacy Department and Maxor have worked down credit vouchers. Also Medicaid patients are being screened to ensure that they do have this benefit. Mr. Salsberry continued by reporting operating expenses are down due to the reduction in FTEs and outside labor costs. He continued by reporting that supplies continue to reflect an unfavorable variance due to billable medical and surgical supplies and an unfavorable variance for implant billable supplies. Mr. Salsberry also informed members that the Hospital District has about 159 day's cash-on-hand.

Mr. Salsberry continued by reviewing page 72 and informed members that the Texas Disproportionate Share/Upper Payment Limits (DSH/UPL) were adjusted in July based upon a

revised estimate received for year-end payments. Staff adjusted revenue estimates to budget until the year-end amounts are finalized after considering the Waiver transition and year-end cap calculations. He added it is hoped to have the 1115 Waiver agreement by October 31, 2011. Mr. Salsberry further informed members that the non-operating revenue for the month was \$312,000 and below budget. From a balance sheet perspective, cash and short-term investments decreased by \$18 million. Ad Valorem Tax receivables also decreased by \$6.4 million as taxes were collected. No other significant items were noted.

Mr. Petty commented that if members look at where the District began this budget and reviewed all that been accomplished, the District is doing a great job. Dr. Webber agreed and Mr. Earley thanked them for these comments.

JPS Physicians Group – Coleen Fielding provided the JPS Physician Group report. For the month, total encounters were 10.4 percent below this same time as last year while total operating revenues were \$3,740,000 and \$338,000 above budget. Total operating revenues were \$3,873,000 and \$61,000 above budget. In total, the margin for the month was a negative \$130,000 compared to a budgeted loss of \$407,000. For the year, the total margin is a positive \$1,963,000 compared to a budgeted gain of \$493,000.

Dr. Webber made the motion to approve the July unaudited financial reports. Dr. Van Wagner seconded the motion. All Board members were in favor and the motion passed unanimously.

E. Deliberation(s), Action(s) and/or Approval Regarding JPS Physician Group 2012 Budget – C. Wilson, C. Fielding

Mr. Fisher informed members that this item should have been included for approval under the Consent Agenda item and made this recommendation. Mr. Petty made the motion to approve this item under item IX. Consent Agenda. Dr. Webber seconded the motion. All Board members were in agreement and the motion passed unanimously. Mr. Petty commented that the majority of Board members were in attendance at the last Finance Committee meeting and heard this presentation. There were no issues with the JPS Physician Group 2012 Budget report at that meeting.

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

- ** 1. Data Management Strategy – S. Filler, B. Whitman
- ** 2. Richardson Data Center Migration – S. Filler, D. Mendenhall
- ** 3. EPIC Project Requested Use of Contingency Funds (Pyxis/Carefusion/HDX Interfaces) – S. Filler

Items 1. 2. and 3. were approved under item IX. Consent Agenda.

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

- ** 1. Deductions from Wages of Employees Policy – D. Flynn-White
- ** 2. Reserve Fund Policy – D. Salsberry

Items 1. and 2. were approved under item IX. Consent Agenda.

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

- ** 1. 3M Company Software License and Services Agreement Amendment – S. Filler, N. Sorensen
- ** 2. Abbott Diabetes Care – C. Williams, M. Sakovich
- ** 3. Siemens Laboratory Automation – C. Williams, M. Sakovich
- ** 4. Quest Diagnostics (Specialty Labs) Amendment – C. Williams, M. Sakovich
- ** 5. bioMerieux, Inc. Agreement – C. Williams, M. Sakovich

- ** 6. Pneumatic Tube System Expansion – C. Williams, A. Elgin
- ** 7. Chase Bank Safekeeping Documentation Package – D. Hunt
- ** 8. Shimadzu Medical Services Contract – K. Whelan
- ** 9. GE Healthcare Services Agreement – K. Whelan
- **10. Center for Cancer and Blood Disorders Professional Medical Services Agreement – C. Dougherty

Items 1. – 10. were approved under item IX. Consent Agenda.

XIII. Matters from the Quality Committee Requiring Deliberation(s), Action(s) and/or Approval(s) – C. Webber, M.D.

**** A. Deliberation(s), Action(s) and/or Approval Regarding Report(s) from the Medical Staff Committee – E. Carter, M.D.**

- ** 1. Medical Executive Staff Committee Report

**** B. Deliberation(s), Action(s), and/or Approval Regarding Report(s) from the Performance Improvement Committee and its Subcommittees**

- ** 1. Joint Commission Readiness & Regulatory Update – C. Johnson
- ** 2. Blood and Blood Products Expedition Report – J. Johnson, M.D.
- ** 3. Nursing Staff Effectiveness (NDNQI) J. Adams
- ** 4. Core Measures Update – G. Floyd, M.D., J. Harman
- ** 5. June 2011: Key Comparative Data Report – G. Floyd, M.D.

The above items were approved under item IX. Consent Agenda.

XIV. Matters from the Planning Committee Requiring Deliberation(s), Action(s) and/or Approval(s) – R. Emerson

**** A. Deliberation(s), Action(s), and/or Approval(s) Regarding the following Contract and Project Budgets:**

- ** 1. JPS Professional Office Complex (JPOC) Phase 4B Construction Contract and Project Budget – A. Morgan
- ** 2. Trinity Springs Pavilion Life Safety Revisions Construction Contract and Project Budget – A. Morgan

**** B. Update, Information and/or Discussion Regarding JPS Health Network Design and Construction Project Report – A. Morgan**

The above items were approved under item IX. Consent Agenda.

XV. Recess and Reconvene in Closed Session:

The Board recessed and reconvened in closed session at 1:19 p.m.

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

The Board reconvened in open session at 1:47 p.m.

- XV. B. 1. Appointment to Tobacco Committees - Mr. Adams asked for approval of the resolution nominating David Salsberry to the Tobacco Settlement Permanent Trust Account Administration Advisory Committee and the Tobacco Settlement Permanent Trust Account

Investment Advisory Committee in conjunction with the Tarrant County Commissioners Court.. Dr. Webber made the motion to approve this appointment. Rev. Emerson seconded the motion. All Board members were in agreement and the motion passed unanimously. This item will be present to the Tarrant County Commissioners Court for final approval.

2. Lease Agreements – Mr. Adams asked that the Albertson's and PetSmart Leases be approved subject to the General Council's review and approval of the finalized lease documentation. Mr. Adams reminded the Board members that the final lease agreements will be subject to Commissioner's Court approval. Mr. Petty made the motion to approve Mr. Adams recommendation. Rev. Emerson seconded the motion. All Board members were in favor and the motion passed unanimously.

C. 1. Appointments/Reappointments to Medical Staff – Dr. Floyd asked for approval of the Appointment/Reappointments Memo. He commented that the Medical Executive Committee also recommends this approval. Dr. Webber made the motion to approve the Appointments/Reappointments Memo. Dr. Hyer seconded the motion. All Board members were in agreement and the motion passed unanimously.

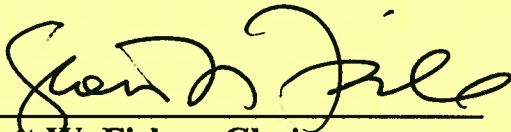
XVII. Report of Legal Counsel and/or Legal Matters Requiring Discussion(s), Updates, Deliberation(s), Action(s) and/or Approval – N. Adams

There were no items presented.

XVIII. Adjourn

There being no further business, the September 15, 2011 Board of Managers meeting was adjourned at 1:52 p.m.

Approved:



Scott W. Fisher, Chairman