



**BEXAR COUNTY HOSPITAL DISTRICT  
BOARD OF MANAGERS**

Tuesday, April 26, 2022  
6:00 pm  
Tejas Conference Room  
University Health Business Center 2  
5959 Northwest Parkway  
San Antonio, Texas 78249

**MINUTES**

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**BOARD MEMBERS PRESENT:**

James R. Adams, Chair  
Ira Smith, Vice Chair  
Margaret Kelley, MD, Secretary  
Jimmy Hasslocher  
L.P. Buddy Morris  
Anita L. Fernandez

**BOARD MEMBERS ABSENT:**

Pat Jasso

**OTHERS PRESENT:**

George B. Hernández, Jr., President/Chief Executive Officer, University Health  
Elizabeth Allen, Director, External Communications/Corporate Communications, University Health  
Tommye Austin, Senior Vice President/Chief Nurse Executive, University Health  
Edward Banos, Executive Vice President/Chief Operating Officer, University Health  
Bryan J. Alsip, MD, Executive Vice President/Chief Medical Officer, University Health  
Andrea Casas, Vice President/Chief Human Resources Officer, University Health  
Ted Day, Executive Vice President, Strategic Planning/Business Development, University Health  
William Henrich, MD, President, UT Health San Antonio  
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health  
Sherrie King, Deputy Chief of Police/Protective Services, University Health  
Leni Kirkman, Executive Vice President/Chief Marketing, Communication, and Corporate Affairs  
Officer, University Health  
Shelley Kofler, Senior Public Relations Manager/Corporate Communications, University Health  
Elliott Mandell, Senior Vice President/Chief Pharmacy Officer, Department of Pharmacotherapy and  
Pharmacy Services, University Health  
Diego J. Maselli, MD, Founder, Severe Asthma Program, Robert B. Green Campus; Interim Chief,  
Division of Pulmonary Diseases/Critical Care, UT Health SA; and Medical Director, Respiratory  
Care, University Health  
Dina Perez-Graham, Assistant Chief Nursing Officer, Trauma and Emergency Services, University  
Health  
Bill Phillips, Senior Vice President/Chief Information Officer, University Health  
Serina Rivela, Vice President/Chief Legal Officer, University Health

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Don Ryden, Vice President/Projects, Design and Construction, University Health  
Judy Shumway, DO, Senior Vice President/Clinical Services, University Health  
Travis Smith, Vice President/Deputy Chief Financial Officer, University Health  
Horacio Vasquez, Executive Director, Supply Chain Management, University Health  
Roberto Villarreal, MD, Senior Vice President, Chief Analytics Officer, University Health  
Larry Wallis, Director, Internal Audit Services, University Health  
Juanita Salinas, Bexar County Resident  
Megan Stringer, San Antonio Express-News  
And other attendees.

**CALL TO ORDER:**

Mr. Adams called the meeting to order at 6:05 pm.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Mr. Adams introduced Mr. Daryl Green, Resurrection Baptist Church, for the invocation, and he led the pledge of allegiance.

**PUBLIC COMMENT:** None.

**SPECIAL REPORT: SPECIALTY PHARMACY UPDATE - ELLIOTT MANDELL/BRYAN ALSIP, MD, DIEGO MASELLI, MD)**

SUMMARY:

Dr. Alsip provided some opening remarks and introduced Dr. Elliott Mandell for an update regarding University Health's Specialty Pharmacy. In 2021, University Health Pharmacy Department added a new program to the portfolio of services currently offered to residents of Bexar County in the form of two Specialty Pharmacies. One is located within University Hospital and the other is at the Robert B Green Campus. These pharmacy centers were established to meet a growing demand to fill prescriptions for medications classified as "specialty" drugs

What is a Specialty Drug?

- Treats serious, complex, chronic conditions
- Has a high monthly cost
- Requires significant patient education and support
- Ongoing patient monitoring and/or side effect management
- Limited distribution access
- Complex financial clearance

Program Goals

Outcomes

Side effect management  
Patient Monitoring  
Adherence

Patient Experience

Faster Access  
Prior Authorization

Convenience  
Dedicated Pharmacist  
Lower Costs  
Excellent Customer Service

Fiscal Responsibility  
Capture missed opportunities  
Revenue to Support Unfunded

Provider Experience  
Coordination of Care  
Education  
Clinical Support

Outcomes:

- Correct medication ordered:
- Coordinated Therapy
- Entire Medications Reviewed
- Patient-Specific Optimization

Access to Medication:

- Prior Authorization Approval
- Eliminate Financial Acquisition Barrier
- Pick up all at one time or Deliver

Adherence to Drug Regimen:

- Education
- Complete review of all medications and scheduling to minimize side effects
- Adherence Packaging

Patient Monitoring:

- Laboratory Values
- Follow Up Visits
- Refill Timeliness

Patient Experience:

- Faster access to needed medications
- Dedicated 24/7 pharmacist support
- Convenience
- Lower Cost

Financial – Specialty Pharmacy Incremental Revenue – Year 1

- Projection - \$6.2 million
- Budget - \$0.00
- Actual - \$25.1 million

Provider Experience

- Increased physician productivity
- Coordination of Care

- Patient Education
- Prior Authorization

Dr. Mandell introduced, and yielded the floor to, Dr. Diego J. Maselli for testimony regarding his experience as a provider with access to the Specialty Pharmacy and a dedicated pharmacist for the Severe Asthma Program at the Robert B. Green, a clinic he founded in 2016. Dr. Maselli serves as Interim Chief for the Division of Pulmonary Diseases and Critical Care at UT Health SA and is University Health's Medical Director for Respiratory Care. He has worked here for 13 years. His patients are treated with fancy medications produced by the Specialty Pharmacy; however, over the last 6 to 8 months, Dr. Hansita Patel, a registered pharmacist, has been assigned to his clinic and the workflow has completely changed. Drs. Maselli and Patel have the opportunity to discuss patients before they are seen, they visit with patients together, at the bed side, and in clinic. The patient population in his clinic have devastating asthma and need special medications otherwise they cannot function. Dr. Maselli's experience as a provider has changed dramatically. He enjoys the conversations he has with Dr. Patel about his patients, and he noted that none of his colleagues have a dedicated pharmacist. In the short time Dr. Patel has been with the Asthma Clinic, patients are happier, they recognize her, and he feels very fortunate to have a dedicated pharmacist to answer his questions and those of his patients. This approach has yielded a fantastic benefit for his patients and he is grateful to the Board of Managers for the confidence placed in Dr. Mandell regarding University Health's Specialty Pharmacies.

RECOMMENDATION:

This report was provided for in formational purposes only.

ACTION:

No action was required by the Board of Managers.

EVALUATION:

Dr. Henrich shared that approximately 20 years ago, he authored a paper on the average number of medications patients with chronic diseases were taking. The average at that time was 11. He acknowledged that having a specialty pharmacist embedded in their care is good for patients - they will receive the benefits of the latest drugs and avoid medication errors. This approach prospectively eliminates errors for people who take 10-12-14 medications, offers many advantages, and provides an extra set of eyes.

FOLLOW-UP:

None.

**SPECIAL RECOGNITION: QUARTERLY EMPLOYEE RECOGNITION AWARDS - ANDREA CASAS/LENI KIRKMAN)**

SUMMARY:

The Board of Managers recognized the employees listed below:

Professional:  
(Nursing)

Noe Tovar  
Staff Nurse, Pediatric Diabetes

Professional:  
(Non-Nursing)

Stephanie Knight  
Epic Team, Epic Operations

Management:

Marissa Henderson  
Program Manager, Community Initiatives & Population Health

Technical:	Miguel Martinez Medical-Surgical Technician, General Medicine
Clerical	Margreet Smith Inventory Management & Control Clerk, Materials Management & Inventory
Service:	Maria Alba Environmental Associate, Environmental Services
Volunteer:	Ruth Vargas-Martinez Volunteer, Volunteer Services
Provider:	Kevin Nguyen, MD UMA Staff Physician, UMA Preventive Health Services
Team:	The Friendly Baby Designation - OB Team Angela Brannan, Marisol Breton-Leija, Angela Lake, Christine Ortiz, Marilee Rollins, Yadira Vigen, Sari Nesbit-Wright
RECOMMENDATION:	This report was provided for informational purposes only.
ACTION:	No action was required by the Board of managers.
EVALUATION:	All of this year's quarterly recipients will be special honored guests at the Annual Employee Recognition Awards Ceremony in 2023. 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. Adams commended former employee Ruth Vargas-Martinez for her passion to continue as a volunteer after working 25 years for University Health.
FOLLOW-UP:	None.

**APPROVAL OF MINUTES OF PREVIOUS MEETING(S): MARCH 29, 2022 (REGULAR MEETING)**

SUMMARY:	The minutes of the regular Board of Managers Meeting on Tuesday, March 29, 2022 were presented for approval.
RECOMMENDATION:	Staff recommends approval of the minutes as submitted.
ACTION:	There being <b>NO OBJECTION</b> , the minutes were <b>APPROVED</b> as submitted.
EVALUATION:	None.
FOLLOW-UP:	None.

**REPORT FROM UT HEALTH SAN ANTONIO — WILLIAM HENRICH, MD, PRESIDENT**

SUMMARY:	Dr. Rob Hromas' absence this evening is due to a presentation he is making in Austin, Texas. The searches for chairs of the Departments of Neurology and Radiology are now open. The search for chair of Pharmacology has advanced to semi-finalists interviews on the campus; Dr. Hromas hopes to fill this position sometime this summer. Dr. Henrich reported that he has reviewed match results from the
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institution's perspective with Dr. Scott Jones, Dr. Jeff Conway, Dr. Chiquita Collins, and Dr. Hromas. The group came up with specific suggestions that they will try to implement to do even better next year. The better the Long School of Medicine does in the match, the stronger the candidate pool, and the more likely the School of Medicine will be successful in its recruitment efforts. The match is very competitive, students have several choices, they are sought after, and the programs here are attractive. At the same time, the UT Health faculty are working to entice their own current medical students to select programs at a higher rate. At the present time, students from the Long School of Medicine are staying for residencies at a rate of 20 to 22 percent. Dr. Henrich would prefer to retain current students at 25 to 30 percent. There are many reasons the medical students choose not to continue their residency at UT Health after medical school. Many of the students come from Houston and/or Dallas where they have family. When they graduate from medical school, they gravitate to their families. Also, there is a tendency of some to think that if they go somewhere else to train, and get a different flavor of training, the experience enhances their professional skill. It is not unhealthy to do that, but this is also a factor. The programs at the Long School of Medicine are strong and once improved in some areas, the intent is to make the program as attractive as possible for them to stay. The retention rate of 20 to 22 percent of students who choose to stay is also not an unhealthy rate. Dr. Kelley asked Dr. Henrich to define "better," which he did as the ability to match additional residency candidates who are higher on a faculty member's list, or, candidates who are ranked higher, as one factor. The other would be widening the aperture of the places from where students come to UT Health. The Long school of Medicine has seen a lot of notoriety recently due to recent primary care and research rankings by US News & World Report. However, Dr. Henrich would like to see more students from the East and West coasts. The Long School of Medicine is doing well when it comes to recruiting Texans, specifically from Dallas and Houston. It would mean that more people have noticed the positive notoriety of UT Health and University Health. Reflecting on her own residency match 25 years ago, Dr. Kelley, a native of San Antonio, stated that she had completed Medical School out of the state at the time she interviewed for her residency at the School of Medicine at UT Health San Antonio. The Department of Ob/Gyn faculty courted quite her aggressively to bring her back for a residency, and for that she is grateful. Dr. Henrich acknowledged that if the chair of a department shows real interest in a specific future resident(s), it makes a tremendous difference. Reaching out and making certain that candidates are recruited actively the way Dr. Kelley was will make a big difference. Mr. Adams asked about UT Health's strategic plan, which he understands is being updated. Dr. Henrich clarified that they are undergoing a refresh of the strategic plan at the 5-year mark. They are looking at new developments, new data and refreshing the plan. Each of the schools is involved in this process, which is ongoing.

RECOMMENDATION:

ACTION:

EVALUATION:

This report was provided for informational purposes only.

No action was required by the Board of Managers.

None.

FOLLOW-UP: None.

**NEW BUSINESS:**

**CONSENT AGENDA – JIM ADAMS, CHAIR**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING MEDICAL-DENTAL STAFF MEMBERSHIP AND PRIVILEGES — RAJEEV SURI, MD, PRESIDENT, MEDICAL/DENTAL STAFF**

The Credentials Committee met on March 28, 2022, and reviewed the credential files of the individuals listed on the Credentials Report and the Professional Performance Evaluation Report provided to the Board. In its meeting of April 5, 2022, the Executive Committee of the Medical-Dental Staff approved the Credentials Committee Report in accordance with University Health's credentialing and privileging process. The Executive Committee, in turn, recommends approval by the Board of Managers.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING MEDICAL-DENTAL STAFF RECOMMENDATIONS FOR PROFESSIONAL PRACTICE EVALUATIONS AND DELINEATION OF PRIVILEGES — RAJEEV SURI, MD, PRESIDENT, MEDICAL/DENTAL STAFF**

The Credentials Committee met on March 28, 2022, and reviewed proposed revisions to Delineation of Privilege and the Professional Performance Evaluation Report and forms. In its meeting of April 5, 2022, the Executive Committee of the Medical-Dental Staff approved the Delineation of Privileges and Focused/Ongoing Professional Performance Evaluation Report, and in turn, recommends approval by the Board of Managers.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING THE 1ST QUARTER 2022 INVESTMENT REPORT — ROE GARRETT/REED HURLEY**

Mr. Garrett provided Investment Portfolio Summaries for University Health and Community First Health Plans, Inc., invested funds for the fourth quarter of 2021. In total, the value of all invested funds as of December 31, 2021 was \$1,628,011,887 consisting of University Health, Project, Certificate, LPPF and Community First Funds. The reports include all information required by the Texas Public Funds Investment Act. In addition, the University Health and Community First portfolio reports were provided separately. The portfolios earned \$1,023,775 in interest income in the fourth quarter, a 55 percent decline from \$2,280,368 in the same period a year ago, reflecting the decrease in interest rates from the prior year. Although interest rates remain low they have begun to increase resulting in a change in the portfolio's unrealized gain last quarter to an unrealized loss of \$1,177,398 at December 31, 2021. No unrealized losses are anticipated to be incurred. This information was provided for the Board's approval.

**APPROVAL AND APPROPRIATE ACTION REGARDING A CONSULTING AGREEMENT WITH PRICEWATERHOUSECOOPERS ADVISORY SERVICES, LLC — REED HURLEY**

University Health currently has an agreement with PricewaterhouseCoopers Advisory Services, LLC (PwC) to review the annual Medicare Cost Reports from 2007 through 2020 for opportunities for improved reimbursement. PwC was selected as University Health's Medicare Cost Report consultant pursuant Request for Proposals (213-08-039-SVC) in 2014, and most recently to implement the designation of University Health as a Rural Referral Center (RRC). As a result of these services, University Health has realized over \$17 million in additional cost report reimbursement. The RRC strategy will produce an added benefit of \$27 million over the next four years. A new Request for Proposals (221-11-074-SVC) was completed in March

2022 to allow University Health to review proposals from other consultants. Four firms responded and the scoring for the top two firms (PwC and BKD) was extremely close, the decision to recommend the award to PwC is based on their prior results, the avoidance of additional staff effort related to changing companies, and due to the fact that BKD currently has a contract to prepare the Medicare Cost Report. The purpose of this contract is to secure services from PwC for five cost report review years (2021 -2025) as well as review Medicare billing for transfer DRGs. This contract is contingency based and can only produce a positive impact to University Health's bottom line. Staff recommends the Board of Managers approve and authorize the President/Chief Executive Officer to execute a contingency-based contract with PwC for a total amount not to exceed \$3.0 million.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING INFECTION PREVENTION AND CONTROL PROGRAM RESPONSIBILITY AND ANTIBIOTIC STEWARDSHIP LEAD APPOINTMENTS — BRIAN LEWIS**

Previously accredited by The Joint Commission (TJC) in August 2018, University Health opened for a new survey in February 2020. The formal onsite triennial survey of University Health, including both hospital and outpatient locations, occurred 3-7 January 2022. The visit was an overall success. One recommended opportunity identified by TJC surveyors included the specific appointment of leads by the Board of Managers for the Infection Prevention and Control Program and the Antibiotic Stewardship Program. Specific appointments are detailed within TJC's *Comprehensive Accreditation Manual for Hospitals* standards and in the Centers for Medicare and Medicaid Services Conditions of Participation.

- Appointment of Infection Prevention and Control Program Responsibility: *TJC IC.01.01.01, EP 6:CMS COP: 482.42(a)(1)*
- Appointment of Antibiotic Stewardship Program Lead: *TJC MM.09.01.01, EP 9CMS COP: 482.42(b)(1)*

University Health leadership, including nursing and pharmacy, along with representatives from the Medical-Dental Staff recommend the following individuals based on education, training, experience, and certification:

- Infection Prevention and Control Program Responsibility - Laura Solis, BS, CIC
- Antibiotic Stewardship Program Lead - Jason Bowling, MD, FIDSA

Staff recommends of staff's recommendation to appoint Ms. Laura Solis and Dr. Jason Bowling as the Infection Prevention and Control Program responsibility and Antibiotic Stewardship Program leads, respectively, for University Health.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A RESOLUTION SUPPORTING THE RE-VERIFICATION OF UNIVERSITY HOSPITAL AS A LEVEL I TRAUMA CENTER — DINA PÉREZ-GRAHAM**

University Hospital has been successfully re-verified and re-designated as a Level I Trauma Center in 2001, 2005, 2007, 2010, 2013, 2016 and 2019. The next Adult ACS review will be in November 2022. With support of the Board of Managers and Health System leadership, the University Hospital Trauma Program has grown in volume and complexity. University Hospital is the leading trauma facility for Trauma Service Area P, a twenty two (22) county area with 26,000 a square miles, one of the largest and most diverse trauma service areas in the state, and serves as a tertiary referral center for all of South Texas (Trauma Service Areas P, S, T, U, and V). In August 2012, University Hospital became a Level II Pediatric Trauma Center with subsequent Level II re-verification in June 2015. In order to pursue the highest level of pediatric trauma care, University Hospital achieved Level I pediatric trauma accreditation by the American College of Surgeons in March 2016 and re-verified in 2019 with the next pediatric ACS re-verification in November 2022. University Hospital provides the highest level of pediatric trauma care to South Texas as the region's only Level I Pediatric Trauma Center. The combined Level I Adult and Pediatric Trauma Center is the only facility in South Texas capable of caring for families sustaining



simultaneous severe injuries. Due to participation, University Hospital is able to receive money from the State of Texas for Uncompensated Trauma Care. Staff recommends Board of Managers' approval of the presented Resolution of Support for Level I Adult & Pediatric Trauma Center verification at University Hospital.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A RESOLUTION OF THE BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS CERTIFYING THE STATUS OF COMMUNITY FIRST HEALTH PLANS, INC., AS A MANAGED CARE ORGANIZATION WHOLLY OWNED AND OPERATED BY BEXAR COUNTY HOSPITAL DISTRICT D/B/A UNIVERSITY HEALTH — THERESA SCEPANSKI**

Currently Community First serves over 170,000 individuals through programs such as the Medicaid Children's Health Insurance Program for children of low-income parents, State of Texas Access Reform Program for low-income children and pregnant women, and Medicaid State of Texas Access Reform Program for children with disabilities, and is interested in expanding its network to include STAR+PLUS members. As part of the Texas Health and Human Services Commission's solicitation requirements for these programs, it is necessary for University Health to substantiate that Community First is a qualified contracting entity under Texas Government Code §533.004 of Texas Government Code in that managed care organization wholly owned and operated by the Bexar County Hospital District as well as to guarantee Community First's ability to meet all of the contractual, regulatory, and statutory requirements related to programs. Staff recommends the Board of Managers adopt the presented Resolution certifying the status of Community First Health Plans, Inc., as a Health Maintenance Organization Wholly Owned and Operated by University Health.

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

University Health's Purchasing Consent attachment for the month of April 2022 includes 21 proposed contracts for Board of Managers action. The total requested Board of Managers approval for these 21 contracts is \$22,925,926. A total of 23 additional presented contracts during the April 2022 Board of Managers meeting total \$40,119,399 and were considered for approval separate from the Purchasing Consent. Five of the contracts are classified as a Small, Minority, Woman, or Veteran Owned Business Enterprises (SMWVBE). Staff recommends Board of Manager's approval of Purchasing Consent items in the amount of \$22,925,926.

CONSENT  
RECOMMENDATION: Staff recommends approval of the consent items submitted in the amount of \$22,925,926.

CONSENT  
ACTION: A **MOTION** to **APPROVE** Staff's recommendation was made by Ms. Fernandez, **SECONDED** by Mr. Hasslocher.

CONSENT  
EVALUATION: None.

CONSENT  
FOLLOW-UP: None.

**ACTION ITEMS:**

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

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH LMC CORPORATION FOR CLINICAL INTERIOR RENOVATIONS AT THE UNIVERSITY FAMILY HEALTH CENTER - SOUTHWEST — DON RYDEN**

**SUMMARY:** University Family Health Center - Southwest opened in 1997. Since 2019, the facility has been undergoing phased interior renovations to create an updated and modern clinical environment that is consistent with the newest ambulatory clinics - the Robert B. Green Campus and Dr. Robert L.M. Hilliard Center. This request for final Phase 3 interior renovations to update the remaining clinical areas on the first and second floors. The primary focus for this renovation will be to update the 45 exam rooms, 7 nurse stations, 16 staff and patient toilet rooms and signage. Staff will coordinate with the contractor to assist in completing the project in multiple phases to accommodate continued clinical operations and patient access to services. University Health solicited Request for Competitive Sealed Proposals (RFCSP-222-01-003-CNST) for Construction Services with 7 (seven) firms responding with corresponding construction pricing ranging from \$1,466,035 to \$3,422,585 and construction schedules, in calendar days, ranging from 130 to 745 days. The submittals were evaluated based on the qualification criteria included in the RFCSP. Of the firms that proposed, LMC Corporation was selected on the basis of their competitive pricing (\$1,594,399), proposed schedule (200 days), healthcare experience and safety record. This purchase is to be funded from 2021 operational funds: Design - \$85,389; Pre-Construction Services – \$25,000; total (this request) - \$1,594,399; and signage \$15,000 for a grand total of \$1,719,788. LMC Corporation is an American India-Owned Contractor with SMWVBE certification with 33 employees.

**RECOMMENDATION:** Staff recommends the Board of Managers approve the selection of LMC Corporation as Contractor for Interior Renovations at the University Family Health Center - Southwest and authorize the President/Chief Executive Officer to execute a contract with LMC Corporation in the amount of \$1,594,399.

**ACTION:** A **MOTION** to **APPROVE** Staff's recommendation was made by Ms. Fernandez, **SECONDED** by Mr. Hasslocher, and **PASSED UNANIMOUSLY**.

**EVALUATION:** None.

**FOLLOW-UP:** None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING THE PURCHASE OF INFORMATION TECHNOLOGY EQUIPMENT, ADDITIONAL MEDICAL EQUIPMENT AND INSTALLATION SERVICES FOR THE WOMEN'S AND CHILDREN'S HOSPITAL FROM VARIOUS VENDORS — DON RYDEN**

**SUMMARY:**

During the final months of construction of the Women's and Children's Hospital, staff will begin moving certain equipment and systems into the building to allow for functional testing and operational validation prior to occupying the Project for use. Based on the design deliverables, staff projected procurement and installation schedules for non-construction equipment including medical equipment; furniture, furnishings, and non-medical equipment; and active IT systems. While evaluating purchase options for IT equipment, staff learned of significant schedule impacts due to supply chain shortages and increasing item lead times. These impacts could jeopardize the timely equipping and commissioning of IT and networked medical equipment that would support patient care in the new hospital. Because time is of the essence, staff recommends that the Board authorize the procurement of all sourced IT equipment not to exceed **\$27.803 million**. In November of 2020 and again in November of 2021, in response to better-defined IT requirements and final design documents, the Board approved Project budget increases resulting in the current budget of **\$33.9 million** for the Project's IT equipment and installation services requirements. Staff has determined that the remaining IT equipment and services yet to be sourced are currently estimated to cost **\$2.6 million**. The **\$27.803 million** total of IT equipment and installation services requested here and that still to be sourced remain within the Board-approved budget line amount. Mr. Ryden provided a summary of the IT equipment and installation services and broke down the costs for items that may be ordered as soon as procurement authority is granted for a total of **\$27.803 million**. The medical planner validated the proposed MEQ items and costs then obtained competitive price quotes from various vendors per the coordinated equipment list (anesthesia machines, domestic/medical/pass-thru refrigerators, ultrasound scanners, mobile x-ray machines, infant incubators, infant warmers, cribs, audiometers, breast pumps, infant resuscitation, infant phototherapy, UV disinfection, ventilators, washing machines/dryer). These vendors include: Carestream Health, Inc. (Carestream), CME, Dräger, Fisher & Paykel, GE Healthcare, Hard, Helmer, Hologic, Medela, Medfusion, Natus, Philips Healthcare, Fujifilm Sonosite, Inc (Sonosite), Stryker and Xenex. Staff has determined that the total cost of purchases to date, purchases recommended here, and MEQ yet to be sourced remains within the Board-approved Project budget. Mr. Ryden provided a list summarizing the MEQ equipment, installation services, and broke down the costs for those items that may be ordered as soon as procurement authority is granted for a total of **\$7.722 million**. The workforce composition for each of the IT and MEQ proposed vendors was provided for the Board's review.

**RECOMMENDATION:**

Staff recommends the Board of Managers approve the procurement of active Information Technology Equipment and Installation Services in an amount not to exceed **\$27,802,330** and the procurement of additional Medical Equipment and Installation Services in an amount not to exceed **\$7,721,955**.

**ACTION:**

A **MOTION** to **APPROVE** staff's recommendation was made by Mr. Hasslocher, **SECONDED** by Mr. Morris, and **PASSED UNANIMOUSLY**.

EVALUATION: None.  
FOLLOW-UP: None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING THE FINANCIAL REPORT FOR MARCH 2022 — REED HURLEY**

- SUMMARY: Mr. Hurley provided an updated regarding the Texas Healthcare Transformation and Quality Improvement Program (1115 Waiver) extension, notice of which was received on Friday, April 22, 2022:
- Locks in for 10 years Texas’ managed care authority, uncompensated care (UC) pool, public health providers charity care pool, and budget neutrality methodology previously agreed between Texas and CMS, including carryforward of accumulated savings.
  - The waiver extension, however, does not guarantee future CMS approval of any state directed payment programs, i.e., the Comprehensive Hospital Increase Reimbursement Program (CHIRP), and the Office of the Inspector General’s audit of Texas’ Local Provider Participation Funds is still proceeding. Texas’ state fiscal year 2022 DPPs will expire on September 1, 2022.
  - The Waiver extension does not include the Hospital Augmented Reimbursement Program (HARP). HHSC plans to create this program to continue the financial transition for providers who have historically participated in the Delivery System Reform Incentive Payment (DSRIP) program. This is work in progress.

University Health’s consolidated bottom line for the month of March 2022 reflects a gain of \$12.0 million, \$7.7 million better than the budgeted gain of \$4.4 million. This gain is a combination of positive net patient revenue of \$12 million and \$5 million in lower than budgeted operating expense offset by lower than budgeted supplemental funding revenue of \$3.6 million and unrealized investment loss of \$6.9 million created by rising interest rates. In March, clinical activity (as measured by inpatient discharges) was down 5.4 percent for the month compared to budget and inpatient days were down by 7.5 percent. Surgical cases and Emergency Department visits were both over budget 9 percent and 5.8 percent, respectively. Community First Health Plans, Inc., experienced a bottom line gain of \$3.7 million, which was \$585,000 worse than the budgeted gain of \$4.2 million. Community First fully insured membership was down 4.5 percent to budget. Premium revenue and claims expense at Community First were both down related to the UHRIP program’s delayed approval. These variances should reverse in the coming months now that the UHRIP program is approved and as payments are reprocessed. It is highly unlikely that the DSRIP program which was budgeted at \$62 million dollars for 2022 will be approved. The URHIP payments are expected to hit the books as soon as they are received from the state in June or July 2022. Mr. Hurley reviewed significant items from the Monthly Consolidated Statement of Revenues and Expenses in detail with the Board. Mr. Hasslocher anticipates a robust year for University Health and Community First and he thanked Mr. Hurley for his report.

RECOMMENDATION: This report was provided for approval by the Board of Managers subject to audit.

**ACTION:** A **MOTION** to **APPROVE** Staff's recommendation was made by Mr. Hasslocher, **SECONDED** by Ms. Fernandez, and **PASSED UNANIMOUSLY**.

**EVALUATION:** Ms. Scepanski added that Community First will begin to make UHRIP payments as quickly as possible. She is looking at approximately 75,000 claims dating back to September 1, 2021 to present for an estimated \$72 million overall. Fortunately, the most claims will be auto-adjudicated and the IT team has been diligently testing and preparing Community First's automated systems. According to her conversation with the State one week ago, funds ought to be received between May 13 and 15.

**FOLLOW-UP:** None.

**PRESENTATIONS AND EDUCATION:**

**COMMUNITY FIRST HEALTH PLANS, INC., ANNUAL OPERATIONS REPORT — THERESA SCEPANSKI**

**SUMMARY:** Ms. Scepanski provided the annual operations report for 2021 on behalf of Community First Health Plans, Inc. She noted strong results associated with high quality and operational performance outcomes, which she presented to the Board of Managers:

Business Development

Secured a Health Insurance Exchange contract with the Centers for Medicare and Medicaid Services (CMS) and the Texas Department of Insurance (TDI). Community First's approach for the first year was to target a specific subset of the CareLink population that are between 100-300 percent of the Federal Poverty Limit (FPL) for this product.

The transition to an Individual Insurance Health Plan within Community First's Exclusive Provider Organization (EPO) network reduces the need for county funds by replacing the cost with federal funds thereby benefitting Members, University Health, and Bexar County, and is in alignment with Community First's strategic goal of *enhancing integration with University Health*. Community First enrolled 440 new members during the open enrollment period.

Operations

Improved claims auto-adjudication rate from 79% to 82%. The positive results are attributed to significant process improvement efforts in the Claims Department.

<u>Key Performance Indicators</u>	<u>Dec. 2020</u>	<u>Dec. 2021</u>
Auto-Adjudication Rate	79%	82%
Claims Inventory 30+Days	0	0

Continue to exceed the minimum requirement resulting in 100 percent timeliness of clean claims adjudicated within 30-days from initial receipt of the claim. The current turn-around time is averaging 7-days.

Distinguished Provider Program - Community First recognizes and rewards Providers who actively partner with Community First and our Members

Distinguished Provider: *Partner in Care*  
 Alternative Payment Models paying incentives for high performance on quality measures

Distinguished Provider: *Partner in Efficiency*  
 Alternative Payment Models aimed at administrative simplification

Distinguished Provider: *Partner in Health*  
 Alternative Payment Models supporting care coordination

Quality Management

Earned Health Plan Accreditation from National Committee on Quality Assurance (NCQA) for Medicaid and Commercial programs and retained Distinction status for Long Term Services and Support (LTSS) during its triennial health plan renewal survey scoring 100 percent compliance on renewal standards. Community First also achieved recognition as Partners in Quality from NCQA.

NCQA accredits health plans by line of business based on performance in three domains: compliance with quality standards, quality metrics (HEDIS), and Member and Provider satisfaction survey results.

Membership

Increased membership by 19% in STAR (from 128,885 to 153,175) and 14% in STAR Kids (from 7,824 to 7,835), while decreasing by 61% in CHIP (11,992 to 4,677). This is attributed to effects of COVID 19 and Public Health Emergency which resulted in enrollment extensions and migration of members from CHIP to STAR based on eligibility.

**2021 Membership & Market Share Line of Business**

	2020	2021	Change in Membership	% (+/-)	2020 Market Share	2021 Market Share
STAR	128,885	153,175	24,290+	18.8	41.8%	41.76%
CHIP	11,992	4,677	7,315-	61	52.97%	51.17%
STAR Kids	7,824	7,835	11+	0.14	52.88%	52.56%

Year End Recap

Generated Net Income at year-end of \$46,670,028 compared to budgeted Net Income of \$11,465,727, representing a favorable variance of \$35,204,301.

In 2021, the team worked collaboratively to revise the strategic plan that supports Community First's vision, laying out a blueprint that will continue to move Community First to a future state of excellence. Community First's strategy continues to focus on achieving the **Triple Aim Plus**, which consists of:

- Improve the health of populations
- Improve the experience of care
- Lower health care cost trends

*Plus:* Increase access to health care and community services

RECOMMENDATION:

This report was provided for informational purposes only.

ACTION:

No action was required by the Board of Managers.

EVALUATION:

In closing, Ms. Scepaniski introduced a YouTube video of a carpenter making wooden food pantry boxes for Community First. She explained that Community First Food Pantries are designed to provide community members who are facing food insecurity with essential non-perishable items in accessible and trusted locations throughout San Antonio and surrounding counties. Ms. Scepaniski, an alumni of the Harlandale Independent School District, revealed a special partnership with the district for families who are financially stretched and need canned vegetables, dry goods or even toiletries. Food pantry boxes will be placed outside the school campuses to make nonperishable foods available to families 24/7. In addition, other items like diapers, baby wipes, water, will be made available. The first pantry was installed at Gilbert Elementary School, and others will be installed and immediately stocked through the summer. San Antonio ISD, East Central ISD, and Region 20 have expressed interest in similar partnerships with Community First. There is no cost, registration and no sign-up required, community members will simply take what is needed and give back if and when they can. In addition, the carpenter initially hired to make the pantry boxes is a SMWVBE vendor, and he has since been able to hire two additional workers for his small business. She invited Mr. Adams, other Board members and senior staff to participate by sponsoring a food pantry box or by referring other schools, public libraries, civic organizations, businesses, and/or churches to facilitate donations to Community First Health Plans, Inc. Mr. Adams thanked Ms. Scepaniski for her work. He was pleased to learn of the food pantry efforts and pledged his support, he will be happy to make contact with Harlandale ISD superintendent if needed on behalf of Community First, as he is also an alumni.

FOLLOW-UP:

None.

**INFORMATION ONLY ITEMS:**

**UPDATE ON THE CREATION OF A PUBLIC HEALTH DIVISION — GEORGE B. HERNÁNDEZ, JR./BRYAN ALSIP, M.D.**

Mr. Hernandez and Dr. Alsip met with City Manager Erik Walsh and Metro Health Director Claude Jacob a couple weeks ago, and had a very productive meeting; University Health will coordinate its public health efforts with the City as much as possible. Mr. Hernandez provided a PowerPoint presentation that highlights three major goals related to social determinants of health that he would like to address in 2022. The Public Health Division will be organized under the

leadership of Dr. Roberto Villarreal; he is very well suited to serve in this role. His background includes an MD, Masters in Public Health, Doctor in Public Health (DRph), and a Master's in Business Administration. At the present time, Dr. Villarreal oversees the CareLink Department, Innovative Research Department, the Refugee Clinic, and other social service areas such as the Ryan White/HIV AIDS Grants. Judge Wolff is very pleased with University Health's progress to date. Bexar County Commissioners Court has set aside \$60 million for public health and University Health intends to use those funds for three new facilities, the major facility being adjacent to the Texas A&M campus on the Southside where University Health owns a 68-acre tract of land. Mr. Ryden and his team are working to identify the right parcel for that building out of the 68 acres. Also, Mr. Banos and his team will soon identify two parcels of land – one near the IH 10/Loop 410 intersection and one on Highway 90, where University Health can build two smaller clinics in these underserved areas of town. Judge Wolff is working with the County Manager, Mr. David Smith to release a similar announcement about Bexar County's progress. As for the timeline that Mr. Morris asked about, University Health is looking at 30 to 60 days to stand up the division. Mr. Hernandez and Dr. Alsip are reviewing the organizational structure and working to identify supporting departments. Mr. Hernandez's goal is to create the right focus for the public health division without excluding any part of the Health System that might be needed. For example, Mr. Bill Phillips led the vaccination hub effort at Wonderland of the Americas, but its success was due to the number of University Health departments involved, it was truly a team effort. Mr. Adams noted that the Public Health Division is University Health's highest priority at this time. Things will begin to happen pretty quickly and Mr. Hernandez will keep the Board of Managers informed.

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

**UNIVERSITY HEALTH FOUNDATION UPDATE — SARA ALGER**

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

SUMMARY:	Mr. Adams directed his colleagues' attention to the three other informational reports above, and asked them to review on their own time.
RECOMMENDATION:	These reports are for informational purposes only.
ACTION:	No action is required by the Board of Managers.
EVALUATION:	Mr. Hernandez provided both a written and brief verbal update on the creation of the public health division, as indicated above.
FOLLOW-UP:	None.

**ADJOURNMENT:**

There being no further business, Mr. Adams adjourned the meeting at 7:42 pm.

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James R. Adams  
Chair, Board of Managers

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Margaret A. Kelley, MD.  
Secretary, Board of Managers

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Sandra D. Garcia, Recording Secretary