



**BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

Tuesday, April 29, 2025
6:00 pm
Cypress Room, University Hospital
4502 Medical Drive
San Antonio, Texas 78229

MINUTES

BOARD MEMBERS PRESENT:

Jimmy Hasslocher, Chair
Anita L. Fernandez, Vice Chair
Beverly Watts Davis
David Cohen, MD
Melinda Rodriguez
Patricia (Pat) Jasso

OTHERS PRESENT:

Edward Banos, President/Chief Executive Officer, University Health
Bill Phillips, Executive Vice President/Chief Operating Officer, University Health
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health
Serina Rivela, Vice President / Chief Legal Officer, University Health
Dr. Juan Garza, Sr. VP, Chief Quality & Health Informatics Officer, University Health
Travis Smith, Sr. Vice President, Chief Financial Officer, Clinical Operations, University Health
Dr. Monika Kapur, President, CEO, University Medicine Associates, University Health
Leni Kirkman, Executive VP, Chief Marketing, Communications & Corporate Affairs Officer, University Health
Horacio Vasquez, Executive Director, Supply Chain Management, University Health
Bob Leverage, M.D., FACP, Professor of Medicine, Executive Vice Dean for Clinical Affairs, LSOM, Executive Director of UT Health Physicians, Sr. VP of Clinical Affairs, UT Health San Antonio
Josh Nieto, Chief Compliance, HIPPA Officer, University Health
Brian Lewis, Deputy Chief Quality Officer, University Health
Ted Day, Executive Vice President, Strategic Planning & Business Development, University Health
Dr. Leo Lopez, Chief Community and Population Health Officer, Medical Director, Institute for Public Health and School-Based Health Clinic, Department of Family and Community Medicine, University Health
Brian Freeman, Interim Vice President, Capital Improvement Projects & Real Estate, University Health
Andrew Smith, Vice President, Government Relations and Public Policy, University Health
Andrea Casas, Vice President, Chief Human Resources Officer, University Health
Sara Alger, President, University Health Foundation
Lisa Sanchez, Vice President, Care Transitions, University Health

Stacy Foremski, Executive Director, Operations, Office of the CEO, University Health
Trey Wineglass, Administrative Resident, University Health
Larry Wallis, Director, Internal Audit, University Health
And other attendees.

CALL TO ORDER:

Mr. Hasslocher called the Board meeting to order at 6:02 pm.

INVOCATION AND PLEDGE OF ALLEGIANCE — JIMMY HASSLOCHER, CHAIR

Invocation – Travis Johnson-Esparza, University Health Chaplain — *Jimmy Hasslocher, Chair*

Mr. Hasslocher led the pledge of allegiance.

PUBLIC COMMENT: NONE

APPROVAL OF MINUTES OF PREVIOUS MEETING: March 25, 2025 (*Regular Meeting*)

SUMMARY: The minutes of the Board meetings of Tuesday, March 25, 2025 was submitted for the Board's approval.

RECOMMENDATION: Staff recommends approval of the minutes as submitted.

COMMENTS /DISCUSSIONS: None

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Dr. Cohen **SECONDED** by Ms. Fernandez, and **PASSED UNANIMOUSLY**.

EVALUATION: None

FOLLOW UP: None

University Health Foundation Annual Report — Sara Alger

SUMMARY: Sara introduced Mr. Shan Bagby, University Health Foundation Chair Elect. March 30, 2025 was Doctors Day. To honor our doctors and advanced practice providers, the Foundation sent out a three-part email appeal to donors and past patients. The appeal requested notes of gratitude and/or donations in honor of their doctor(s). The Foundation received nearly doubled the number of gratitude notes over 2024, recognizing 61 providers by name. Each of these notes were delivered directly to the provider. Upon receiving feedback from the providers, they were thankful to receive the messages, and in many cases, they shared with their teams.

In addition, the Foundation sent a gratitude message to all of our providers on Doctors Day, and shared some of the patients' messages (with their consent). The Foundation team was also able to round on 26 University Health locations around San Antonio to deliver personal notes of gratitude with goodies attached.

Ultimately, the Foundation would like to raise more dollars for this initiative over time, but in order to build, we need to encourage people to express their gratitude – in whichever way they are able.

Scholarship season is upon us! Our Sons and Daughters and Emma's Path Therapy closed on April 15, 2025 and applications are under review. Our newest scholarship, Reach for the Stars is currently open through May 1, 2025 – providing full tuition for employees pursuing a degree as a registered nurse.

The Foundation was invited to host the tour for JPS Health Network from Ft. Worth, Texas on April 9, 2025. The Foundation President had the opportunity to spend time with counterpart Leah King, sharing the Foundation's journey from its inception in 1984, through the Women's and Children's campaign.

Quarterly Employee Recognition Awards — *Andrea Casas/Leni Kirkman*

SUMMARY: All of this year's quarterly recipients will be our special honored guests at the Annual Employee Recognition Awards Ceremony.

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. Congratulations to all the winners.

Professional:(Nursing) Mary Jackson, Nurse Educator II, Center for Clinical Excellence

Professional: Lindsey Faust, Chaplain, Supportive Care

Management: Rosa Olivares, Executive Director, General Administration

Technical: Laura Camacho, Licensed Vocational Nurse III, Texas Diabetes Institute

Clerical: Regina Rodriguez, Senior Administrative Assistant, Operations Support Critical Care

Service: Yolanda Villarreal, Environmental Associate, Environmental Services

Volunteer: Sandra Martelet, Volunteer, Volunteer Services

Provider: Eva Vosta, MD., Staff Physician, University Medicine Associates Westgate Primary Care

Team: Melissa Gonzales-Cisneros and Ana Gabriela Hampton
Reducing Overutilization with Care Coordination (ROCC Star Team)

Report from UT Health San Antonio — *Bob Leverence, MD.*, Professor of Medicine, Executive Vice Dean for Clinical Affairs, LSOM, Executive Director of UT Health Physicians, Sr. VP of Clinical Affairs, UT Health San Antonio

SUMMARY: Dr. Leverence commented that the merger with UTSA is on track for Sept. 1, 2025 and observing the last graduation before transitioning to UT San Antonio unfortunately, the graduation is on the same night as the Medical Miracles Gala at which Dr. Leverence will be attending. Dr. Danielle Fritze, Associate Professor/Clinical, Department of Surgery, Transplant Center at the Long School of Medicine is now the Medical Director of the Hepato-Pancreatic-Biliary Program focusing on various cancers of the liver. Dr. Patrick Sung won the Global Vasser Award for the best inherited Cancer Researcher in the world. Dr. Hung Yu Lei published a method to make any IV drug orally available and gaining international attention. Lastly, Dr. Carolina Solis-Herrera, Division Chief of Endocrinology has been appointed as Founding Director of the Center of Excellence in Diabetes and will be building clinical trials in various sites including Texas Liver Institute.

NEW BUSINESS – CONSENT AGENDA – *JIMMY HASSLOCHER, VICE CHAIR*

Consideration and Appropriate Action Regarding Medical-Dental Staff Membership and Privileges — *Michael Little, M.D., President, Medical/Dental Staff*

SUMMARY: The Credentials Committee met on March 24, 2025 and reviewed the credential files of the individuals listed on the attached Credentials Report and the Professional Performance Evaluation Report. In its meeting of April 1, 2025, the Executive Committee of the Medical-Dental Staff recommended approval of the Credentials Committee Report.

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Professional Practice Evaluations and Delineation of Privileges — *Michael Little, M.D., President, Medical/Dental Staff*

SUMMARY: The Credentials Committee met on March 24, 2025 and reviewed proposed revisions to Delineation of Privilege and the Professional Performance Evaluation Report and forms. In its meeting of April 1, 2025, the Executive Committee of the Medical-Dental Staff recommended approval the attached Delineation of Privileges and Focused/Ongoing Professional Performance Evaluation Report.

Consideration and Appropriate Action Regarding a Renewal Contract with Solventum for Clinical Risk Group Software — *Theresa Scepanski*

SUMMARY: Community First Health Plans, Inc. (Community First) currently utilizes the 3M Health Information Systems' Clinical Risk Group (CRG) software, now rebranded as Solventum, using clinical logic to assign individuals to risk groups based on diagnosis, procedures, pharmaceuticals, and functional and/or mental health status, enabling population health management and care coordination.

Community First Health Plans, Inc. (Community First) currently utilizes the 3M Health Information Systems' Clinical Risk Group (CRG) software, now rebranded as Solventum, using clinical logic to assign individuals to risk groups based on diagnosis, procedures, pharmaceuticals, and functional and/or mental health status, enabling population health management and care coordination.

Solventum works hand-in-hand with payers like, Community First, to address challenges in the managed care industry, from administrative burden to appropriate reimbursement and population health insights, continuously seeking innovation. Solventum's technology platforms, from cutting-edge artificial intelligence to natural language understanding, are built specifically to target problems and solve them. The purpose is to advance healthcare and organizational objectives.

Consideration and Appropriate Action Regarding an Inter-local Agreement for Professional Health Care Services with Southside Independent School District – *Katherine Reyes*

SUMMARY: School-based health centers were first established in the 1960s as a part of the Community Access to Child Health (CATCH) program, aimed at expanding access to health care. Today, the mission of school-based health centers continues to focus on improving health care access in medically underserved communities and reducing long-term health care costs for society (Arenson, et al., 2019). Additionally, school-based health centers support school district goals of decreasing chronic absenteeism, improving academic achievement, and improving graduation rates among youth (Centers for Disease Control and Prevention, 2015).

University Health has led the way in ensuring the healthcare needs of the medically underserved in Bexar County are addressed, and University Health has been a trailblazer institution in partnering with school districts to create school-based health centers. Currently, University Health has partnered with five Bexar County school districts to create six (6) clinics: Harlandale Independent School District (ISD), Southwest ISD, San Antonio ISD, Northside ISD, and Judson ISD. Through these clinics, the communities of the above mentioned school districts, and the community-at-large, are able to access primary care and preventive health services.

Each school-based clinic is staffed with a team comprised of a clinician (physician or advanced practice provider (APP)), a medical assistant (MA), a licensed vocational nurse (LVN), and a registration access specialist (RAS). This team is supported by the department administration team including a medical director responsible for overseeing the practice of the clinician. In 2024, the SBHP conducted over 19,000 visits, including approximately 12,000 unique patients. Community members from the SISD area made up 4% of all patients seen in the school-based clinics, and 4% of all patients seen in a University Health ambulatory facility.

Expanding the University Health ambulatory network via a school-based health clinic will provide the SISD students, staff, community and surrounding businesses with convenient access to health care and a connection to the services offered as a part of the University Health inpatient and outpatient network. This is imperative due to the vulnerability of the community, the moderate to high prevalence of chronic diseases such as type 2 diabetes, obesity, and coronary heart disease and the severely limited access to health care in zip codes 78221, outside of Loop 410, and 78264 (San Antonio Metropolitan Health District, 2019).

The partnership and collaboration with SISD to establish a school-based clinic will provide a clinical setting that meets the needs of children, parents, and community members seeking care. Additionally, this clinic will enhance the coordination between primary care and specialty care, minimize delays in children receiving needed services, and offer affordable, convenient and accessible school-based health care services and health education.

Consideration and Appropriate Action Regarding the Following Contracts for Skilled Nursing Facility Care Services with Various Facilities — *Ted Day/Lisa Sanchez*

SUMMARY: Patients who are discharged from the hospital may be discharged to home, to home with home health care, to a skilled nursing facility, to a rehabilitation facility, or to a long-term acute care facility (LTAC). Insured patients have many of these options available to them at time of discharge whereas the uninsured, including CareLink patients, are limited to a home discharge unless the services are funded by University Health.

Since 2015, University Health has held contracts with several skilled nursing facilities to enable uninsured patients to transition to that type of care when clinically appropriate. The initial set of contracts for the skilled nursing services were procured through a competitive Request for Proposal (RFP) with contract awards (including amendments) for five years. A subsequent RFP for the continuation of these services was issued in the fall of 2019, through which University Health is currently utilizing twelve (12) skilled nursing facilities for such placements. These agreements are set to expire at the end of April 2025.

In 2024, University Health funded approximately 190 patients for skilled nursing services at then-contracted facilities, with those patients staying at that level of care for over 3,000 patient days. One of the corporate goals for 2025 is to reduce length of stay by 0.5 days, thus Care Coordination is deepening their focus on patient throughput and capacity management at University Hospital.

In February 2025, RFP-225-02-020 SVC was released to the public for respondents to bid to provide Skilled Nursing Facility (SNF) services to eligible University Health patients who are medically ready to transition from the acute setting to a skilled nursing facility level of care.

A total of twenty skilled nursing facilities, represented by two skilled nursing facility operators, responded to the RFP and were evaluated based on a number of factors, including their breadth of experience, performance on key quality metrics, available services and bed capacity, as well as pricing competitiveness.

To ensure optimal care and effective communication between University Health and the contracted skilled nursing facilities, leadership will hold routine meetings to discuss patient cases, identify opportunities for improved communication, and review quality metrics.

The key performance metrics align with the Centers for Medicare & Medicaid Services (CMS) Skilled Nursing Facility Quality Reporting Program (SNF QRP) guidelines. Specifically, the quality metrics will include: Overall & Quality Measure Five-Star Ratings of the skilled nursing facility, 30-day readmission rate, percentage of short-stay residents who have had outpatient emergency department visits, and short-stay patients discharged to the community. Organizations will also be monitored to ensure timely and prompt follow up in responding to referrals received. University Health Care Coordination staff will remain involved in the discharge planning for patients transferred to the contracted facilities to assist in timely discharge to home or the next appropriate level of care.

Consideration and Appropriate Action Regarding an Amendment to Extend the Retirement Plan Advisory Services Agreement with Captrust Financial Advisors, Inc. — *Reed Hurley*

SUMMARY: University Health has several employee savings plans that fall outside of the Pension Plan trust account. Two of these plans, the 457(b) and the 403(b), allow employees to voluntarily save for retirement in tax deferred savings vehicles. University Health also maintains the UMA physician pension plan outside of the Pension Trust. The funds of these three plans are all administered by VOYA.

In May of 2023, University Health contracted with Captrust to provide investment advisory services for the investment options provided by VOYA. This was done in order to provide our employees with assurance that investment fees are appropriate and investment options are optimal. A contract amendment to extend the Captrust agreement for two additional years is being requested.

The original contract with Captrust was for a two year period starting on May 1, 2023 and ends on April 30, 2025. This amendment would extend the agreement until April 30, 2027. Both parties have a 30 day with or without cause termination option. Quarterly calls are held with Captrust, VOYA, and a committee of University Health employees to discuss the current market conditions, investment options, investment fees, and any recommended changes to investment options proposed by Captrust.

Having various tax deferred savings plans with high quality investment options helps to recruit and retain our workforce and allows employees to be better prepared for retirement.

Consideration and Appropriate Action Regarding the 1st Quarter 2025 Investment Report — *Reed Hurley*

SUMMARY: The Investment Portfolio Summaries for University Health and Community First invested funds for the first quarter of 2025. In total, the value of all invested funds as of March 31, 2025, was \$2,613,574,417, 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 have been provided separately. The portfolios earned \$27,421,847 of interest income during the first quarter, an increase of 10% from the previous quarter's \$25,028,128, but an 8% decrease from the same period a year ago. With interest rates trending lower, we expect to see income fall in the months ahead.

As of March 31, 2025, the University Health portfolio for operations (excluding Community First and the debt-related funds) was valued at \$2,198,950,747.

The portfolio, consisting of the Operating, Emergency Reserve, Capital and M&O Tax Funds, earned \$22,832,640 during the quarter, had a weighted average yield of 4.32% and a weighted average maturity of 346 days. The portfolio is in line with the 6-month Constant Maturity Treasury (CMT) benchmark, which yielded 4.34%, but below the 1-year CMT benchmark's 4.50% yield.

Performance has lagged the benchmarks due to the longer average maturity and relatively low yield of the Emergency Reserve.

However, this longer maturity structure will contribute to outperformance in the months ahead as the benchmarks turn lower along with market rates.

University Health also collects property taxes for debt service, which are segregated into the Interest & Sinking (I&S) Tax Fund. The amount held in this account as of March 31, 2025, was \$25,090,993 with a weighted average yield of 4.27%. The I&S Tax Fund monies are held in local government investment pools and money market mutual funds in order to make debt service payments on August 15, 2025.

University Health operates a Local Provider Participation Fund (LPPF), which is financed by mandatory payments assessed on private hospitals. As of March 31, 2025, the balance in this account was \$42,153,954. These funds are held in local government investment pools and money market mutual funds in order to process intergovernmental transfers when required. The weighted average yield was 4.26%.

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) — *Reed Hurley/Travis Smith*

SUMMARY: University Health's Purchasing Consent attachment for the month of April 2025 includes 31 proposed contracts for Board of Managers action. The total requested Board of Managers approval for these 31 contracts is \$26,851,426. All other Board of Managers agenda items and contracts will be addressed and approved separately by the Board.

RECOMMENDATION: Staff recommends Board of Manager's approval of:
1) Purchasing Consent Agenda Items; and,
2) Purchasing Consent Attachment "A" in the amount of \$26,851,426

COMMENTS /DISCUSSIONS: None

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Ms. Fernandez, **SECONDED** by Dr. Cohen, and **PASSED UNANIMOUSLY**.

EVALUATION: None

FOLLOW UP: None

Action Items:

Community Hospitals Overview and Consideration and Appropriate Action Regarding the Purchase of Selective Medical Equipment, Technology Equipment and Systems from Various Vendors for the Community Hospitals — *Brian Freeman*

SUMMARY: In March 2023, Broaddus & Associates (BA) began to provide Owner's Representative and project management (PM) services for the Project as an extension of University Health staff. Also in March 2023, the Board approved University Health's recommendations for Construction Managers (CMs) to collaborate with the A/E during the design phase and to provide pre-construction services as advisors and estimators. Turner-Byrne-Straight Line (TBS) Joint Venture was assigned as the CM for the University Health Palo Alto Hospital and Layton Construction Company (Layton) will serve as CM for the University Health Retama Hospital. Both CMs collaborated with the A/E and hospital leadership during the design phase and on-boarded key trade partners to help in achieving a cost-effective final design. Each CM continues to provide recommendations and solutions in the construction phase to mitigate consistently increasing construction costs. Early release design packages allowed preliminary work to commence in late 2023 while the design was being finalized. The final Construction Documents (CDs) were published in March 2024 and have since been updated to incorporate additional constructability and jurisdictional review comments. Construction completion is expected in late 2026.

Based on current construction schedules and occupancy planning, Staff have projected procurement and installation schedules for Owner Furnished Equipment including Technology Equipment and Systems; Medical Equipment (MEQ); and Furniture, Furnishings, and Equipment. To overcome negative supply chain impacts and market conditions that are leading to pricing increases across a wide range of required items, Staff recommends purchasing selective MEQ and Technology Equipment and Systems as soon as appropriate sourcing and validation activities are completed.

The staff evaluated competitive bids for standard Technology Equipment and Systems while also considering existing systems to develop the most cost-effective programs. Particular focus was given to the cellular distributed antenna system (DAS), ensuring that above-ceiling requirements were identified for proper coordination with the CM's ongoing work. Staff obtained quotes based on current design drawings from geographic information retrieval (GIR) approved subcontractors, working in parallel with Owner's Information Technology (IT) team to ensure alignment in selecting the appropriate vendor. As a result of this in-depth evaluation of technical requirements and operational results, Staff recommends the installation of the cellular distributed antenna system (DAS) to be performed by Compscope.

Proposed Vendor: Compscope	Retama Cost	Palo Alto Cost	Vendor Total
Cellular Distributed Antenna System (DAS)	\$ 3,328,000	\$ 3,328,000	\$ 6,656,000

The medical equipment planner obtained competitive price quotes from various vendors per the coordinated equipment list. Working with both Staff and the CM, the medical equipment planner developed the recommended equipment and summary costs. University Health recommends proceeding with the purchase of architecturally significant medical equipment to minimize impact to ongoing construction and maintain effective construction sequencing and schedule.

Proposed Vendor: Various	Retama Cost	Palo Alto Cost	Vendor Total
Hologic	\$ 550,778	\$ 550,778	\$ 1,101,556
Stryker (Sirca)	\$ 153,519	\$ 153,519	\$ 307,038
Stryker (Kirlin)	\$ 240,484	\$ 240,484	\$ 480,968
Getinge	\$ 972,911	\$ 1,111,345	\$ 2,084,256
Philips (Physio Preinstall + Imaging)	\$11,097,870	\$14,458,283	\$25,556,153
Steris	\$ 2,217,415	\$ 2,217,415	\$ 4,434,830
GE Healthcare	\$ 692,872	\$ 692,872	\$ 1,385,744
Zoll Medical	\$ 1,153,957	\$ 1,203,096	\$ 2,357,053
BrainLab	\$ 1,640,606	\$ 1,640,606	\$ 3,281,212
Bayer Radiology	\$ 174,300	\$ 214,200	\$ 388,500
InterMetro	\$ 21,783	\$ 21,783	\$ 43,566
Rice Lake	\$ 48,033	\$ 48,128	\$ 96,161
Total Per Project:	\$ 18,964,528	\$ 22,552,509	
Grand Total:			\$41,517,037

RECOMMENDATION: Staff recommends Board approve the procurement of Technology Equipment and Systems installation and Medical Equipment and authorize the President/Chief Executive Officer to pay this obligation in an amount not to exceed \$48,173,037.

University Health Retama Hospital	\$22,292,528
University Health Palo Alto Hospital	\$25,880,509

COMMENTS /DISCUSSIONS: Mr. Banos commented on how Tariffs are on everyone's mind, and we have been watching and looking at best pricing and get them locked in. Allot of high-end diagnostic items do come from Europe and Germany and overall we are looking best prices to keep the project running and on time. There was significant damage to the University Health Palo Alto building due to very strong winds. Damages walls and steel have been demolished and removed. Replacement materials have been delivered and back up to normal positions and project is moving forward and at 85% complete now.

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Dr. Cohen, **SECONDED** by Ms. Fernandez, and **PASSED UNANIMOUSLY**.

EVALUATION: None

FOLLOW UP: None

Consideration and Appropriate Action Regarding Selected Purchasing Items:

Consideration and Appropriate Action Regarding a Construction Agreement with Structure Tone Southwest, LLC, as General Contractor and FFE, and IT Infrastructure Expenditures with Various Vendors for the Milk Bank and Endoscope Reprocessing Area at University Hospital — *Bill Phillips*

SUMMARY: Following the successful opening of the Women's and Children's Hospital and the relocation of dietary and cafeteria services, a 16,000 square-foot space in the former Rio Tower has become available. This space presents an important opportunity to expand critical services in support of our mission to improve maternal and neonatal outcomes.

University Health holds the highest designations as a Level IV Maternal Facility and Level IV Neonatal Intensive Care Unit (NICU)—the top classifications in the state. Our NICU is a significant user of both mother's milk and donor milk, including milk that requires fortification and supplementation. Donor milk plays an essential role in supporting the health and development of vulnerable, premature infants.

Across the United States, there are only 29 milk banks; just two are located in Texas, with the nearest one in Austin. Nationally, there is a growing movement to expand the number of milk banks in response to rising demand for donor human milk. Milk banks play a critical role in neonatal care by screening donors, collecting and processing donated milk, pasteurizing it, testing for bacterial contamination, and distributing it to at risk infants. Healthy, lactating women with a surplus supply may become donors after completing a comprehensive screening process that includes a detailed health history and blood testing to ensure safety. Once collected, the milk is pasteurized to eliminate harmful bacteria while preserving essential nutrients and immune-protective properties. All procedures are carried out under strict medical and safety protocols.

The proposed milk bank would utilize approximately two-thirds of the vacated 16,000 square-foot space, positioning it for growth while leaving room for other strategic projects. The remaining space presents a timely opportunity to address another operational need: expanding our Central Sterile Processing Department (CSPD).

This is the area in a hospital where the cleaning and sterilization of devices, equipment, and instruments used in medical procedures and surgeries take place. A recent management analysis supports dividing Central Sterile functions into distinct service areas:

- One area dedicated to operating room instruments and equipment;
- A second dedicated to scopes and ADC-used instruments.

This expanded configuration would improve workflow, efficiency, and regulatory compliance while reducing cross-contamination risks and will be dedicated to the reprocessing of endoscopes.

The proposed space requirement is approximately 2,581 square feet, accommodating:

- Decontamination Room: Five sink cleaning lines and four through-wall medivators and one stand-alone medivator
- Pre-Pack Assembly Area;
- Staging Area;
- Staff Lockers and Restrooms.

The Milk Bank at University Health has the potential to significantly benefit premature babies and their mothers initially within our hospital. As the facility becomes more established, there is a possibility to expand services to other NICUs in San Antonio and South Texas, ultimately improving neonatal health outcomes across the region.

The expansion of sterile processing to accommodate more medivators, will increase the efficiency of scope reprocessing utilizing the same technology and re-processing standards that are established at University Health.

The increased efficiency will ensure that sterile processing can continue to meet the noted increase in volume for diagnostic and screening procedures that require an endoscope.

RECOMMENDATION: Staff recommends the Board of Managers approve a construction agreement with Structure Tone Southwest, LLC for an amount not to exceed **\$6,971,550** and a total project amount not to exceed **\$9,548,373**. Of the total project amount, \$1,000,000 will be funded by University Health Foundation and the remaining \$8,548,373 is requested to be funded from the Board Designated Capital account.

COMMENTS /DISCUSSIONS: Mr. Hasslocher asked where the other milk banks located in Texas. Mr. Banos provided additional comments how the Milk Bank will help other hospitals. Further discussions ensued.

ACTION: A **MOTION to APPROVE** staff's recommendation was made by Ms. Watts Davis, **SECONDED** by Ms. Rodriguez, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Consideration and Appropriate Action Regarding a Contract with iDoc Virtual Telehealth Solutions, Inc. (iDoc) for Remote Tele-Radiology Interpretation Services — *Bill Phillips*

SUMMARY: Radiology interpretation services at University Health are currently provided by UT Health San Antonio for inpatients and Austin Radiology Associates (ARA) for ambulatory and are divided into two categories, interventional and diagnostic. Over the past few years, UT Health has faced ongoing staffing challenges, leading to fluctuations in provider availability. These difficulties have contributed to provider turnover, affecting continuity and stability in service delivery.

As the volumes of interpretations steadily increased, University Health made the decision to contract with Austin Radiology Associates initially in 2022, to support outpatient interpretations generated from UMA ambulatory locations. This decision was made to maintain consistent operations and ensure continued access to radiology services. However, as University Health has continued to grow, there have been ongoing challenges in meeting certain expectations outlined in the contract with ARA.

Despite regular communication, persistent provider shortages have affected the efficiency and timeliness of outpatient radiology interpretations. This has affected the ability to meet critical turnaround times for patient care. Additionally, UT Health continues to have staffing challenges specifically with neuro-radiologists and mammography radiologists.

University Health was recently notified that these challenges will increase beginning June 1, 2025, as there are additional radiologists leaving UT Health that will have an impact on the ability to provide final radiology interpretation results to patients and referring clinicians.

To address these ongoing challenges and meet the increasing demand for timely radiology interpretations, University Health found a vendor within an existing Group Purchasing Organization (Premier) that can provide this service and meet the required turnaround times. Staff recommends contracting with iDoc Virtual Telehealth Solutions, Inc. (iDoc) to read specific inpatient exams in addition to outpatient exams. iDoc performs radiology interpretation services for many organizations throughout the country.

iDoc can provide professional tele-radiology interpretations for inpatient and outpatient radiology exams at value added pricing. This contract will allow University Health to meet the growing demand of radiological interpretations and further minimize the anticipated radiology coverage. iDoc radiologist are certified by The Joint Commission. Routine exams eligible under this contract for tele-radiology interpretations are estimated at approximately 92,007 over a 12-month period.

Exams	Projected 2025
Xray	60,602
Ultrasound	14,504
CT	11,198
MRI	5,703
Total Exams	92,007

Additionally, iDoc will provide 24/7/365 coverage for University Health with complete EPIC integration outlined in a two-year, non-assignable contract. All interpretations will be provided by radiologists interpreting within their radiology sub-specialty. iDoc turnaround times will guarantee that all non-stat routine radiological exams have an available report within 24 hours and within four hours for inpatient exams. All exams identified as STAT will have a completed report available within one hour.

To address the University Health payer mix for the ambulatory clinic population, University Health has agreed to a subsidy payment to iDoc up to \$1,800,000 per year to offset the costs related to unfunded and underfunded care. This funding will be reallocated from the termination of the ARA agreement as well as reductions from the UT Master Service Agreement with radiology, which in 2024 was just over \$8 million in support.

RECOMMENDATION: Staff recommends the Board of Managers' approval for a two-year contract with iDoc Virtual Telehealth Solutions, Inc., to provide tele-radiology interpretations in an amount to not exceed \$3,600,000.

COMMENTS /DISCUSSIONS: Mr. Banos added that all the Doctors will be Texas licensed and also accredited by Joint Commission for quality stand point. The Doctors will be working remotely. Some UT Health Doctors have computers at home and able to interpret the Radiology findings. Further discussions ensued.

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Ms. Watts Davis, **SECONDED** by Ms. Rodriguez, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Consideration and Appropriate Action Regarding a Professional Services Agreement between University Medicine Associates and UT Health San Antonio for Pediatric Otolaryngology Services — Edward Banos/Monika Kapur, M.D.

SUMMARY: The UT Health San Antonio (UT Health) Department of Otolaryngology provides adult and pediatric ear, nose, and throat (ENT) professional services at University Hospital. University Health previously supported pediatric ENT services through the Master Health Care Services Agreement, but converted that support to a University Medicine Associates lease on June 1, 2024 that expires on May 31, 2025. There remains a nationwide shortage of pediatric ENT specialists, due to the high demand for these specialized services.

University Health and UT Health leadership believe that the most prudent course of action to continue to recruit and retain these physicians, is to renew the current pediatric ENT professional services lease agreement between University Medicine Associates (UMA) and UT Health. University Health's flexibility in structuring competitive market salaries and productivity incentives, will ensure the retention of existing physicians and enhance on-going recruiting efforts for additional pediatric ENT surgical specialists to support the goal of becoming a leader in providing pediatric ENT services for the community.

Currently, there are two full-time pediatric surgical ENT physicians, with one vacancy. Recently, one of the pediatric ENT physicians left UT Health to be near family after the birth of a child. A recent review of productivity data showed that from June 2024 to March 2025, the two remaining ENT physicians exceeded 100% productivity benchmark expectations outlined within the current agreement.

The annual cost of this lease agreement between UMA and UT Health is an amount not to exceed \$1,689,506, which is \$270,551 less than the current agreement total of \$1,960,057, due to the departure of one physician as noted above. This consists of salary, retention incentives, benefits and overhead for 1.58 FTE of pediatric ENT MD services and .88 FTE of pediatric ENT Advanced Practice Provider services.

The overall 2024 payer mix for the pediatric ENT services is as follows: 62% Medicaid, 35% commercial, and 3% self-pay/other. The anticipated annual UMA professional fee collections generated by the leased providers is \$710,611. Combined with the annual support for pediatric ENT services that is no longer being paid to UT Health through the Master Service Agreement of \$1,163,364, the cost of this lease will be fully offset.

RECOMMENDATION: Staff recommends the Board of Managers' approval to enter into this Professional Services Agreement with UT Health San Antonio to provide pediatric ENT specialty services for a one-year term from June 1, 2025 through May 31, 2026 at an annual cost not to exceed \$1,689,506.

COMMENTS /DISCUSSIONS: Dr. Cohen commented on how we should consider asking UT Health to look at starting a Fellowship Program in Pediatric ENT area. Dr. Leverence stated he would look into Dr. Cohen's suggestion. Further discussions ensued.

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Dr. Cohen, **SECONDED** by Ms. Fernandez, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Consideration and Appropriate Action Regarding the Financial Report for March 2025 — Reed Hurley

SUMMARY: The March 2025 financials showed University Health's consolidated bottom line for the month of March 2025 reflects a gain of \$22.9 million, \$20.5 million better than the budgeted gain of \$2.4 million. This gain to budget is primarily due to patient activity driving positive net patient revenue of \$11.5 million. In March, clinical activity (as measured by inpatient days) was up by 3.5% and inpatient discharges were higher than budget by 6.9%. Volumes exceeded budget across most key service delivery areas although trauma volumes and procedures were slightly below expectations.

Community First experienced a bottom line gain of \$3.7 million, which was \$3.3 million greater than the budgeted gain of \$397 thousand. Community First membership is up 3.5% compared to Budget.

Year to Date Operating Revenue:

- Net patient revenue is over budget by \$61.5 million driven by high patient volumes, acuity of inpatient services, and the continued growth of retail pharmacy volumes.
- Supplemental revenue is under budget \$574 thousand due to a change in estimated NAIP program revenue and DSH/UC final funding.
- Community First premium revenue is over budget by \$15.7 million due to a 3.5% increase in insured membership compared to budget.

Year to Date Operating Expense:

- Employee Compensation is over budget by \$20 million due to increased patient volumes requiring additional bedside staff and an increase in related health insurance expense.
- Purchased Services are under budget by \$3.7 million due to the timing of purchased service contract implementations.
- Supplies are under budget by \$7.5 million primarily due to implementation of supply savings initiatives reducing the cost per patient in procedural areas.
- Community First claims expense is over budget by \$19.3 million due to higher than expected enrollment.

Year to Date Non-Operating Expense:

- Investment income of \$22.2 million was higher than budget by \$6 million.
- A net unrealized gain of \$10.1 million has been recorded.

Consolidated Balance Sheet Report:

- Days Revenue in Patient Accounts Receivable: 35.2 days on a budget of 38.0 days.
- The Community Hospitals project has a total expected budget of \$1.58 billion; \$1.278 billion of contracts have been approved by the Board of Managers. Total payments of \$301.5 million have been paid to date. \$1.1 billion in cash and bond proceeds have been encumbered for the project, additional cash reserves will be allocated over the next two years to fully fund the project.
- Unencumbered funds reserved for future capital needs has a balance of \$71.4 million.
- University Health's Net Asset Value has increased \$101.6 million year to date on a Generally Accepted Accounting Principles (GAAP) basis including debt service tax revenue and interest expense on bonds.

RECOMMENDATION: Staff recommends approval of the March 2025 Financial Report subject to audit.

COMMENTS /DISCUSSIONS: Mr. Hasslocher thank Reed Hurley and the staff for their hard work as we have in the past and continue to have another good month. Ms. Watts Davis commented that the City of San Antonio had lost funding to cover vaccines, their budget was cut by 33%.

Mr. Banos commented on the Ryan White Grant was initially put on and Dr. Anna Taranova watches out for the grants and so far nothing has been held back. Mr. Hasslocher commented on the update of the 89th Texas Legislative Session by Andrew Smith. Further discussions ensued.

ACTION: A **MOTION** to **APPROVE** staff's recommendation was made by Ms. Fernandez, **SECONDED** by Ms. Watts Davis, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None

Presentations and Education: None


Information Only Items:

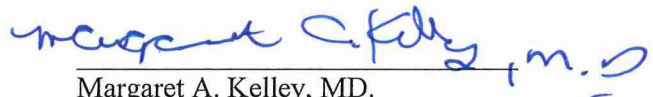
- A. Update on the 89th Texas Legislative Session — *Andrew Smith*
- B. Update on the Community Hospitals — *Brian Freeman*
- C. Report on Recent Recognitions and Upcoming Events — *Leni Kirkman*

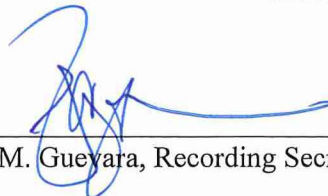
COMMENTS /DISCUSSIONS: Ms. Jasso commented on the Board Resource Guide and complimented the staff as the Guide is absolutely well done and an outstanding piece of work and resources provided. Congratulations to the staff on their efforts to put the resource book together. Updates will occur every 6 months.

Adjournment: — *Jimmy Hasslocher, Chair*

There being no further business Mr. Hasslocher adjourned the public meeting at 7:21pm.


Jimmy Hasslocher
Chair, Board of Managers


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


Janie M. Guevara, Recording Secretary

The Board of Managers may recess during the open meeting in order to hold a closed meeting. Alternatively, a closed meeting may be held before the open meeting or after its adjournment.

Closed Meeting: A closed meeting will be held pursuant to TEX. GOV'T CODE, Section 551.085 to receive information regarding pricing, market data and/or financial and planning information relating to the arrangement or provision of proposed new services and/or product lines.

Closed Meeting: A closed meeting will be held pursuant to TEX. GOV'T CODE, Section 551.085 to receive information regarding pricing or financial planning information relating to a bid or negotiation for the arrangement or provision of services or product lines to another person if disclosure of the information would give advantage to competitors of the hospital district.