



# University Health System

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

Tuesday, April 24, 2018  
6:00 p.m.  
Board Room  
Texas Diabetes Institute  
701 S. Zarzamora  
San Antonio, Texas 78207

### MINUTES

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

Ira Smith, Vice Chair  
Dianna M. Burns, M.D., Secretary  
Roberto L. Jimenez, M.D, Immediate Past Chair  
Robert Engberg  
James Hasslocher  
Janie Barrera

#### **BOARD MEMBERS ABSENT:**

James R. Adams, Chair

#### **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  
Edward Banos, Executive Vice President/Chief Operating Officer, University Health System  
Antonio Carrillo, Executive Director, Procurement Services, University Health System  
Ted Day, Executive Vice President, Strategic Planning and Business Development, University Health System  
Sergio Farrell, Senior Vice President/Chief, Ambulatory Services, Robert B. Green  
Donald Finley, Director, External Communications/Corporate Communications, University Health System  
Roe Garrett, Vice President/Controller, University Health System  
Greg Gieseeman, President/Chief Executive Officer, Community First Health Plans, Inc.  
William Henrich, M.D., President, UT Health, San Antonio  
Barbara Holmes, Vice President/Chief Financial Officer, Community First Health Plans, Inc.  
Rob Hromas, M.D., Dean, Long School of Medicine, UT Health, San Antonio  
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health System  
Daniel Johnson, Herbert F. Mueller Chair in Ophthalmology, UT Health San Antonio  
Monika Kapur, M.D., President/Chief Executive Officer, University Medicine Associates  
Leni Kirkman, Senior Vice President, Strategic Communications and Patient Relations, University Health System  
Winga Manning, Supplier Diversity Coordinator/Procurement Services, 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

Kirsten Plastino, M.D., President, Medical/Dental Staff, University Health System; and Professor, Department of Obstetrics/Gynecology, UT Health, San Antonio

Maulik P. Purohit, M.D., Vice President/Chief Medical Information Officer, Brain Injury Medicine, and Neuro-Rehabilitation, University Health System

Serina Rivela, Interim Chief Legal Office, University Health System

Ron Rodriguez, M.D., Professor and Chairman, Department of Urology/Long School of Medicine, UT Health San Antonio

Carlos Rosende, Thom F. Hogan, Jr., Distinguished Professorship in Complicated Ophthalmology, Long School of Medicine, UT Health San Antonio

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

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

Cystal Senesac, Executive Director, Marketing/Corporate Communications, University Health System

Travis Smith, Deputy Chief Financial Officer, University Health System

Allen Strickland, Vice President, Hospital Administration, University Hospital

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

Roberto Villarreal, M.D., Senior Vice President, Research and Information Management, University Health System

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

Jim Willis, Associate Administrator, University Hospital

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 6:05 p.m.

**INVOCATION AND PLEDGE OF ALLEGIANCE**

Mr. Smith introduced Mr. Cliff Harden, First Baptist Church of Lacoste, Texas, 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: Jillian Ard-Cotter  
(Nursing) Clinic Staff Nurse I, Inpatient Pediatric Hematology/Oncology

Professional: Ana Crystal Franco-Martinez  
(Non-Nursing) Clinical Specialist – University Hospital

Management: Susan Lomba  
Executive Director, Quality Management & Accreditation  
Community First Health Plans

Technical: Cedrick Wright  
Surgical Technician, Medicine Acute Care

Clerical: Anthony Garcia  
Team Leader Distribution, Hospital Supply

Service: Alfonso Lopez  
Environmental Associate, Environmental Services-UH

Volunteer: Marcella Loya  
Volunteer, Volunteer Services

Physician: DeAndra Ransom  
Physician Assistant, Pavilion Express Med Clinic

Team: Protective Services Team  
Vivian Garza, Cynthia Cabello

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 28, 2019. 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. Dr. Jimenez addressed the honored employees on behalf of the Board of Managers. The Board enjoys employee presentations very much because Health System employees are the best. Employees helped to establish this institution; its reputation is number one in the country - . Board members are proud to see those billboards all over town. They look forward to celebrating employee successes at the Employee Recognition Banquet early next year, and he reiterated that employees are the best aspect of University Health System. Thank you for the work you do on behalf of the people of Bexar County.

**CITIZENS' PARTICIPATION:** None.

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

SUMMARY: Dr. Henrich reported a good month in terms of recruiting clinicians and scientists. He is pleased to welcome Dr. David Lehenbauer as the new congenital heart surgeon, currently finishing up a fellowship in advance congenital heart surgery at the University of Cincinnati/Cincinnati Children's Hospital, a premier children's hospital in the United States. Dr. Lehenbauer spent one week in University Hospital's operating room with the cardiothoracic team and he emerged as a finalist for the position. He will be a major boost for University Health System's congenital heart program. On the science front, UT Health has made a number of important recruits including Dr. Patrick Sung, a decorated scientist from Yale. Dr. Sung was at UT Health San Antonio 25 years ago and left to join the Department of Molecular Biophysics & Biochemistry at Yale University. At the present time, Dr. Sung works in cancer generation DNA repair. He was attracted to UT Health by the institution's existing research strength in DNA repair (in several laboratories, including the lab of Dr. Hromas). This is a major recruit evidenced by a recent \$6 million award by the Cancer Prevention & Research Institute of Texas (CPRIT) in support of his recruitment. In the past, Dallas and Houston have had a monopoly on these types of awards until now. UT Health is simply happy to break that string of their dominance by bringing an internationally renowned scientist to San Antonio. On the clinical front, the UT physician practice continues to grow, with a 22 percent increase in new patients, which bodes well for the future of this partnership in

terms of joint business. Dr. Henrich made a warm and sincere invitation to each of the Board members to attend any of the UT Health graduations (Medicine, Dental, Nursing, Allied Health Sciences, or Graduate School) in mid-May. Graduations are always a happy occasion.

Dr. Henrich yielded the floor to Dr. Hromas, who commended the Board of Managers for their foresight in establishing the Texas Diabetes Institute before diabetes was recognized as a national problem. The School of Medicine recently applied; however, did not receive, a National Institutes of Health (NIH) Center of Excellence in Diabetes grant. NIH suggested to the School of Medicine that they needed to have at least two more diabetes researchers on staff, so the School of Medicine hired three more researchers. The team will apply again in the fall for a Center of Excellence in Diabetes grant. The Center of Excellence will be housed at the University Health System's Texas Diabetes Institute.

Dr. Plastino acknowledged physician leaders present. She is excited to be working on women's & children's tower plans. Health System and UT Health teams are working closely together, in the early planning stages. Staff continues to work on enhancements to the electronic medical record even if transitioning to Epic. Dr. Purohit and Dr. Volk have been working closely with medical/dental staff to make sure that metrics are being met for accrediting agencies and to improve patient care. Enhancements have been communicated very well to the medical staff before they occur.

Dr. Henrich asked about the various phases of the planning and design process. Mr. Hernandez informed him that since the architectural firm has been selected, architects and Mr. Ryden are now meeting with stake holders to better understand building needs. The architects have a June deadline to submit their report; they are also concurrently reviewing a functional space program report by Blue Cottage Consulting. A Women's & Children's Tower Oversight Committee meeting will be scheduled soon after architects submit the report to review first phase costs and options as to how the building will be situated on the property, which is quite a challenge because the property drops 50 feet from the Sky Tower lobby. Mr. Hernandez thanked Drs. Henrich and Hromas for supporting use of UT Health property for parking. A decision has not been made about the parking situation; however, the architects have some ideas that need to be discussed with appropriate UT Health staff, because there are some existing fire lanes that need to be protected.

Mr. Smith reported that Mr. Adams had appointed Dr. Burns to chair a Women's and Children's Tower and Services Ad Hoc Committee of the Board, with Mr. Engberg and Ms. Barrera as members. Dr. Burns asked to be informed of the next oversight committee or stakeholder meetings.

Ms. Barrera asked about the programmatic piece of the project. Does the staff know what opportunities are out there? Has the team conducted a SWAT analysis? What are other hospitals doing that the Health System is not? To be successful, the Health System needs to have its own niche,

and Ms. Barrera wondered when the staff would focus on that. In terms of process, she wanted to know at what point Dr. Burns' Board committee would become involved. Mr. Hernandez explained that staff hired Blue Cottage Consulting for the programmatic piece; they have been working on a functional space report for the past year. They met with the staff leadership, as a whole, and helped determine what a women's and children's hospital is supposed to be. Blue Cottage proceeded to help find the scope for a children's hospital for Bexar County, and the staff turned that scope over to the architects during a formal process. The architects now own it and are double checking all of the recommendations made by Blue Cottage. Mr. Hernandez agreed with Ms. Barrera that there are three to four aspects of a successful hospital. However, as an academic institution, the Health System has higher end, more complex cases to deal with than the average hospital, although the Health System has excelled in particular service lines, i.e., nuclear medicine, cancer, hearts, all which are in the Blue Cottage report. At the same time, those service lines are very expensive, and the Health System has excelled in doing what the private hospitals do exceptionally well, i.e., low end work that has a high profit margin, such as routine births and common children's illness, to support the more expensive service lines, which is how the Health System raised payer mix over the last four years. Mr. Hernandez plans to convene the Board committee along with the Architects for a presentation of their recommended solutions, which will then be presented to the full Board. Dr. Burns would like to review the entire scope of the architects contract, and is also interested to know how the Health System will market the Women's and Children's Tower. Dr. Hromas interjected that the UT Health team is building primary care into the pediatrics and ob/gyn services; they will have their own primary care network. He proudly reported that there are some world class folks at UT Health, especially in ob/gyn. Dr. Hromas suggested that the clinical trials and devices available through UT Health and the Health System's patient research office are unique to the partnership; no one else in town can offer that. Dr. Plasino also reported that she is also looking at new residency training models for ob/gyn to ensure continuity of care with these women for their entire pregnancy. Dr. Plastino will continue to provide postpartum care and wrap around services to help women plan their family the way they want to. Another unique aspect for UT Health is the funding streams available to provide these services for women for their entire reproductive life spans. However, Dr. Burns reiterated that also needed to be successful, are female patients who do not need wrap around services. We want female patients to choose to come here, especially when they can go anywhere else, which is what Dr. Burns believes needs to be branded. Dr. Jimenez agreed with Ms. Barrera and Dr. Burns' points and he recalled the Board's role in a similar process upon the establishment of the Texas Diabetes Institute. What the Board found at that time, is that it does not tell staff what to do, the Board is there to comment and provide feedback, and it's a lot easier when the staff present their needs to the Board because it gives their work credibility. Mr. Hernandez described the staff's process as a deliberate process in which staff was involved and data was gathered for one year. To the Board members' points about

programming, he acknowledged the need for experts to help the staff figure certain things out, and this particular group has worked with women's and children's hospitals all over the country.

RECOMMENDATION: This report was provided for informational purposes, only.

ACTION: No action was required by the Board of Managers.

EVALUATION: Dr. Jimenez requested that Dr. Hromas make a presentation regarding medical students and their experiences at University Hospital. Specifically, did they enjoy the experience? Do they have any suggestions for hospital administrators? Also, what did they learn, or get out of their experience? Dr. Alsip has often reported to the Board that this is the point where medical student begin to lay their foundation in terms of where their careers will take them, and that the experience influences what they do with their future. The Board is interested in meeting members of the medical student body. Dr. Jimenez also informed Dr. Hromas how the Texas Diabetes Institute came about. The old Lutheran General Hospital was one that served the west side community for many decades. The hospital went bankrupt and the community went up in arms because there was not any other healthcare available in the area, which created a lot of issues for the city and the county. The President/CEO at that time was under a lot of pressure to build a hospital here. The Board of Managers created a committee comprised of community leaders, citizens, physicians and the President of the Health Science Center. The census track indicated that this area had the highest incidences of diabetes in the United States, aside from Mission, Texas. The citizens demanded that the Texas Diabetes Institute be located here – they wanted health care, research and training in their community. Dr. Jimenez has traveled and practiced medicine all over the country and has never before seen such passion. He also recalled that Mr. George Hernandez was the Health System's general counsel at the time the old Lutheran Hospital was acquired.

FOLLOW UP: Mr. Hernandez will provide the architect's contract scope to the Board of Managers and the Women's and Children's Tower Oversight Committee.

**CONSENT AGENDA – IRA SMITH, VICE CHAIR**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING MEDICAL-DENTAL STAFF RECOMMENDATIONS FOR STAFF MEMBERSHIP – KRISTEN A. PLASTINO, M.D., PRESIDENT, MEDICAL/DENTAL STAFF**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING 1<sup>ST</sup> QUARTER 2018 INVESTMENT REPORT – ROE GARRETT/REED HURLEY**

**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 Medical-Dental Staff Recommendations for Staff Membership – Kristen A. Plastino, M.D.,

President, Medical/Dental Staff - Monthly Credentials Committee Report (listing of providers in accordance with the Health System's Credentialing and Privileging Process); and Focused/Ongoing Professional Performance Evaluation Reports submitted to the Board of Managers for approval.

Consideration and Appropriate Action Regarding 1<sup>st</sup> Quarter 2018 Investment Report – Roe Garrett/Reed Hurley - Investment Portfolio Summaries presented for the Health System and CFHP invested funds for the first quarter of 2018. In total, the value of all invested funds as of March 31, 2018 was \$975,417,294 consisting of Health System, Project, Certificate and CFHP Funds. The reports include all information required by the Texas Public Funds Investment Act. In addition, the Health System and CFHP portfolio reports were provided separately. The portfolios earned \$3,156,946 in interest income in the first quarter and had an unrealized loss of \$412,339, a result of the sharp increase in interest rates during the quarter.

Consideration and Appropriate Action Regarding Purchasing Activities Antonio Carrillo/Travis Smith – A total of 20 contracts with a value of \$22,464,276 were presented to the Board of Managers today. The following contracts require approval by the BCHD Board of Managers: Fifteen (15) consent contracts with a total value of \$18,305,806, five (5) presented contracts with a total value of \$4,158,47. During the month of April, there was one (1) contract classified as a Small, Minority, Woman, or Veteran, Owned Business Enterprise (SMWVBE). The April, 2018, SMWVBE Status Report reflects items being submitted for Board approval at this time.

RECOMMENDATION: Staff recommends approval of the items listed on the consent agenda.  
ACTION: A **MOTION** to approve all of the items listed on the consent agenda was made by Ms. Barrera, **SECONDED** by Dr. Burns, and **PASSED UNANIMOUSLY**.  
EVALUATION: None.  
FOLLOW UP: None.

**SPECIAL REPORT ON POPULATION HEALTH INITIATIVES: IMPROVEMENTS IN PREVENTIVE HEALTH SERVICES - THERESA DE LA HAYA/DR. BRYAN ALSIP**

SUMMARY: More than 10 years ago, Health System leadership made a deliberative step to expand the scope of services to the Bexar County community and demonstrate a wise use of resources. On February 4, 2008, University Health System (Health System) assumed primary responsibility of clinical preventive services in Bexar County from the City of San Antonio (City). Prior to February 4, 2008, the San Antonio Metropolitan Health District (SAMHD), a public health district established jointly by the City and the County in the 1960's operated prevention clinics. By agreement with the County, the City operates SAMHD much like a City department. Ms. De La Haya reviewed the following time line:

- 1955 – BCHD established
- 1967 – Texas Constitutional amendment
- 1969 – San Antonio Metropolitan Health District (SAMHD) created

- 1990s – Health System expansions into the community
  - 1994 University Family Health Center- Southwest
  - 1997 University Family Health Center- Southeast
  - 1999 Texas Diabetes Institute
- 2004 – Citizens Commission on City-County Service Integration
- 2006 – University Health System and City enter into an Interlocal Agreement
- 2006 – Joint Planning and Operations Council (JPOC) created
- 2007 – Internal briefings to Board of Managers
- 2008 – Board of Managers approves the transition of Preventive Health Services to University Health System
- 2008 – City Council approves the transition of Preventive Health Services to University Health System
- 2008-2009 – Offsetting adjustments to the City and County *ad valorem* tax rates recommended

To help ensure both operational and clinical alignment of services, the JPOC adopted the following shared goals for defining the development of a high performing healthcare system:

- Putting prevention first
- Delivering efficient, high-value care
- Ensuring an evidence-based health system
- Engaging the community
- Inter-operable information systems
- Preserving the public health safety net through traditional public health functions
- Guiding documents
  - Code Red Report: *The Critical Condition of Health in Texas*
  - The Commonwealth Fund: *Framework for a High Performance Health System for the United States*

The primary outcome of the planning efforts by the JPOC was a consensus that residents of Bexar County would benefit from health services delivered in a more integrated, efficient, and coordinated manner. Dr. Alsip described “Population Health” as the health outcomes of a group of individuals including the distribution of such outcomes within the group with the understanding being that medical care is only one of the many factors that affect those outcomes. In January 2008, the Board of Managers approved the transition of preventive services to the Health System effective February 2008. The transition included ten new clinical sites, nine preventive health clinics (PHCs) and one senior health center, and the following scope of services:

- Family Planning & Prenatal Care
- Well Child Exams & Immunizations
- Senior Health screenings
- Grant-Related Programs – i.e., Refugee Program
- 125 positions transferred
- 86 individuals transferred
- 39 vacant positions
- Facility Ownership of 5 Prevention Health Clinics

The expansion of preventive health services became firmly established within the Health System’s strategic planning around the Triple Aim *Plus* and its mission to provide accessible, efficient, and comprehensive



preventive care closer to where patients live, which resulted in the following efficiencies:

- Single Integrated Electronic Medical Record
- Coordination and Continuity of Care from primary prevention to Tertiary Care resulting in access to the highest level of care
- Installation of Class D Pharmacies
- Use of the Medicaider to enroll patients into eligible programs
- Operational Excellence/Lean initiatives to support the improvement of work flow
- Talk phone line for Women's Health

Staff reviewed the total volume for all locations and reported that it has increased by a factor of 20 for the period 2008 through 2017. Three of the original clinic sites are no longer providing direct patient care services (Pecan Valley, Westend, and Highway 90). The following quality items are in practice at all PHCs at the present time:

- Clinical Management Team (CMT) Meetings
  - UMA Clinical Quality Improvement Committee (CQI)
- Provider & Clinic-based Performance
  - Manual audits to electronic dashboard
- Aligned quality metrics with benchmarks & standards
  - Federal regulatory & payment reporting requirements
- Patient Experience – telephone-based surveys
  - Zarzamora, Salinas, Kenwood, Hilliard, and the Teen Clinic at Robert B. Green top performers

Further, the Health System has invested over \$10 million toward the renovation, redesign and improvement of these facilities as follows:

- Kenwood - addition of exam rooms, electrical work
- Zarzamora - addition of exam rooms, remodeling
- South Flores - renovation of the front desk
- Eastside – development of the new Hilliard Clinic
- Naco Perrin – renovation and redesign of front desk
- Salinas – addition of exterior signage

The transition of the Preventive Health Clinics from the San Antonio Metropolitan Health District to University Health System ten years ago has not only met, but exceeded the initial expectations of community leaders, and have resulted in the following community outreach and partnerships:

- Community Screenings & Educational Sessions
- Established School Based Clinics – HISD & SWISD
- Mobile Health in all school districts
- Health Fairs, Walks, Sponsorships
- Teen Pregnancy Prevention
- Patient Navigators
- Health Collaborative & Diabetes Collaborative

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

**ACTION ITEMS:**

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

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH WASTE MANAGEMENT HEALTHCARE SERVICES, INC., FOR THE PURCHASE OF A SANIPAK AUTOCLAVE SYSTEM – JIM WILLIS**

**SUMMARY:** This is a proposed contract to purchase a custom-built Sanipak steam autoclave system for the on-site treatment of all Health System biohazardous waste. This device consists of two dual-chamber sterilizers/compactors capable of processing 460 pounds per cycle. The two autoclaves sterilize biohazardous waste and then discharge it as treated waste into an attached 40 cubic yard dumpster. This custom configuration is unique in the fact that it will still allow the Health System to continue to dispose of traditional waste into the same dumpster through a third gate located between the two autoclaves creating efficiency. This custom waste management system will be placed on the Sky Tower north dock replacing an existing system that only handles municipal waste. The system will also have excess capacity to meet the waste needs for the future expansion of the Women's and Children's Tower. Currently, University Health System spends \$126,678 per month in fees for the removal of both municipal and biohazardous waste. The purchase of a steam autoclave treatment system will allow biohazardous waste to be appropriately disposed into the municipal waste system and eliminate Health System reliance on expensive transport and landfill fees for untreated biohazardous waste. This technology is cost effective and will create savings that will offset the cost of the project within five (5) years. The life of these autoclaves is twenty years. Cost savings will result from eliminating transport and biohazard landfill fees. By converting biohazardous waste to municipal waste through steam sterilization, the Health System will realize an immediate savings of \$21,077 per month or \$252,924 per year. The elimination of 1 FTE dedicated to transporting biohazardous waste between Sky and Rio will save approximately \$31,000 per year. This represents combined savings of \$283,924 per year. This is a budgeted capital expense. The workforce composition data of Waste Management National Services, Inc., d/b/a WM Sustainability Services was provided for the Board's review.

**RECOMMENDATION:** Staff recommends Board of Managers' approval of the purchase request in the amount of \$1,510,041.00 for the installation of a Sanipak autoclave system.

**ACTION:** A **MOTION** to approve staff's recommendation was made by Ms. Barrera, **SECONDED** by Dr. Burns, and **PASSED UNANIMOUSLY** None.

**EVALUATION:** None.

**FOLLOW UP:** None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH SPAWGLASS CONSTRUCTION TO PROVIDE FLOORING REPLACEMENT FOR WAITING AREAS IN THE SKY TOWER – DON RYDEN**

**SUMMARY:** Modular carpeting (carpet tiles) was specified and installed in all waiting areas for the Sky Tower in 2014. After approximately four (4) years of operation, staff has re-evaluated the waiting areas and found that, due to heavy use, the carpet is easily stained and difficult to properly maintain in order to meet infection control standards and prevent unsightly staining. Staff reviewed flooring options and selected appropriate resilient flooring that is durable and can be easily maintained. This scope of work will include the removal of the existing carpeting and the installation of the new resilient flooring. The Perioperative waiting rooms on the 2<sup>nd</sup> and 3<sup>rd</sup> floor along with all carpeted waiting rooms on the 5<sup>th</sup> through 10<sup>th</sup> floor will have this flooring installed. The Contractor will provide services that will optimize the use of available funds while providing the highest quality construction within established project schedule and budget. The procurement of the replacement flooring is through a group purchasing organization (GPO) in the amount of \$355,210. This purchase will be funded from the 2018 Operating Budget. SpawGlass Construction is a local firm with a total of 191 employees. The workforce composition was provided for the Board's review

**RECOMMENDATION:** Staff recommends Board of Managers' approval to execute a contract with SpawGlass Construction in the amount of \$355,210.

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

**EVALUATION:** None.

**FOLLOW UP:** None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH THE CENTER FOR HEALTH CARE SERVICES FOR PHARMACOTHERAPY SERVICES – SALLY TAYLOR, M.D./BRYAN ALSIP, M.D.**

**SUMMARY:** Since February 1996, University Health System has contracted with The Center for Health Care Services (Center) to assist in subsidizing Level IV Pharmacotherapy Services for male and female adults over the age of eighteen years who reside in Bexar County. Funding for the Center's MAT program is derived primarily from the Health and Human Services Commission (HHSC), and the Center endeavors to secure additional funding for the program from private and other public payers. The Health System desires to assist the Center by providing funds to support the current methadone program as a payer of last resort. The program has required outcome metrics defined by HHSC that the Center monitors including length of time in the program, arrest rates, and abstinence rates. These are also reported by the Center to the Health System. Dr. Taylor reviewed an outline provided by The Center on the various sources of revenue for the program for the period 2015 to 2017- \$2,896,100; \$2,996,537; and \$2,726,603, respectively. (Based on CHCS Fiscal Year September 1 – August 31). For this same period, the Center provided MAT for the

following number of unduplicated patients/Health System funded: 966/153; 913/116; 391/152, respectively. For this same period, quality measure outcomes for all program participants are as follows:

<u>Performance Measure</u>	<u>Target</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Length of service at least one year	40%	N/A	62%	73%
Abstinence at 6 months from time of admission to the program	65%	76%	80%	59%
Percent with no arrest since admission to the program	85%	98%	96%	99%

The cost of this Agreement shall not exceed \$450,000.00 for the one-year period beginning January 1, 2018 and ending December 31, 2018, and shall automatically renew for up to two successive one-year terms at the same amount for each year. There is no increase in the contract rate and the cost of this agreement is in the budget for 2018. The Center for Health Care Services has a total of 939 employees. The workforce composition was provided for the Board's review.

**RECOMMENDATION:** Staff recommends Board of Managers' approval of an Agreement with The Center for Health Care Services in an amount not to exceed \$450,000.00 annually, for the period January 1, 2018 through December 31, 2018, with two automatic annual renewals.

**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.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING THE FINANCIAL REPORT FOR MARCH 2018—REED HURLEY**

**SUMMARY:** In March clinical activity (as measured by inpatient discharges) was up 10.5% for the month compared to budget. March 2018 payer mix month to date funded was 75.6 percent. Year to date funded was 75.2 percent. Community First Health Plan (CFHP) fully-insured membership was up 0.8%. Gain from operations was \$8.4 million, \$3.1 million better than budget. The bottom line gain (before financing activity) was \$4.1 million, \$4.9 million better than budget and was due primarily to significantly higher patient revenue and lower operating costs. Debt Service Revenue was \$5.3 million which is equal to the budgeted Debt Service payment of \$5.3 million. Mr. Hurley reviewed notable increases or decreases from the consolidated balance sheet with the Board. Mr. Engberg commended the staff for a great quarter.

**RECOMMENDATION:** None.

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

**EVALUATION:** None.

**FOLLOW UP:** None

**PRESENTATIONS AND EDUCATION:**

**PRICING UPDATE ON THE BEXAR COUNTY HOSPITAL DISTRICT CERTIFICATES OF OBLIGATION, SERIES 2018 - REED HURLEY**

**SUMMARY:** On August 8, 2017, the Bexar County Commissioners Court approved a Parameters Resolution authorizing the Health System to issue Certificates of Obligation (CO bonds) in an amount not to exceed \$308 million for a project to design and build a new Women's and Children's Tower including the buildout of the Heart and Vascular Institute/Advanced Endoscopy in the Sky Tower. The Health System will fund \$82 million from reserves. On Wednesday, April 4, 2018, the Health System's senior staff, working with senior managing underwriter Siebert Cisneros Shank & Co., L.L.C. and other members of the underwriting syndicate, including RBC Capital Markets, Citigroup Global Markets Inc., Hutchinson, Shockey, Erley & Co., Frost Bank, and UBS Financial Services Inc., successfully priced \$283.6 million of Certificates of Obligation which produced net proceeds of \$308 million. Below is a summary of the transaction highlights:

- The maturities range from 2019 to 2048
- The principle amount is \$283,565,000
- Premium received \$26,716,614
- Cost of issuance and Underwriter's Discount \$2,281,614
- Net proceeds to the Health System \$308,000,000
- True Interest Cost (TIC) 3.92%
- The transaction was rated Aa1/AA+ by Moody's Investors Service and Fitch Ratings, respectively.

Working closely with Co-Financial Advisors, Estrada Hinojosa & Company, Inc., and First Southwest Company, A Division of Hilltop Securities, the debt was structured to allow flexibility in the future, if needed.

**RECOMMENDATION:** This report was provided for informational purposes, only.

**ACTION:** No action was required by the Board of Managers.

**EVALUATION:** None.

**FOLLOW UP:** None.

### **OPERATIONS REPORT – EDWARD BANOS**

**SUMMARY:** Since the beginning of 2018, Health System leadership has been utilizing a dashboard as a tool to evaluate and monitor how the system's performance compares in relation to national benchmarks. Mr. Banos reported that the current year to date average length of stay (ALOS) non case mix adjusted for the Health System is 6.0 days. This is .3 days lower than the same time frame in 2017. He provided a geometric length of stay (GMLOS) comparison against 400+ bed teaching facilities only, for acute care, for the period January 2012 through January 2018. He noted that in January 2018, the Health System had an average GMLOS of 3.89 days compared to 3.37 days, which is the 50<sup>th</sup> percentile. For the Health System to obtain the 75<sup>th</sup> percentile the GMLOS would have been 3.18 days; compared to 3.75 in 2017; 3.79 in 2016; 3.72 in 2015; 3.89 in 2014; 3.72 in 2013; and 3.63 in 2012. In January, the Health System had a case mix index (CMI) of 1.82, which is slightly below the 50<sup>th</sup> percentile at a target of 1.83. As previously reported in the January 2018 Operations Report, the Health System went "live" in December 2017 with 3M 360 software. 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 allocation. The training was complete in January 2018, and continual refresher training is ongoing, as well as, incorporation into the onboarding practice of new physicians. The CMI comparison against 400+ bed teaching facilities only, for acute care, for the period January 2012 through January 2018 indicates CMI was at 1.90 in 2017; 1.93 in 2016; 1.88 in 2015; 1.92 in 2014; 1.87 in 2013; and 1.80 in 2012. The following action items are in progress to reduce length of stay and improve case mix index:

- Bi-monthly operations improvement meeting between UT Physicians and Health System leadership.
- Coordination and scheduling of inpatient radiology tests - improving preliminary reading turnaround time leading to earlier clinical decision being made by faculty and the assurance that the testing is completed in the most appropriate clinical setting.
- Dedicated case management coordinator assignment according to unit. Improving the transition of care process.
- The coordination of discharge planning upon admission, and the scheduling of follow-up appointments necessary for continued care post discharge.
- UT Health San Antonio leadership implemented the development of the Admission, Intra-transfer, and Consult Policies. These policies ensure that the appropriate clinical resources are allocated based on patient need.

Mr. Banos' presentation included a Premier Peer Comparison comprised of all Association of American Medical Colleges Council of Teaching Hospitals and Health Systems (COTH) that are part of Premier. He compared the various specialty service lines peer total cases per facility, total days, readmission rates, GLOS, GLOS-3M, and mortality rates. He also provided a drill down of the General Medicine service line to compare the Health System's admitting providers to COTH peer groups. Mr. Banos also provided a brief *Power Up* Emergency Room First Rapid Cycle Test Update for which the volume of patients seen were higher than average.

- Door to Provider was 40 minutes under the national benchmark for Emergency Departments with volume greater than 80,000.
- LOS for discharged patients was reduced by two hours.
- The morale of both frontline staff and physicians was very positive to the changes, resulting in greater patient engagement and communication.

Tommye Austin, Pablo Rojas and Dr. Steven Moore along with all the staff did an outstanding job during the first rapid cycle test. The next step of the process is training all 300 staff who work in the ED from University Health System and UT San Antonio on the re-engineered processes.

RECOMMENDATION: None.

ACTION: None.

EVALUATION: All aspects of the dashboard drive the goals to improve quality, access, efficiency, and patient experience. Metrics are evaluated and compared utilizing a database called Midas, which compares the Health System's metric to other Midas participating facilities that are 400+ bed and teaching facilities

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 two 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.

**ADJOURNMENT:**

There being no further business, Mr. Smith adjourned the meeting immediately at 8:25 p.m.

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Ira Smith  
Vice Chair, Board of Managers

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

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Sandra D. Garcia, Recording Secretary