



# University Health System

## BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, July 28, 2020  
6:00 p.m.

**By Telephone**

University Hospital  
4502 Medical Drive  
San Antonio, Texas 78229

### MINUTES

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#### **BOARD MEMBERS PRESENT:**

James R. Adams, Chair  
Ira Smith, Vice Chair  
Roberto L. Jimenez, M.D., Immediate Past Chair  
Robert Engberg  
James C. Hasslocher  
Margaret Kelley, M.D.  
Thomas C. (“TJ”) Mayes, J.D.

#### **OTHERS PRESENT:**

George B. Hernández, Jr., President/Chief Executive Officer, University Health System  
Bryan J. Alsip, MD, Executive Vice President/Chief Medical Officer, University Health System  
Edward Banos, Executive Vice President/Chief Operating Officer, University Health System  
Ted Day, Executive Vice President/Strategic Planning, University Health System  
Rob Hromas, MD, Dean, School of Medicine, UT Health San Antonio  
Bill Henrich, MD, President, UT Health San Antonio  
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health System  
Daverick Isaac, Vice President/Chief Financial Officer, Community First Health Plans, Inc.  
Leni Kirkman, Senior Vice President, Strategic Communications, Patient Relations, University Health System; and Interim President, University Health System Foundation  
Bill Phillips, Senior Vice President/Information Services, University Health System  
Serina Rivela, Vice President/General Counsel, Legal Services, University Health System  
Don Ryden, Vice President, Project, Design and Construction, University Health System  
Theresa Scepanski, President/Chief Executive Officer, Community First Health Plans, Inc.  
Rajeev Suri, MD, Professor/Department of Radiology, UT Health; and President/Medical-Dental Staff, University Health System  
And other attendees.

#### **CALL TO ORDER:**

Mr. Adams called the meeting to order at 6:02 pm. He yielded the floor to the Recording Secretary for the roll call to confirm a quorum. Board members indicated “present,” except for Dr. Roberto Jimenez

and Mr. Ira Smith. Upon confirmation of a quorum, Mr. Adams reminded the Board members that voting today will be conducted by individual roll call to clearly identify each Board member by name and vote. Mr. Adams noted that while members of the public are not able to ask questions during today's meeting, should any citizen or member of the media have any questions or comments, please email them to [Public.Relations@uhs-sa.com](mailto:Public.Relations@uhs-sa.com). This email address is on the Health System's corporate website in the Contact Us section. A staff member will follow up within a day or two.

*Mr. Ira Smith joined the meeting at 6:04 pm.*

### **INVOCATION AND PLEDGE OF ALLEGIANCE**

Mr. Adams introduced Fr. Brian Garcia, Campus Priest for The University of Texas at San Antonio and Texas A&M University- San Antonio; and Mr. Adams led the pledge of allegiance.

### **SPECIAL RECOGNITION: QUARTERLY EMPLOYEE RECOGNITION AWARDS - (GEORGE B. HERNÁNDEZ, JR./BOARD MEMBERS)**

The following employees were recognized by the Board of Managers:

Professional: (Nursing)	Joana Novodvorschi Clinic Staff Nurse II, OB/GYN Emergency Services
Professional: (Non-Nursing)	Rishi Goswamy Senior Analyst, Operations Support
Management:	Darrel Hughes Pharmacy Programs Manager
Technical:	Adrian O'Prey Senior Registered Pharmacy Technician
Clerical	Audrey Martinez Registration Access Specialist, Renal Dialysis Southeast
Service:	Ana G. Oliva Environmental Associate, Environmental Services
Volunteer:	Carolyn Grill Volunteer, Volunteer Services
Provider:	Olga Ali, PA Physician Assistant, Detention Health Care Services - Adult
Team:	The Clinical Pharmacy COVID-19 Team Ana Franco-Martinez, Jose Gonzalez, Gloria Gutierrez Elizabeth Hand, Kristi Traugott, Amanda Fowler

Board members were provided with written biographies on each of the employees and also a video. All of this year's quarterly recipients will be special honored guests at the Annual Recognition Awards Ceremony at the Omni Hotel on Thursday, February 25, 2021. 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.

**APPROVAL OF MINUTES OF PREVIOUS MEETING(S): JUNE 23, 2020 (REGULAR MEETING);  
AND JUNE 30, 2020 (REGULAR MEETING):**

SUMMARY: The minutes of two regular meetings held on Tuesday, June 23, 2020, and on Tuesday, June 30, 2020, were submitted for Board approval.

RECOMMENDATION: Staff recommends approval of the minutes as submitted.

ACTION: There being **NO OBJECTION** to the minutes as presented, the minutes were **APPROVED**.

EVALUATION Mr. Adams requested a change to the minutes of June 30, 2020, on page 11, regarding the discussion on Automated Guided Vehicles as follows: *Mr. Adams asked if the staff was convinced that the automated vehicles are a feasible solution to Health System needs.*

FOLLOW-UP None.

**PUBLIC COMMENT:** None.

**REPORT FROM UT HEALTH SAN ANTONIO — WILLIAM HENRICH, M.D., PRESIDENT**

SUMMARY: Dr. Henrich announced that the newest medical student class was oriented successfully this month. Earlier in the day, he and Dr. Hromas met with the national medical student association by telephone; and they are in agreement with the need to embed the topic of racial injustice into the curriculum of the School of Medicine. He noted that researchers in over 50 laboratories across UT Health SA continue to study Covid-19, searching for a weakness in the virus or for a vaccine. He acknowledged Dr. Hromas as an accomplished scientist and congratulated him for recently co-authoring and publishing a paper on structural basis of RNA cap medication by SARS-Cov-2, for which the lab team has received national recognition. Dr. Hromas further explained that the paper was published in the July 24, 2020 issue of *Nature Communications* and was covered by the national media. The lab team discovered the 3D structure of a key enzyme of the COVID-19 virus required for its replication and found a pocket in it that can be targeted to inhibit that enzyme, a fundamental advance in the understanding of the virus. In lay terms, messenger RNA can be described as a deliverer of genetic code to worksites that produce proteins. This exciting discovery demonstrates how UT Health is fighting the COVID-19 pandemic on many fronts. Researchers are doing the best they can and they also expect a huge backlog of issues as the pandemic progresses.

RECOMMENDATION: None.

ACTION: None.

EVALUATION None.

FOLLOW-UP None.

At this time, Mr. Adams announced that the Board of Managers would meet in Executive Session immediately following the public meeting this evening.

**NEW BUSINESS**

**CONSENT AGENDA – JIM ADAMS, CHAIR**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING MEDICAL-DENTAL**

**STAFF RECOMMENDATIONS FOR STAFF MEMBERSHIP AND PRIVILEGES—  
RAJEEV SURI, M.D., PRESIDENT, MEDICAL/DENTAL STAFF**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING MEDICAL-DENTAL  
STAFF RECOMMENDATIONS FOR STAFF MEMBERSHIP AND DELINEATION OF  
PRIVILEGES — RAJEEV SURI, M.D., PRESIDENT, MEDICAL/DENTAL STAFF**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING POLICY NO. 4.06.01  
CONTROLLED SUBSTANCE DIVERSION PREVENTION, DETECTION,  
REPORTING, AND RESPONSE PROGRAM — ELLIOTT MANDELL/REBECCA  
CEDILLO**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING POLICY NO. 5.12.01  
CONFLICT-OF-INTEREST IN RESEARCH — ROBERTO VILLARREAL,  
M.D./REBECCA CEDILLO**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING POLICY NO. 9.01.02  
EXPANDED ACCESS AND USE OF INVESTIGATIONAL DEVICE, DRUG, OR  
BIOLOGIC RESEARCH — ROBERTO VILLARREAL, M.D./REBECCA CEDILLO**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING POLICY NO 10.12  
PEER REVIEW PROCESS — EMILY VOLK, M.D./REBECCA CEDILLO**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING THE 2ND QUARTER  
2020 INVESTMENT REPORT — ROE GARRETT/REED HURLEY**

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

SUMMARY:

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Staff Membership and Privileges— Rajeev Suri, M.D., President, Medical/Dental Staff - Pursuant to Article III, Section 3.3-1 of the Medical-Dental Staff Bylaws, initial appointments and reappointments to the Medical-Dental Staff of the University Health System shall be made by the Board of Managers. The Board of Managers shall act on initial appointments, reappointments, or revocation of appointments only after there has been a recommendation from the Executive Committee of the Medical-Dental Staff. If approval is granted by the Board of Managers, the clinical provider is placed on a two-year reappointment cycle. After 12 months' provisional review, the provider's status changes from Provisional to Active or Courtesy Staff depending on board certification and the frequency of patient encounters during the previous 12 months. In accordance with Professional Practice Evaluation Policy (No. 10.025) and the Joint Commission, the Professional Staff Services Department established a systematic process to conduct and evaluate an ongoing and focused assessment of the professional practice of practitioners' performance of clinical privileges. The Credentials Committee met on June 29, 2020 and reviewed the credential files of the individuals listed in the written Credentials Report and the Professional Performance Evaluation Reports provided to the Board of Managers. At its meeting of July 7, 2020, the Executive Committee of the Medical-Dental Staff approved the appointments and re-appointments of Medical-Dental Staff candidates for staff membership and privileges. Presented for Board approval.

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Staff Membership and Delineation of Privileges — *Rajeev Suri, M.D., President, Medical/Dental Staff* -The Credentials Committee met on June 29, 2020 and reviewed the credential files of the providers listed in the Credentials Report and Professional Performance Evaluations provided to the Board of Managers. In its meeting of July 7, 2020, the Executive Committee of the Medical-Dental Staff recommended approval of the items below in accordance with the Health System’s credentialing and privileging process. :

- 1) Delineation of Privileges
  - a) University Health System
    - i. General Surgery/Critical Care (Revised)
    - ii. Medicine/Cardiology (Revised)
    - iii. Medicine/Gastroenterology (Revised)
    - iv. Neurology (Revised)
    - v. Neurosurgery (Revised)
    - vi. Urology (Revised)
  - b) Ambulatory Surgery Center Medical Center
    - i. Radiation Oncology (Revised)
- 2) Focused/Ongoing Professional Performance Evaluation Reports

Consideration and Appropriate Action Regarding Policy No. 4.06.01 Controlled Substance Diversion Prevention, Detection, Reporting, and Response Program — *Elliott Mandell/Rebecca Cedillo* –The University Health System is committed to establishing and maintaining a safe and healthy environment for employees, patients, and visitors, free of controlled substance diversion and/or misuse. This is a new policy, presented for Board approval.

Consideration and Appropriate Action Regarding Policy No. 5.12.01 Conflict-of-Interest in Research — *Roberto Villarreal, M.D./Rebecca Cedillo* - It is the policy of University Health System that an individual has an obligation to avoid any situation where it would be reasonable for an objective observer to believe that the person's judgment, ethical considerations, or loyalty may be adversely affected. This is a new policy, presented for Board approval.

Consideration and Appropriate Action Regarding Policy No. 9.01.02 Expanded Access and Use of Investigational Device, Drug, or Biologic Research — *Roberto Villarreal, M.D./Rebecca Cedillo* - When a patient has a serious or life-threatening condition that is not addressed by current approved treatments, an investigational medical device, drug, or biologic that has not been approved or cleared by the Food and Drug Administration (FDA) can be used to treat the patient. This is a new policy, presented for Board approval.

Consideration and Appropriate Action Regarding Policy No 10.12 Peer Review Process — *Emily Volk, M.D./Rebecca Cedillo* - The University Health System Board of Managers, in collaboration with the Medical and Dental Staff, uses a standard peer review process to promote safe and high quality patient care. This is a new policy, presented

Consideration and Appropriate Action Regarding the 2<sup>nd</sup> Quarter 2020 Investment Report — *Roe Garrett/Reed Hurley* – Staff provided Investment

Portfolio Summaries for the Health System and CFHP invested funds for the second quarter of 2020. In total, the value of all invested funds as of June 30, 2020 was \$1,620,751,150 consisting of Health System, Project, Certificate and CFHP Funds. The reports include all information required by the Texas Public Funds Investment Act. Health System and CFHP portfolio reports were provided separately. The portfolios earned \$4,122,229 in interest income in the second quarter, a 50 percent decline from \$8,172,042 in the same period a year ago, reflecting the decline in market rates in the last six months. The portfolio's unrealized gain grew to \$6,586,332. The report was provided for Board approval.

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) — Antonio Carrillo/Travis Smith – A total of 12 contracts with a value of \$11,268,131 are being presented to the Board of Managers during the July 2020 meeting. The following contracts require approval by the BCHD Board of Managers: Eight (8) consent contracts with a total value of \$7,383,310; and four (4) presented contracts with a total value of \$3,884,321. During the month of July 2020, there were three contracts classified as a Small, Minority, Woman, or Veteran-Owned Business Enterprises (SMWVBE). The July 2020 SMWVBE status report reflects all items submitted for Board approval.

RECOMMENDATION: Staff recommends approval of all of the items listed on the consent agenda.  
ACTION: A **MOTION** to approve staff's recommendation as made by Mr. Engberg, **SECONDED** by Dr. Kelley, and **PASSED UNANIMOUSLY**.  
EVALUATION: None.  
FOLLOW-UP: None.

**ACTION ITEMS:**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS:**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING AN AMENDMENT TO THE LEASE WITH MASEHO, INC., LOCATED AT CORPORATE SQUARE TOWER, 4801 NW LOOP 410, SAN ANTONIO, TEXAS — DON RYDEN**

SUMMARY: Since the inception of the lease agreement at Corporate Square Tower in 2009, office space has been added or deleted through a series of respective lease amendments to address the specific area(s) at those defined intervals. With the exception of the Epic and Foundation offices, the remaining total of the office space at Corporate Square Tower is included in a lease that expires July 31, 2020. This area totals 21,032 rentable square feet. The Health System currently leases 43,304 rentable square feet (RSF) of office space in Corporate Square. This is comprised of offices for Human Resources, Grants Management, Epic, and Health System Foundation. The annual rent expense for all Health System space currently leased at Corporate Square is \$959,663. Not including the Epic and Foundation offices, the offices for the aforementioned departments are located in Suite 111, 200, 203, and 260. The proposed renewal term is one (1) year. The commencement date for the renewal term for these Suites will be August 1, 2020. The lease expense for the renewal term is \$473,220 which will be an operational expense. This represents an increase in the current rental rate of approximately 2 percent. The base lease rates and monthly rent for these suites for the period August 1, 2020 through July 31, 2020 are \$22.50/FSF/Year; \$39,435/month; and

- \$473,220/year. Maseho Inc., is a single purpose real estate entity and has zero employees.
- RECOMMENDATION: Staff recommends Board of Managers' approval of a one-year lease amendment for a total of \$473,220 with Maseho, Inc. for the office space at Corporate Square Towers located at 4801 N.W. Loop 410, San Antonio, Texas.
- ACTION: A **MOTION** to approve staff's recommendation as made by Mr. Hasslocher, **SECONDED** by Mr. Smith, and **PASSED UNANIMOUSLY**.
- EVALUATION: The one-year renewal recommendation from staff is due to the Health System's on-going assessment regarding its long-term strategy for all administrative space.
- FOLLOW-UP: None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING AN AUTHORIZATION TO ORDER ELECTRICAL SWITCHGEAR THROUGH CPS ENERGY FOR THE WOMEN'S AND CHILDREN'S HOSPITAL AND ASSOCIATED PROJECTS— DON RYDEN**

- SUMMARY: The project design for the Women's and Children's Hospital (WCH) project includes reliable, redundant permanent power connections to the existing utility grid. CPS Energy, the electrical service provider, is now prepared to commence the design for the electrical supply equipment to which the Project will connect. Coinciding with the start of its design, CPS Energy recommends ordering the electrical switchgear necessary to provide permanent power connections. CPS is requesting a Letter of Intent to authorize the ordering of the switchgear and to start the detailed design. Staff concurs that the early ordering of this critical equipment is necessary to ensure timely completion of the permanent power installation work. Prior to beginning detailed design to provide the Project's power requirements, CPS Energy has determined the sizing of the primary and secondary electrical switchgear and determined both an estimated cost and a lengthy delivery lead time. Due to the A/E team's simultaneous completion of the Project's construction design and submission for permitting with the development of CPS Energy's electrical service design, it is necessary to authorize the early ordering of this long-lead equipment. By completing the electrical service design, CPS Energy will be able to refine their estimate for remaining equipment and installation costs and ensure that construction drawings submitted for permitting do not require further revision. It is therefore in the best interests of the Health System and the Project to avoid potential delays by authorizing CPS Energy to proceed. To begin both the equipment order and the detailed utility service design, CPS Energy, acting through the City Public Service Board, requires a Letter of Intent to begin the design and release of equipment for fabrication. The estimated cost of the electrical switchgear is \$338,750 for both the primary and secondary equipment. This cost is within the current approved Board Project budget. Upon completion of the detailed electrical service design, CPS Energy will provide an updated total cost estimate for all design, material, and installation costs. The actual final costs of the electrical switchgear will be reflected in this updated cost projection.
- RECOMMENDATION: Staff recommends Board of Managers' approval to execute the Authorization to Order Switchgear and Letter of Intent with CPS Energy and the obligation for the early procurement of necessary electrical service switchgear for the Women's and Children's Hospital project in the amount of \$338,750.
- ACTION: A **MOTION** to approve staff's recommendation as made by Mr. Hasslocher, **SECONDED** by Mr. Mayes, and **PASSED UNANIMOUSLY**.

EVALUATION: None.  
FOLLOW-UP: None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING AN AGREEMENT WITH UT HEALTH SAN ANTONIO FOR RADIATION THERAPY SERVICES AT THE MAYS CANCER CENTER — A WOALA BANIGO**

**SUMMARY:** University Health System has historically entered into agreements for radiation therapy services with UT Health at the Mays Cancer Center previously known as the Cancer Therapy & Research Center, (CTRC). The current agreement with UT Health expires on July 1, 2020. In accordance with the Health System’s Policy no. 6.01, Procurement Services, this services agreement under consideration is exempt from competitive acquisition. Contracting for this service with UT Health allows access to radiation therapy for hospitalized patients requiring emergency intervention and for uninsured outpatients on a limited basis. The availability of radiation services at the May’s Cancer Center enhances operational efficiency for both University Hospital and UT Health medical staff and optimizes safer transition and continuum of care. All cases referred for radiation therapy must be reviewed and authorized by the Health System before the patient is approved for this therapy. Radiation therapy services have been provided to 142 University Hospital patients during the past 11 months at a total expense of \$282,000. The rate paid for this service is 100 percent of the Medicare allowable rate, which is the same methodology used in previous contracts. Based on historical volumes, it is estimated the total annual expense for this service will not exceed \$350,000 per year. The proposed contract is for three years at an amount not to exceed \$1,050,000. The workforce composition of UT Health was provided for the Board’s review.

**RECOMMENDATION:** Staff recommends that the Board of Managers approve and authorize the President/Chief Executive Officer to execute the Radiation Therapy Services Agreement with UT Health San Antonio for an amount not to exceed \$1,050,000 for a three-year contract.

**ACTION:** A **MOTION** to approve staff’s recommendation as made by Mr. Engberg, **SECONDED** by Dr. Kelley, and **PASSED UNANIMOUSLY**.

EVALUATION: None.  
FOLLOW-UP: None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING AN AMENDMENT TO THE CONTRACT BETWEEN COMMUNITY FIRST HEALTH PLANS AND TRIZETTO CORPORATION FOR MEDICARE ADVANTAGE AND DUAL ELIGIBLE SPECIAL NEEDS PLANS INFRASTRUCTURE ENHANCEMENTS— THERESA SCEPANSKI/DAVERICK ISAAC**

**SUMMARY:** On May 20, 2020, Community First Health Plans (CFHP) received notification from the Centers for Medicare and Medicaid Services (CMS) that its 2021 Medicare Part C, Medicare Part D (Prescription Drug), and Dual Eligible Special Needs Plan (D-SNP) applications were conditionally approved. CFHP was also notified that its Model of Care (MOC), which is a substantial requirement for the D-SNP, received a perfect score of 100 and will be valid for three years, the maximum allowable licensure period. Following this notification, CFHP, in coordination with Milliman Inc. and Navitus Inc., submitted its bids and formularies to CMS one week ahead of the June 1, 2020 deadline for award



consideration. CMS is expected to announce awards by August 31, 2020. Ms. Scepaniski outlined the next steps in the project and requested Board of Managers approval to execute the required infrastructure enhancements to successfully implement the Medicare Advantage, and most importantly the D-SNP line of business, for a January 1, 2021 operational start date. Obtaining a Medicare contract with CMS is a key requirement for STAR+PLUS because STAR+PLUS includes management of dual eligible population (i.e. members with Medicare and Medicaid) who have D-SNP coverage. In order to meet an operational start date of January 1, 2021, CFHP must be ready for the open enrollment period between October 15 and December 7, 2020 and administer the benefit requirements starting January 1, 2021. Ms. Scepaniski reviewed the enhancements required to CFHP's existing infrastructure and provided a timeline to illustrate several key milestones that must occur between July 1 and December 31, 2020, to ensure sufficient system testing for a successful implementation. CFHP has successfully completed the initial steps in obtaining the required licensure with minimal external support or consulting fees (compared to other community plans experiencing upwards of \$2 million in infrastructure enhancements expense). Staff received approval from the CFHP Board of Directors to amend the contract with Trizetto on Friday, June 26, 2020. Board of Managers approval is now needed to finalize infrastructure enhancements to ensure a successful go-live on January 1, 2021. Based on a comprehensive assessment of the required system functionality and negotiation with the current vendor, the total estimated cost to support the software requirements is \$927,155 in 2020 and \$434,979 in 2021. These amounts are comprised of enrollment capability implementation fee; annual maintenance fee; application management fee, and licensing fee. Funding for this amendment will be allocated from the 2020 Budget: \$363,239 (one-time licensing fee will be capitalized in 2021) and \$563,916 (Information Technology budget and pro-rated October to December 2020). Mr. Engberg asked about the annual maintenance fee, which is ongoing and will be added to the current contract enrollment module.

**RECOMMENDATION:** The CFHP Board of Directors recommends Board of Managers' approval to amend the contract with Trizetto Corporation for the necessary infrastructure enhancements as presented, for an estimated cost of \$927,155 for the initial implementation phase and \$434,979 for application maintenance and management fees in subsequent years.

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

**EVALUATION:** On behalf of the Board of Managers, Mr. Adams expressed appreciation for Ms. Scepaniski, Mr. Isaac and the entire CFHP team. Ms. Scepaniski stepped up to the plate and worked hard to get CFHP, Inc., back in the running.

**FOLLOW-UP:** None.

*Dr. Roberto Jimenez joined the Board meeting at 6:33 pm.*

**CONSIDERATION AND APPROPRIATE ACTION REGARDING AN EXTENSION OF THE AGREEMENT WITH LUBY'S FUDDRUCKERS RESTAURANTS, LLC FOR MANAGEMENT OF HOSPITAL BISTRO, ROBERT B. GREEN CAFÉ, AND TEXAS DIABETES INSTITUTE CAFETERIA — JIM WILLIS**

**SUMMARY:** Mr. Hernandez pulled this item from the agenda to allow the staff more time to review financial data driven by recent operational changes that took place in the Sky Tower Bistro in mid-June, 2020.

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

**CONSIDERATION AND APPROPRIATE ACTION REGARDING THE FINANCIAL REPORT  
FOR MAY 2020 — REED HURLEY**

**SUMMARY:** In June, the Health System operations continued to be significantly impacted by the COVID-19 crisis resulting in stay at home and social distancing directives reducing in and outpatient activity. Clinical activity (as measured by inpatient discharges) was down 9.3 percent for the month compared to budget. Community First Health Plans (CFHP) fully insured membership was up 6.0 percent to budget. On a consolidated basis, gain from operations was \$26.7 million, \$19.9 million better than budget. The consolidated bottom line gain (before financing activity) was \$23.4 million, \$20.7 million better than the budgeted gain of \$2.7 million. Higher other operating revenue and lower operating expense resulted in performance better than budget. CFHP experienced a bottom line gain of \$6.3 million, which was \$1.3 million better than the budgeted gain of \$5.0 million. Higher premium revenue offset by higher claims and admin expense accounted for the performance to budget. Debt service revenue was \$5.9 million, which was equal to budget. Mr. Hurley reviewed notable increases and/or decreases from the December 31, 2019 Consolidated Balance Sheet in detail with the Board.

**RECOMMENDATION:** Staff recommends acceptance of the financial reports subject to audit.  
**ACTION:** A **MOTION** to approve staff's recommendation as made by Mr. Engberg, **SECONDED** by Mr. Hasslocher, and **PASSED UNANIMOUSLY**.

**EVALUATION:** Discussion ensued following Mr. Hurley's presentation. Discharge volume has decreased since COVID-19 arrived in the spring. The Health System has experienced higher activity in June although elective procedures were postponed during the pandemic. The month of July was busy with medical and COVID-19 cases, not surgical procedures. Outpatient activity, which includes physician office visits and testing, is 10.6 percent behind for the month. Payor mix was 73.7 percent for the month and 74.3 percent on a year-to-date basis, which is on budget. The original Epic implementation date of May 9 would have incurred additional costs in April, May and June. There was no travel during this period; however, the Health System will feel the impact of those Epic costs in July and August. Regarding CFHP, Mr. Hurley noted that the state is not dis-enrolling any members from Medicaid, therefore CFHP has more members than budgeted. The Crosswalk explains what causes budget variances. Focusing on the year-to-date revenue section, Mr. Hurley noted that the budget is off \$32.9 million on net patient revenue as a result of decreased activity. Supplemental revenue (DSH, UC, DSRIP, GME, NAIP) is over budget by \$14.5 million; CFHP Premium Revenue by \$10.2 million; and the CARES Act by \$8.1 million. Operating expense impacted by employee compensation of \$20.4 million; CFHP claims expense \$14.3 million, Supplies, Epic Implementation and Medical Services all below budget due to the decrease in volume. The year-to-date consolidation indicates that both the Health System and CFHP are both having a very good year thus far. Mr. Engberg noted the positive bottom line and described an interesting situation when business is declining but profits are up. He finds the Crosswalk particularly helpful and in support of Mr. Hurley's comments. He acknowledged getting caught by surprise late last year with things the Board

wishes had not happened in terms of the surprise element at CFHP. Mr. Engberg has discussed CFHP in particular with Mr. Hurley given that the CFHP Board has done a very good job in strengthening its staff and all discussion indicates the team is quite strong and that CFHP is past that era where the Board of Managers might get caught by surprise. In addition, the team has approached their financial reporting conservatively and CFHP is in much better posture now. Mr. Engberg is much more confident about what is going forward with CFHP; and Ms. Scepanski has provided great leadership. He does not see anything significant in terms of general operations of the Health System and/or CFHP. Mr. Engberg would not like to see the bottom line taken away by surprise. Mr. Hernandez thanked Mr. Engberg for his comments. At this time, Mr. Hernandez reported that at the CFHP Board meeting of July 24, 2020, he announced that Ms. Scepanski had accepted the position of President/CEO with CFHP. Ms. Scepanski has also been instrumental in the Covid-19 testing and screening at Bexar County Detention facilities. The staff at CFHP is thankful for Ms. Scepanski's work, and Health System staff is excited for her leadership.

FOLLOW-UP: Staff gave Ms. Scepanski a round of applause.

*Dr. Roberto Jimenez departed the meeting at 7:08 pm; returned at 7:11 pm.*

#### **PRESENTATIONS AND EDUCATION:**

##### **EPIC ELECTRONIC HEALTH RECORD PROJECT UPDATE — BILL PHILLIPS**

SUMMARY: Mr. Phillips reported that the Health Systems' Epic Electronic Health Record went live on Saturday, July 11, 2020 at 4:00 am. The kick-off began on Friday, July 10, with "cutover." Cutover is the process of registering all currently admitted patients and loading their orders into Epic so that everything is ready to go when the system goes live. To get ready for July 11, the Epic implementation team completed a total of 22,881 build tasks. The majority of these required input and direction from operational users. Sessions were held in September of 2019, validating the initial workflow build in Epic. These sessions involved users seeing workflows and providing feedback, which flowed into the testing phase. The testing phase included 665 application scripts and 72 integrated scripts. Over the course of eight months more than 20,000 tasks and over 30,000 individual records were tested. Additionally, the team tested more than 72,000 individual charges and sent more than 3.4 million messages through the interface engine. Navigating and successfully implementing a project of this magnitude during a pandemic added additional unplanned challenges to include training and support. The Health System therefore changed the majority of the scheduled face-to-face training classes to remote video classes. This resulted in the Epic team recording over 700 training sessions and making these available to staff and providers. The Health System's Epic onsite support that was originally going to consist of 230 Epic employees was moved to a remote methodology. Drastic changes in training and go live at-the-elbow-support were not ideal, the Health System in collaboration with UT Health San Antonio pushed through as a team to make it a successful go-live, although delayed by the Covid-19 pandemic. Staff and bed allocated were also impacted during this period. Mr. Phillips shared team photos of various integrated sessions, reviewed timelines data conversion tip sheets, described the training effort which equaled approximately 150,000 hours, and assured successful implementation by abiding with the

following guiding principles, which created a culture of importance and understanding among the teams:

- Willingness to embrace change
- Use and Train the Foundation System, no changes unless approved by Oversight Committee
- Follow Epic Good Install methodologies
- Keep staff informed/updated
- All users must be well trained and pass a competency test
- Monitor Financial Status and overall system adoption
- Utilize UT Health's Epic Ambulatory content

Regarding the Epic Foundation System, Mr. Phillips reported that:

- System configuration is based on best practices workflows;
- Clinical content input was received from customers and Epic clinicians;
- Additional tools made available based on workflows and content;
- Reports, metrics, workflow diagrams; build guides; testing scripts, and training materials were all made available to the staff.

The team's roadmap to success was Epic's "The Good Install Program" which embraces the philosophy that if things are done correctly, the Health System will benefit from a strong implementation and discounted implementation fees. As promised by Epic leadership, their staff was available to guide the Health System's Epic team in doing the right thing to make it possible to receive credit on eligible installs. Epic leadership cautioned of the potential expectations immediately after Go-Live:

- Expect 1000s of problem tickets per day - Some urgent, some not; many duplicates – same issue logged from multiple users or practices
- Integrated nature of Epic will show
- Spotlight on everything - Systems issues, Operational issues, Efficiency issues, and Workflow issues
- Daily leadership meetings - Identify problems, triage, and resolve quickly; Get input across groups; collaborative prioritization

Mr. Phillips also described Multiple Go-Live issues that have the potential to occur at various intervals immediately after implementation:

- Days 1-3 -Initial themes centered around security, printing, and workflow reinforcement; end users will feel generally excited and will be patient
- Days 5-7 - Issues will be more complicated system build, or areas that need coordination/shared decisions. Operations begins to be needed to help design solutions. An increase in user frustration if issues are not resolved in a timely manner or support is not sufficient
- Days 7 to 10 - Issues remain more complicated or impact fewer users/workflows, but still remain important to resolve. Often requires close coordination with, and changes to, operations. General staff and project team fatigue as the excitement of go-live wears off
- Days 11 – 30 - Operations begins returning to normal, with lots of outstanding mid- to low-priority annoyance/efficiency issues
- Lower impact complex or widely-affecting issues will remain a focus. Quick wins and enhancements will improve end user happiness

Mr. Phillips graphed energy and stress levels of the Go-Live experience as a result of unresolved open issues beginning at day one through week 12 after Go-Live. At approximately week 3 post go-live, it is anticipated that the backlog of open issues will peak, and the staff will be tired. At four weeks post go live, it is anticipated that issue resolution will increase but issues will be more complex and take longer to resolve. After week 8, Epic team will get some rest as the backlog stabilizes. Regarding the scheduling of patient appointments, those occurring on or after July 11, will be automatically scheduled in Epic. During the implementation process, however, Epic team members manually created 6,461 appointments and electronically imported, 28,388 for a total of 34,840. The team manually worked 7,210 referrals and input over 5,000 referrals into Epic. Mr. Phillips reviewed the Go-Live Metrics Dashboard, Performance, and Interoperability statistics. The number of electronic health documents exchanged with UT Health San Antonio is 34,738. Number of records exported is 29,499, records received is 33,741. As of today, there have been approximately 12,000 tickets opened since July 11 and approximately 10,500 of those have been resolved. Mr. Phillips also reviewed operational key performance clinical indicators, operational key revenue cycle performance indicators in detail with the Board. The executive revenue dashboard indicates that since July 11 to present, \$130.8 million was cumulatively posted versus the expected baseline of \$146 million, with a cumulative variance of \$(15.2) million. He provided cumulative revenue and baseline revenue on various specialty service lines as well, and noted that the Health System is only the third organization to go live with Epic during the COVID-19 pandemic. By far the largest one with the largest scope since the start of the pandemic and in the next few months. Mr. Phillips briefly demonstrated a patient's individual action plan and whiteboard as it will appear in a patient room. He described Epic's Gold Stars Program which provides a scorecard of how effectively an organization is using the system, and also provides a roadmap for improving clinical and financial outcomes. Gold Stars Level 10 is the highest grade that can be earned and reflects that the organization has adopted at least 95 percent of the Epic Gold Star features and is categorized as being a cutting-edge and leading practice in EMR use. Gold stars are issued by focus area, by service area, and by Tier adoption percentage (cutting edge, optimized use, and core components). The Health System is currently scoring a 9 overall (about 90 percent). The Epic project was completed on time and on budget, with \$25 million contingency fund still intact. Mr. Phillips thanked Mr. Hernandez, the staff, the Board of Managers, and Dr. Rob Hromas for their support and assistance during implementation of this project.

RECOMMENDATION:

This report was provided for informational purposes only.

ACTION:

No action was required by the Board of Managers.

EVALUATION:

In addition to Go-Live on July 11, 2020, the Health System had a cyberattack on June 22, 2020, same day as the Epic soft opening, which took stress to another level. In the end, the Health System is running 3 to 4 weeks ahead schedule. Mr. Phillips described the project as a true partnership with every employee system-wide. Mr. Smith congratulated the staff for the very smooth transition. For every module installed, he requested an evaluation from the end users, as well as from the Epic implementation team. Mr. Phillips noted that before Go-Live, all employees were provided a benchmark survey to ensure staff was ready and well-trained. Staff will not be allowed to use Epic unless they have attended all of the mandatory training. Another survey will be sent to all employees at week 4 post Go-Live, and he will share results with the Board. Mr. Smith was impressed with the sub-second response time quoted by Mr. Phillips. Mr.

Engberg expressed pride for the work that has gone into this is extraordinary and significant project. It is astounding to see on the screen the thousands of people that fed into this project and are so much more knowledgeable and capable having gone through this. The healthcare produced by the Health System is going to be so much more, tax payers should be really proud of the work that went into this. Dr. Jimenez acknowledged the great presentation, absolutely incredible. Mr. Hasslocher thanked Mr. Phillips and the staff. He is very proud to play a small role by serving on the Board. He also thanked Mr. Mr. Adams for his leadership. Mr. Adams also expressed his gratitude for the detailed reports throughout the process, they were frank and candid and the Board was able to measure. He is impressed that the Health System is 3-4 weeks ahead of schedule despite the hacking that took place. The entire staff has been under horrific stress to see this project through.

FOLLOW-UP: Post Go-Live survey results to be shared with Mr. Smith.

*Dr. Roberto Jimenez departed the meeting at 7:22 pm and returned at 7:24.*

*Mr. Ira Smith departed the meeting at 7:23 pm.*

### **UPDATE ON THE WOMEN'S AND CHILDREN'S HOSPITAL AND ASSOCIATED PROJECTS — DON RYDEN**

SUMMARY: Comprehensive constructability review of the 95 percent Construction Documents was performed in early July 2020 and the Architectural/Engineering team is making final revisions to the drawings and specifications to enable submission to the City of San Antonio for building permits in early August 2020. Concurrently, the Construction Manager is completing an updated cumulative construction cost estimate that aligns with the finalized design. The Architectural/Engineering (A/E) team will progress the design for additional patient rooms on the 12<sup>th</sup> floor and future support services (kitchen, servery, dining, etc.) that will move to the Podium expansion to be located closer to the patients and allow more efficient operations. This will enable the rapid development of these spaces to meet future Health System requirements at best cost. Mr. Ryden summarized the current approved Project budget of \$691.6M in his written report, and he provided the following update:

#### Advanced Diagnostic Center (formerly Heart/Vascular & Endoscopy Center)

- Ongoing work includes HVAC, electrical, and plumbing rough-in, and fire sprinkler relocations, medical gas connections, and wall framing and structural re-enforcement for support of Cath Lab equipment.
- Upcoming work includes final utility and medical gas connections and the start of finishes.
- Procurement of remaining medical equipment (Groups 1 & 2) is ongoing.
- Furniture and active IT equipment procurement has begun.

#### Women's & Children's Hospital

- A/E construction documents are 95 percent complete; previous design packages for site work, mass excavation, and foundations enabled early work to commence.
- Ongoing work includes final site work and soil retention walls for below-grade construction.

- Drilled foundation piers with associated underground utilities will continue through the summer of 2020.
- Procurement of new Automated Guided Vehicle System from Aethon was approved by Board in late June 2020.

#### Garage

- A/E construction documents are 95 percent complete; previous design packages are permitted to enable early work.
- Ongoing work includes site work, retention system and drilled piers.
- One of two tower cranes was erected to facilitate moving and placing heavy construction materials.
- Upcoming work will include underground utilities and concrete slabs.

#### Podium Expansion

- A/E construction documents for core and shell are 95% complete.
- A/E construction documents for partial build out will begin in August.
- Demolition of existing cisterns is complete; ongoing work includes site work and excavation.
- Upcoming work will include drilled piers and underground utilities.
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RECOMMENDATION:

This report was provided for informational purposes only.

ACTION:

No action was required by the Board of Managers.

EVALUATION:

Mr. Adams asked Mr. Ryden how he felt about the project at this particular point. The project is going well. Issues in building the piers caused a slight delay; however; the contractor brought in a third drilling rig and the team has been working on Saturdays to catch up. Mr. Ryden is watching that very carefully and is not concerned from a critical standpoint that this slight delay will impact the overall schedule because there is a corrective plan in place to get that caught up. Everything else is going well from a budget standpoint. The teams are tracking as planned as it relates to control estimates. Contractors have been working through all the Covid-19 nuances and protocols – they are being screened everyday just like hospital staff. There have been a couple of instances where construction personnel tested positive so they also have to isolate and do some contact tracing. The HVE site was closed for a slight period while it was cleaned and disinfected. As far as materials, the Project Design and Construction teams are hearing that light fixtures might be an issue as far as timing; however, it is doubtful that there will be any issue in finishing the HVE by the last quarter of 2020, as far as availability of materials. The Board of Managers previously approved GMP 10, which puts the project at 49-50 percent complete on the construction budget. There will only be two more GMPs (11 and 12) which for the most part will buy out the project. The staff is trying to do that in the next 3 months to get in the queue for products, materials, and finishes. As far as having sufficient help to complete the project, Mr. Ryden described the teams he's working with as excellent, including both construction managers - Joeris and JE Dunn. There was a minor issue in trying to find the right personnel for the Broaddus project management team, but Mr. Ryden is feeling very comfortable with the make up right now. The design team faces a challenge in that they are trying to wrap up the construction documents for all of the interiors and the rest of the project since March, 2020. All of the architects and engineers have been working from home like everyone else. Within the last 2-3 weeks, the architectural team published about 90 percent of the construction documents and conducted one last review with about 150 different individuals and entities before

wrapping up and printing,. They hope to have that done by the second week in August. Mr. Ryden hired an Executive Director for this project in May 2020, and he hit the ground running. Mr. Brian Freeman has a healthcare construction background having worked on several hospitals within the city. He is really pleased with the experience Mr. Freeman brings to the table, as well as his ability to interact with the various teams. He is a great asset and Mr. Ryden is looking forward to introducing him to the Board of Managers.

FOLLOW-UP: None.

**INFORMATION ONLY ITEMS:**

**ANNUAL CARELINK REPORT — VIRGINIA MIKA, PH.D./ROBERTO VILLARREAL, M.D.**

**COMMUNITY FIRST HEALTH PLANS BI-ANNUAL REPORT — THERESA SCEPANSKI**

**UNIVERSITY HEALTH SYSTEM FOUNDATION UPDATE — LENI KIRKMAN**

**REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS — LENI KIRKMAN**

SUMMARY: Mr. Adams directed the Board’s attention to the four informational reports above. He urge them to review the documents and contact the staff directly with questions or comments.

RECOMMENDATION: None.

ACTION: None.

EVALUATION: None.

FOLLOW-UP: None.

**CLOSED MEETING:**

Mr. Adams announced this meeting closed to the public at 7:41 p.m. pursuant to the Texas Open Meetings Act, TEX. GOV'T CODE § 551.001 *et seq.* (Vernon 2004), with the following Board members and staff present either in person or by telephone: James C. Hasslocher, Secretary; Roberto L. Jimenez, M.D., Immediate Past Chair; Margaret Kelley, M.D., Member; Robert Engberg, Member; T.J. Mayes, Member; George B. Hernández, Jr.; Edward Banos; Reed Hurley; Don Ryden; and Serina Rivela. After discussion, no action was taken in closed session. Mr. Adams announced that the closed meeting ended at 8:26 p.m., and he immediately reconvened the public meeting.

**ADJOURNMENT — JIM ADAMS, CHAIR**

There being no further business, Mr. Adams adjourned the public Board meeting at 8:27 pm.

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James R. Adams  
Chair, Board of Managers

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James C. Hasslocher  
Secretary, Board of Managers

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Sandra D. Garcia, Recording Secretary