

# **Texas Health Services Authority**

Texas Medical Association, Thompson Auditorium

401 West 15<sup>th</sup> Street, Austin, Texas

## **BOARD OF DIRECTORS MEETING**

**THURSDAY, DECEMBER 4, 2008**

**10:00 a.m.**

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### **MEMBERS PRESENT**

Manfred Sternberg (Chair), Kathleen Mechler (Vice Chair), Matthew Hamlin (Treasurer), Alesha Adamson (Secretary), Fred Buckwold, Raymond Davis, David Fleeger, Edward Marx, Dee Porter, Darren Rodgers, Luanne Southern, Stephen Yurco

### **MEMBERS ABSENT**

None

### **STAFF**

Tony Gilman, Executive Officer, Texas Health Care Policy Council, Office of the Governor  
Stephen Palmer, Governor's Advisor, Texas Health Care Policy Council, Office of the Governor  
Taylor Cook, Policy Analyst, Texas Health Care Policy Council, Office of the Governor

### **CALL TO ORDER/WELCOME AND INTRODUCTIONS**

Chair Manfred Sternberg called the meeting to order at 10:00 a.m. Chair Sternberg welcomed the board members and guests, and asked Mr. Stephen Palmer to take roll.

### **REPORTS, UPDATES AND POSSIBLE ACTIONS**

#### **Approval of Minutes from the September 18, 2008 Meeting**

Chair Sternberg asked if there were any additions or corrections to the minutes of the September 18, 2008 meeting. Mr. Edward Marx made a motion to pass the meeting minutes. Ms. Alesha Adamson seconded the motion. The motion was approved by a unanimous voice vote.

#### **Briefing and Discussion of Responses to the Request for Information on Operation and Finance Models for the Texas Health Services Authority (Action Item)**

Chair Sternberg advised board members that the next item on the agenda was a briefing and discussion of the responses to the request for information (RFI) on operation and finance models for the Texas Health Services Authority (THSA). He noted that the board would first discuss the submissions received in response to the RFI, and then provide direction to staff on strategic direction for the THSA. He then asked Mr. Palmer to brief members on the THSA RFI Response Synthesis Report.

Mr. Palmer reviewed the RFI Response Synthesis Report and noted that it was organized to address specific questions regarding the financing, operations, governance, and interactions of the THSA. On financing, most responses suggested some form of transaction or subscription fee, but rebates, state appropriations, and donations were also mentioned. In response to operations questions, respondents made recommendations on the types of data to be exchanged and included information about security, connectivity, and ancillary services. Respondents who addressed governance questions recommended a combination of advisory and operational committees to support the work of the THSA board. On the

potential role for the THSA, respondents suggested ways the THSA could provide support for statewide health information exchange (HIE) services, coordinate and promote local HIE initiatives, coordinate and promote HIT adoption, and develop and promote standards for data exchange, privacy, and security.

Following Mr. Palmer's presentation, Chair Sternberg asked for questions from members and the public. Members discussed the report and heard public comment from Larry Flournoy of Texas A&M and Van Cosby of IBM.

Mr. Palmer then briefed members on the strategic direction and next steps for the THSA. The briefing proceeded in four parts: statewide HIE services, local HIE support, health information technology (HIT) adoption, and governance. Each part was followed by member discussion. The issue was tabled for lunch at 11:50 and resumed at 12:30. Further public comment was heard from Shannon Calhoun of Southeast Texas Health System, Gijs van Oort of Healthcare Access San Antonio, Larry Flournoy of Texas A&M, Valarie Putcell of Patient Central Technologies, and Hank Fanberg with CHRISTUS Health System.

When considering Statewide HIE initiatives, there was consensus among board members around the necessity to identify business and provider needs and to learn more about existing initiatives. Staff was directed to work with major components of the health care sector to identify clinical use cases and financial business cases for the development and operation of state-level HIE services through the THSA.

When considering local HIE support, Mr. Matthew Hamlin made a motion to direct staff to convene a workgroup through the Texas HIE Coalition and other interested local HIE initiatives to develop options for a more formal and structured relationship between the THSA and local HIE initiatives. Ms. Adamson seconded the motion and the motion passed by a unanimous voice vote.

When considering HIT adoption, members agreed that staff should explore options with stakeholders and advise members at a future date.

When considering the question of governance, members determined that no further governance decisions were needed at that time.

Members requested that a revised version of the RFI Response Synthesis Report should be made public, with revisions to include the removal of the list of submitting entities and the conclusion as included in the version presented to the board. Staff indicated that the submitting organizations and legal counsel would be consulted regarding the feasibility of releasing a revised version of the RFI Response Synthesis Report to the public and that the revised report will be released unless legal impediments are identified.

### **Consideration of Work Plan Process**

Chair Sternberg noted that the next item on the agenda was review of the THSA work plan. Mr. Palmer presented the THSA Work Plan and Process document. He noted that the work plan is intended to identify steps staff has taken and will take in coming months to support THSA.

The board directed staff to update the future work plan pursuant to strategic decisions discussed in the December meeting.

### **Consideration of Annual Report (Action Item)**

Chair Sternberg advised members that the next item on the agenda was consideration of the THSA's annual report to the Governor, Lieutenant Governor, Speaker, and House and Senate oversight committees. Mr. Palmer briefed members on the THSA Status Report. The report includes background on the origin, structure, status, and funding of the THSA, a summary of the two THSA board meetings, and an outline of next steps the Board has agreed to pursue.

Mr. Marx made a motion to approve the THSA Status Report. Mr. Stephen Yurco seconded the motion. The motion was approved by a unanimous voice vote.

### **Consideration of Investment Policy (Action Item)**

Chair Sternberg advised members that the next item on the agenda is a briefing on the Public Funds Investment Act (PFIA) and on a proposed investment policy. Mr. Tony Gilman briefed members on the PFIA and a proposed investment policy for the THSA. Mr. Marx made a motion to approve the investment policy. Mr. Matthew Hamlin seconded the motion. The motion was approved by a unanimous voice vote. Additionally, Mr. Hamlin, the board's treasurer, agreed to serve as the THSA's investment officer in coordination with the Office of the Governor. Board members were also asked to take investment training as required by the PFIA.

### **INFORMATION ITEMS**

Chair Sternberg asked Mr. Gilman to provide members with information on the Board's meeting schedule for 2009. Members discussed future meeting dates and advised staff to schedule a second meeting on March 6, 2009.

### **PUBLIC COMMENT**

The board received public comment from Larry Flournoy with Texas A&M University, Van Cosby with IBM, Shannron Calhoun with Southeast Texas Health System, Gijs van Oort with Healthcare Access San Antonio, Valarie Putcell with Patient Central Technologies, and Hank Fanburg with CHRISTUS Health System.

### **ADJOURN**

Chair Sternberg asked for a motion to adjourn. A motion was made by Mr. Marx and seconded by Ms. Adamson. The meeting adjourned at 2:22 p.m.



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Alesha Adamson, Secretary