

TEXAS HEALTH SERVICES AUTHORITY

Capitol Extension Building, Room E1.010
Austin, Texas 78701

BOARD OF DIRECTORS MEETING MINUTES

FRIDAY, MARCH 6, 2009

10:00 A.M.

MEMBERS PRESENT

Manfred Sternberg (Chair), Kathleen Mechler (Vice Chair), Matthew Hamlin (Treasurer), Alesha Adamson (Secretary), Fred Buckwold, Raymond Davis, David Fleeger, Edward Marx (by phone), Donna Montemayor, 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 10:09 a.m. Chair Sternberg welcomed the board members and guests, and asked Mr. Palmer to take roll.

REPORTS, UPDATES AND POSSIBLE ACTIONS

Approval of Minutes from the December 4, 2008 Meeting

Chair Sternberg asked if there were any additions or corrections to the minutes of the December 4, 2008 meeting. Mr. Fleeger made a motion to pass the meeting minutes. Mr. Davis seconded the motion. The motion was approved by a unanimous voice vote.

Review of Strategic Direction Decisions Made by Board and Staff Activities since Last Meeting (Briefing Item)

Chair Sternberg advised the next agenda item was a briefing on strategic direction decisions made by the Board and staff since the last Texas Health Services Authority (THSA) meeting and asked Mr. Palmer to brief members on this item.

Mr. Palmer noted that since the last Board meeting, staff met with stakeholders throughout the health care sector and individuals representing other state-level entities with whom the THSA might establish more formal and structured relationships or interactions. They also coordinated with the Texas Health Information Exchange (HIE) Coalition to convene a workgroup of local HIE participants to develop recommendations for how the THSA should relate to local HIE initiatives.

Briefing on and Consideration of Draft Mission and Vision Statements (Action Item)

Chair Sternberg noted the next item agenda item was consideration of mission and vision draft statements and asked Ms. Cook to brief members on this item. Ms. Cook presented the draft statements to the Board. The statements were created in response to Board members' expressed interest at the last THSA meeting and were informed by the THSA enabling statute.

Members discussed the statements. Mr. Buckwold motioned to table any action until the next meeting and that recommendations be sent to staff for further consideration. Ms. Adamson seconded the motion. The motion was approved by unanimous voice vote.

Briefing on Health Information Technology in the American Recovery and Reinvestment Act (Briefing Item)

Chair Sternberg advised Board members the next agenda item was a briefing on health information technology (HIT) sections in the American Recovery and Reinvestment Act (ARRA) and asked Ms. Adamson to brief members on this item.

Ms. Adamson discussed portions of the ARRA pertaining to HIT, including incentive funding through Medicare and Medicaid to promote the adoption of electronic health records by physicians and hospitals, and discretionary funding for the Office of the National Coordinator for HIT. She noted that among the options for discretionary funds are regional and sub-national HIE grant initiatives and state grants for planning or implementation of HIE activities. She also noted the ARRA does not include additional detail regarding the discretionary funds distribution among the authorized programs. Members discussed the ARRA and discretionary funding.

Briefing on HIT and HIE Activities in Texas (Briefing Item)

Chair Sternberg advised Board members the next agenda item was a briefing on HIT and HIE activities in Texas. He noted this information was prepared in response to members' interest in additional education and asked Ms. Cook to brief members on this item.

Ms. Cook presented a revised draft of *The State of Health IT in Texas* policy paper originally published by the Texas Health Care Policy Council in 2006. She noted that the revised *State of HIT in Texas* document includes sections on the following:

- Summary of the evidence of HIT costs and benefits;
- Summary of public opinion studies concerning attitudes surrounding HIT;
- Summary of studies on HIT adoption rates by physicians and hospitals;
- Policy developments at the state and federal level; and
- Preliminary results of the recent HIE census conducted by staff.

Mr. Palmer provided additional information on the HIE census and Mr. Fleeger recommended the addition of one HIE to the document.

Briefing on Stakeholder Meetings and Discussion of Further Strategic Direction Options (Action Item)

Chair Sternberg advised members the next agenda item was a briefing on stakeholder meetings and discussion of further strategic direction options, and asked Ms. Cook to brief members on this item.

Ms. Cook presented the background section of the *Stakeholder Partnership Opportunities Report*, which contains an overview of stakeholder activities around the country. Mr. Palmer briefed members on the remaining sections of the report, including information staff gathered through meetings with stakeholders, as requested by the Board in the last THSA meeting. The Board discussed the report.

Mr. Palmer continued to brief the Board on further strategic direction options and presented a number of additional questions for consideration, including thematic issues and potential activities.

The Board briefly discussed the options before Chair Sternberg suggested that the Board return to this discussion following consideration of other items on the agenda.

Briefing on, and Discussion of Options for Establishing More Formal and Structured Relationships with Other State-level Organizations (Action Item)

Chair Sternberg advised the Board that the next agenda item was a briefing on, and discussion of, options for establishing more formal and structured relationships with other state-level organizations. He then asked Mr. Palmer to brief members on this item.

Mr. Palmer noted that since the last THSA meeting, staff met with several state-level organizations involved in HIT and HIE initiatives to identify partnership opportunities. These organizations include the Texas Health and Human Services Commission, Texas Health Information Network Collaborative, Texas Employee Retirement System, and the Lonestar Education and Research Network. He noted that these meetings laid the groundwork for informal coordination and communication that could be formalized as the THSA focuses on specific projects.

Following Mr. Palmer's presentation, the Board briefly discussed the information presented.

Briefing on, and Discussion of Options for Interacting with and/or Supporting Local HIE Initiatives (Action Item)

Chair Sternberg advised Board members that the next agenda item was a briefing and discussion of options for interacting with and supporting local HIE initiatives and asked Mr. Palmer to brief members on this item.

Mr. Palmer reminded members during the last meeting staff was asked 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. He noted that since the last meeting, staff had completed this request.

Workgroup representatives Ann Kitchen and Gijs van Oort presented options for consideration to the Board. They proposed the formation of an advisory workgroup to consult with local and regional HIEs.

Following the presentations, Chair Sternberg announced that the Board would recess at 12:00 p.m. and resume work at 12:30 p.m.

Following the recess, the Board returned to a discussion of the strategic decision options document and Mr. Palmer reviewed some of the thematic questions in greater detail. Chair Sternberg suggested

that the Board move to the discussion of creating additional committees, before continuing the conversation on further strategic decision options.

Discussion on Creation of Additional Committees (Action Item)

Chair Sternberg advised Board members the next agenda item was a briefing and discussion of creating an executive committee and a Stakeholder Input Process Task Force and asked Mr. Palmer to brief members on this item.

Mr. Palmer briefed members on the creation of an executive committee and the creation of a Stakeholder Input Process Taskforce to develop policies for the inclusion of stakeholders. Ms. Adamson then discussed her governance background and provided additional details on the proposed taskforce. Mr. Sternberg asked members if there were any questions and the Board discussed possible committees.

Mr. Rodgers moved that the THSA form an executive committee composed of the four officers and one at large member. Mr. Davis seconded. The motion passed by unanimous voice vote. Chair Sternberg nominated Mr. Rodgers for the at large executive committee seat and Ms. Adamson seconded. The motion passed by a unanimous voice vote.

Chair Sternberg asked the Board to discuss the creation of a Stakeholder Input Process Taskforce. The Board discussed the creation of the taskforce. Mr. Buckwold moved to have staff develop procedure to incorporate stakeholders with the assistance of a Board member. Mr. Hamlin seconded the motion. The motion passed by unanimous voice vote.

Chair Sternberg proposed discussing a Texas HIE Coalition workgroup. Ms. Adamson expressed concerns with adopting a workgroup before stakeholder procedures were in place. Chair Sternberg asked that the Board make an exception for this workgroup, which can be reconsidered once a process is established. The Board discussed the possibility of a workgroup. Chair Sternberg moved that the workgroup be formed as drafted, with one THSA co-chair and one additional THSA board member, and that the workgroup be evaluated at the next meeting for compliance with the charges of the THSA enabling legislation. Mr. Davis seconded the motion. Chair Sternberg called for a voice vote and the motion passed with a unanimous voice vote.

Mr. Buckwold nominated Chair Sternberg for the workgroup and Chair Sternberg nominated Mr. Davis. Mr. Hamlin seconded both nominations. The motion passed by unanimous voice vote.

Chair Sternberg then suggested that members revisit the further strategic direction options agenda item. The Board resumed discussion of this agenda item. Mr. Palmer agreed to accept comment from the Board on the vision and mission statements and to coordinate with the executive committee on next steps. Mr. Palmer also proposed that staff return to the next meeting with additional detail on future strategic direction options. The Board took no further action on this item.

Briefing on and Discussion of Data and Security Standards for Potential Endorsement (Action Item)

Chair Sternberg advised members the next agenda item was a briefing and discussion of data and security standards for potential endorsement and asked Mr. Palmer to brief members on this item.

Mr. Palmer presented data and security standards including the Healthcare Information Technology Standards Panel (HITSP) clinical data standards, the Health Information Portability and Accountability Act (HIPAA) administrative data standards, HIPAA data security standards, and HITRUST data security standards. The Board took no action on this item.

Work Plan Progress Report (Briefing Item)

Chair Sternberg advised members the next agenda item was a briefing on the work plan progress report and asked Mr. Palmer to brief members on this item.

Mr. Palmer presented the THSA work plan and process document and noted that the work plan is intended to identify steps staff have taken, and will take, to support THSA. Members reviewed and discussed the work plan and process document.

Consideration of Administrative Matters Including but not Limited to the Selection of a Bank for the Corporation, Payment of the Filing Fee for Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code, and Reimbursement of the Filing Fee Associated with the Corporation's Certificate of Formation (Action Item)

Chair Sternberg advised members the next agenda item was a briefing on several administrative matters including the selection of a bank for the corporation, payment of the IRS Form 1023 file fee, and reimbursement of the filing fee. He then asked Mr. Gilman to brief members on this item.

Mr. Gilman reviewed the Application IRS Form 1023 and related schedules, and noted a taxpayer ID had been secured for the corporation. He then discussed fundraising activities and noted \$1,000 in funding was raised to pay the IRS Form 1023 filing fee. Mr. Gilman also advised members that staff, in coordination with the Board president and treasurer, established a nonprofit checking account with Wachovia. Mr. Buckwold made a motion to approve the selection of Wachovia bank and the payment of the IRS Form 1023 filing fee. Mr. Fleeger seconded the motion. The motion passed by unanimous voice vote.

INFORMATION ITEMS

Chair Sternberg asked Mr. Palmer to provide members with information on the Board's meeting schedule for 2009. Members discussed future meeting dates and advised staff to schedule a fourth meeting on July 24, 2009, and the fifth meeting on October 9, 2009.

PUBLIC COMMENT

The Board received public comment from Archie Alexander, Larry Flournoy of Texas A&M, and Hank Fanberg of Christus Health System.

ADJOURN

Chair Sternberg asked for a motion to adjourn. A motion was made by Mr. Hamlin and seconded by Mr. Rodgers. The meeting adjourned at 2:35 p.m.


Alesha R. Adamson, Secretary