



**BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

Tuesday, June 30, 2026
6:00 pm
Cypress Room, University Hospital
4502 Medical Drive
San Antonio, Texas 78229

MINUTES

BOARD MEMBERS PRESENT:

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

OTHERS PRESENT:

Edward Banos, President/Chief Executive Officer, University Health
Bill Phillips, Executive Vice President/Chief Operating Officer, University Health
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health
Dr. Bryan Alsip, Executive VP, Chief medical Officer, University Health
Robert Hromas, MD, Dean and Professor of Medicine, UT Health San Antonio
And other staff attendees.

CALL TO ORDER:

Mr. Hasslocher called the Board meeting to order at 6:03pm.

INVOCATION AND PLEDGE OF ALLEGIANCE — Jimmy Hasslocher, Chair

Invocation – John Flores, University Health Chaplain — *Jimmy Hasslocher, Chair*

Mr. Hasslocher led the pledge of allegiance.

PUBLIC COMMENT: Mr. Russ Kaufran signed in, he had no comments, just attending the meeting.

Approval of Minutes of Previous Meeting: June 30, 2026 (Regular Meeting)

SUMMARY: The minutes of the Board meeting of Tuesday, June 30, 2026 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. Watts Davis, **SECONDED** by, Ms. Fernández and **PASSED UNANIMOUSLY**.

EVALUATION: None

FOLLOW UP: None

Report from UT Health San Antonio — Francisco G. Cigarroa, M.D., EVP/Health Affairs and Health System.

SUMMARY: Dr. Cigarroa announced that Dr. Hromas will be ending his tenure as Dean as he transitions at the end of August to a Faculty Professor at UT Health. Dr. Cigarroa is grateful for all the remarkable accomplishments Dr. Hromas has worked on in his role as Dean. Dean Hromas thanked his UT colleagues, UH leadership and the Board of Managers for their support and the collaboration between institutions and, is looking forward to continuing his work on Cancer research in the development of two cancer drugs for sarcoma and the other for thyroid and colon cancer. Dr. Hromas expressed his excitement to being able to provide patient care to those in need and the next phase of his career. Dr. Michael Little congratulated Dr. Hromas and noted that Christopher Copeland and the Professional Staff Services department have on boarded approximately 300 new residents and stated that a good number of them have done either their medical school residency or fellowship here.

Presentation of the Senator Frank Tejada Police Officer of the Year Award — Chief Sherrie King/Edward Banos/Board Members

SUMMARY: This report informs the BCHD Board of Managers that Police Officer Adrian Guerra has been named the 2026 Senator Frank Tejada Police Officer of the Year. The award honors officers demonstrating exceptional achievement and commitment to service. Guerra is recognized for his lifesaving response on March 29, 2026, when he used hostage-negotiation training to calmly engage a 14-year-old in crisis on a fourth-floor parking garage ledge, build trust, and safely guide him away from danger. He then supported and transported the juvenile back to medical care.

NEW BUSINESS:

Consent Agenda — Jimmy Hasslocher, Chair

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

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

Consideration and Appropriate Action Regarding Telemedicine Privileges — Bryan Alsip, M.D.

Consideration and Appropriate Action Regarding Reappointments to the University Health Foundation Board of Directors — *James Hasslocher, Chair, Nominating Committee*

Consideration and Appropriate Action Regarding a Contract with Navia Benefit Solutions for Benefits Administration Services – *Andrea Casas*

Consideration and Appropriate Action Regarding Appointments Contract Staffing & Permanent Placement Agreement with Alliance Recruiting Resources, LLC — *Ted Day*

Consideration and Appropriate Action Regarding an Amendment to the Professional Services Agreement between University Medicine Associates and UT Health San Antonio for Gynecologic Oncology Services and Pediatric Surgical Services — *Monika Kapur, M.D./Edward Banos*

Consideration and Appropriate Action Regarding a Lease Amendment with 3903 Wiseman Blvd LLC to Extend the Women's at Westover Hills Clinic at 3903 Wiseman Blvd, San Antonio, Texas 78251 — *Christa Olvera*

Consideration and Appropriate Action Regarding a Lease Amendment with Huebner I Ltd. to Extend the Deerfield Clinic Lease at 16723 Huebner Road, San Antonio, Texas 78248 — *Christa Olvera*

Consideration and Appropriate Action Regarding the following Community First Health Plans, Inc. Contracts with:

1. Nations Benefits, LLC for a Value-Added Services and Supplement Benefits Platform
2. mPulse for a Member Portal and Mobile Application Solution
3. Baker Tilly US, LLP for Internal Audit Services for Model Audit Rule Compliance

— *Theresa Scepanski*

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

SUMMARY: University Health's Purchasing Consent package consists of new contracts or modifications to existing contracts that require Board of Managers approval. The items are generally supply and third-party service contracts that support routine, day-to-day business operations.

The Consent Agenda is typically approved through one motion and vote; however, the Board may select or pull individual items for separate discussion and action. The package is organized into two sections. "Attachment A" provides the list of each item under consideration by the Board. The subsequent numbered pages correspond to the reference numbers shown in Attachment A and provide supporting details for each proposed contract included in the Purchasing Consent agenda.

University Health's Purchasing Consent attachment for June 2026 includes 16 proposed contracts requiring Board of Managers action. The total approval amount requested for these 16 contracts is \$36,131,198. All other Board of Managers' agenda items and contracts will be addressed and approved separately by the Board.

RECOMMENDATION: Staff recommends Board of Manager's approval of:

- 1) Purchasing Consent Agenda Items; and,
- 2) Purchasing Consent Attachment "A" in the amount of \$36,131,198

COMMENTS /DISCUSSIONS: None

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

EVALUATION: None

FOLLOW UP: None

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

SUMMARY: This Second Quarter Quality Report updates the Bexar County Hospital District Board of Managers on University Health's Spring 2026 Leapfrog Hospital Safety Grade and quality tactical metrics through April 2026. University Health earned its sixth consecutive Leapfrog "A" grade and maintained the national "Straight A" designation, achieved by only 15% of more than 2,400 hospitals reviewed, reflecting sustained excellence in patient safety and clinical quality.

The 2026 Quality Plan tracks 21 tactical metrics across key areas. Strong performance includes mortality outcomes better than baseline and target, zero hospital-acquired injuries, PSI-90 composite better than target, 100% of units meeting Leapfrog hand hygiene observation goals, and several healthcare-associated infection measures at or better than target, including CAUTI, CLABSI, MRSA, and SSI hysterectomy. Sepsis SEP-1 bundle compliance also exceeded target.

Areas still needing improvement include readmissions, failure to rescue, postoperative hemorrhage/hematoma, perioperative DVT/PE, event reporting, unresolved eRAF responses, C. difficile, SSI colon, potentially preventable Emergency Center visits, and potentially preventable inpatient admissions. Ongoing improvement work includes multidisciplinary case reviews, dashboards, leader rounding, physician engagement, documentation clarification, infection-prevention bundle compliance, and focused follow-up processes.

COMMENTS /DISCUSSIONS: Dr. Kelley commented on the outstanding presentation the consistency effort of the presentation and how technology has also helped in obtaining the data. Ms. Watts Davis offered her congratulations on the presentation as well as Mr. Hasslocher added how we provide the best care possible and the hard work of the entire staff.

COMMENTS /DISCUSSIONS: Dr. Cohen had previously experienced a health issue and wanted expressed his gratitude and to publicly thank Drs. Almomani, Harville, Calhoon as well as Dr. Ronald Stewart. He continued to share his appreciation to the entire team that cared for him and for the UH leadership. Dr. Cohen added that state of Texas has great hospitals, but in his opinion, University Health is the number One Hospital in Texas due to the specialty services such as the Women's and Children's, the Trauma Program and Transplant Program. Mr. Banos thanked Dr. Cohen for the kind words and asked the board if the Transplant Program update can be moved up on the agenda.

**Organ Transplant Program Update: Performance, Growth, and Strategic Direction — Patricia Jones/
Dr. Gregory Abrahamian**

SUMMARY: University Health's Transplant Institute continues to advance as a regional and national leader in organ transplantation through strong leadership, sustained growth, expanded access, and strategic investment. Increased referrals, improved operations, outreach efforts, and expanded clinical services have strengthened transplant volumes, referral networks, and the Institute's visibility as a destination transplant center.

Quality remains central, with multiple Center of Excellence designations and patient and graft survival outcomes that meet or exceed national expectations. Growth is also generating positive financial impact through higher volumes, better resource use, increased market share, and investments in robotic surgery and organ preservation. Strategic priorities include access, living donor growth, technology, workforce development, and community outreach across Central and South Texas. No Board action is required.

COMMENTS /DISCUSSIONS: Ms. Watts Davis was fascinated and thankful by the presentation. Dr. Kelley asked about the gastric sleeve. Further discussions ensued.

Action Items:

Consideration and Appropriate Action Regarding Selected Purchasing Items:

Consideration and Appropriate Action Regarding Contracts for Home Health Care Services for CareLink and Unfunded Patients – Michelle Sonnier, MBA, BSN, RN, CCM & Virginia Mika, PhD

SUMMARY: University Health seeks Board approval for contracts with four home health agencies to serve eligible CareLink members and unfunded patients from August 1, 2026, through July 31, 2029, for an amount not to exceed \$11 million. The contracts support discharge planning, patient throughput, reduced length of stay, and expanded hospital capacity. In 2025, about 3,500 adult inpatients transitioned home with home health services; in the first four months of 2026, University Health funded about 1,800 visits for more than 360 patients. Following an RFP with nine respondents, staff recommend four agencies based on experience, quality, services, staffing, and pricing. Services will be reimbursed at 95% of the Medicare Fee Schedule, with up to 7% additional incentive tied to 30-day readmission performance. Quality oversight will include routine meetings and metrics such as readmissions, timely care initiation, and patient satisfaction.

RECOMMENDATION: Staff recommends the Board of Managers approve contracts with the four home health agencies identified in Attachment A for an amount not to exceed \$11,000,000 over a three-year term (August 1, 2026, through July 31, 2029) to serve eligible CareLink members and unfunded patients.

COMMENTS /DISCUSSIONS: Ms. Rodriguez recused herself from voting and discussion of this report.

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 Contract Renewal for Professional Services with UT Health San Antonio School of Dentistry ("Sponsored Care Provider Agreement") — Edward Banos

SUMMARY: University Health is seeking Board approval to renew its Sponsored Care Provider Agreement with UT Health San Antonio School of Dentistry. The agreement has been in place since 2001 and supports access to medically necessary Dental and Oral & Maxillofacial Surgery services for eligible unfunded patients, including Bexar County residents at or below 75% of the federal poverty level, eligible homeless individuals, and inmates or detainees in Bexar County facilities.

The renewal covers services from September 1, 2026 through August 31, 2027, and reimburses UT Health only for eligible professional services not covered by other payer sources, such as the Master Healthcare Services Agreement, CareLink, third-party payers, or patient payments. Reimbursement will remain at 100% of the Medicaid allowable rate. The estimated contract value is \$500,000, or approximately \$250,000 annually, and funding is included in the FY 2026–FY 2027 Operating Budgets. The agreement includes requirements for utilization review, quality improvement, eligibility verification, pre-authorization, credentialing, and board certification. Staff recommends approval because the renewal supports continuity of care, fiscal accountability, access to specialty dental services, and University Health’s strategic priorities of improving access to care and community health.

RECOMMENDATION: Staff recommends approval of the Sponsored Care Provider Agreement with the UT Health San Antonio School of Dentistry for a one-year term beginning September 1, 2026 through August 31, 2027 in the amount not to exceed \$6,800,000.

COMMENTS /DISCUSSIONS: None

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

EVALUATION: None

FOLLOW UP: None

Consideration and Appropriate Action Regarding a Contract Renewal for Professional Services with UT Health San Antonio (“Sponsored Care Provider Agreement”) — *Edward Banos*

SUMMARY: The report requests Board approval to renew the Sponsored Care Provider Agreement with UT Health San Antonio for professional services provided to eligible unfunded patients and eligible Bexar County inmates. The agreement supports medically necessary urgent and emergent care delivered through University Health emergency centers, approved follow-up services, and UT Health clinics. Eligible patients must reside in Bexar County and meet University Health income/resource requirements, currently at or below 75% of the federal poverty level.

The proposed term is September 1, 2026 through August 31, 2027, with an estimated two-year contract value of \$6.8 million, or about \$283,333 per month. Reimbursement will be paid at 65% of the Medicare allowable rate under a fee-for-service model, only for services not covered by other agreements, third-party payers, or patient payment. Funding is included in the 2026–2027 operating budgets. The agreement includes utilization review, eligibility verification, quality oversight, credentialing, board certification, and annual Joint Commission-aligned provider assessments.

RECOMMENDATION: Staff recommends the Board of Managers approval of the Sponsored Care Provider Agreement for a twelve-month period beginning September 1, 2026 to August 31, 2027 with UT Health in the amount of \$6,800,000.

COMMENTS /DISCUSSIONS: None

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

EVALUATION: None

FOLLOW UP: None

Consideration and Appropriate Action Regarding Guaranteed Maximum Price Proposals for Turner/Byrne/Straight Line Management Joint Venture and Layton Construction Company, LLC for the additional build out at the Palo Alto and Retama Community Hospitals and Medical Office Buildings, and the Purchase of Medical Equipment, Technology Equipment, and Furniture from Various Vendors — *Brian Freeman*

SUMMARY: The report requests Board approval for additional shell-space buildouts at University Health Retama and University Health Palo Alto hospitals and MOBs, plus procurement authority for related design, construction, project management, quality assurance, medical equipment, IT, and FF&E. The added scope would expand capacity by finishing Retama Level 2 with 20 med/surg rooms and MOB Level 4 with 8 exam rooms, and Palo Alto Level 5 with 60 med/surg rooms and MOB Level 2 with 16 exam rooms. Staff state the work supports growing demand, underserved communities, patient access, and long-term value while reducing future disruption by installing infrastructure before ceilings close. The original project budget was \$1.58B; \$1.499B has been approved to date. Staff identified \$60.7M in previously approved savings and request an additional \$30.0M, increasing total approved funding to \$1.530B. New funding is \$7.0M for University Health Retama and \$23.1M for University Health Palo Alto. Completion of the added scope is expected in 2028.

RECOMMENDATION: Staff recommends the Board of Managers approve additional funding for Shell Space Buildouts in both the hospitals and medical office buildings and select procurement authority at an amount not to exceed **\$30,013,328**.

COMMENTS /DISCUSSIONS: Dr. Kelley asked what is the differences between the number rooms in each hospital, why is there a discrepancy? There is a window between local and state inspections that will allow adding floors due to the structural beams and piping already in place before adding the ceilings. A year from now there will not be any disruption in patient care in future areas. Projected completion is in 2028. Both buildings are designed for future expansions. Further discussions ensued.

ACTION:	A MOTION to APPROVE staff's recommendation was made by Ms. Jasso, SECONDED by Ms. Fernández, and PASSED UNANIMOUSLY .
EVALUATION:	None
FOLLOW UP:	None

Finance Agenda — *Jimmy Hasslocher, Chair*

Consideration and Appropriate Action Regarding the Financial Report for June 2026 — *Reed Hurley*

SUMMARY: The May 2026 financials showed University Health's consolidated bottom line for the month to reflect a gain of \$6.7 million, \$5.8 million better than the budgeted gain of \$909 thousand. This gain to budget is primarily due to patient activity driving positive net patient revenue increase of \$13.2 million with operating expenses over budget by \$7.4 million.

In May, clinical activity (as measured by inpatient days) was up by 5.9% and inpatient discharges were higher than budget by 9.4%. Volumes exceeded prior year's performance across most key service delivery areas.

Community First experienced a bottom-line gain of \$1.2 million, which was \$2.8 million less than the budgeted gain of \$3.9 million. Community First membership is down 1.4% compared to Budget.

Operating Revenue:

- Net patient revenue is over budget by \$83.2 million driven by high patient volumes, increase in commercial patients and the continued growth of retail pharmacy volumes.
- Supplemental revenue is under budget by \$2.7 million.
- Community First premium revenue was under budget \$1.6 million.

Operating Expense:

- Employee Compensation is over budget by \$75 thousand or 0.1%. This is primarily related to increased clinical volumes.
- Supplies are over budget by \$308 thousand or 0.6% due primarily to increased pharmaceutical expenses related to the Specialty Pharmacy Program growth.
- Community First medical claims expense is over budget by \$1.7 million
- Purchase Services are over budget by \$4.7 million

Non-Operating Expense:

- Investment income of \$30.3 million is over budget by \$1.8 million.
- A net unrealized loss of \$1.6 million has been recorded.

Consolidated Balance Sheet Report:

- Days Revenue in Patient Accounts Receivable: 33.6 days on a budget of 35.0 days.
- The Community Hospitals project has a total expected budget of \$1.58 billion; of which \$1.5 billion in contracts have been approved by the Board of Managers. Total payments of \$963 million have been paid to date leaving \$541 million encumbered. Of the Community Hospital's \$1.58 billion budget, \$1.38 billion in cash and bond proceeds have been funded for the project and additional cash reserves will be allocated over the next two years to fully fund the project.
- The Babcock Specialty Hospital & MOB project has a total expected and approved budget of \$176 million of which \$123.1 million has been spent.
- Unencumbered funds reserved for future capital needs has a negative balance of \$(90.5) million, this account will be replenished after the 2026 Reserve Rebalance.
- University Health's Net Asset Value has increased \$102.7 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 May 2026 Financial Report subject to audit.

COMMENTS /DISCUSSIONS: None

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

EVALUATION: None.

FOLLOW UP: None

Presentations and Education: None

Consideration and Appropriate Action Regarding Reallocation of Reserves — Reed Hurley

SUMMARY: The report requests Board approval to reallocate \$300.1 million in 2025 cash flow reserves under reserve and capital funding policies. Of this, \$28.3 million will increase the Emergency Operating Account to meet the 90-day cash threshold, bringing it to \$604.7 million. The remaining \$271.8 million goes to the Capital Account, including \$74 million to fully fund the current scope of Community Hospitals, \$7.2 million for 2025 Routine Capital, and \$190.6 million for future capital needs. Staff recommends approving the \$74 million appropriation for Community Hospital Projects.

RECOMMENDATION: Staff recommends approval of the reallocation and appropriation of \$74 million from cash flow reserves to fully fund the current scope of the Community Hospital Projects

COMMENTS /DISCUSSIONS: None

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

EVALUATION: None.

FOLLOW UP: None

Presentations and Education: None

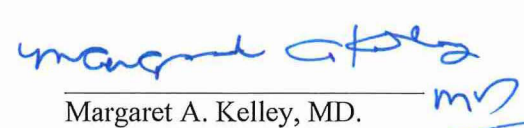
Information Only Items:

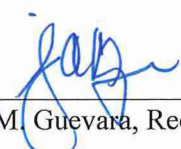
- A. Update on the Community Hospitals — *Brian Freeman*
- B. University Health Monthly Foundation Update — *Sara Alger*
- C. Report on Recent Recognitions and Upcoming Events — *Leni Kirkman*

Adjournment: — *Jimmy Hasslocher, Chair*

There being no further business Mr. Hasslocher adjourned the public meeting at 7:35pm. Executive Session followed.


Jimmy Hasslocher
Chair, Board of Managers


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


Janie M. Guevara, Recording Secretary

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

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

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



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

Tuesday, June 30, 2026

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 30th of June 2026 with the following Board members present:

Jimmy Hasslocher, Chair
Anita L. Fernández, Vice Chair
Margaret A. Kelley, M.D., Secretary
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.

An executive session meeting was held pursuant to Tex. Gov't Code, Section 551.074 to evaluate the mid-year review of the 2026 performance goals and duties of the President/CEO and senior leadership; and

The Board Chair, Jimmy Hasslocher, announced that the closed meeting ended at 8:52 p.m., on the 30th of June 2026.

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