



University Health System

REGULAR BI-MONTHLY MEETING OF THE BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, January 30, 2018

6:00 p.m.

Board Room

Texas Diabetes Institute

701 S. Zarzamora

San Antonio, Texas 78207

MINUTES

BOARD MEMBERS PRESENT:

Ira Smith, Vice Chair
Dianna M. Burns, M.D., Secretary
Robert Engberg
James Hasslocher

BOARD MEMBERS ABSENT:

James R. Adams, Chair
Roberto L. Jimenez, M.D, Immediate Past Chair
Janie Barrera

OTHERS PRESENT:

George B. Hernández, Jr., President/Chief Executive Officer, University Health System
Bryan J. Alsip, M.D., Executive Vice President/Chief Medical Officer, University Health System
Tommye Austin, Senior Vice President/Chief Nurse Executive, University Health System
Awoala Banigo, Senior Vice President/Chief Revenue Officer, University Health System
Edward Banos, Executive Vice President/Chief Operating Officer, University Health System
Antonio Carrillo, Executive Director, Procurement Services, University Health System
Lourdes Castro-Ramirez, President, University Health System Foundation
Ted Day, Executive Vice President, Strategic Planning and Business Development, University Health System
Theresa De La Haya, Senior Vice President/Health Promotion and Clinical Prevention, University Health System - Texas Diabetes Institute
Roe Garrett, Vice President/Controller, University Health System
Greg Gieseman, President/Chief Executive Officer, Community First Health Plans, Inc.
Barbara Holmes, Vice President/Chief Financial Officer, Community First Health Plans, Inc.
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health System
Michelle Ingram, Vice President, Accreditation and Regulatory Services, University Health System
Brian Lewis, Vice President, Quality, University Health System
Sherry King, Deputy Chief of Police, University Health System
Leni Kirkman, Senior Vice President, Strategic Communications and Patient Relations, University Health System

Elliott R. Mandell, Ph.D., M.B.A, R.Ph, Senior Vice President/Chief Pharmacy Officer, University Health System

Karen McMurry, Interim Vice President/Chief Legal Officer, University Health System

Bill Mundt, Deputy Chief Information Officer, Information Services, University Health System

Bill Phillips, Senior Vice President/Chief Information Officer, Information Services, University Health System

Don Ryden, Vice President, Project, Design, and Construction, University Health System

Richard Rodriguez, Vice President, Asset Management, University Health System

Michael Roussos, Hospital Administrator, University Health System

Armando J. Sandoval, Chief of Police, University Health System

Sally Taylor, M.D., Senior Vice President/Chief, Behavioral Health Services, University Health System

Emily Volk, M.D., Senior Vice President/Clinical Services, University Health System

Jim Willis, Vice President/ Associate Administrator, University Hospital

Jelynn LeBlanc Burley, President/Chief Executive Officer, The Center for Health Care Services

Ray Carvajal, President, Carvajal Pharmacy

Robert Guevara, Chief Operating Officer, The Center for Health Care Services

And other attendees.

CALL TO ORDER AND RECORD OF ATTENDANCE: IRA SMITH, VICE CHAIR, BOARD OF MANAGERS

Mr. Smith called the meeting to order at 6:03 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. Smith introduced Lucila (Luci) Guyer, R.Ph., Pharmacy Services, Texas Diabetes Institute for the invocation, and he led the pledge of allegiance.

QUARTERLY EMPLOYEE RECOGNITION AWARDS - GEORGE B. HERNÁNDEZ, JR./BOARD MEMBERS

Employees listed below were recognized by the Board of Managers:

Professional: Lysette Cedillo
(Nursing) Staff Nurse II, Dialysis South

Professional: Jose Santos
(Non-Nursing) Physical Therapist II, Robert B. Green Campus

Management: Allison Lane
Archivist & Art Program Manager, Corporate Records Library

Technical: Eduardo Sandigan
Critical Care Technician, 5th Floor Sky Tower, Med Acute

Clerical: Stefania Hurtado
Registration Access Specialist, Admissions Department

Service: Manuela Garcia
Environmental Associate, Environmental Services, University Hospital

Volunteer: Dorothy DelaRosa
Volunteer, Volunteer Services

Physician: Lloyd Das, MD
UMA Staff Physician, Pavilion Express-Med Clinic

Team: IT Service Recovery Response Team
Sharon Willeford, Mary L. Garay, Linda Alvarez, Paul Garcia

All of this year's quarterly recipients will be special honored guests at the Annual Recognition Awards Ceremony at the Omni on February 22, 2018. Employees of the Quarter receive a plaque, embossed pen and an opportunity to select one of numerous awards valued at \$100 on the Employee Recognition website. Mr. Engberg addressed the honored employees on behalf of the Board of Managers. He thanked them for their collective passion, for caring so much for their patients, their hospital and their community. Their work makes this a great Health System and the Board of Managers loves its honored employees.

CITIZENS' PARTICIPATION: None.

APPROVAL OF MINUTES: None at this time.

**REPORT FROM THE HEALTH SCIENCE CENTER – WILLIAM HENRICH, M.D.,
PRESIDENT**

SUMMARY: Dr. Henrich reported that UT Health San Antonio held a press conference and celebration earlier today honoring the Mays family. It is a special day in that the Mays Family Foundation made a \$25 million contribution to build on the Mays Family Foundation's earlier gift of \$5 million in 2015. In recognition and appreciation of the Mays' generosity, the UT System Board of Regents authorized naming the UT Health San Antonio Cancer Center as the Mays Cancer Center at UT Health San Antonio. The announcement was made at the celebration this morning. This gift sets the stage for great advances in cancer care research and education for our city. In partnership with the Health System, as we build our cancer team under the leadership of Dr. Ruben Mesa, it is his hope for this community that in the future, we can build an inpatient venue that compliments the outpatient venue, and is now a very real opportunity. Today is the next to the last day of Dr. Ron Rodriguez's tenure as interim Dean of the School of Medicine. He will return to chairing the Department of Urology, which was thriving even prior to his taking the Dean position. It has been a sensational year working with him - he has worked well with the hospital, solved many issues and has helped UT Health recruit a cadre of spectacular people to San Antonio. These individuals are important for the city, our patients, research, and the partnership with the Health System. He is in Dr. Rodriguez's debt for doing so well in this job and admires him for doing it so well. Dr. Henrich yielded the floor to Dr. Rodriguez for some brief remarks. He is honored to have worked with Health System leadership and the Board of Managers. Mr. Hernandez is grateful for the role Dr.

Rodriguez played in obtaining support from the San Antonio Express News Editorial Board, and the community, for the women's and children's tower. At this time, Dr. Henrich introduced Dr. Rob Hromas, recruited in 2017 to fill the Dean position. Dr. Hromas is thrilled to be in San Antonio working with such a great, strong team. He predicts both organizations will make great progress together - he sees the Health System and UT Health as his two legs. He cannot run very far on one leg because he needs them both to run a long way. Mr. Smith welcomed Dr. Hromas on behalf of the Board of Managers and appreciates knowing that one of his focus areas will be primary care medicine. On behalf of Dr. Plastino, Dr. Rodriguez reported that there has been a concerted effort to increase hospital-based hospice services at University Hospital, as well as to decrease hospital-acquired infections. Both are recent focal priority areas for the Medical/Dental Staff. In addition, the School of Medicine residency programs recently underwent a site visit by the Accreditation Council for Graduate Medical Education. Results are pending but Dr. Rodriguez feels the visit went very well

RECOMMENDATION: None.
ACTION: None.
EVALUATION: None.
FOLLOW-UP: None.

CONSENT AGENDA – IRA SMITH, VICE CHAIR

CONSIDERATION AND APPROPRIATE ACTION REGARDING 4TH QUARTER INVESTMENT REPORT—ROE GARRETT/REED HURLEY

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE APPOINTMENT/REAPPOINTMENT TO THE BOARD OF DIRECTORS OF THE UNIVERSITY HEALTH SYSTEM FOUNDATION—ROBERT ENGBERG, CHAIR, NOMINATING COMMITTEE

CONSIDERATION AND APPROPRIATE ACTION REGARDING POLICY NO. 6.04, ASSET MANAGEMENT—RICHARD RODRIGUEZ

CONSIDERATION AND APPROPRIATE ACTION REGARDING PURCHASING ACTIVITIES (SEE ATTACHMENT A) –ANTONIO CARRILLO/TRAVIS SMITH

SUMMARY: The items above were presented for the Board's consideration as consent items. The following details are associated with these consent items:

Consideration and Appropriate Action Regarding 4th Quarter Investment Report—Roe Garrett/Reed Hurley - Results for the Investment Portfolio Summaries for the Health System and CFHP invested funds for the fourth quarter of 2017 were provided for the Board's review. In total, the value of all invested funds as of December 31, 2017 was \$951,063,473 consisting of Health System, Project, Certificate and CFHP Funds. Reports contained all information required by the Texas Public Funds Investment Act. The

Health System and CFHP portfolio reports were also provided separately. The portfolios earned \$2,362,679 in interest income in the fourth quarter and had an unrealized loss of \$1,051,153, a result of the sharp increase in interest rates during the quarter.

Consideration and Appropriate Action Regarding the Appointment/Reappointment to the Board of Directors of the University Health System Foundation—Robert Engberg, Chair, Nominating Committee – University Health System Foundation’s Nominating Committee, led by Mr. Francisco Garza actively pursued representation from Valero, vetted Mr. Jason Fraser, and obtained approval from the Foundation Board. Mr. Fraser’s short bio was provided for the Board’s your review. The Board’s nominating committee recommended approval by the Board of Managers to appoint Mr. Fraser, to serve a three year term on the University Health System Foundation Board effective immediately through December 31, 2020. T

Consideration and Appropriate Action Regarding Policy No. 6.04, Asset Management—Richard Rodriguez – The Asset Management Policy establishes the guidelines, responsibilities and accountability for managing, controlling, and disposing of Health System assets. The Asset Management department is responsible for tracking assets and implementing effective controls to ensure an accurate physical record of those assets are maintained. The policy statement is being revised to include the following language: “to continually improve processes and procedures to ensure proper tracking and disposal of all capital assets, controlled assets, and other assets requiring inventory by the Health System.”

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) –Antonio Carrillo/Travis Smith - A total of nineteen (19) contracts with a value of \$16,294,452 were presented to the Board of Managers during the January 30, 2018 meeting. Nine (9) consent contracts with a total value of \$6,869,218, and ten (10) presented contracts with a total value of \$9,425,234. During the month of January 2018 there were five (5) contracts classified as a Small, Minority, Woman, or Veteran, Owned Business Enterprises (SMWVBE).

RECOMMENDATION: Staff recommends approval of the items listed on the consent agenda.
ACTION: A **MOTION** to approve all of the items on the consent agenda was made by Mr. Engberg, **SECONDED** by Dr. Burns, and **PASSED UNANIMOUSLY**.
EVALUATION: At this time, Mr. Hernandez informed the Board that Richard Rodriguez, Vice President for Asset Management would be retiring on February 9, 2018, after 38 years of dedicated service. Board members applauded Mr. Rodriguez and thanked for his work.
FOLLOW UP: None.

ACTION ITEMS:

CONSIDERATION AND APPROPRIATE ACTION RELATING TO SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH PHILLIPS MEDICAL FOR CARDIAC ULTRASOUND SYSTEMS—JIM WILLIS

SUMMARY: Diagnostic Cardiology Services utilizes nine cardiac ultrasound machines serving locations at University Hospital, Medical Arts Research Center (MARC), and the Robert B. Green campus. This request is to replace the seven oldest machines which have met the useful life of seven years. Cardiology Services performed more than 11,000 cardiac ultrasound procedures in 2016 which was a 9 percent increase over 2015 (or 10,286 procedures). It is projected that the Health System will end 2017 with more than 13,000 procedures representing a 26 percent increase over a two year period. To maintain operational consistency and standardization, Phillips Medical, an approved Group Purchasing Organization (GPO) member, will remain the vendor of choice. This recommendation has allocated capital funds budgeted for the purchase.

RECOMMENDATION: Staff recommends Board of Managers' approval to allocate **\$1,115,103** in designated capital funds to replace seven existing cardiovascular ultrasound systems

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Mr. Hasslocher, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH CARVAJAL INCORPORATED D/B/A CARVAJAL PHARMACY TO PROVIDE PHARMACY SERVICES IN THE DETENTION HEALTHCARE SETTING—THERESA SCEPANSKI

SUMMARY: This is a new three-year contract request for pharmacy services with Carvajal Pharmacy, a reliable contractor since 1988 that has consistently provided exceptional service. The new contract amount for a three year period is \$927,000. The contract requires Pharmacy Service operations to be provided for a total of fifty-five (55) hours per week. A pharmacist is required to be on call seven (7) days a week, twenty-four (24) hours each day to assist with any pharmacological emergencies at the Bexar County Adult and Juvenile Detention Healthcare settings. The contract requires 1.5 full time Registered Pharmacists, 4 Pharmacy Technicians, and one part-time (0.5 FTE) Driver. In addition to pharmaceutical and delivery services provided, the scope of work also includes maintenance of controlled substance stock levels in the dispensing areas for the annex and the main jail and maintenance of a perpetual inventory in the pharmacy for all controlled substances. The previous contract amount was \$781,661 for a three-year period. The new contract includes an 18.6

percent increase, or \$145,339 for the three-year period beginning March 1, 2018 and ending February 28, 2021. This is a planned expense and is included in the Annual Operating Budget. Carvajal Pharmacy is classified as a small, minority-owned local business. The workforce composition data was provided for the Board's review.

RECOMMENDATION: Staff recommends Board of Managers' approval of the professional service contract with Carvajal Pharmacy for services in Detention Healthcare settings in the amount of \$927,000.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Hasslocher, **SECONDED** by Dr. Burns, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING RENEWAL OF THE LOCAL MATCH AGREEMENT WITH THE CENTER FOR HEALTHCARE SERVICES—SALLY TAYLOR, M.D.

SUMMARY: The purpose of this Memorandum of Understanding (MOU) with The Center for Healthcare Services (CHCS) is to renew the agreement that facilitates payment of a direct monetary contribution as part of the local match requested by the Texas Department of State Health Services, in furtherance of the Health System's sponsorship commitment. The current MOU was executed for State FY 15 with two allowed renewal amendments. The current renewal is the second amendment. This MOU does not create an employment relationship, partnership, or joint venture between the Center, its subcontractors or employees and the Health System. This local match is calculated as 9 percent of the total general revenue received by the Center from the Texas Health and Human Services Commission (HHSC). The Health System has determined its level of support for CHCS's state fiscal year 2018 to be the sum of \$2,465,925.00, payable in four (4) equal installments of \$616,481.25 each quarter beginning on September 1, 2017 through August 31, 2018. This is the same as the previous annual local match monetary contribution for fiscal year 2017. The cost of this agreement has been incorporated into the Health System's budget. CHCS's workforce composition data was provided for the Board's review.

RECOMMENDATION: Staff recommends Board of Managers' approval to execute an amendment to the current Memorandum of Understanding with The Center for Health Care Services in the amount of \$2,465,925.00 for the Center's FY18, September 1, 2017 – August 31, 2018.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Hasslocher, **SECONDED** by Dr. Burns, and **PASSED UNANIMOUSLY**.

EVALUATION: CHCS's contract with HHSC includes metrics that the Health System can utilize to monitor the ongoing quality of services provided. The MOU also includes metrics for outpatient linkage to Center services for patients being discharged from University Hospital or referred from the Health System's outpatient sites. As part of the MOU, Center employees currently serve as in-hospital liaisons for 1.5 FTE covering 7 days per week (currently divided between two Center employees). During FY 2017, there were 435 referrals

from University Hospital to the CHCS liaisons for these activities, and in addition 80 patients from outpatient clinics were linked to Center outpatient services within 7 days of referral. In 2018, the CHCS plans to begin to include home visits when necessary to ensure linkage to outpatient follow-up post hospital discharge.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING CONTRACTS WITH SPAWGLASS CONTRACTORS INC., WORKPLACE RESOURCE AND WARD NORTH AMERICAN RELATED TO RENOVATIONS OF THE CHEMISTRY LABORATORY AT UNIVERSITY HOSPITAL - EDWARD BANOS

SUMMARY: Five years ago the Health System's Chemistry Laboratory installed an automated test tube tracking system and in the years since, the volume and productivity of laboratory testing has significantly increased. The Board previously approved at the beginning of 2017 the capital budget to include the cost of a new system and necessary renovations. This past year laboratory staff and key stakeholders reviewed various new technologies in test tube tracking systems. The decision was made to purchase the Siemens Aptio Automation System, a new generation tracking automation solution for high volume laboratories. The new automation system was approved by the Board in April 2017 due to the six month lead time required by Siemens. This request is for the necessary renovation of the existing chemistry lab to accommodate the Siemens Aptio Automation System as well as improve work flow. The total cost of the project will be funded from 2017 budgeted capital as follows:

Construction Services (SpawGlass)	\$554,327
Furniture, Fixtures, Equipment (Workplace Resource)	183,943
<u>Moving Services (Ward)</u>	<u>8,000</u>
Total Project	\$746,270

The workforce composition for SpawGlass Contractors, Workplace Resource, and Ward North American was provided for the Board's review.

RECOMMENDATION: Staff recommends Board of Managers' approval to execute agreements with SpawGlass Contractors Inc., Workplace Resource and Ward North American in an aggregate amount of \$746,270, for University Hospital Chemistry Laboratory renovations, furniture, fixtures and equipment and moving expenses.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Hasslocher, **SECONDED** by Mr. Engberg, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH BRYCO CONSTRUCTION, LLC. FOR RENOVATION OF LABOR AND DELIVERY POSTPARTUM PATIENT ROOMS WITHIN THE RIO TOWER—EDWARD BANOS

SUMMARY: This request is for approval of a contract to renovate postpartum patient rooms and associated corridors located within the Rio Tower at a total cost of \$1,020,600. During the past few months the Health System has

worked with Bryco Construction LLC., to complete a mock renovation of three rooms on the Labor & Delivery Unit on the 4th floor of the Rio Tower at University Hospital. This phase of the renovations was to ensure that the finishes and functionality of the mock room was not only functional for the frontline staff, but had a positive influence on the patient experience. The pilot was so successful that leadership has decided to apply the same renovations and upgrades to the remaining 35 patient rooms to include the corridor. The scope of work was competitively bid using the Health System's formal RFP process. This project includes upgrades to the patient rooms with new millwork, lighting, headwalls finishes, flooring, painting, bathroom tile coating, and laminate on doors. In the corridors, the vendor will install new wall protection guards to include handrails, painting, and laminate the existing doors. All proposals were evaluated by staff and Bryco Construction was selected as the best value proposal due their competitive pricing, proposed schedule, healthcare experience and safety record. This purchase is being funded with departmental operational funds.

RECOMMENDATION: Staff recommends Board of Managers' approval of funding in the amount of \$1,020,600 for a contract with Bryco Construction for the renovation of postpartum patient rooms within the Rio Tower.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Dr. Burns, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None.

PRESENTATIONS AND EDUCATION:

OPERATIONS REPORT - EDWARD BANOS

SUMMARY: Mr. Banos provided an operations report regarding future system goals driven by national benchmarking standards to achieve or exceed the industries best practices. Two areas that are currently under review are geometric mean length of stay (GMLOS) and case mix index (CMI). The most recent data collected for GMLOS for acute care units is 3.77 days (Jan-Oct 2017), which has reduced from 3.79 in 2016. When compared to other Midas participating facilities, the Health System fell below the 50th percentile range by .39 days. Some of the identified barriers that attribute to length of stay are consult turn around time once order has been placed with the medical record, discharge planning, and care coordination for follow-up services. The strategy to improve GMLOS includes:

- Bi-monthly operations strategy meetings to discuss barriers and actions;
- Consult order set and patient list development to improve turnaround time on consults;
- Patient scheduling for diagnostic testing in Mediware to complete tests in a timely fashion;
- Hospitalist-driven team to identify and address avoidable days; and
- DRG-specific analysis and improvement plans.

Leadership reviews CMI, which is of equal importance, in conjunction with GMLOS evaluations. The most recent CMI data collected for acute care units is 1.92 (Jan-Oct 2017). The reported overall case mix index for the Health System is 1.77 which includes ancillary services such as women's services, inpatient rehabilitation, and psychiatry services. When compared to other Midas participating facilities, the Health System was above the 50th percentile range by .09. The current strategy to improve case mix index is to optimize the 3M 360 software that went live in December 2017. 3M software will provide the ability to complete an in-depth chart analysis of Medicare patients to identify areas of opportunity to improve documentation and related coding to obtain the maximum DRG. The upcoming 3M Provider Query Automation will automatically link provider responses to the Sunrise medical record. The physician training for improved documentation was completed the week of January 22, 2018.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: No action by the Board of Managers is required.
EVALUATION: None.
FOLLOW UP: None.

INFORMATION ONLY ITEMS:

UPDATE ON PLANNING, DESIGN AND CONSTRUCTION ACTIVITIES—EDWARD BANOS

REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS—LENI KIRKMAN

SUMMARY: Mr. Smith directed his colleagues' attention to the four informational reports above and asked them to provide feedback, comments, or questions directly to the staff.

RECOMMENDATION: These reports were provided for informational purposes only.
ACTION: No action by the Board of Managers was required.
EVALUATION: None.
FOLLOW-UP: None.

ADJOURNMENT:

There being no further business, Mr. Smith adjourned the Board meeting at 7:15 p.m.

Ira Smith
Vice Chair, Board of Managers

Dianna M. Burns, M.D.
Secretary, Board of Managers

Sandra D. Garcia, Recording Secretary