



**BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS**

Tuesday, September 26, 2023
6:00 pm
Cypress Room, University Hospital
4502 Medical Drive
San Antonio, Texas 78249-4493

MINUTES

BOARD MEMBERS PRESENT:

James R. Adams, Chair
Jimmy Hasslocher, Vice Chair
Margaret Kelley, MD, Secretary
Anita L. Fernandez
Pat Jasso
Dianna M. Banks-Burns, MD
David J. Cohen, MD

OTHERS PRESENT:

George B. Hernández, Jr., President/Chief Executive Officer, University Health
Sara Alger, President, University Health Foundation
Edward Banos, Executive Vice President/Chief Operating Officer, University Health
Andrea Casas, Vice President, Chief Human Resources Officer, University Health
Ted Day, Executive Vice President/Strategic Planning & Business Development, University Health
Michelle Garcia, Executive Director, Human Resources, University Health
Michael Gardner, MD, Vice President, Women's & Children's Hospital, University Health
Laura Gilbert, Marketing Director, Corporate Communications, University Health
Carol Huber, Deputy Chief Public Health & Equity Officer, Institute for Public Health, University Health
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health
Leni Kirkman, Executive Vice President/Chief Marketing, Communication, & Corporate Affairs Officer,
University Health
Shelley Kofler, Senior Public Relations Manager, Corporate Communications, University Health
Robert Leverence, MD, Vice Dean for Office of Clinical Affairs & Executive Director, UT Health San
Antonio
Michael Little, MD, President, Medical/Dental Staff, University Health; and Associate Professor,
Department of Anesthesiology, UT Health SA
Leo Lopez, III, MD, Medical Director/Institute for Public Health and School-Based Health, University
Health
Joshua H. Nieto, General Counsel, Chief Compliance/HIPAA Officer, University Health
Katherine Reyes, Senior Vice President, Pre-Acute Services, Robert B. Green Campus
Bill Phillips, Executive Vice President/Chief Information Officer, University Health
Serina Rivela, Vice President/Chief Legal Officer, University Health

Don Ryden, Vice President/Project, Design & Construction, University Health
Travis Smith, Chief Financial Officer/Clinical Operations, University Health
Horacio Vasquez, Executive Director, Supply Chain Management, University Health
Roberto Villarreal, MD, Senior Vice President/Chief Public Health, Innovation & Equity Officer,
University Health
Larry Wallis, Director, Internal Audit Services, University Health
And other attendees.

CALL TO ORDER:

Mr. Adams called the Board meeting to order at 6:01 pm

INVOCATION AND PLEDGE OF ALLEGIANCE — JIM ADAMS, CHAIR

Invocation – Norberto Casas Jr., Our Lady of Guadalupe Parish — *Jim Adams, Chair*

Mr. Adams led the pledge of allegiance.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES OF PREVIOUS MEETING: None at this time

Special Recognition:

Presentation of the Senator Frank Tejada Police Officer of the Year Award
— *Chief Sherrie King/George B. Hernández, Jr./Board Members*

SUMMARY: Chief King gave a brief summary of Police Officer II Jesse Rodriguez who has been named the 2023 Frank Tejada Police Officer of the Year. Officer Rodriguez has been with University Health for twelve years and continuously demonstrates true compassion for those we serve. Police Officer II Rodriguez has dedicated himself over the last 11 years, training 33 police officers, 74% of those officers continue to serve with this department. He educates the new officers on the mission, vision and values of University Health and Bexar County Hospital District PD. In addition to his service as a FTO, Police Officer II Rodriguez serves as Bike Patrol Program Manager, Dept. Photographer in addition to Special Projects such as the Flu Drive, Safety Presentations, Community Youth Mentorship, etc. Congratulations to Police Officer II Jesse Rodriguez.

REPORT FROM UT HEALTH SAN ANTONIO — DEAN ROBERT HROMAS

SUMMARY: Dean Hromas commented on Dr. Manuel Oscos Sanchez was elected President for Society for Adolescent Health. Additionally, Dr. Ronald Stewart was recognized as President of the American Association of the Surgery of Trauma which is the National Trauma Surgery Society a few days ago. They join Dr. Carlayne Jackson who leads the Neurology Society; Dr. John Calhoun past President of the Society of Thoracic Surgeons, the most prestigious Cardiothoracic Surgical Group in the Country and Dr. Marsha Kinney, Pathology Chair, heads the American Society of Clinical Pathologists.

Five Staff Society President's recognized in the last 14 months that all work at University Health and other staff recognized in various state and national levels. Lastly, Dr. Monica Gutierrez, Chair of Rehab Medicine was awarded \$5 million dollar grant to build long term Covid clinics around the city from the Health Resources and Services Administration. Mr. Adams added his appreciation and gratitude for Dr. Stewart's accomplishments and friendship.

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 August 28, 2023 and reviewed the credential files of the individuals listed on the attached Credentials Report and the Professional Performance Evaluation Report. In its meeting of Sept. 5, 2023, the Executive Committee of the Medical- Dental Staff recommends 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 August 28, 2023 and reviewed the credential files of the individuals listed on the attached Credentials Report and the Professional Performance Evaluation Report. In its meeting of Sept. 5, 2023, the Executive Committee of the Medical- Dental Staff recommends approval of the attached Delineation of Privileges and Focused/Ongoing Professional Performance Evaluation Report.

Consideration and Appropriate Action Regarding Renewal of the Agreement with Revive Public Relations, LLC d/b/a Revive Health for Comprehensive Branding and Marketing Consulting Services — *Leni Kirkman*

SUMMARY: In 2020, University Health awarded a contract for comprehensive branding and marketing service to Revive Health following an extensive RFP process. Revive Health, works exclusively in the health care industry and has extensive experience working with academic medical centers and large hospital systems.

As a result of this partnership, as well as our team's leadership during the COVID-19 pandemic, University Health's reputation has grown significantly, according to NRC's Market Insights survey and Target SA. The initial not-to-exceed three-year contract with Revive Health was approved by the Board of Managers on June 30, 2020 for a total of \$2,400,000 (\$800,000 per year).

Given the success of this collaborative relationship, Corporate Communications recommends renewing the contract with Revive Health for an additional three years, for a total three-year funding request not to exceed \$2,100,000 (\$700,000 per year). The decrease in annual spend is because we are no longer utilizing Revive Health for media planning, placement and management services. These services are now being handled by a local media buyer, who lives and works in our community, and has decades of experience and vast knowledge of this media market. That vendor, Prost Media, is also a certified small, woman-owned business.

Workforce Composition Data/Community Outreach Plan:

Non-Professional Workforce	American Indian	Asian American	African American	Hispanic	White	Total
Female Total					3	3
Male Total					2	2
Combined Non-Prof Total						
Professional Workforce	American Indian	Asian American	African American	Hispanic	White	Total
Female Total		3	1	2	45	51
Male Total	1			1	30	32
Combined Prof Total						
Total Workforce	1	3	1	3	80	88

Consideration and Appropriate Action Regarding Renewal of the Professional Services Agreement between University Medicine Associates and Medical Center Cardiology, PLLC d/b/a Cardiology Partners of San Antonio for Outpatient Cardiology Services — *Monika Kapur, M.D./Katherine Reyes*

SUMMARY: Currently, the combined cardiology queue (UMA and UT) is 114 unseen patients with next available appointments of 30 days for new patients and 7 days for follow up visits. Factors contributing to increased cardiology queue volumes have included increased cardiac referrals and increased patient demand due to delayed appointments during the pandemic. Staff is seeking a one-year renewal with Cardiology Partners of San Antonio to reduce the cardiology queue as well as address volume growth.

University Health operates five locations providing cardiac consults. UMA provides professional services at 4 locations: University Hospital, Texas Diabetes Institute, Dominion Crossing and Southeast Clinic. UT Health provides professional services at University Hospital and the Robert B. Green Campus. In 2021, UMA treated 8,419 patients. In 2022, UMA increased the number of treated patients to 8,675. In total, all cardiology consults (UMA and UT) increased from 11,919 to 13,061 or 9.5%. Below is a 2022 comparison of clinic volumes by location:

Cardiology Consult Volumes 2022

	Clinic Visits	Physician FTE	Mid-Level FTE	Total FTE	Visits per FTE
UMA-UH	2784	1.0	0	1.0	2784
UT - UH	1471	0.5	0.5	1.0	1471
UMA-TDI	5891	2.0	1.0	3.0	1964
UT-RBG	2915	1.0	0.9	1.9	1534

When reviewing EPIC Outpatient Clinic Manager for key performance indicators, Cardiology Partners of San Antonio has achieved a green score card for all turnaround times related to response to patient for advice, return of call messages, request for pharmacy refills, providing test results, and achieving schedule utilization of 100%.

Efficiency has been improved by managing acute and chronic cardiac care in the appropriate clinic environment.

Cardiology Partners of San Antonio Workforce Composition:

Cardiology Partners of San Antonio has a total of three employees. The workforce composition data is as follows:

NON PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	
#	0	0	0	0	0	0	0
%	0%	0%	0%	0%	0%	0%	0%
PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	
#	0	2	0	0	1	0	3
%	0%	66.7%	%	0%	33.3%	0%	100%
TOTAL	American Indian	Asian American	African American	Hispanic	White	Other	TOTAL
#		2		0	1	0	3
%	0%	66.7%	0%	0%	33.3%	0%	100%

Consideration and Appropriate Action Regarding Contract with Addison Prime, LLC for the 6th Floor UMA Restroom Buildout at the RBG Campus — *Don Ryden*

SUMMARY: The 6th floor of the Robert B Green – Clinical Service Building has an existing shell space ready for build-out into staff restrooms. The addition of staff restrooms will help reduce the usage of public/patient restrooms and provide additional restrooms to accommodate larger groups utilizing the large conference room and UMA staff.

University Health solicited Request for Proposals (RFCSP-223-06-044-CNST) for Construction Services with five (5) firms responding with corresponding pricing ranging from \$247,210 to \$421,727 and construction schedules, in calendar days, ranging from 60 to 120 days. The submittals, received by the Procurement Services, were evaluated based on the qualification criteria included in the RFCSP. Addison Prime, LLC was selected on the basis of their competitive pricing, proposed schedule, healthcare experience and safety record.

Addison Prime, LLC has a total of 7 employees. The workforce composition data is as follows:

Non—Professional	American Indian	Asian American	African American	Hispanic	White	Subtotal
Female	0	0	0	1	0	1
Male	0	0	0	2	0	2
Non-Professional Total	0	0	0	3	0	3
Professional	American Indian	Asian American	African American	Hispanic	White	Subtotal
Female	0	0	0	1	1	2
Male	0	0	0	2	0	2
Professional Total	0	0	0	3	1	4
	American Indian	Asian American	African American	Hispanic	White	TOTAL
TOTAL	0	0	0	6	1	7
	0%	0%	0%	86%	14%	100%

Consideration and Appropriate Action Regarding Renewal of a Consulting Services Agreement between the University Health Foundation and Accordant — *Sara Alger*

SUMMARY: From 2020 forward, with professional health care philanthropic consultation services provided by our previous contract with Accordant, we have achieved a fundamental change in how philanthropy supports University Health. As we have begun to build appropriate infrastructure internally, we have seen transformative gifts from both past and new donors. Having harvested these donor opportunities for Women’s and Children’s, it is essential that we appropriately steward these gifts to retain these donors for future giving opportunities through meaningful cultivation.

University Health Foundation team recently worked with the Accordant team to conduct a comprehensive four-month planning study. This study provides key insights on how the San Antonio philanthropic community wants to continue to support the strategic priorities of University Health. Continuing to engage the experienced Accordant team, which works exclusively in the health care philanthropy sector, will provide ongoing counsel and development of both the Foundation staff as well as board members.

A vibrant and successful foundation will provide meaningful financial support for University Health priorities. Examples include offsetting costs to purchase new technologies to benefit our patients and endowing positions to bring much-needed specialists to University Health. The contract amount will not exceed \$892,000 plus travel expenses annually. This contract will include four (4) one-year renewal options.

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

SUMMARY: The Purchasing Consent package includes three sections that provide the following information. 1) Attachment A provides a list of each item under consideration by the Board of Managers.

2) The “Summary of Purchasing Activity includes the detail of monthly purchasing activity among vendor categories: SMWVBE, Local, and Not-for-profit; and 3) the subsequent numbered pages follow the reference number in “Attachment A”. These pages provide additional supporting detail for each proposed contract within the Purchasing Consent.

For the month of September 2023 includes 20 proposed contracts for Board of Managers action. Total requested approval for these 20 contracts is \$28,914,602. Additional presented contracts during the September 2023 Board of Managers meeting total \$32,495,753 and are considered for approval separate from the Purchasing Consent.

CONSENT

RECOMMENDATION: Staff recommends approval of the items listed on the Consent Agenda in the amount of \$28,914,602.

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

EVALUATION: None.

FOLLOW UP: None

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

SUMMARY: Dr. Alsip introduced Dr. Juan Garza as he has taken over as the Chief Quality and Health Informatics Officer and continues as our Senior Physician Leader working with the clinicians and the Patients Electronic Health Records. The report was presented by Dr. Alsip for informational purposes only. No action was needed from the Board of Managers. Mr. Hernandez commented that while Epic was an expensive investment it has payed-off tremendously. EPIC went live on July 2020 and has been a definite game changer. Dr. Kelley recognized Dr. Alsip for his leadership and questioned Dell Seton Hospital ranking No. 1? Dr. Alsip gave a brief explanation and offered to get further details for Dr. Kelley. Dr. Kelley asked how is mortality tracked / how expected death statistic is reached. Dr. Alsip gave a brief response based on CMS guidelines. Mr. Hasslocher and Mr. Adams acknowledged Dr. Alsip and his teams’ efforts with their Quality reports.

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

Consideration and Appropriate Action Regarding a Renewal of the Memorandum of Understanding for a Local Match with The Center for Health Care Services for State Fiscal Year 2024 — Sally Taylor, M.D.

SUMMARY: The Center for Health Care Services (“the Center”) is a Community Center for Mental Health and Mental Retardation (the latter is now termed Intellectual and Developmental Disabilities) and provides an array of mental health, intellectual/developmental disability (IDD), and drug/alcohol related treatment services at locations throughout Bexar County. It is the Local Mental Health Authority (LMHA) for Bexar County.

In the late 1990s, Center operations were put under the control of the State Master after a State audit of Center management of State funds. After public hearings, the Center was reorganized and Commissioners Court asked University Health to serve together with Bexar County as one of the Center’s two sponsors.

In May, 2000, Bexar County and University Health jointly executed a Sponsorship Agreement in support of the Center. This Sponsorship Agreement replaced the original 1966 agreement. Changes in State law in 2005 resulted in a change in how IDD services were delivered in Texas. This resulted in the Alamo Area Council of Governments (“AACOG”) assuming the role of the Local IDD Authority and the Center becoming an IDD service provider. The local funding previously provided by University Health to the Center as the Local IDD Authority were thereafter redirected to AACOG. The Board of Managers has four appointments to the Center’s Board of Trustees and one appointment to AACOG’s Board of Directors.

This Memorandum of Understanding (MOU) provides local funding to the Center in accordance with the Sponsorship Agreement and serves as the local governmental commitment necessary for the Center to receive State funding. This MOU renews the agreement that provides payment of a direct monetary contribution as part of the local match requested by HHSC for State Fiscal Year 2024 (SFY24), in furtherance of University Health’s sponsorship commitment. The current renewal covers SFY24, September 1, 2023 – August 31, 2024.

In SFY23, University Health (including both inpatient and outpatient) made 400 direct referrals to the Center, including for 224 patients not currently enrolled in Center services. The University Hospital liaisons completed intakes on 120 patients prior to hospital discharge, provided continuity of care transition for 176 patients, and 46 face-to-face assessments required for transfer of patients to state funded beds.

The Center’s contract with HHSC includes metrics that University Health can utilize to monitor the ongoing quality of services provided. In SFY23, the Center exceeded its state mandated targets for unduplicated individuals served as follows: the target for adults was 6,790 with actual number served of 7,157; the target for children/adolescents was 1,598 with actual number served of 1,629.

Community Outreach Plan/Workforce Composition:

The Center has a total of 1,083 employees. The workforce composition data is as follows:

	Hispanic	White	Black	Asian American	Native American	Native Hawaiian/ Pacific Island	Two or More	Total
Non-Professional	295	127	83	5	5	3	19	537
	27.2%	11.7%	7.7%	0.5%	0.5%	0.3%	1.8%	49.6%
Professional	269	155	84	14	2	0	22	546
	24.8%	14.3%	7.8%	1.3%	0.2%	0.0%	2.0%	50.4%
Total	564	282	167	19	7	3	41	1083
	52.1%	26.0%	15.4%	1.8%	0.7%	0.3%	3.8%	100.0%

RECOMMENDATION: Staff recommends the Board of Managers approve and authorize the President/CEO to execute a Renewal of the Local Match Memorandum of Understanding with The Center for Health Care Services in the amount of \$2,726,050.00 for the Center’s State Fiscal Year 2024 (September 1, 2023 – August 31, 2024), payable quarterly.

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

EVALUATION: None.

FOLLOW UP: None.

Consideration and Appropriate Action Regarding a Renewal of the Memorandum of Understanding for a Local Match with the Alamo Area Council of Governments for State Fiscal Year 2024 — Sally Taylor, M.D.

SUMMARY: This Memorandum of Understanding (MOU) provides for local funding to AACOG in accordance with the Sponsorship Agreement as the local governmental commitment necessary for AACOG to receive state funding as the LIDDA. This MOU does not create an employment relationship, partnership, or joint venture between AACOG, its subcontractors or employees and University Health. This MOU renews the agreement that provides payment of a direct monetary contribution as a local match requested by HHSC for State Fiscal Year 2024 (SFY24), in furtherance of University Health’s sponsorship commitment. This renewal covers SFY24, September 1, 2023 – August 31, 2024.

During SFY23, the in-hospital liaison had 1,121 total contacts (twice that for SFY23) for 244 unique patients. Of these, 67 were already connected with IDD services, 102 received intakes while at University Hospital, 14 declined services, and 61 were ineligible. The liaison also conducted 108 training events for approximately 232 staff members, including training of nursing and medical staff on behavior plans for hospitalized patients. The psychological examiner assessed 31 inpatients, with an average time from request to preliminary report of one day. Of those evaluated, 27 (87%) were determined eligible and referred for community services at discharge.

University Health has determined its level of support for AACOG’s SFY24 as \$315,202.00, payable in four (4) equal installments of \$78,800.50 each quarter beginning September 1, 2023 through August 31, 2024. This amount derives from the HHSC formula based on Bexar County’s per capita income and the level of General Revenue allocation from HHSC to Bexar County for purposes of supporting IDD services, calculated at nine percent (9%) of General Revenue funding for IDD services. The cost of this agreement is included into University Health’s proposed 2024 budget. The new local match amount for SFY24 increases by \$7,117.00 from SFY23.

The planned allocation of University Health’s local match dollars for SFY24 are as follows (percentages are unchanged from SFY23):

1. Intake (44%): includes cognitive testing and evaluation of approximately 300 Bexar County residents to determine eligibility for publically funded services and supports, and for education of community members seeking these services and supports.

2. Forensic Services (25%): includes cognitive testing and evaluation as well as case management for approximately 30 inmates in the Bexar County Adult Detention Center who may be found incompetent to stand trial or have other re-entry needs;
3. University Health In-Hospital Liaison (31%): provides care coordination, discharge planning, and support for patients with complex needs, and training of University Health staff.

Community Outreach Plan/Workforce Composition:

Alamo Area Council of Governments has a total of 330 employees. The workforce composition data is as follows:

	Asian American	African American	Hispanic	Native American	White	Other	Total
NON PROFESSIONAL	0	12	75	2	31	3	123
	0%	10%	61%	2%	25%	3%	100%
PROFESSIONAL	3	34	108	0	59	3	207
	2%	17%	52%	0%	29%	2%	100%
TOTAL	3	46	183	2	90	6	330
	1%	14%	56%	1%	27%	2%	100%

Dr. Cohen asked where these cases are distributed from the jail to UH or State Mental Hospital as in patient or out patients? Dr. Taylor explained that specifically for the Center for Healthcare Services which the local Mental Health Authority, these funds are for the community mental health centers, outpatient in crisis response with numerous mobile teams in San Antonio and these funds may at times be used for these crisis response services. For AACOG, it will be the liaison in the hospital but mostly non-hospital based services, this does not fund the states' living center but may provide funding to AACOG to support group homes or other rehabilitative settings. Ms. Fernandez appreciated the breakdown of the contacts for the liaison, please explain number of decline services vs the eligible services. Due to the community population that still have guardians that do not consent or the patient themselves do not consent for treatment. A discussion continued about the liaisons, the state hospital, contract beds and psychiatric services.

RECOMMENDATION: Staff recommends the Board of Managers approve and authorize the President/CEO to execute a Renewal of the Local Match Memorandum of Understanding with the Alamo Area Council of Governments in the amount of \$315,202.00 for AACOG's State Fiscal Year 2024 (September 1, 2023 – August 31, 2024), payable quarterly.

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

EVALUATION: None.

FOLLOW UP: None.

Consideration and Appropriate Action Regarding a Request for Additional Funding for Tenant Improvement Expenses for the University Health Hearing and Balance Clinic Located at 9618 Huebner, San Antonio, Texas 78240 – Don Ryden

SUMMARY: University Health Hearing & Balance Center is a multidisciplinary group of highly trained and board certified audiologists along with UT Health’s pediatric ENT (Ear Nose and Throat) physicians. Services provided include: physician clinic, auditory brainstem response testing, cochlear implants evaluation and post-surgical care, hearing evaluations, and hearing aids. The Hearing & Balance Center outpatient clinics are located in the Medical Center Pavilion while the ENT services are provided on the third floor of the Rio Tower. These services have been separated due to space limitations from the growth of the audiology volume and the addition of ENT physicians over the past few years. Due to increasing volumes of patient visits for each clinic, the decision was made to co-locate these clinics in a setting off the main hospital campus. The new location is in a medical office building located at 9618 Huebner. The leased premises are approximately 10,777 square foot under a lease agreement with 9618 Huebner Partners, LLC as landlord, with a term of seven (7) years.

By the time the lease agreement was finalized and executed; the design was completed by the landlord’s architect and engineers; and the construction documents were competitively bid by several general contractors; construction costs had risen significantly over the original estimate. Actual construction costs for the total build-out of the shell space were determined to be \$1.9 million. This was an increase over the original estimate of \$324 thousand. This unexpected increase is resulting mainly from the volatile supply chain issues that are prevalent today in the construction industry. (This amount includes a 5% Owner’s Allowance of \$90,000 to address any further unexpected cost increases.)

Accordingly, when the lease agreement and project costs were approved in September 2022, it included the following build-out costs:

Design and Construction Estimate	\$1,589,650
Less: T.I. Allowance	<u>\$ 754,390</u>
Net Design and Construction	<u>\$ 835,260</u>

This \$835 thousand project cost has been funded through the Board Designated Capital Account.

The lease agreement with the landlord (i.e. – 9618 Huebner Partners, LLC) provides for a tenant improvement (T.I.) allowance of \$70 square foot for a total of \$754,390. The revised project costs for design and construction of this space are as follows:

Total Revised Design and Construction	\$1,913,797
Less: T.I. Allowance	<u>\$ 754,390</u>
Sub-total	\$1,159,407

Less: Initial Funding Requested and Approved	<u>\$ 835,260</u>
Revised Net Design and Construction Costs	<u>\$ 324,147</u>

This new clinic located at 9618 Huebner will allow for expanded adult and pediatric hearing and balance services in an appropriate outpatient setting that will result in increased access to care for the community. It is in line with the University Health’s Triple Aim Plus goals and objectives.

A discussion ensued as Dr. Cohen asked in regards to the difference in price for the buildout and who’s responsibility it is to pay the difference. Mr. Ryden explained the preliminary estimate given was based on Generic Space before we had the opportunity to work with their architect and develop our plans. Additional costs are due to the relocation of existing Sound Booths and other equipment. While unable to use the building elevators due to the size of the sound booths not fitting the removal of exterior windows was necessary therefore additional costs would be incurred. Mr. Banos added that when we do site visits for rental space, we may look into building out ourselves. The next phase requires having various contractors placing bids for the construction work, evaluating the bids and selecting the best quality contractor and we would know the price of the project. In this instance, the landlord had raw square footage and provided a Tenant Improvement allowance. Further discussions took place in explaining and understanding the additional costs of the project.

RECOMMENDATION: Staff recommends the Board of Managers approve additional funding of \$324,147 for the clinic build-out project costs at 9618 Huebner to be funded from the Board Designated Capital Account.

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 Appropriation Action Regarding Guaranteed Maximum Price Proposals (GMP #1) for the Community Hospitals Design Assist Subcontractors for the Construction Manager at Risk Agreements with:

- a. Layton Construction Company, LLC at the Retama Site; and
 - b. Turner Byrne Straight Line JV at the Palo Alto Site
- *Don Ryden*

SUMMARY: In December 2022, University Health selected Broaddus & Associates (BA) to provide Owner’s Representative and project management (PM) services for the program as an extension of University Health staff. The Board approved the contract award in January 2023 and BA commenced full PM services in March 2023.

In March 2023, the Board approved University Health’s recommendations for Construction Managers (CMs) to collaborate with the A/E during the design phase and to provide pre-construction services as advisors and estimators.

These CMs will transition into general contractor roles when construction commences. Turner-Byrne-Straight Line (TBS) Joint Venture was assigned as the CM for the Palo Alto site and Layton Construction Company will serve as CM for the Retama site. The CMs contracts were awarded in April 2023. Both CMs have started coordination and collaboration with the A/E and hospital leadership and continue to provide recommendations and solutions as the design phase continues.

The Board approved early infrastructure improvements at Palo Alto in July, and GMP A was executed with TBS Joint Venture to add this work to their Agreement in early August. Work is beginning this month. The total cost of both GMP #1 awards is \$5,073,690 including direct and indirect construction costs and reserves. Funding requirements are summarized below.

Palo Alto Guaranteed Maximum Price (GMP #1) proposal for Palo Alto Construction Manager at Risk Agreement with Turner Byrne Straight Line JV:

TBS prepared GMP #1 following review of the existing design documents and supplemental information from the A/E. The CM's scope of GMP #1 for design assist trade partners for the Project includes:

- Structural Steel Framing and Erection
- Cold Formed Metal Framing
- Elevators
- Pneumatic Tube
- Fire Protection
- Mechanical / Plumbing
- Mechanical / Plumbing Equipment
- Electrical
- Electrical Equipment

The proposed value of TBS GMP #1 is \$3,166,223 and will increase the Construction Cost Limitation (CCL) established in the CM Agreement to include this new work. GMP #1 will be issued to the existing TBS contract per University Health procurement policies increasing the total contract value to \$15,311,947.

Retama: Guaranteed Maximum Price (GMP #1) proposal for Retama Construction Manager at Risk Agreement with Layton:

Layton prepared GMP #1 following review of the existing design documents and supplemental information from the A/E. The CM's scope of GMP #1 for design assist trade partners for the Project includes:

- Structural Steel Framing and Erection
- Interior Prefabricated Panels
- Exterior Prefabricated Panels
- Elevators
- Pneumatic Tube System
- Fire Suppression
- Mechanical
- Electrical

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The proposed value of Layton GMP #1 is \$1,901,467 and will increase the Construction Cost Limitation (CCL) established in the CM Agreement to include this new work. GMP #1 will be issued to the existing Layton contract per University Health procurement policies increasing the total contract value to \$2,791,467.

The workforce composition for TBS includes 45 employees and is as follows:

Category	American Indian/Alaskan Native		Asian/Pacific Islander		African American		Hispanic		White		Other		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Non-Professional	0	0%	0	0%	0	0%	205	61.4%	45	13.5%	0	0%	250	74.9%
Professional	0	0%	2	0.6%	9	2.7%	44	13.2%	29	8.6%	0	0%	84	25.1%
Total	0	0%	2	0.6%	9	2.7%	249	74.6%	74	22.1%	0	0%	334	100%

The workforce composition for Layton includes 41 employees and is as follows:

Category	American Indian/Alaskan Native		Asian/Pacific Islander		African American		Hispanic		White		Other		Total	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Non-Professional	0	0%	1	3%	0	0%	1	2%	3	7%	0	0%	5	12%
Professional	0	0%	0	0%	3	7%	9	22%	24	59%	0	0%	36	88%
Total	0	0%	1	3%	3	7%	10	24%	27	66%	0	0%	41	100%

RECOMMENDATION: Staff recommends the Board of Managers approve the addition of GMP #1 to the CM Agreements with Turner Byrne Straight Line JV and Layton Construction Company, LLC and authorize the President/Chief Executive Officer to execute the following contract actions thereto in amounts not to exceed \$5,067,690:

TBS GMP #1 \$ 3,166,223
Layton GMP #1 \$ 1,901,467

Mr. Ryden gave a brief explanation of the Guaranteed Maximum Price (GMP) to the board.

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.

Consideration and Appropriate Action Regarding an Amendment and Extension to the Professional Services Agreement with Texas Liver Institute, Inc. for Medical Direction, Program Development and Clinical Services in Support of the Liver Disease Programs and University Transplant Center — Edward Banos

SUMMARY: Beginning in 2013, University Health and Texas Liver Institute (TLI) have worked together, in partnership with UT Health San Antonio, to develop a comprehensive Liver Disease Management Program at University Health. The President/CEO of TLI, Dr. Fred Poordad, is a nationally recognized hepatologist and a visionary leader in this field of study. This collaboration has significantly advanced the treatment of liver disease, resulting in significant growth of liver disease patients and potential transplant patients at University Health. This growth has enabled University Health to become the second largest living liver donor center in the United States. Financial support for Medical Direction, Program Development and Clinical services is currently provided by University Health through a Professional Services Agreement with TLI which terminates December 31, 2023.

Under the current Professional Services Agreement, these Hepatology physicians provide expertise in liver tumor management, and experience in organ failure and complex internal medicine regimens. These services are required to be available at all hours every day. In addition, TLI physicians provide medical direction for University Health’s ambulatory Liver Tumor and Fatty Liver Disease Center. This clinic manages all patients with liver disease including pre-transplantation liver disease patients who are not eligible for transplants at the current time. The current annual cost of these professional services is an amount not to exceed \$3,082,386.

The annual cost of the renewal of the Professional Services Agreement is an amount not to exceed \$3,082,386 for the twelve-month period beginning January 1, 2024 and ending December 31, 2024. This is the same annual amount as the current Professional Services Agreement for 2023. These costs have been offset by a corresponding reduction in the annual payments previously made to UT Health San Antonio pursuant to the Master Health Care Services Agreement.

Texas Liver Institute, Inc. has a total of 166 employees. The workforce composition data is as follows:

NON PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	
#	0	3	8	88	24		123
%	0%	1%	7%	72%	20%		100%
PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	
#	0	5	0	23	15		43
%	0%	12%	0%	53%	35%		100%
TOTAL	American Indian	Asian American	African American	Hispanic	White	Other	TOTAL
#	0	8	8	111	39		166
%	0%	5%	5%	67%	23%		100%

RECOMMENDATION: Staff recommends Board of Managers’ approval to renew and extend the Professional Services Agreement for Medical Direction, Program Development and Clinical Services with Texas Liver Institute for a term of twelve-months from January 1, 2024 through December 31, 2024 in an amount not to exceed \$3,082,386.

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

EVALUATION: None.

FOLLOW UP: None.

Consideration and Appropriate Action Regarding an Amendment and Extension to the Professional Services Agreement between University Medicine Associates and UT Health San Antonio for Pediatric Neonatology Services — *Edward Banos*

SUMMARY: The current Agreement expires December 31, 2024. Services provided under the agreement consist of direct patient care rendered to University Health neonatal ICU patients through physicians and advanced practice providers employed by UT Health. UMA currently leases 9.7 board-certified neonatologist FTEs and 9.0 advanced practice provider FTEs to provide neonatal intensive care services, 3.0 neonatologist FTEs to provide hospitalist services and 1.00 FTE for moonlighting (supplemental) support. UMA provides funding for leased provider salaries. Additionally, University Health provides physical space and support staff at no cost to UT Health. UMA bills and collects all professional fees generated by the UT Health providers for neonatology services rendered. The additional funding requested in this Amendment is \$881,028 per year. If approved, the new annual cost of the Professional Services Agreement will increase to an amount not to exceed \$7,016,957. The current cash collections for professional fees are \$4,814,640 per year, an increase of \$1,200,000 over the prior year. This results in a net cost to UMA of approximately \$2,202,317 annually. The net cost to UMA for the prior year was \$2,535,929; a net cost reduction of \$333,612 per year. This Amendment will be in effect from September 1, 2023 through December 31, 2024, making the total additional cost of the Amendment an amount not to exceed \$1,174,704. This is a planned expense and is included in the 2023 and 2024 operating budgets.

UT Health San Antonio has a total of 6,027 employees. The workforce composition data is as follows:

NON PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	Total
	9	67	87	1,383	469	248	2,263
	0%	3%	4%	61%	21%	11%	100 %
PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	
	9	536	135	1,158	1,605	321	3,764
	0%	14%	4%	31%	43%	9%	100 %
TOTAL	American Indian	Asian American	African American	Hispanic	White	Other	TOTAL
	18	603	222	2,541	2,074	569	6,027
	0%	10%	4%	42%	34%	9%	100.0%

RECOMMENDATION: Staff recommends Board of Managers' approval to execute an Amendment to the Professional Services Agreement with UT Health San Antonio to increase the funding for the neonatology providers by an amount not to exceed \$1,174,704 for the sixteen-month period beginning September 1, 2023 and ending December 31, 2024.

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

EVALUATION: None.

FOLLOW UP: None.

Consideration and Appropriate Action Regarding the Financial Report for August 2023 — *Reed Hurley*

SUMMARY: University Health's consolidated bottom line for the month of August 2023 reflects a gain of \$39.0 million, \$42.9 million better than the budgeted loss of \$3.9 million. This gain to budget is primarily due to patient activity driving positive net patient revenue of \$18.4 million, UC revenue of \$9.3 million and investment income of \$5.4 million.

In August, clinical activity (as measured by inpatient patient days) was up by 10.9% and inpatient discharges were higher than budget by 14.4%. Volumes exceeded budget across all key service delivery areas.

Community First experienced a bottom line gain of \$4.0 million, which was \$4.0 million better than the budgeted loss of \$13,000. Community First fully insured membership was down 8.5% to budget, the bottom line gain was driven by lower than expected expenses and a pick-up from interest income.

a. Operating Revenue

Current Month

- Net patient revenue over budget \$18.4 million driven by high patient volumes, acuity of inpatient services and the continued growth of retail pharmacy volumes. Supplemental revenue over budget \$10.1 million for the month of Aug due to FY23 UC and DSH payments exceeding budget. Community First premium revenue was under budget \$7.1 million related to budgeting for additional Health Insurance Exchange (HIE) members that did not materialize.

Year to Date

- Employee compensation is over budget \$42.1 million related to \$12.7 million in pension expense, \$9.5 million in higher incentive pay, \$7.1 million in higher salaries, wages and overtime expense and \$6.9 million temporary labor premium.
- Supplies are over budget \$23.6 million due to \$17.4 million in higher pharmaceuticals expense from the retail pharmacy programs and \$4.8 million in higher medical supplies from the operating room and procedural departments
- Community First claims expense is under budget \$121.6 million primarily driven by the lower than budgeted HIE membership.

Balance Sheet Report

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

- Days Revenue in Patient Accounts Receivable: 34.7 days on a budget of 39.0 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 have a reserved balance of \$205 million. \$20 million was paid out in August, a total of \$665 million has been paid to date. The Community Hospitals project has a reserved balance of \$878 million.

Mr. Hasslocher commented on a very good August month and year that we have had so far. And acknowledge the staffs’ efforts in their hard work.

ACTION: A **MOTION** to **APPROVE** staff’s recommendation was made by Mr. Hasslocher, **SECONDED** by Dr. Kelley, and **PASSED UNANIMOUSLY** subject to Audit.

EVALUATION: None.

FOLLOW UP: None.

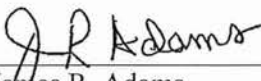
Presentations and Education: None at this time.

Information Only Items – These reports were provided for informational purposes only. No action was required by the Board of Managers.

- A. Update on the Women’s and Children’s Hospital and Associated Projects — *Don Ryden*
- B. Update on the Community Hospitals and Associated Projects — *Don Ryden*
- C. Update on University Health Foundation — *Sara Alger*
- D. 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 7:39pm



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.