



**BEXAR COUNTY HOSPITAL DISTRICT  
BOARD OF MANAGERS**

Tuesday, June 25, 2024  
6:00 pm  
Cypress Room, University Hospital  
4502 Medical Drive  
San Antonio, Texas 78229

**MINUTES**

---

**BOARD MEMBERS PRESENT:**

James R. Adams, Chair  
Jimmy Hasslocher, Vice Chair  
Margaret Kelley, MD, Secretary  
Anita L. Fernandez  
Patricia (Pat) Jasso  
Dianna Burns, MD  
David J. Cohen, MD

**OTHERS PRESENT:**

George B. Hernández, Jr., President/Chief Executive Officer, University Health  
Edward Banos, Executive Vice President/Chief Operating Officer, University Health  
Ted Day, Executive Vice President/Strategic Planning & Business Development, University Health  
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health  
Shelley Kofler, Senior Public Relations Manager, Corporate Communications, University Hospital  
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  
Francisco Cigarroa, Acting Dean, School of Medicine, Professor of Surgery and Director, Alvarez Transplant Center, UT Health SA  
Michael Little, MD, President, Medical/Dental Staff, University Health; and Associate Professor, Department of Anesthesiology, UT Health SA  
Serina Rivela, Vice President / Chief Legal Officer, University Health  
Bill Phillips, Executive Vice President/Chief Information Officer, University Health  
Don Ryden, Vice President/Project, Design & Construction, University Health  
Andrew Smith, Executive Director, Government Relations and Public Policy  
Horacio Vasquez, Executive Director, Supply Chain Management, University Health  
Andrea Casas, Vice President, Chief Human Resources Officer, University Health  
Dr. Bryan Alsip, Executive VP, Chief medical Officer, University Health  
Dr. Juan Garza, Sr. VP, Chief Quality & Health Informatics Officer, University Health  
Brian Freeman, Executive Director, Capital Improvements, University Health  
Elizabeth Allen, Director, External Communications, Corporate Communications, University Health  
Katherine Reyes, Sr. Vice President, Pre-Acute Services, University Health



Dr. Liu is a noted cancer investigator who joined UT Health in 2016 with a \$2 million Cancer Prevention and Research Institute of Texas (CPRIT) Scholar award and is a research member of the Mays Cancer Center. Dr. Liu was recognized by the Mays Cancer Center with having the 2019 Discovery of the Year for his research on endocrine resistance and breast cancer. Dr. Rebecca Wong is leading the Center for Healthy Hispanic Aging who follows 15,000 Hispanics in South Texas and New Mexico for the development of Alzheimer's and Aging Disease. Dr. Cigarroa added that he is excited that Dr. Max Eckmann was formally appointed as the Chairman for the Department of Anesthesia and thanked Mr. Banos and UH Leadership for their participation in the interview process. Dr. Cigarroa added that UT Health is in the last phase of a Neurology Chair. Dr. Little added he is grateful for Dr. Eckmann and the experience coupled with his strengths that he will bring to the department. 700 plus residents came on board and Dr. Little expressed his gratitude for Christopher Copeland and his staff assisting with the on-boarding of the residents and will be ready to start July 1st. Dr. Leverage added that UT Health is continuing the search for another Department Chair as Dr. Carlos Jaen, Professor and Chairman of Family and Community Medicine has announced retirement on January 1, 2025.

Mr. Adams observed how much change and accomplishment have taken place since he joined the Board in 1998 how far we have come with the partnership between University Health and UT Health and thanked both entities.

**Second Quarter Quality Report** — *Bryan Alsip, M.D./Juan Garza, M.D.*

**SUMMARY:** The University Health quality goals include improving publicly reported ratings across multiple healthcare assessment agencies while reducing pay for performance program financial penalties. This Quality Report provides an update on our 2024 quality outcomes and patient safety survey. One of the top priorities for University Health continues to be ensuring high quality patient outcomes and the sustainment of our Leapfrog Hospital Safety Grade of "A."

Having achieved our second consecutive Leapfrog Hospital Safety Grade of "A" for the spring 2024 period, University Health continues to demonstrate top quartile and top decile performance for many healthcare quality and patient safety metrics. Additionally, University Health has had increased our overall Leapfrog Safety Grade scores for four consecutive cycles in a row. Of the twenty-eight tactical quality metrics for 2024 included in our monthly dashboards, currently ten metrics are at target and ten metrics are performing better than baseline, but not yet to our established annual goals.

Quality performance metric highlights through the first four months of 2024 include:

- CLABSI outcomes 24% better than baseline and at target
- CAUTI outcomes 26% better than baseline and at target
- Mortality outcomes 11% better than baseline and at target
- Patient Safety Indicators (PSI) 21% better than baseline and at target
- Near miss reporting rates 29% better than baseline and at target
- Zero Colon surgical site infections
- 4 of the 5 tactical HCAHPS metrics trending positively and better than 2023 baselines

Our sustained quality improvements and positive patient outcomes require maintaining our established process of transparent, consistent, patient-level data reporting and weekly working and monthly leadership accountability meetings that are jointly chaired by University Health staff and UT Health physicians.

Our 2024 survey sought input from all University Health staff and providers as well as House Staff (residents and fellows), and UT Health San Antonio faculty providers. All of the data can be aggregated at the system level and stratified by unit.

Recognizing that feedback from all disciplines and representative sample sizes improves the validity of data, one of our goals was to increase participation across all targeted groups. Not only did we achieve that target, we were able to engage a greater percentage of staff at the system level and within the UT Health cohort.

As University Health grew from 2022 to 2024, our survey population increased by 9.2%, however our survey participation increased by a much larger margin of 24% from 47.9% to 59.4% participation percentage. This represents an increased employee engagement in patient safety and quality.

Similarly, the UT Health San Antonio faculty and House Staff demonstrated 36.7% increase in participation percentage compared to the previous survey. The majority of UT Health participation resulted from a higher participation from the UT Health attending faculty with a 33.6% response rate. We believe this is a direct reflection of UT Health faculty engagement with our quality outcomes across tactical metrics as well as consistent dedication to engage UT Health faculty in risk management, patient safety, infection prevention, and patient experience activities. The UT resident and fellow participation percentage was only 11.2%.

Additionally, we have engaged physicians and nursing leaders that now participate in regular working and leadership accountability meetings similar to what we developed for our priority quality metrics. The working meetings detail the staff-level efforts while the leadership meetings include executive leaders to review overall outcomes and address system-related barriers to success.

Additional efforts in 2024 include a rollout of the iRound tool where unit nursing leaders and key bedside staff round for purpose every day. These rounds focus on identifying early patient wins and opportunities for intervention or service recovery before discharge. Rounding with leadership also reveals opportunities to provide just-in-time education across multiple disciplines who interact with our patients daily to include environmental services, food and nutrition, and pharmacy. The integrated iRound electronic format also encourages staff rounding to enter work orders for facilities directly from the iRound tool. This speeds delivery of maintenance while the patient is in-house and demonstrates our overall commitment to service beyond clinical care.

#### **NEW BUSINESS – CONSENT AGENDA – JIM ADAMS, 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 May 20, 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 June 4, 2024, 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 May 20, 2024 and reviewed proposed revisions to Delineation of Privilege and the Professional Performance Evaluation Report and forms. In its meeting of June 4, 2024, 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 an Appointment to The Center for Health Care Services Board of Trustees** — *Jimmy Hasslocher, Chair, Nominating Committee*

**SUMMARY:** The current Sponsorship Agreement for The Center for Health Care Services (the Center) between Bexar County and the University Health establishes a Center Board composed of nine (9) Trustees. Commissioners Court appoints five (5) Trustees, one appointed by each Court member. The Board of Managers appoints four (4) Trustees. The Sponsorship Agreement staggered the Trustee terms so that only two of the four Health System's appointments are due in any one year.

Shari Hromas has an extensive track record of supporting community initiatives aimed at enhancing mental health and advocating for individuals and families affected by mental illness.

Currently, she holds a position on the Development Board of the Center, where she actively contributes to their philanthropic endeavors within the community. Additionally she serves on the Executive Board of the National Alliance on Mental Illness (NAMI) Greater San Antonio and plays a crucial role in coordinating the NAMI Walk for Mental Illness as well as other donor-centric occasions.

Furthermore, in 2021 she successfully completed the Masters Leadership Program which provided her with comprehensive training for executive board service, positioning her as an ideal candidate to succeed Dr. Usatine on the Center Board. Dr. Usatine has chosen not to seek reappointment due to personal reasons. The Nominating Committee recommends each as an appointment to The Center for Health Care Services Board of Trustees for a two year term beginning July 1, 2024 through June 30, 2026.

**Consideration and Appropriate Action Regarding an Appointment to the Community First Health Plans, Inc. Board of Directors — Jimmy Hasslocher, Chair, Nominating Committee**

**SUMMARY:** The Bylaws of Community First Health Plans, Inc., state that the Board of Managers as the governing body for the sole member of the corporation shall approve the appointment of the Board of Directors to manage the affairs of the corporation. There are seven members on the Board of Directors.

George Hernandez has served as a member of the Board of Directors for his entire 19-year tenure as President/CEO of University Health. His current term on the Community First board expires September 30, 2025. He requests that the Board of Managers appoint Mr. Edward Banos to fill his Board seat effective July 1, 2024. This will assure that the President/CEO of University Health maintain a role in Community First governance after he retires. The Nominating Committee recommends the appointment of Mr. Edward Banos to fill the position left vacant by Mr. George Hernández, Jr., for the remainder of his two-year term.

**Consideration and Appropriate Action Regarding the Reappointment(s) to the University Health Foundation Board of Directors — Jimmy Hasslocher, Chair, Nominating Committee**

**SUMMARY:** The University Health Foundation is a 501(c)(3) charitable organization founded in 1984 to solicit, receive and maintain funds exclusively for the benefit of University Health and the community served through its charitable mission.

The Board of Managers, as the governing body, shall approve appointments to the Board of Directors of the Foundation.

University Health Foundation Board of Directors requests Board of Managers' consideration to renew the term of Janie Barrera, her second term concurrently. The Nominating Committee recommends Board approval to reappoint this member to the University Health Foundation Board of Directors, effective July 1, 2024 through June 30, 2027. Additionally, I would like to share that Foundation Board of Directors have appointed Ed Kelley to the Emeritus Board after nine years of service.

**Consideration and Appropriate Action Regarding the Sale of a 0.1511 Acre Drainage Easement Area located at 4647 Medical Drive to Methodist Healthcare Ministries of South Texas, Inc. — Don Ryden**

**SUMMARY:** University Health currently owns property at 4647 Medical Drive. This location, known as the Medical Center Pavilion, provides various patient services that include Primary Care, Pediatrics, Rehabilitation and ExpressMed Walk-In Care.

Methodist Healthcare Ministries of South Texas, Inc. is in the process of developing a 16 acres parcel adjacent to the Medical Center Pavilion. Their project involves the conversion of an existing platted City of San Antonio (CoSA) drainage right-of-way to a drainage easement. This platted area for drainage will be abandoned and converted to a dedicated drainage easement, thereby not effectively changing the area of land used for drainage and greenbelt purposes. It will allow Methodist Healthcare Ministries of South Texas, Inc. more flexibility in developing other portions of its property. When the drainage plat is abandoned by CoSA, it will convey 0.1511 acres to University Health for its pro-rata portion of this drainage easement/greenbelt. This acreage represents approximately twenty percent of the drainage plat that is being abandoned.

Staff is recommending the sale of this 0.1511 acre parcel to Methodist Healthcare Ministries of South Texas, Inc. The land will continue to be used for drainage easement/greenbelt purposes.

Land value, through inspection and appraisal process, established a \$5,900 sales price for the 0.1511 acre parcel. The 0.1511 acre parcel has a Fair Market Value of \$5,900 as determined by the appraisal firm, Stouffer & Associates.

This sale will dispose of a 0.1511 acre parcel that has not been used by University Health, other than as a required drainage easement/greenbelt. The sale of this parcel will not hinder University Health from continuing the clinical services provided at the Medical Center Pavilion.

**Consideration and Appropriate Action Regarding an Agreement with Humana Insurance Company (through Benefit Source) for Dental Benefit Services — *Andrea Casas***

**SUMMARY:** University Health recommends a three-year contract for Dental Benefit Services through Humana for regular full and part-time staff, house staff, retirees and COBRA participants.

Humana Insurance Company (through Benefit Source) provided the best value for the following reasons:

- (1) Lower premiums
- (2) Discounted fees
- (3) A variety of enhanced plan designs
- (4) Extensive plan implementation support
- (5) Large provider network

Benefit Source was selected as the broker based on the outstanding quality of service they have provided to University Health employees and their responsiveness to administrative needs.

There are currently 1,519 employees, 172 retirees, and 6 COBRA participants enrolled in the HMO dental plan. The contractual value is 100% contributory in nature and is accrued through employee premiums. There is a decrease in monthly premiums and University Health does not incur a cost for this contract.

There are currently 7,110 employees, 585 retirees, and 38 COBRA participants enrolled in the PPO dental plan. The contractual value is 100% contributory in nature and is accrued through employee premiums. There is a decrease in monthly premiums and University Health does not incur a cost for this contract.

Overall, participation in this voluntary benefit has increased by 23% over the term of the current contract. Based on current utilization, the HMO dental plan is valued at \$332,544 annually and the PPO dental plan is valued at \$5,453,338 annually. The total amount for the contract over 3 years is valued at \$17,357,646. Humana offers a three-year term period beginning January 1, 2025 and ending December 31, 2027 with a two year rate cap not to exceed 5% and the option to renew thereafter.

**Consideration and Appropriate Action Regarding the following Resolutions for Succession Planning of the President/Chief Executive Officer:**

- (1) **Resolution of the Board of Managers of Bexar County Hospital District Regarding Appointment of a Trust Fund Program Manager for The Broadway Bank Trust Account**

**SUMMARY:** In 1977 University Health entered a Trust Agreement with Bexar County National Bank of San Antonio in which Broadway Bank (Trustee) was appointed Successor Trustee on December 2, 1997.

The purpose of the Trust Agreement was to establish a Trust Fund to provide a professional liability Self-Insurance Program and would cover expenses related to liability protection. Additionally, the Trust Fund was created to fulfill third-party payer requirements concerning liability protection.

The Trust Agreement between University Health and the Trustee requires that the Board of Managers appoint a Program Manager. The Program Manager will supervise activity pertaining to payments and distributions from the Trust Fund in accordance with the Trust Agreement. The Program Manager has the authority to designate agents to act on their behalf. Before assuming any duties, the Program Manager must sign a consent to serve document.

George B. Hernández, Jr. has served as the Program Manager for many years. However, with his upcoming retirement, a new Program Manager needs to be appointed. It is suggested that Edward Banos be appointed upon his transition to the President/Chief Executive Officer which would be in line with previous practice, and the Board of Managers adopt the resolution appointing Mr. Edward Banos as the Program Manager for the Trust Fund effective July 1, 2024.

**(2) Resolution of the Board of Managers of Bexar County Hospital District Regarding Delegation of Authority Related to Depository and Security Agreements with Frost Bank**

**SUMMARY:** University Health and Frost Bank have had a long standing banking relationship. Frost Bank provides depository and trust account services for University Health, in total there are 28 depository accounts and 14 trust accounts at Frost Bank. The Public Funds Investment Act also requires a Security Agreement and Pledge Agreement Form for public entities. These documents were previously approved by the Board of Managers.

The purpose of the attached Resolution is to assign Edward Banos, the incoming President/Chief Executive Officer the authority related to administering the relationship with Frost Bank which is currently held by George B. Hernández, Jr., President/Chief Executive Officer who will retire on July 1, 2024. It is recommended that the Board of Managers adopt the attached resolution effective July 1, 2024, assigning Edward Banos, President/Chief Executive Officer, with the authority to represent and act for University Health in the banking relationship with Frost for the administration of the depository account and its collateral.

**(3) Resolution of the Board of Managers Regarding the Designation of an Authorized Official for the Texas Opioid Abatement Fund Distribution and Related Matters**

**SUMMARY:** The Texas Opioid Abatement Fund Council ("Council"), established in 2021 by the 87th Legislature, is responsible for distributing multi-state opioid settlement funds to communities impacted by the opioid crisis. These funds are derived from settlement agreements resulting from legal action against opioid manufacturers, distributors, and retailers. As per the Texas Government Code, Section 403.508(a) (2), fifteen percent of the opioid settlement funds allocated to the Council are designated for hospital districts.

The Council has established and adopted Rule 34 CFR 16.222 which outlines the administrative, transparency, oversight, and accountability provisions that govern the distribution of settlement funds by the Council and the receipt of these funds by hospital districts.



**BCHD Board of Managers Meeting**

**Tuesday, June 25, 2024**

**Page 9 of 17**

---

Prior to the distribution of funds, each hospital district's governing body must pass a resolution appointing a representative to manage the funding distribution process. They must also ensure that the funds are used for specific allowable purposes outlined in the hospital district settlement funds, in alignment with the Council's established priorities, court orders, settlement agreements.

Given the financial impact of the proposed resolution, it is suggested that Reed Hurley be designated to oversee the distribution of the opioid abatement funding process as well as establishing protocols to ensure that the funding will be used only for approved purposes.

— *George B. Hernández, Jr./Serina Rivela*

**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 May 2024 includes 18 proposed contracts for Board of Managers action. The total requested Board of Managers approval for these 23 contracts is \$49,548,856. Additional Presented contracts during the June 2024 Board of Managers meeting total \$18,827,646 and are considered for approval separate from the Purchasing Consent.

**RECOMMENDATION:** Staff recommends Board of Manager's approval of:  
1) Purchasing Consent Agenda Items; and,  
2) Purchasing Consent Attachment "A" in the amount of \$49,548,853

**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

**Action Items:**

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

**Consideration and Appropriate Action Regarding a Professional Health Care Services and Coverage Agreement with Pediatrix Medical Services, Inc. for Pediatric and Neonatal Surgical Services — *Edward Banos***

**SUMMARY:** University Health and the Pediatric Department of UT Health San Antonio (UT Health) work together to provide pediatric health care services to meet patient demand in Bexar County. Although UT Health provides professional services across numerous specialty areas, there is a need for pediatric surgical support to assist in the diagnosis and treatment of complex pediatric and neonatal surgery patients. Contracting with a third party to cover inpatient and outpatient urgent and elective pediatric surgical cases is critical to the overall success of University Health pediatric program.

## BCHD Board of Managers Meeting

Tuesday, June 25, 2024

Page 10 of 17

---

Currently, UT Health does not have a sufficient number of specialized providers to support pediatric surgical services, and University Health has contracted with Pediatrix Medical Services, Inc. (Pediatrix) to supplement these services.

The current agreement with Pediatrix expires June 30, 2024. University Health leadership, working in conjunction with UT Health Department of Surgery leadership, has determined that it is necessary to enter into a new agreement with Pediatrix to continue providing their specialized services due to our complex pediatric and neonatal surgical patients. This agreement with Pediatrix will ensure that University Health maintains access to the highest quality pediatric and neonatal surgical coverage. Pediatrix is a multi-specialty group practice that has an excellent reputation for providing specialized pediatric surgical services in the community. The cost of this contract is \$650,000 per year for pediatric surgical coverage and \$150,000 per year for neonatal surgical coverage for a total of \$800,000 per year. This is a planned expense and is included in the 2024 operating budget.

**RECOMMENDATION:** Staff recommends Board of Managers' approval to execute the contract with Pediatrix Medical Services, Inc., for specialized pediatric and neonatal surgical services at a cost of \$800,000 for the one-year period ending June 30, 2025.

**COMMENTS /DISCUSSIONS:** Dr. Cohen asked if the Pediatrix will have some kind of faculty position. Mr. Banos stated that they do have Faculty Appointments so they can teach while the practice. Further discussion ensued.

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

**EVALUATION:** None.

**FOLLOW UP:** None

### **Consideration and Appropriate Action Regarding University Health's Acquisition of an Intuitive Ion Robot for University Health — Edward Banos**

**SUMMARY:** Interventional pulmonology is a critical specialty within the pulmonology service line with pulmonologist that specialize in the use of non-surgical and minimally invasive procedures for the diagnosis and treatment of lung cancer, tracheal cancer and other diseases of the respiratory system. Additionally, interventional pulmonology provides services for advanced airway diagnostics, airway therapeutics, and pleural procedures. The current pathway for patients that are suspected to have a malignant nodule of the lung involves multiple appointments to have a CT screening performed, review of the screening CT by several specialists, biopsies, and lastly an intervention after the diagnosis from the biopsies. Some patients may require multiple biopsies prior to the lung cancer diagnosis which can prolong this critical care pathway to necessary intervention.

As of 2023, San Antonio has approximately 125,353 potential high-risk screening patients with a 50% rate of positive lung nodule diagnosis which equates to 62,074 patients. Roughly, 31,951 of these patients live within a 50 mile radius of University Health.

Since 2018, University Health has utilized CT images along with a fluoroscopic navigation system to locate possible lesions, but this technology provides limited views due to the fixed angled catheters that only provide four views which provides a challenge to reach all areas of the lung.

The Intuitive Ion Robotic Assisted Bronchoscopy (RAB) provides shape sensing technology provides precise location, shape, and orientation information by assisting the interventional pulmonologist to easily navigate to all eighteen (18) segments of the lung to include the difficult peripheral lung where more than 70% of cancerous lung nodules may be located. The investment in robotic assisted bronchoscopy will reduce the amount of time and appointments patients must complete in order for interventions to occur once a lung nodule has been detected. In addition, this technology improves the diagnostic yield and may reduce the number of unnecessary biopsies leading to a reduced rate of complication and a decrease for any hospitalizations post intervention due to the ultra-thin maneuverable catheter.

The cost of the Intuitive Ion RAB is a one-time purchase of \$670,000. Based on current volume of 146 a year and a conservative projected volume of another additional 100 cases the estimated reimbursement to University Health will be \$878,712 in the first year. In the San Antonio metropolitan area there are three robots within Methodist Health, one robot at North Central Baptist, and one robot at Veterans Affairs Medical Center. As of 2022, Methodist holds 50% of the market share of lung biopsies with Baptist holding 9.89% and University Health holding 8.21%. The current procedural suites at University Hospital has the space and access to easily integrate this technology into existing suites and would eliminate the need to refer patients to other hospitals within the greater San Antonio area.

**RECOMMENDATION:** Staff recommends the Board of Managers approve University Health Foundation to purchase an Intuitive Ion Robot for an amount not to exceed \$670,000 for use at University Health.

**COMMENTS/DISCUSSIONS:** Dr. Cohen commented on how the robot would be an ideal purchase, however he would like a stipulation be in place to make the robot available to the Cardiothoracic Surgery Service. This is an important procedure and the technology that is equally important to Thoracic Surgeons as is to the Pulmonologist and would like for both departments to have access to this piece of equipment; and to make it “Official” for the access of the equipment. Ms. Jasso asked if the foundation has approved this amount, what is the board’s role? Mr. Banos stated that board still has to approve the Capital Purchase, the funding will be from the Foundation.

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

**EVALUATION:** None.

**FOLLOW UP:** None

**Consideration and Approval for Three-Year Contract with The Eatery Culinary Group — Bill Phillips/Edward Banos**

**SUMMARY:** University Hospital currently provides cafeteria services for employees and visitors in the Women’s & Children’s Hospital Podium. In addition to the main servery, the cafeteria includes three concession stations. Roots Salad Kitchen and YOLO Pizza are operated by a local vendor while the third coffee concession is managed by the University Health Nutrition Services department.

**BCHD Board of Managers Meeting**

**Tuesday, June 25, 2024**

**Page 12 of 17**

---

In an effort to provide additional diverse food options to customers, University Health invited proposals from experienced and qualified firms to operate a food and beverage concession through RFP-224-01-004-SVC for the current concession managed by Nutrition Services.

An evaluation committee comprised of hospital leadership was formed to evaluate the RFP submissions and using a scoring criteria for this award included:

- Vendor experience and qualifications
- Proposed concession plan
- Food service management plan to deliver efficient, affordable, and reliable food service
- Proposed financial plan to track, improve and maintain patient and staff experience, customer services and sales
- Proposed pricing

University Health received two proposals from The Eatery Culinary Group, LLC (ECG) and Luby's Culinary Services. After careful consideration and review, the evaluation committee was to award the concession agreement to ECG. ECG provided University Health with the best overall value with key strengths addressing continuous quality improvement, customer feedback, and presenting customers with popular menu options. Customers will have the ability to choose from a variety of pre-packaged foods, Boba teas, and specialty coffee, and options. ECG will provide their own employees and food inventory to support their concession station. The vendor will provide premium quality products made quickly and efficiently and with environmentally conscious packaging. Performance standards will be measured and tracked during the contract term to assure that the concession provides an outstanding customer experience including:

- Gross monthly and annual sales
- Staff satisfaction based on annual survey responses
- Department of Texas Health Services inspections

This is a revenue-generating lease contract with ECG paying rent to University Health based on a tiered approach of gross sales as detailed below. The estimated annual payment University Health will receive under the agreement is \$50,400, based on the five month sales average of \$42,000 for the current coffee concession.

<b>Tiered Rent</b>	<b>Total Monthly Sales</b>
10% of sales	< \$45K sales
9% of sales	\$45,001 to \$49,999
8.5% of sales	> \$50k sales in month

ECG is a small, local, emerging, women, HUB, minority owned business that is also certified DBE & ACDBE through the South Central Texas Regional Certification Agency (SCTRCA). The workforce composition data is as follows:

**BCHD Board of Managers Meeting**

**Tuesday, June 25, 2024**

**Page 13 of 17**

<b>NON PROFESSIONAL</b>	<b>American Indian</b>	<b>Asian American</b>	<b>African American</b>	<b>Hispanic</b>	<b>White</b>	<b>Other</b>	<b>Total</b>
			6	20	7		33
			18%	61%	21%		100%
<b>PROFESSIONAL</b>	<b>American Indian</b>	<b>Asian American</b>	<b>African American</b>	<b>Hispanic</b>	<b>White</b>	<b>Other</b>	<b>Total</b>
			1	8			9
			11%	89%			100%
<b>TOTAL</b>	<b>American Indian</b>	<b>Asian American</b>	<b>African American</b>	<b>Hispanic</b>	<b>White</b>	<b>Other</b>	<b>TOTAL</b>
			7	28	7		42
			17%	67%	17%		100.0%

**RECOMMENDATION:** Staff recommends the Board of Managers approve a three-year space lease agreement with two one-year renewal options with The Eatery Culinary Group, LLC.

**COMMENTS /DISCUSSIONS:** Mr. Hasslocher asked if we looked at the 6% versus the 8.5%? Currently Luby’s is 5% and the Eatery is starting at 10% and looks like a good profit margin for us. Mr. Hasslocher commented on Bill Phillips return post-surgery. Bill Phillips shared his gratitude to all the staff that cared for him before, during and after his surgery.

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

**EVALUATION:** None.

**FOLLOW UP:** None

**Consideration and Appropriate Action Regarding University Health’s SaludArte: Art of Healing Program Extension into University Health Palo Alto Hospital, University Health Palo Alto Medical Office Building, University Health Retama Hospital, University Health Retama Medical Office Building, University Health Wheatley Clinic and University Health Vida Clinic — Leni Kirkman/Allison Hays Lane**

**SUMMARY:** The University Health *SaludArte: Art of Healing* Design Enhancement/Public Art Program was implemented in 2009 as part of the Capital Improvement Program for University Hospital and the Robert B. Green Campus.

The vision of the program is “To use art to inspire healing, compassion, hope and trust. We aim to reflect the community, improve the experience of our patients and visitors, and communicate our important mission through art and design enhancements, while being good stewards of our financial and natural resources.” Today, these words continue to guide the ongoing growth of the program, as we strive to provide beautiful, welcoming and healing environments for patients, families and staff across every University Health location. The SaludArte team, led by our executive curator Allison Hays-Lane, works closely with the Planning, Design and Construction department to identify and execute design enhancement/public art opportunities across all campuses, and to protect and care for historic documents as well as the valuable assets of the program.

The program incorporates evidence-based design into new construction and renovated areas. There are currently more than 5,500 procured and donated works of art across the organization. The program includes three components: design enhancement, site-specific public art and procured art. Design enhancement involves an artist working with the architects to embellish planned elements of the building or site. Site-specific art is developed and constructed by the artist and located in a designated public space. Art procurement includes two or three-dimensional works that are framed and installed.

University Health is a member of the Texas Public Art Association and the National Organization of Arts in Health. We have received significant local and national acclaim for our success in elevating the traditional health care experience through the use of visual arts and design enhancements, including international CODA works awards for design in health care in 2014 and 2023.

As we move forward with construction of University Health Palo Alto Hospital, University Health Palo Alto Medical Office Building, University Health Retama Hospital, University Health Retama Medical Office Building, University Health Wheatley Clinic and University Health Vida Clinic, ensuring the new spaces match the warmth, comfort and welcoming experience of our other hospitals and clinics is an important priority. The selection of the various components of the *Art of Healing* Program involves a call-for-artists process to include extensive outreach to maximize participation of local artists. We will also engage community groups such as local schools, regional college art programs and local art institutions. A website will facilitate the flow of information to those interested in participating in the program.

Each call will include specific information related to the scope of work, location of proposed project and budget. The Community Hospital and Public Health Steering Committees will review submittals and select works that are consistent with the vision of our program and best meet the identified art opportunity. Following University Health's Corporate Art policy, works presented for consideration will meet established standards for quality, design standards, safety and sustainability.

The Texas Government Code allows political subdivisions to dedicate up to one percent of the cost of a construction project for public art. Given the expertise of our art program team and reputation of our SaludArte program, staff is confident that an allocation of less than one-third of one percent of the estimated construction costs for public art for these six construction projects is sufficient. The total public arts request for approval is an amount not to exceed \$5 million.

This will be sufficient to ensure these new locations meet the standards University Health has established for its built environment and advance the vision of our program. In addition, to the impact on all who will enter these new locations, these investments will directly impact well-known as well as up-and-coming artists, along with the small businesses who frame, fabricate and install these works. Outreach will include at least four presentations to the local artist and SMWVBE communities and offer assistance with the vendor registration process. The *Art of Healing* Program is designed to be a true reflection of the rich culture of the San Antonio community and, as we move forward into this next phase, we will continue to strive for strong SMWVBE artist awareness and participation.

**RECOMMENDATION:** Staff recommends the Board of Managers' approval of a not-to-exceed budget of \$5 million funded from the Board Designated Capital Funds, for the public art program for University Health Palo Alto Hospital, University Health Palo Alto Medical Office Building, University Health Retama Hospital, University Health Retama Medical Office Building, University Health Wheatley Clinic and University Health Vida Clinic.

## BCHD Board of Managers Meeting

Tuesday, June 25, 2024

Page 15 of 17

---

**COMMENTS /DISCUSSIONS:** Allison Lane Hayes along with Leni Kirkman were notified on June 24, 2024 they were notified that Mr. George Hernández will be honored in October with the Texas Society of Architects Cornerstone Award, the highest stated wide Architectural and Design recognition that can be awarded to a Non-Architect. Created in 1999, it is presented to a member of the public in recognition of outstanding contributions that enhance the quality of life, elevating architecture and the arts promoting the value of community and preserving a natural environment. Mr. Adams added comments and appreciation for the presentation.

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

**EVALUATION:** None.

**FOLLOW UP:** None.

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

**SUMMARY:** University Health's consolidated bottom line for the month of May 2024 reflects a gain of \$29.9 million, \$26.8 million better than the budgeted gain of \$3.1 million. This gain to budget is primarily due to patient activity driving positive net patient revenue of \$10.5 million, and higher than budget DSH revenue of \$4.2 million. In May, clinical activity (as measured by inpatient patient days) was up by 11.6% and inpatient discharges were higher than budget by 15.6%. Volumes exceeded budget across all key service delivery areas.

#### **Year to Date Operating Revenue**

- Net patient revenue is over budget \$74.2 million driven by high patient volumes, acuity of inpatient services, and the continued growth of retail pharmacy volumes.
- Supplemental revenue is over budget \$25.1 million due to the deferral of DSH cuts, an unexpected increase in the HARP program for 2024 and the reconciliation payment of FFY 2023 TIPPS.
- Community First premium revenue is under budget \$52.0 million related to lower than budgeted Medicaid membership which was impacted by the State's disenrollment process.

#### **Year to Date Operating Expense**

- Purchased Services are under budget \$21.7 million related to the re-class of year to date maintenance contract expense to lease amortization expense.
- Supplies are over budget \$20.3 million due to \$14.2 million in higher pharmaceuticals expense from the retail pharmacy programs and \$6.2 million in higher medical supplies from the operating room and procedural departments
- Community First claims expense is under budget \$45.3 million primarily driven by the lower than budgeted Medicaid membership.

#### **Year to Date Non-Operating Expense**

- Investment income of \$39.6 million was higher than budget by \$12.8 million.
- An unrealized gain of \$6.6 million was higher than a budgeted zero.

**Consolidated Balance Sheet** (Monthly Financial Report page 3) highlights are as follows:

**BCHD Board of Managers Meeting**

**Tuesday, June 25, 2024**

**Page 16 of 17**

---

- Days Revenue in Patient Accounts Receivable: 36.7 days on a budget of 38.0 days. Improved cash collections and AR cleanup has moved this metric in a positive direction.
- The Women’s and Children’s Hospital and associated projects has a budget of \$838 million, \$773 million has been paid to date leaving a balance of \$65 million. A large portion of the remaining balance is encumbered and expected to be paid on the project.
- The Community Hospitals project with a preliminary budget of \$1.2 billion currently has a reserved cash balance of \$782 million.
- The budget is now being tried-up based on final design development drawings, site conditions, projected workforce shortages in the skilled trades and other inflationary factors. University Health has paid out \$90 million to date on this project.
- Unencumbered funds reserved for future capital needs has a balance of \$17.6 million.
- University Health’s Net Asset Value has increased \$157.4 million year to date on a Generally Accepted Accounting Principles (GAAP) basis including debt service tax revenue and interest expense on bonds.
- Detailed information on Balance Sheet accounts is located on page 7 of the Monthly Financial Report.

**RECOMMENDATION:** Staff’s recommendation to approve the May 2024 Financial Report as presented to the Board of Managers subject to Audit.

**COMMENTS /DISCUSSIONS:** Dr. Cohen asked about the rate dropped and the losses? Mr. Reed Hurley provided an explanation. Further discussion ensued. Mr. Hasslocher thank Reed Hurley for his report as we had another good month.

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

**EVALUATION:** None.

**FOLLOW UP:** None

**Presentations and Education:**

**University Health Image, Reputation and Preference Presentation and Discussion — Leni Kirkman**

**SUMMARY:** The vision of University Health, updated in 2018, is to be one of the nation’s most trusted health institutions. It is a big goal that requires a collective commitment to excellence, engagement of our team members in ways that drive loyalty and pride, and strategic investments to inform and educate our community and region about the unique role and value of University Health.

The Bexar County Hospital District, doing business today as University Health, began implementing a comprehensive brand improvement strategy in 2014, following the opening of the Sky Tower at University Hospital.

A strategic health care marketing research firm with extensive experience working with large academic health systems, Lewton, Seekins, Trester worked with our Corporate Communications & Marketing leadership team to conduct a comprehensive brand assessment and develop a set of recommendations.



**BCHD Board of Managers Meeting**

**Tuesday, June 25, 2024**

**Page 17 of 17**

---

At the time, many in the public perceived us as a place that treats only the uninsured. We heard, “The facilities are old and crowded.” “You only go there when you are really, really sick, or badly injured.” “We are lucky to have this in our community, but it’s not for me.”

The broad goal of this plan was, and continues to be, improving University Health’s reputation in support of our strategic decision to “take control of our own destiny” by expanding services across the community, implementing the Epic electronic health records system, recruiting the very best health care team, and constructing warm, welcoming and state-of-the-art facilities.

Leni Thanked Mr. George Hernández for his leadership, his commitment and vision and expressed her gratitude to the Board for their continuous support. Mr. Adams adjourned the meeting at 7:43 pm and opened the floor to the Board Members and staff present to express their gratitude to Mr. Hernández reflecting on his 41 years of service before his retirement on July 1, 2024.

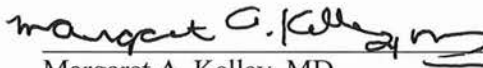
**Information Only Items:**


- A. Annual Report on Learning for Excellence — *Denise Pruett/Andrea Casas*
- B. Update on the Women’s and Children’s Hospital and Associated Projects — *Don Ryden*
- C. Update on the Community Hospitals and Associated Projects — *Don Ryden*
- D. University Health Foundation Update — *Sara Alger*
- E. Report on Recent Recognitions and Upcoming Events — *Leni Kirkman*

**Adjournment:** — *Jim Adams, Chair*

There being no further business Mr. Adams adjourned the public meeting at 7:43pm.

  
James R. Adams  
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.