

# TEXAS HEALTH SERVICES AUTHORITY

Capitol Extension Building, Room E1.010

Austin, Texas 78701

## BOARD OF DIRECTORS MEETING

THURSDAY, JANUARY 28, 2010

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, Donna Montemayor, Darren Rodgers, and Stephen Yurco

### MEMBERS ABSENT

Luanne Southern and Dee Porter

### STAFF

Tony Gilman, Executive Officer, Texas Health Care Policy Council, Office of the Governor

Taylor Cook, Policy Analyst, Texas Health Care Policy Council, Office of the Governor

Jennifer Beale, Texas Health Care Policy Council, Office of the Governor

### CALL TO ORDER/WELCOME AND INTRODUCTIONS

Chair Manfred Sternberg called the meeting to order at 10:03 a.m. Chair Sternberg welcomed the Board members and guests, and asked Mr. Tony Gilman to take roll. Chair Sternberg also welcomed Stephen Palmer with the Office of eHealth Coordination at the Texas Health and Human Services Commission (HHSC) and thanked him for participating in the Board's meetings.

### REPORTS, UPDATES, AND POSSIBLE ACTIONS

#### **Approval of Minutes from the November 12, 2009 Meeting**

Chair Sternberg asked if there were any additions or corrections to the minutes of the November 12, 2009 meeting. Dr. David Fleeger made a motion to pass the meeting minutes. Vice Chair Kathleen Mechler seconded the motion. The motion was approved by a unanimous voice vote.

#### **Briefing on Texas Application for the State Health Information Exchange Cooperative Agreement Program (Briefing Item)**

Chair Sternberg advised the Board that the next item on the agenda was a briefing on the Texas Application for the State Health Information Exchange (HIE) Cooperative Agreement Program. He then asked Mr. Stephen Palmer to brief the Board on this item.

Mr. Palmer stated that in December the Office of the National Coordinator (ONC) asked HHSC to resubmit an application for the State HIE Cooperative Agreement Program. He said that the application was resubmitted on January 27 and that the ONC intended to respond to the state within two weeks. A member asked Mr. Palmer if this would delay funding, and Mr. Palmer responded that he expects funding to be available in late February or early March.

#### **Update on Collaborative Work Group Process (Briefing Item)**

Chair Sternberg noted that the next item for review on the agenda was an update on the Collaborative Work Group Process. He then asked Ms. Taylor Cook to brief the Board on this item.

Ms. Cook reminded members of the work group process that had been approved at the Board's last meeting in November 2009 and informed the Board that staff and the Office of eHealth Coordination held informational work group conference calls with the four work groups on January 13 and 14.

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

Chair Sternberg noted that the next item for review on the agenda was a review of the THSA's annual report. He then asked Ms. Cook to brief the Board on this item.

Ms. Cook reviewed the annual report and reminded members that state law requires the THSA to submit the annual report to the Governor, Lieutenant Governor, Speaker, and the House and Senate oversight committees. Dr. Fred Buckwold moved to approve the 2009 Annual Report and Dr. Fleeger seconded. The 2009 Annual Report was approved by unanimous voice vote.

#### **Consideration of Mission and Vision Statements (Action Item)**

Chair Sternberg noted that the next item for review on the agenda was consideration of mission and vision statements for the THSA. He then asked Ms. Cook to brief the Board on this item.

Ms. Cook briefed members on the revised mission and vision statements, and the process under taken by staff to create them. Members reviewed and discussed the mission and vision statements. Dr. Buckwold suggested that the statements be revisited after the planning process. Dr. Buckwold then motioned to approve the revised mission and vision statements and Dr. Fleeger seconded. The mission and vision statements were approved by unanimous voice vote.

#### **Consideration of Administrative Items (Action Item)**

Chair Sternberg advised the Board that the next item on the agenda is a discussion of the responses to the request for qualifications (RFQ) for consultant services and several other administrative items. Chair Sternberg reminded members not to refer to the firms by name and that any award decided today would be tentative. He then asked Mr. Gilman to brief the Board on the RFQ.

Mr. Gilman briefed members on the scope of the RFQ and the dissemination process for the RFQ. He informed members that 28 firms responded to the RFQ.

Chair Sternberg discussed the RFQ evaluation process with the Board and asked members to approve an interview process with three of the responders. Chair Sternberg further noted that he, along with one other Board member, Stephen Palmer, and the THSA CEO, would conduct the interviews.

Members discussed the RFQ evaluation process, including how the top three firms were determined and possible next steps in the selection process. Dr. Fleeger moved to give Chair Sternberg, one other Board member, the THSA's CEO, and HHSC's Director of the Office of e-Health Coordination the authority to interview the top three firms. He further moved that based on the outcome of the interview process, Chair Sternberg be authorized to enter into final negotiations to contract with the firm that best meets the needs of the THSA and the State of Texas. Mr. Darren Rogers seconded the motion. The motion was approved by unanimous voice vote. Following the vote, Chair Sternberg stated for the record that he did not vote.

Chair Sternberg then asked Mr. Gilman to update members on the staff's progress in identifying firms to offer accounting and legal services. Mr. Gilman briefed members on a letter of engagement for accounting services with an accounting firm and updated members on progress toward selecting a firm for legal services. Mr. Gilman did not recommend any action from the Board at this time.

Finally, Chair Sternberg asked Mr. Palmer to brief members on the funding contract between the THSA and HHSC. Mr. Palmer informed the Board that the contract, which will enable HHSC to disseminate funds to the THSA when they become available, would be finalized soon.

#### **Work Plan Progress Report (Briefing Item)**

Chair Sternberg asked Mr. Gilman to provide members with a progress report on the work plan. Following the briefing, Chair Sternberg asked Mr. Gilman if the THSA is on track with the approved work plan. Mr. Gilman responded that activities have very closely followed the work plan. The Board discussed the possibility of setting a date for the achievement of the THSA's mission, and Mr. Marx requested that the question be added to the agenda for the next meeting.

#### **PUBLIC COMMENT**

The Board received public comment from Larry Flourney from Texas A&M University and Mitchell Gibbs on behalf of Regional Extension Center Applicants.

#### **Consider Hiring a Chief Executive Officer for the Corporation**

Chair Sternberg asked Mr. Palmer to brief members on the Chief Executive Officer (CEO) Process. Mr. Palmer reminded members that at the last Board meeting in November 2009, staff was instructed to release an announcement for a CEO position. In response to the position announcement, 93 applications were received which were then scored by Stephen Palmer, Board Vice-Chair Kathleen Mechler, and Chair Sternberg. Seven phone interviews were conducted and two applicants were advanced to interview with the Board today.

Ms. Alesha Adamson moved that the Board recess to executive session pursuant to Texas Government Code Section 551.074; Personnel Matters; to Consider Hiring a CEO for the Corporation. Mr. Rodgers seconded the motion, which was approved by unanimous voice vote at 10:59 a.m.

Chair Sternberg reconvened the open meeting at 12:33 p.m.

### DISCUSSION AND POSSIBLE ACTION ON EXECUTIVE SESSION MATTERS

Chair Sternberg thanked members for their help in the interview process and noted that any offer made today would be tentative based on funding and a formal offer. Chair Sternberg asked if there was a motion to vote to hire a candidate to serve as the CEO of the THSA. Mr. Buckwold made a motion to hire candidate A, which was seconded by Ms. Donna Montemeyer. The motion to approve candidate A as CEO was approved by a roll call vote:

Ayes: Manfred Sternberg (Chair), Kathleen Mechler (Vice Chair), Matthew Hamlin (Treasurer), Alesha Adamson (Secretary), Fred Buckwold, Raymond Davis, David Fleeger, Edward Marx, Donna Montemeyer, Darren Rodgers, Stephen Yurco

Nayes: None (0)

Not Present, Not Voting: Dee Porter and Luanne Southern (2)

Chair Sternberg then announced Mr. Gilman was selected to serve as the THSA's CEO.


### INFORMATION ITEMS

Chair Sternberg asked Mr. Gilman to brief members on information items. Mr. Gilman asked members to refer to the future meeting dates and discuss any potential conflicts. The Board discussed statutory restrictions on meeting using telephone or web conferences. Mr. Ray Davis suggested that the Board should consider meeting more often given the volume of work that needs to be conducted. Chair Sternberg said that the Executive Committee could meet between Board meetings if necessary.

Mr. Gilman then briefed members on correspondence received and sent by the THSA since the November Board meeting. The Board had no questions on this item.

### ADJOURN

Chair Sternberg asked for a motion to adjourn. A motion was made by Mr. Matthew Hamlin and seconded by Vice Chair Mechler. The meeting adjourned at 12:46 p.m.

  
Alesha R. Adamson, Secretary