

# University Health

## BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, January 28, 2025  
6:00 pm  
Cypress Room, University Hospital  
4502 Medical Drive  
San Antonio, Texas 78229

### MINUTES

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

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

#### **OTHERS PRESENT:**

Edward Banos, President/Chief Executive Officer, University Health  
Bill Phillips, Executive Vice President/Interim 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. Bryan Alsip, Executive VP, Chief medical Officer, University Health  
Dr. Sally Taylor, Sr. VP, Chief of Behavioral Medicine, 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  
Leni Kirkman, Executive VP, Chief Marketing, Communications & Corporate Affairs Officer, University Health  
Andrew Smith, Executive Director, Government Relations and Public Policy  
Horacio Vasquez, Executive Director, Supply Chain Management, University Health  
Robert Hromas, MD, Acting President, President and Professor of Medicine, Vice President for Medical Affairs, UT Health San Antonio  
Robert Leverage, MD, Acting Vice President of Medical Affairs  
Michael Little, MD, President, Medical/Dental Staff, University Health; and Associate Professor, Department of Anesthesiology, UT Health SA  
Francisco Cigarroa, Acting Dean, School of Medicine, Professor of Surgery and Director, Alvarez Transplant Center, UT Health SA  
Theresa Scepanski, President and CEO, Community First Health Plans

Katherine Reyes, Sr. Vice President, Pre-Acute Services, University Health  
Andrea Casas, Vice President, Chief Human Resources Officer, University Health  
Trey Wineglass, Administrative Resident, University Health  
Bobby Maxwell, Deputy Chief of Police, BCHD Protective Services, University Health  
Jennifer Rodriguez, Vice President, Chief Pharmacy Officer, Pharmacotherapy & Pharmacy Services, University Health  
Elizabeth Allen, Director, External Communications, Corporate Communications, University Health  
Josh Nieto, Chief Compliance, HIPPA Officer, University Health  
Shelley Kofler, Senior Public Relations Manager, Corporate Communications, University Hospital  
Stacy Foremski, Executive Director, Operations, Office of the CEO, University Health  
Ted Day, Executive Vice President, Strategic Planning & Business Development, University Health  
Anita Martin, Director, Community Relations/Corporate Communications, University Health  
And other attendees.

**CALL TO ORDER:**

Mr. Hasslocher called the Board meeting to order at 6:04 pm.

**INVOCATION AND PLEDGE OF ALLEGIANCE — JIMMY HASSLOCHER, CHAIR**

Invocation – Sophia Gilmore, University Health Chaplain — *Jimmy Hasslocher, Chair*

Mr. Hasslocher led the pledge of allegiance.

**PUBLIC COMMENT:** NONE

**APPROVAL OF MINUTES OF PREVIOUS MEETING:** December 10, 2024 (*Special Meeting*)

**SUMMARY:** The minutes of the Board meetings of Tuesday, December 10, 2024 were 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 Ms. Jasso, **SECONDED** by Ms. Fernandez, and **PASSED UNANIMOUSLY**.

**EVALUATION:** None

**FOLLOW UP:** None

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

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. The winners are:

Professional:           Ray Anthony Perez  
(Nursing)               Staff Nurse, 9 Sky Transplant/CT Acute

Professional:           Melissa Amirfarzaneh  
                              Technical Supervisor, Lab Administration

Management:          Kellie Vasquez  
                              Manager Sales & Marketing, VP Chief Pharmacy Officer

Technical:             Joan Garcia  
                              Medical Assistant, Adult Detention Health Care

Clerical:               Dora Galvan  
                              Administrative Assistant, University Medicine Associates

Service:               Inez Deleon  
                              Clinical Facilities Coordinator

Volunteer:             Madhukar Panday  
                              Volunteer, Volunteer Services

Provider:              Adriane Garcia  
                              Physician Assistant, University Medicine Associates

Team:                  Affordable Medication Pharmacy Team  
                              Bobby Tran, Lindsay Quisberg, Maria Rabago

**Report from UT Health San Antonio — *Robert Hromas, MD.*, Acting President and Professor of Medicine, Vice President for Medical Affairs, UT Health San Antonio**

**SUMMARY:** Dr. Hromas commented that UT Health has a new textbook on Advancing the Science of Cancer in Latinos just came out this week and offered his congratulations to Dr. Amelie Ramirez, UT Health Oncologist. Dr. Monica Gutierrez, Chair of Rehab Medicine, UT Health San Antonio was selected to the National Academy of Medicine, Long Covid Panel. Additionally, the State of Texas awards prizes based on various discoveries called the Light Hill grants and two UT Health Faculties won, Dr. Rob De Lorenzo, Emergency Medicine Physician on how to emergently intubate patients and Dr. Ken Hargraves won for Non Opioid analgesics.

Lastly, Dr. Hromas will return to his former position of Dean of the School of Medicine and Dr. Cigarroa will now head UT Health Science Center.

Dr. Cigarroa the ongoing process of the UT Health and UTSA merger and expressed his gratitude for Dr. Hromas for his leadership and looking forward to the continued partnership with University Health. Mr. Hasslocher expressed his gratitude as well to both Dr. Hromas and Dr. Cigarroa and the UT Health team for the great partnership throughout the years.

**NEW BUSINESS – CONSENT AGENDA – JIMMMY 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 December 6, 2024 and reviewed the credential files of the individuals listed on the attached Credentials Report and the Professional Performance Evaluation Report. In its meeting of January 7, 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 December 6, 2024 and reviewed proposed revisions to Delineation of Privilege and the Professional Performance Evaluation Report and forms. In its meeting of January 7, 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 Telemedicine Privileges —**  
*Bryan Alsip, M.D.*

**SUMMARY:** The Board of Managers of University Health has approval authority for the appointment of clinical providers to the Medical-Dental Staff, and the granting of clinical privileges for overseeing the quality of care and provision of treatment to patients. University Health's Professional Staff Services Department (PSS) is responsible for ensuring compliance regarding all applicants for the credentialing and privileging of providers, to include those approved for Telehealth privileges.

In accordance with section 3.7, Telehealth, of the Bylaws, when University Health facilities are the originating site, University Health may use the privileging and credentialing decision from the distant site to make a final privileging decision provided all required elements are met.

**Consideration and Appropriate Action Regarding a Contract Between Community First Health Plans, Inc. and Healthcare Fraud Shield (HCFS) for Fraud, Waste, Abuse, and Error (FWAE) Management Services —**  
*Theresa Scepanski*

**SUMMARY:** Fraud, Waste, Abuse, and Error (FWAE) in healthcare claims management pose significant risks to financial stability, compliance, and operational efficiency. Community First Health Plans, Inc. (Community First) is committed to addressing these challenges through cutting-edge technology and proactive strategies.

Healthcare Fraud Shield (HCFS) is a trusted partner in the healthcare payer market, specializing in FWAE management. With their robust and scalable Software-as-a-Service (SaaS) platform, HCFS offers innovative solutions to prevent and mitigate fraudulent activities while ensuring regulatory compliance.

By partnering with HCFS, Community First aims to:

- **Prevent Financial Losses:** Through advanced analytics and proactive claim intervention.
- **Enhance Efficiency:** By automating workflows and reducing manual investigations.
- **Maximize Savings:** Leveraging AI-driven insights and targeted interventions to optimize claims integrity.

A total of five (5) vendors were considered for Fraud, Waste, and Abuse management services: MultiPlan, Healthicity Claims Connect, Claris Health, Codoxo, and Healthcare Fraud Shield. Each software solution was evaluated for overall experience and qualifications in the managed care industry, experience in Medicaid, Medicare and Commercial lines of business, implementation timeline, references, savings potential, and pricing.

**Consideration and Appropriate Action Regarding a Contract Renewal between Community First Health Plans, Inc. and Cognizant for Core Operating and Medical Management System — Theresa Scepaniski**

**SUMMARY:** In October 2021, Community First presented and received approval from the Board of Directors to transition from the previous medical management system ZeOmega JIVA, to the Clinical CareAdvance for QNXT system (implemented in 2023), leveraging new technologies to create a complete and accurate view of member health, driving comprehensive and timely care management, with less manual effort and cost. The embedded QNXT Utilization Management (UM) Workflow and Provider Network Management with Clinical CareAdvance integration provides utilization management automation as embedded digital pages to end-users for creation and maintenance of UM documents, such as prior authorizations, referrals, denials and certifications.

The embedded integration provides greater efficiency through a streamlined, unified case management, disease management and utilization management (UM/DM/CM) experience. This seamless workflow reduces risks and costs associated with prior authorizations and referrals and improves authorization matching and compliance to meet the prompt payment turnaround times (TAT) for claims processing. The requested funding for Cognizant’s QNXT and Clinical CareAdvance is for a 3-year period. The total estimated cost is \$5,018,930 over the 3-year contract period (includes annual maintenance and 2025 and 2027 system upgrade fees). Services and annual fees are summarized below:

<b>QNXT AND CLINICAL CARE ADVANCE SERVICES</b>	<b>TOTAL FEES (3-YEAR PERIOD)</b>
Product Licensing and Maintenance for Enrollment Administration Manager; Claims Editing System; NetworX Encounter Data Manager; Utilization Management Workflow (up to 180,000 Members)	\$3,069,582
System Upgrade (2025 and 2027) and annual minor hotfixes	\$1,010,000
Cognizant Subscription Licensing for Appeals and Grievances Letters; Enrollment Administration Manager Letters; Testing Automation Suite; Synthetic Data Generation	\$939,348
<b>Total Cost (3-year period)</b>	<b>\$5,018,930</b>

The requested funding for the contract, including a reduction in cost for upgrade fees and product and resource discounts, shall be for a 3-year period beginning January 1, 2025, and ending December 31, 2027, unless earlier terminated pursuant to the Community First Health Plans Standard Purchase Terms and Conditions.

This is a planned annual operating expense, and the approved funding will be included in the Annual Operating Budget.

**Consideration and Appropriate Action Regarding a Contract Renewal between Community First Health Plans, Inc., and Optum for a Claims Pricing Platform System — Theresa Scepanski**

**SUMMARY:** Community First Health Plans, Inc. (Community First) is recommending contract renewal to our existing licensing agreement with Optum for Prospective Payment Systems (PPS) pricing software. Optum is transitioning from the current system, Web.Strat™, to Optum's next generation web-based claims pricing platform, EASYGroup™ Payment System Interface (PSI). Utilization of Optum's EASYGroup™ PSI will continue to provide Community First with enhanced capabilities, as well as adding Hospice pricing to the existing software currently licensed (i.e., Medicare Inpatient & Physician, Skilled Nursing Facility, Texas State Medicaid).

Optum's pricing software enables Community First to understand how a claim priced the way it did, provides for transparency to audit payment results, and the confidence to discuss allowed amounts for a claim. We are also able to easily provide pricing specifics to a network provider, should they dispute reimbursement on a claim. By giving the provider all of the contract detail applicable for the date of service, as well as the formulas used to calculate the claim reimbursement, it allows Community First to be transparent and enables the provider to quickly see where there may be a discrepancy. Optum will continue to support Community First with the following services:

- Receive regular content updates as required for regulatory and technical changes
- Payment system pricing worksheets developed and supported in the EASYGroup™ PSI
- Feature development will be delivered in the EASYGroup™ PSI
- Browser support in the EASYGroup™ PSI

**Consideration and Appropriate Action Regarding an Agreement for Workers' Compensation and Veterans Administration Claims Billing Services with EnableComp, LLC — Awoala Banigol/Reed Hurley**

**SUMMARY:** University Health through the Patient Business Services Department currently bills to and collects from all patients insurances including Workers' Compensation and Veterans Administration (VA) claims. Historically, these two Financial Classes have proven to be the most challenging and resource intensive to follow up on and collect.

EnableComp, LLC., (EnableComp) provides a niche service that deploys their technology and specialized team to ensure maximum and timely reimbursement for their clients while improving overall yield, cash acceleration, and decreasing the cost to collect. Their complex claims services will increase our revenue and decrease our Accounts Receivable (A/R). EnableComp will manage our Veterans Administration (VA) and Workers' Compensation accounts by utilizing their specialized expertise in denial management within these sectors. Their in-depth knowledge of the complex regulations and processes with VA and Workers' Compensation claims is crucial for resolving denials effectively.

With a proven track record of successfully managing and resolving claims, EnableComp will help improve recovery rates and reduce the time needed to resolve outstanding issues. Approximately \$7 million in VA revenue and \$5.4 Million in Workers Comp revenue, (total of \$12.4 Million), is currently sitting in University Health's Active A/R. Most of the Health Systems collections occur within the first 90 days from patients discharge date. The percentage of our overall funded A/R greater than 90 days is currently 18%. However, the percentage of A/R greater than 90 days is 35% for VA and 58% for Workers Comp Financial Classes. These high percentages justifies the need to partner with and rely on complex a claims management expert, leverage their expertise and free up resources to focus on more lucrative payer classes. EnableComp revenue specialists have the skills and technology necessary to ensure prompt and accurate payment.

EnableComp will streamline the entire process, starting with registration and ensuring the accurate collection of all necessary patient and authorization information. They will oversee the denial management process, alleviate the administrative burden on our internal teams, and accelerate the resolution of outstanding claims, driving efficiency and enhancing overall outcomes.

**Consideration and Appropriate Action Regarding Ratification of a Settlement and Release of Claims with Kroger in the Matter of *In Re: Texas Opioid Litigation*, MDL No. 2018-635 — *Serina Rivela***

**SUMMARY:** On November 26, 2019, University Health filed a lawsuit against manufacturers, distributors, and retailers relating to tortious conduct in the marketing, promotion, sale, distribution, and dispensation of opioids. A separate lawsuit was filed by Bexar County. Both the Bexar County and University Health claims are pending in *In Re: Texas Opioid Litigation*, MDL No. 2018-63587, in the 152d Judicial District Court of Harris County, Texas and seek monetary relief to address the deleterious impact of the pandemic on the Bexar County community.

To date, the State of Texas has obtained close to \$3 billion in legal settlements with drug manufacturers (Johnson & Johnson, Endo, Teva, and Allergan), distributors (Amerisource Bergen, Cardinal Health, and McKesson) and pharmacies (CVS, Walgreens, and Walmart) for their roles in the national opioid epidemic.

Most recently, the State of Texas and litigating trial Counties agreed to statewide opioid settlement agreement with Kroger for its practices that contributed to the opioid epidemic in the amount of \$83 million slated to be paid over an eleven year period.

Similar to the previous settlements, the Kroger settlement was conditioned upon the majority of governmental entities agreeing to release its claims by a predetermined deadline, in this instance December 29, 2024. Although University Health did not name Kroger as a defendant in the litigation, University Health was highly encouraged to immediately sign the settlement agreement by no later than the December 29<sup>th</sup> deadline thereby ensuring that Texas citizens and entities receive all benefits and opioid remediation funds to which they are entitled.

This settlement represents the most recent in a succession of settlements at holding the pharmaceutical sector responsible for the escalating national crisis of overdoses and fatalities linked to prescription opioids. A portion of the proceeds generated from statewide opioid settlements are allocated for opioid abatement initiatives, which are managed by the Texas Opioid Council in accordance with Chapter 403 of the Texas Government Code. According to the legislation, hospital districts receive a direct allocation of 15% of the funds distributed to the Opioid Abatement Fund, while the remaining funds are designated for opioid abatement efforts through a competitive grant application process.

To date, University Health has received approximately 5.6 million for its portion of the settlement proceeds and will continue to receive additional funds over the years in accordance with the various settlement terms.

In addition to its portion of the 15% hospital district allocation, University Health will be eligible to submit requests for funding from the remaining abatement funds for proposed opioid related education, prevention, and treatment programs specially tailored to address the recovery needs in Bexar County. Most recently, University Health was the recipient of a 25 million dollar grant from the abatement funds for its statewide distribution of Naloxone to help prevent drug overdose.

**Consideration and Appropriate Action Regarding a Lease Renewal with UT Health Science Center San Antonio for Clinical Space located at 8300 Floyd Curl Drive, San Antonio, Texas — *Don Ryden***

**SUMMARY:** University Health is currently leasing multiple clinic spaces within the Medical Arts and Research Center (MARC) building, which is owned by UT Health Science Center San Antonio (UT Health San Antonio) and located at 8300 Floyd Curl Drive. These leased spaces allow University Health to provide adult cardiology services as well as outpatient surgical and procedural services.

In January 2020, the Board of Managers approved a five-year lease agreement for the Heart Station at the MARC, which encompasses 2,551 rentable square feet. Subsequently in February 2020, the Board approved a five-year lease amendment for the Ambulatory Surgical Center (ASC), which occupies 32,233 rentable square feet.

The most recent lease agreements for both the Heart Station and the ASC were structured to ensure that their termination dates align, with both leases set to expire on February 28, 2025, unless the renewal options specified in the leases are exercised.

In an effort to allow continued care for our patients, in a familiar location that is in close proximity to University Hospital, University Health staff is recommending the authority to exercise both two-year renewal options for the leases of the Heart Station and ASC. By exercising these renewal options, University Health staff will be able to continue to provide excellent high-quality patient care to meet the demand of the community.

The proposed lease renewal option(s) for the Heart Station would continue at the current rental rate of \$23.50 per rentable square foot for the entire duration of the renewal period.

The proposed lease renewal option(s) for the ASC would continue at the current rental rate of \$28.00 per rentable square foot for the entire duration of the renewal period. Additionally, the lease agreement contains an ASC maintenance fee that is identified as Rider 501, which is billed annually in the amount of \$128,745.

**Consideration and Appropriate Action Regarding the 4<sup>th</sup> Quarter Investment Report — *Reed Hurley***

**SUMMARY:** The Investment Portfolio Summaries for University Health and Community First invested funds for the fourth quarter of 2024. In total, the value of all invested funds as of December 31, 2024, was \$2,445,630,553 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 \$25,028,128 of interest income during the fourth quarter, a decrease of 7% from the previous quarter's \$26,837,124, and a similar 8% decrease, from the same period a year ago. With interest rates declining this quarter as the Federal Reserve cuts rates, we expect to see income fall in the months ahead. As of December 31, 2024, the University Health portfolio for operations (excluding Community First and the debt related funds) was valued at \$2,023,033,622.



The portfolio, consisting of the Operating, Emergency Reserve, Capital and M&O Tax Funds, earned \$21,515,868 during the quarter, had a weighted average yield of 4.36% and a weighted average maturity of 317 days. The portfolio trails behind the 6-month Constant Maturity Treasury (CMT) benchmark, which yielded 4.68%, and is below the 1-year CMT benchmark's 4.66% yield. Performance has lagged the benchmarks due to the longer average maturity of the Emergency Reserve. However, this longer maturity structure should contribute to out-perform in the future as the benchmarks turn lower along with market rates. Proceeds from the Series 2023 bonds have been completely expended with the fourth quarter seeing Series 2023 fund balances decline more than \$35 million to \$0.

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 December 31, 2024, was \$54,866,111 with a weighted average yield of 4.48%. 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 February 15, 2025.

University Health operates a Local Provider Participation Fund (LPPF) which is financed by mandatory payments assessed on private hospitals. As of December 31, 2024, the balance in this account was \$27,668,805. 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 4.47%.

The Community First Health Plans, Inc. portfolio (including Community First Group Hospital Service Corporation PPO) was valued at \$340,062,015 as of December 31, 2024. Community First's portfolio earned \$3,228,115 during the quarter and ended the period with a weighted average yield of 4.49% and a weighted average maturity of 367 days. The portfolio's yield trails the 1-year CMT's at 4.69%.

Days after Fed officials cut the overnight rate, the personal consumption expenditures (PCE) index rose by just +0.1% in November, following three straight months of +0.2% gains. On a year-over-year basis, headline PCE came in slightly below forecast at +2.4%. More importantly, core PCE rose just +0.1% in November, the coolest since May, and +2.8% year-over-year, slightly below forecast. A single month doesn't make a trend, but this was an encouraging report.

The first FOMC meeting of 2025 is at the end of January. The committee is expected to hold rates steady until Fed officials get a better idea of the fiscal and trade policies that are likely to be implemented by the Trump administration.

**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 February 2025 includes 24 proposed contracts for Board of Managers action. The total requested Board of Managers approval for these 24 contracts is \$41,720,633. Additional Presented contracts during the December 2024 Board of Managers meeting total \$13,916,439 and are considered for approval separate from the Purchasing Consent Attachment A.

**RECOMMENDATION:** Staff recommends Board of Manager's approval of:  
1) Purchasing Consent Agenda Items; and,  
2) Purchasing Consent Attachment "A" in the amount of \$41,916,439

**COMMENTS/DISCUSSIONS:** None

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

EVALUATION: None  
FOLLOW UP: None

**Action Items:**

**Consideration and Appropriate Action Regarding Commissioning of Peace Officers for Bexar County Hospital District — Deputy Chief Maxwell/Bill Phillips**

**SUMMARY:** University Health is authorized by the Texas Health & Safety Code to appoint and commission peace officers to provide a safe and secure environment for patients, visitors, staff, and facilities. A peace officer's authority is limited to property owned or controlled by University Health, including an abutting street, right of way or easement in the property. The Texas Code of Criminal Procedure identifies persons commissioned by the Board of Managers of University Health as peace officers.

The credentials of Corey Delgado, Diego Morales, and Daniel Alvarado, Jr. have been reviewed by the Chief of Police as meeting all of the requirements of a University Health Peace Officer. As required of all University Health peace officers, Mr. Delgado, Mr. Morales, and Mr. Alvarado have completed all necessary training requirements. The commissioning of these Peace Officers will fill open positions due to budgeted New Full Time Employee positions.

**RECOMMENDATION:** Staff recommends Board approval to commission Corey Delgado, Diego Morales, and Daniel Alvarado, Jr. as a Bexar County Hospital District Peace Officers.

**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

**Consideration and Appropriate Action Regarding Selected Purchasing Items:**

**Consideration and Appropriate Action Regarding Renewal of a Memorandum of Understanding with the Southwest Texas Regional Advisory Council and Local Health Systems for Support of The Southwest Texas Crisis Collaborative — Sally Taylor, M.D.**

**SUMMARY:** The Southwest Texas Regional Advisory Council (STRAC) is designated by the Texas Department of State Health Services to develop, implement and maintain the regional trauma and emergency healthcare system for the 22 counties in Trauma Service Area-P. In 2017, in response to the challenges of limited access to behavioral health care and the boarding in hospital emergency departments of patients experiencing mental health crises, Bexar County's behavioral health service stakeholders and health systems collaborated to create the Southwest Texas Crisis Collaborative (STCC), a division of STRAC, to address these issues.

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Funding for STCC programs received from University Health, Methodist Healthcare, Baptist Health System, CHRISTUS Santa Rosa Health System, Methodist Healthcare Ministries of South Texas, Bexar County, and the City of San Antonio, is memorialized in a multi-party Memorandum of Understanding (MOU) on an annual basis. The STCC Steering Committee, composed of a diverse coalition of community partners, reviews program outcomes and identifies ongoing gaps. Early on, the STCC Steering Committee recognized the importance of a coordinated effort to develop a comprehensive and integrated crisis response system. The programs funded by the 2024 STCC MOU included those outlined below, with funding requested to continue these in 2025.

The 2025 STCC MOU includes funding from several entities based on net revenue market share. The 2025 STCC MOU funds the following programs such as MEDCOM/Law Enforcement Navigation (LE NAV) with Embedded Center for Health Care Services (CHCS) Clinicians; Adult Psychiatric Emergency Services (PES) System of Care and Program for Intensive Care Coordination (PICC) to name a few.

All the Bexar County health systems and Methodist Healthcare Ministries have agreed to fund the services outlined in this MOU, with the cost split agreed to by all the System's CEOs based on net revenue market share. The term of the 2025 MOU is January 1, 2025 through December 31, 2025. The financial outlay for this MOU from University Health is \$2,379,171 (an increase of \$179,408 from 2024) and is included in University Health's 2025 budget.

**RECOMMENDATION:** Staff recommends the Board of Managers authorize the President/CEO to execute a renewal of the Memorandum of Understanding with the Southwest Texas Regional Advisory Council for support of the Southwest Texas Crisis Collaborative, in the amount of \$2,379,171 for the period January 1, 2025 through December 31, 2025.

**COMMENTS /DISCUSSIONS:** Ms. Jasso asked if there is a way to identify the needs by zip codes? Ms. Fernandez Thanked Dr. Taylor for the presentation asked about the Social Determinance of Health and asked for some a brief summary from Dr. Taylor. Further discussions ensued on related subjects.

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

**EVALUATION:** None.

**FOLLOW UP:** None

**Consideration and Appropriate Action Regarding a Joint Venture with Barrio Comprehensive Family d/b/a CommuniCare Health Centers and Texas Liver Institute, Inc. and Authorizing All Other and Related Actions in Support Thereof — Edward Banos**

**SUMMARY:** For many years, University Health has enjoyed a robust and collaborative partnership with both Barrio Comprehensive Family d/b/a CommuniCare Health Centers (CommuniCare) and Texas Liver Institute, Inc., (TLI) in managing patients with specialized care requirements. This partnership has been characterized by a shared commitment to delivering high-quality healthcare services and ensuring that patients receive the comprehensive care they need. The collaboration has allowed for the pooling of resources, expertise, and best practices, ultimately benefiting the patient population of the residents of Bexar County served by all three organizations.

University Health is dedicated to improving service delivery through various operational enhancements while actively seeking innovative approaches to meet the increasing demand for radiological services.

For instance, University Health has integrated AI technology into its MRI processes, launched a mobile MRI unit at the Pavilion, and expanded the scheduling options for outpatient MRIs. Despite these advancements, over 12,000 MRIs were conducted at our facilities last year, with 927 outpatient MRIs still pending scheduling for this month. Additionally, the demand for CT scans has escalated, with more than 24,000 performed last year and 843 outpatient CTs currently awaiting scheduling.

Similarly, CommuniCare and TLI face challenges in providing timely access to essential radiological services, such as MRI and CT scans, which is extremely problematic since neither entity have imaging capability, necessitating referrals to outside radiology providers. These challenges are compounded by the growing demand for these services, which can lead to bottlenecks in patient access and delays in diagnosis and treatment. Both organizations recognize the importance of addressing these issues to ensure that patients receive the timely and effective care they require.

In light of these common challenges, the Parties are actively exploring a full range of innovative strategies and advanced technologies that can help optimize service delivery, reduce wait times, and improve overall efficiencies in delivering diagnostic services. The most promising option is the creation of a joint venture. This proposed joint venture would entail the formation of a non-profit corporation (Newco), which would be jointly owned and represented by all the Parties, with University Health participating through its existing non-profit organization, University Health System Services of Texas, Inc.

Upon its establishment, Newco would then engage the services of a consultant with expertise in the construction and operation of a state-of-the-art diagnostic center. This consultant would be responsible for designing and building the facility, ensuring that it meets the highest standards of safety, efficiency, and patient care as well as fulfilling all licensure and certification requirements. Once the diagnostic center is completed, it would be leased to the Newco at a fair market value rate, with management provided by an independent consultant.

This arrangement would enable the facility to prioritize patient needs, enhances the quality of care as well as significantly reducing wait times for essential diagnostic services. Additionally, the Newco would sublicense University Health's electronic record for a fee along with various other contractual agreements.

The proposed initial cash investment of \$2,998,664 by University Health into this venture would yield a 33.34% level of ownership, with CommuniCare and Texas Liver Institute each having a 33.33% level of ownership. A financial analysis and pro forma has been completed concerning the impacts of future volumes and revenues for this investment and ownership structure that show a positive bottom line for University Health and a return on investment within three (3) years.

This joint venture represents a strategic initiative to address the pressing challenges in healthcare delivery and in particular access to radiology services. By combining resources, expertise, and a commitment to innovation, the involved parties are poised to create a transformative model for diagnostic services that prioritizes efficiency, accessibility, and improved patient outcomes. University Health will supply staffing and the electronic health record sub-licensing for the entity through various agreements. Newco could further serve as a vehicle for other joint ventures and mutually beneficial initiatives for the Parties and the patients they serve.

**RECOMMENDATION:** Staff recommends that the Board of Managers hereby approve University Health's participation in the joint venture with CommuniCare and Texas Liver Institute with an initial investment of \$2,998,664 and further directs the President/Chief Executive Officer to enter into all agreements in support thereof.

**COMMENTS /DISCUSSIONS:** Ms. Rodriguez as how would the ownership be divided and Mr. Banos replied it will be split in three ways in one-third between three partners'. Ms. Watts Davis expressed her gratitude for this joint venture. Dr. Kelley asked what happens in five years if one of the partners wishes to withdraw from the partnership. Serina Rivela stated that the remaining partners have the options for a buy-out, however there are pending details to finalize pending the Board approval. Further discussions ensued.

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

**EVALUATION:** None

**FOLLOW UP:** None

**Consideration and Appropriate Action Regarding the Financial Report for November 2024 — Reed Hurley**

**SUMMARY:** The November 2024 financials showed University Health's consolidated bottom line for the month of November 2024 reflects a gain of \$23.9 million, \$17.2 million better than the budgeted gain of \$6.7 million. This gain to budget is primarily due to patient activity driving positive net patient revenue of \$7.2 million.

In November, clinical activity (as measured by inpatient days) was up by 8.5% and inpatient discharges were higher than budget by 16.1%. Volumes exceeded budget across all key service delivery areas.

Community First experienced a bottom line gain of \$9.8 million, which was \$6.4 million higher than the budgeted gain of \$3.4 million. Community First started participating in the STAR+PLUS Medicaid program in September which increased revenue and expense over prior months.

Consolidated Balance Sheet highlights are as follows:

- Days Revenue in Patient Accounts Receivable: 36.0 days on a budget of 38.0 days.
- The Women's and Children's Hospital and associated projects has a budget of \$838 million, \$781.5 million was paid to date leaving a balance of \$56.4 million. This project will be closed out in December 2024.
- 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 \$202 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 \$42.2 million.
- University Health's Net Asset Value has increased \$338.4 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 November 2024 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.

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

**EVALUATION:** None.

**FOLLOW UP:** None

**Consideration and Appropriate Action Regarding the Financial Report for December 2024 — *Reed Hurley***

**SUMMARY:** The December 2024 financials showed University Health’s consolidated bottom line for the month of December 2024 reflects a gain of \$29.7 million, \$24.9 million better than the budgeted gain of \$4.8 million. This gain to budget is primarily due to patient activity driving positive net patient revenue of \$33.5 million.

In December, clinical activity (as measured by inpatient days) was up by 13.3% and inpatient discharges were higher than budget by 25.3%. Volumes exceeded budget across all key service delivery areas.

Community First experienced a bottom line gain of \$923 thousand, which was \$1.4 million less than the budgeted gain of \$2.3 million. Community First started participating in the STAR+PLUS Medicaid program in September which increased revenue and expense over prior months.

Consolidated Balance Sheet highlights are as follows:

- Days Revenue in Patient Accounts Receivable: 37.0 days on a budget of 38.0 days.
- The Women’s and Children’s Hospital and associated projects had a budget of \$838 million, \$782.5 million was paid to date leaving a balance of \$55.4 million. This project was closed out in December and unused funds were returned to the Future Capital Needs account.
- 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 \$238 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 \$92.7 million.
- University Health’s Net Asset Value has increased \$372.3 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 December 2024 Financial Report subject to audit

**COMMENTS /DISCUSSIONS:** Dr. Cohen asked for an explanation regarding the payor mix, is more money coming in or are we losing money. Reed Hurley offered an explanation and further discussions ensued on related budget items. 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.

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

**EVALUATION:** None.

**FOLLOW UP:** None

Mr. Hasslocher took the opportunity to offer our thoughts and prayers to Ms. Rodriguez his condolences on the passing of her mother. Ms. Rodriguez expressed her gratitude for the flowers and prayers.

**Consideration and Appropriate Action Regarding the Evaluation of the Performance and Duties of the President/CEO — *Jimmy Hasslocher, Chair***

**SUMMARY:** Mr. Jimmy Hasslocher requested a motion to table this particular subject

**RECOMMENDATION:** This items is being tabled as this time. No action needed at this time.

**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

**Presentations and Education:**

**Trauma-Informed Care and Level 1 Certification — *Bryan Alsip, M.D./Sarah Sebtou***

**SUMMARY:** University Health's mission specifically includes the purpose of improving the good health of our community through high quality and compassionate care. When residents of Bexar County walk through our doors, they are often already seeking treatment for a medical condition or injury; however, part of providing high quality care is recognizing our role in preventing these health conditions from occurring in the first place. This involves considering the impact of non-medical drivers of health and our patients' life experience in our approach to care. By leading with compassion, we invite patients to share a complete picture of their lives with us, including the difficult, traumatic experiences they may have faced. As the premier Level I Trauma center for adults and children in South Texas, University Health has long been in the business of treating physical trauma. However, we know that trauma is not only experienced physically, but also emotionally, psychologically, and even across generations. The Substance Abuse and Mental Health Services Administration defines trauma as "an event, series of events, or set of circumstances experienced by an individual as physically or emotionally harmful or life-threatening with lasting adverse effects on the individual's functioning and mental, physical, social, emotional, or spiritual well-being." When a trauma occurs, it affects an individual's sense of self, their surroundings, and how and where they seek help.

A trauma-informed approach, often referred to as Trauma-Informed Care (TIC), recognizes that trauma exists and that it has a negative impact on children, youth, and adults. In Bexar County, University Health's Institute for Trauma-Informed Care is committed to training organizations in the community to become trauma-informed by meeting the qualifications for local certification outlined by the Ecumenical Center for Education, Counseling, and Health.

Over the past five years, major health systems across the country have recognized University Health as a pioneer of Trauma-Informed Care in the healthcare sector, and have reached out for guidance on starting their own journeys. Upon earning our Level 1 certification, University Health received local, state, and national attention. Therefore, we intend to publish scholarly articles on our trauma-informed journey in the near future in order to share best practices with other healthcare institutions interested in trauma-informed organizational change. We also plan to collaborate with key stakeholders on the development of national standards for trauma-informed healthcare organizations based off of our work as a model for excellence.

University Health officially earned Level 1 Trauma-Informed Certification on October 16, 2024. The local certification process involved two main elements: a desk review and site visits to University Health facilities.

Desk review requirements were broken down into five domains related to Physical & Interpersonal Safety, Transparency & Trustworthiness, Respect & Empowerment, Collaboration & Policy, and Skill Building & Emotional Intelligence.

**BCHD Board of Managers Meeting**

**Tuesday, January 28, 2025**

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In evaluating these requirements more closely, we found that they mirrored the five key principles as well as elements of the ten key development areas set out by ITTIC, allowing for a smooth transition into the submission process. A thorough compilation of more than 300 documents was submitted by University Health in support of 111 trauma-informed care requirements. As the local certifying entity, the Ecumenical Center completed four site visits representative of all types of University Health facilities: inpatient, ambulatory, and business. Site visits included meetings with high-level leadership at each location, tours of the facility, and in-depth discussions with Trauma-Informed Care Advocates.

On December 2<sup>nd</sup>, 2024, University Health formally celebrated this achievement and received our certification plaque. University Health is now the very first major health system to officially be designated as a trauma-informed organization and is the largest organization to achieve this certification in Bexar County. While our certification says a lot about our organizational commitment to Trauma-Informed Care, the work does not end here, it does continue.

**RECOMMENDATION:** This report was presented for informational purposes only. No action needed at this time.

**COMMENTS /DISCUSSIONS:** Mr. Hasslocher expressed his gratitude and thanked Sara Sebtton for a very informative presentation and thanked Dr. Alsip as well.

**ACTION:** No action needed at this time.

**EVALUATION:** None.


**FOLLOW UP:** None

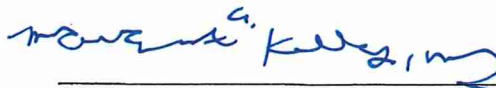
**Information Only Items:**


- A. Update on the 89th Texas Legislative Session — *Andrew Smith*
- B. Update on the Community Hospitals — *Don Ryden*
- C. University Health Foundation Update — *Sara Alger*
- D. Report on Recent Recognitions and Upcoming Events — *Leni Kirkman*

**Adjournment:** — *Jimmy Hasslocher, Chair*

There being no further business Mr. Hasslocher adjourned the public meeting at 7:51pm for a closed session.

  
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Jimmy Hasslocher  
Chair, Board of Managers

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

  
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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.



# University Health

## MEETING OF THE BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS CERTIFIED AGENDA

Tuesday, January 28, 2025

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The following is an agenda of a closed meeting of the Board of Managers of the Bexar County Hospital District d/b/a University Health, held pursuant to the Texas Open Meetings Act, TEX. GOV'T CODE § 551.001 et seq. (Vernon 2004).

The Board Chair, Jimmy Hasslocher, announced this meeting closed to the public at 7:51 p.m., on the 28<sup>th</sup> of January 2025 with the following Board members present:

Jimmy Hasslocher, Chair  
Anita L. Fernández, Vice Chair  
Margaret A. Kelley, M.D., Secretary  
David J. Cohen, M.D., Member  
Beverly Watts-Davis, Member  
Melinda Rodriguez, P.T., D.P.T., Member  
Pat Jasso, Member


Also present were Mr. Edward Banos, President/Chief Executive Officer and Serina Rivela, SVP/Chief Legal Officer.

At 8:05 p.m., Mr. Banos, left the meeting.

A closed meeting was held pursuant to TEX. GOV'T CODE, Section 551.074 (Vernon 2004) to evaluate the performance, duties and employment of the President/CEO.

The Board Chair, Jimmy Hasslocher, announced that the closed meeting ended at 8:32 p.m., on the 28th of January 2025.

I certify that this agenda kept pursuant to TEX. GOV'T CODE, §551.103 (Vernon 2004) is a true and correct record of these proceedings.

  
Jimmy Hasslocher  
Board of Managers Chair

The Meeting was reopened at 8:32 p.m.

**SUMMARY:** Mr. Jimmy Hasslocher held the position of Chair for an Ad hoc committee tasked with conducting the annual evaluation of the President/CEO. Alongside Mr. Hasslocher, the committee included Ms. Anita Fernández and Dr. Kelley, who engaged in discussions and sought feedback from all Board members throughout the evaluation process. Additionally, the Ad hoc committee assessed Mr. Banos' performance in relation to the mid-term goals for 2024 and the favorable year-end financial statement. Also reviewed were compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions; the availability of similar services in Texas; and two current compensations surveys prepared by independent firms. The findings of the ad hoc committee have been reviewed and discussed with the full Board of Managers in Executive Session. Both the Ad hoc committee and the Board of Managers are composed entirely of individuals without a conflict of interest with respect to the determination of the compensation to be paid to the President/CEO.

**RECOMMENDATION:** The Ad hoc committee recommends that Mr. Banos' base salary increase to \$945,000.00 annually. In addition, the Ad hoc committee, in recognition of Mr. Banos performance, recommended that Mr. Banos receive a one-time incentive bonus in the amount of \$175,000.00, for a total compensation of \$1,120,000.00 for this year. Based on the detailed analysis the committee has performed, the Ad hoc committee believes that this total compensation level is reasonable.

**ACTION:** After due discussion and consideration, a **MOTION** to increase Mr. Edward Banos' annual salary to \$945,000.00 and a one-time incentive payment in the amount of \$175,000.00 was made by Dr. Kelley on behalf of the Ad-hoc committee, **SECONDED** by Mrs. Beverly Watts-Davis, and **PASSED UNANIMOUSLY** by those Board Members present.

EVALUATION: Mr. Banos graciously accepted the Board recommendation for his total compensation and thanked the Board of Managers for their consideration.

FOLLOW UP: Discussion pertaining to Mr. Banos' 2025 goals will be reviewed and memorialized at a later date.

Adjourned: 8:37 p.m.