

TARRANT COUNTY HOSPITAL DISTRICT (TCHD)
d/b/a JPS HEALTH NETWORK
BOARD OF MANAGERS MEETING
THURSDAY, APRIL 14, 2011

The TCHD Board of Managers met on Thursday, April 14, 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
Tonya Veasey, Board Secretary
Dan Serna, Member
Rev. Ralph Emerson, Member
Bruce Capehart, Member
Charles Webber, M.D., Member
Charles Powell, Member
Roy Lowry, D. O., Member

Members Absent: Karen Van Wagner, Ph.D., Member
Rex Hyer, M.D., Member

Others Attending: Robert Earley, President/CEO
Jane Sanford, Judge Glen Whitley's Office
Jon Ed Robbins, Precinct Administrator
Karen Kayser, Assistant Precinct Administrator
Elizabeth Carter, M.D., President, Medical Staff
Gary Floyd, M.D., Exec. Vice President Medical Affairs
G. Sealy Massingill, M.D., Past President, Medical Staff
Jay Haynes, M.D., Sr. Vice President, Occupational and Employee Health
David Salsberry, Chief Financial Officer
Doris Hunt, Vice President, Finance
Scott Rule, Vice President Planning and Analysis
Regina Berman, Sr. Vice President Quality & Case Management
Joana Adams, Chief Nursing Officer
Corbin Wilson, JPS Physician Group Director
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, Outpatient Clinical Services
Josephine Fowler, M.D., Vice President Academic Affairs
Elwyn Grimes, OB/GYN Chairman
Charles Williams, Vice President of Operations
Kathleen Whelan, Vice President of Operations
Dresdene Flynn-White, Vice President Human Resources
Rose Thomason, Human Resources Director
Erma Lee, Compliance Officer
Ann Diamond, District Attorney's Office
Neal Adams, General Counsel
Alex Branch, Fort Worth Star-Telegram
Dennis Killey, 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 12:10p.m.

II. Opening Prayer & Pledge to Flag:

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

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

1. Rose Thomason – Ms. Thomason was recognized for all of her dedication and hard work during time that she served at Interim Vice President of Human Resources. Ms. Thomason received a bouquet of flowers and pictures were taken. Ms. Thomason thanked the Board and Administration for the opportunity.

B. Board Chair Reports –

1. Medical Staff Report – E. Carter, M.D.

Dr. Carter provided a medical staff update. Members were referred to tab 1 of the Board book. Topics included 1) the Clinical Documentation Improvement Program has been initiated in the inpatient setting. 2) Dr. Paul Bhella, a JPS Cardiologist, recently presented his original research at the American college of Cardiology meeting regarding the effects of lifelong exercise on the heart. 3) a pilot program to recognize and treat early sepsis, 4) recent amendments to the medical staff rules and regulations, 5) inpatient medicine teams daily meetings to discuss patient management and early discharge planning.

IV. Hearing of Citizens

Mary Siering – Ms. Siering informed members that she is a JPS patient and spoke regarding the services and care she receives at JPS.

V. Approval of Minutes:

- A. Board Minutes – February 10, 2011**
February 18, 2011 – Board Retreat

Dr. Webber made the motion to approve the February 10, 2011 and February 18, 2011 Board 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 informed the Board that he continues to work with the Commissioner of Health and Human Services regarding the hospital funding shortfall.

Dr. Lowry arrived at 12:30 p.m.

2. **Legislative Update** – Mr. Earley informed members that he is working with state officials regarding receiving federal funding.
3. **Rural Recruiting Event & Dinner Update** – March 16 – 17, 2011 – Mr. Earley complimented Dr. Floyd and his colleagues for the great work they do in working with residents regarding rural recruiting. JPS currently has two residents interested in working in rural areas.

4. **National Heart Walk Awareness** – Mr. Earley informed members that he is Chairing the American Heart Association Heart Walk this year and on April 6, 2011 five area hospitals were asked to participate in the National Start Walking Day event. Mr. Earley added that members from Texas Health Resources, Baylor, Cooks Children's Hospital and Plaza Medical Center participated.
5. **Staff Announcements** – Mr. Earley announced that Joana Adams has been hired as the Sr. Vice President, Chief Nursing Officer.

Foundation Executive Director Position – Mr. Earley informed members that he has organized a search committee to assist with the hiring of the Foundation Executive Director. Rev. Emerson and Charley Powell have agreed to co-chair this committee. Mr. Earley will work with the co-chairs on this process. Mr. Fisher thanked the two board members for agreeing to co-chair this committee.

VII. Partnership with Texas Health Resources Discussion and Update– R. Earley

Mr. Earley briefly discussed JPS Connection patients presenting to other area hospital emergency rooms, particularly Texas Health Resources Harris Methodist. He informed members that JPS had placed a JPS Social Worker at Harris and that Harris hired that person. He added that JPS placed a Financial Screener at Harris HEB instead of a Social Worker and that has worked well. JPS is looking to replace the person at the downtown Harris also with a Financial Screener. Rev. Emerson asked for an explanation of the duties of a Financial Screener. Mr. Petty asked if Screeners have been placed at the other area hospitals. Mr. Earley explained that they have not as the other hospitals have not asked for this service. Mr. Petty asked Mr. Earley to explain upper payment limit (UPL) revenues for Harris and other area hospitals. Mr. Earley explained that JPS helps to bring in UPL monies for other area hospitals to help offset the cost of treating indigent patients. Mr. Earley added that in 2010 Harris received \$27 million. Ms. Veasey voiced her concern with a Financial Screener being placed at Harris instead of a Social Worker and asked staff to see if the patient population at the downtown Harris is the same as Harris HEB. Mr. Earley explained that JPS also has three vacant Social Worker positions that need to be filled. Mr. Earley added that JPS will continue to work to have a positive relationship with Harris.

VIII. Deliberation(s), Action(s), and/or Approval(s) Regarding Trauma 2010 Annual Report – R. Gandhi, M.D., C. Hecht

Dr. Gandhi provided an update of the JPS Trauma Level 1 2010 Annual Report. Dr. Gandhi explained that Trauma Services is data driven and provides research information, guides injury prevention activities and provides markers for performance improvement. This role is provided by Certified Specialists in Trauma Registry (CSTR.) He added that there are currently only 220 CSTR's nationwide and three of those are here at JPS. It is a goal of JPS to become a regional resource and provide training for Trauma Registrars. Dr. Gandhi added that trauma volumes at JPS increased over the past two years by 6.7 percent. He continued by informing members that the JPS top five mechanisms of injury are from motor vehicle crashes, falls, assaults, motorcycle crashes and gunshot wounds. He further informed members that complication rates for pneumonia, deep vein thrombosis and alcohol withdrawal syndrome increased due to broadened definitions but that there had been a decrease in the JPS pneumonia rate. Mr. Earley informed members that greater prestige has been brought to JPS due to the Level 1 Trauma Center. Mr. Fisher encouraged those Board members who have not been on a tour of the Trauma Center to contact Dr. Gandhi.

IX. Update, Information and/or Approval(s) Regarding Human Resources Report – D. Flynn-White

Ms. Flynn-White provided the 2011 Annual Human Resources Update. Members were referred to tab 4 of the Board book. Mr. Flynn-White informed members that JPS is a diverse organization with many tenured staff. The challenge is to recruit staff whose diversity is more like the JPS patient population. Ms. Flynn-White continued by reporting on the turnover rate. The non-nursing rate is 14.86 percent and

the nursing turnover rate is 13.3 percent. Ms. Flynn-White informed members that nursing administration has established a leadership goal of reducing the leave rate of the nurses who have been with JPS less than two years. She added they have also established a nursing preceptor program that places the new nurse with a more tenured nurse. Ms. Flynn-White further reported that JPS had a 96 percent participation rate for completion of the 2010 Employee Engagement survey which is unheard of on a national basis. Members were referred to pages 39 – 41 and the employee engagement survey which compares the JPS Health Network mean to the HealthStream research database mean was briefly reviewed. Ms. Flynn-White commented that there are challenges in the nursing area and that key indicators will be monitored. Next the leverage points included on page 42 were reviewed. Ms. Flynn-White informed members that it is important that departments operate efficiently and that the right people are hired for the job. Ms. Rose Thomason explained the Connect the Dots Campaign included on page 43 and informed members that JPS will work to keep and reward good employees. She added that this is a continuous stream of improvements in processes. Rev. Emerson asked for an explanation of people focused aligned organizational effort bullet included on page 44. Ms. Flynn-White explained that the District is in the process of aligning our goals with the six Studer Group pillars. Dr. Webber expressed his concern that approximately 75 percent of JPS new hires leave within the first five years of employment. Mr. Petty asked for examples of reasons of why some staff are leaving. Mr. Flynn-White responded that it is sometimes for career advancement and for family reasons. Ms. Thomason informed members that the JPS leave rate is comparable with the other area hospitals. She added that the Human Resources Department is working to stabilize the leave rate. Mr. Earley added that the District is also reviewing the new-hire orientation process and will begin holding Town-Hall meetings with employees who have been with JPS for one year in order to learn their ideas and suggestions. Ms. Veasey asked if the Hospital District is investing in the career education of employees. Ms. Flynn-White explained that the District is in the process of rebuilding that area and is looking at other education relationships. Rev. Emerson commented that he hopes the District is looking at diversity in the hiring upper management positions and asked if all positions are advertized the same. Ms. Flynn-White responded that all positions are posted. Dr. Webber asked when the Board will receive another update and Mr. Earley responded that a Human Resources updated report will be provided quarterly to the Board.

X. Items to be Withdrawn from the Consent Agenda:

There were no items withdrawn from the consent agenda.

XI. 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.**

Rev. Emerson made the motion to approve the consent agenda items. Ms. Veasey seconded the motion. All Board members approved and the motion passed unanimously.

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

**** A. Tarrant County Hospital District Corporate Compliance and Business Ethics Plan**

**** B. Tarrant County Hospital District Corporate Compliance Monitoring Plan**

**** C. Tarrant County Hospital District Code of Conduct**

**** D. Tarrant County Hospital District Corporate Compliance 2011 Audit Plan**

**** E. Internal Audit Reports**

**** 1. Obstetrics/Gynecology Grant**

**** 2. Texas Higher Education Coordinating Board – Residency Program Grant**

**** 3. Purchasing and Receiving Functions**

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

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

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

**** 1. Approved February 23, 2011 Minutes**

**** 2. Unapproved March 30, 2011 Minutes**

**** B. Deliberation(s) Action(s) and/or Approval Regarding Hinojosa Investment Report for Period Ending December 31, 2010 – Estrada Hinojosa – D. Long and B. Koch**

**** C. CFO Report and Update – D. Salsberry**

**** 1. J. A. Thomas Project – D. Salsberry/N. Sorenson**

**** 2. Standards & Poor Rating Review – D. Salsberry**

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

1. January 2011 – Information is included behind tab 14 of the Board Book.

2. February 2011

Mr. Salsberry informed members that the Finance Committees has met twice since the last Board meeting and that he will concentrate on the February Financials today. Members were referred to tab 15 of the Board book, page 206. As Mr. Whitman was out of town, Mr. Salsberry provided the operations report. Mr. Salsberry informed the audience that outpatient visits were down from the budget and prior year due to winter weather events. Members were reminded that the winter weather caused the closing on several clinics during the month for four to five days. Mr. Salsberry continued by reporting inpatient volumes remain strong for the month with total admissions on budget and patient days 7.9 percent above budget. He added that the case mix index was above budget and births continue to decline. He further reported that emergency department visits were strong for the month as well as the number of emergency department patients admitted as inpatients. A total of 76 percent of all admissions came from the emergency department. Surgery cases were 12.3 percent above budget and 11.9 percent ahead of last year. Outpatient surgeries were down from the budget and impacted by the winter weather events.

Mr. Salsberry continued by reporting the hospital had a negative operating margin of \$633,000, which was less than budgeted. Salaries and contract labor were below budget as were supplies. The salary and contract labor variance was partially due to clinic closings during the inclement weather. Non-operating revenue was \$630,000 which was \$140,000 below budget. The investment income was \$160,000 under budget. The operating margin for the month was a negative 1.3 percent compared to a negative budgeted margin of 2.2 percent. The total margin for the year was a negative 2.3 percent compared to budget of a negative 0.6 percent. There were no questions for Mr. Salsberry.

Ms. Fielding provided the JPS Physician Group report. She reported that for the month total encounters were 34.2 percent below this same time as last year while the total operating revenues were \$3,417,000 and \$522,000 below budget also due to the inclement weather. Ms. Fielding continued by reporting there were no other significant variances to report for the month. She added the margin for the month was a positive \$102,000 compared to a budgeted loss of \$359,000. For the year the total margin was a positive \$353,000 compared to a budgeted loss of \$398,000. There were no questions for Ms. Fielding.

Mr. Fisher asked Mr. Salsberry to comment on the Standards and Poor rating for the Hospital District. Mr. Salsberry reported that the District was able to maintain our AA-rating. Mr. Fisher commented that this accomplishment is outstanding in today's environment and congratulated staff.

Rev. Emerson made the motion to approve the February unaudited financial reports. Mr. Powell seconded the motion. All Board members were in favor and the motion passed unanimously.

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

- ** 1. Siemens 64-Slice CT Service Agreement – K. Whelan**
- ** 2. Unisyn Contract – K. Whelan**
- ** 3. Copier Bid – D. Hunt**

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

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

- ** A. Revised Medical Staff Rules and Regulations**
- ** B. First Amendment to Commercial Lease between Tarrant County Hospital District and WC-Arlington, L.L.C., for the Tarrant County Hospital District (TCHD) Orthopedic Sports Medicine Clinic, 701 E. I-20, Arlington, Texas.**
- ** C. Eleventh Amendment to Radiology Department Coverage and Services Agreement between Tarrant County Hospital District and RadCare of Texas, P.A.**

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

XV. Recess and Reconvene in Closed Session:

The Board recessed and reconvened in closed session at 1:46 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 XIII. A., B., C., D., E. and F.

The Board reconvened in open session at 3:00 p.m.

- XV. C. 1. Appointments/Reappointments to Medical Staff – Dr. Carter informed members that the Medical Executive Committee recommends approval of the appointments/reappointments of the providers included on the memo that was distributed. Dr. Webber made the motion to approve the Appointments/Reappointments memo. Dr. Lowry seconded the motion. All Board members were in agreement and the motion passed unanimously.

XVII. Adjourn

Mr. Powell informed the Board that he had attended the Volunteer's Recognition event and was very appreciative of the JPS Volunteers.

There being no further business, the meeting was adjourned at 2:07 p.m.

Approved:



Scott W. Fisher, Chairman