



# University Health System

## REGULAR MEETING OF THE BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, May 31, 2011

6:00 p.m.

Board Room, University Center for Community Health  
701 S. Zarzamora  
San Antonio, Texas

### MINUTES

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

James R. Adams, Vice Chair  
Ira Smith, Secretary  
Robert Engberg  
Alex Briseño  
Rebecca Q. Cedillo

#### **BOARD MEMBERS ABSENT:**

Roberto L. Jimenez, M.D., Chair  
Linda Rivas

#### **OTHERS PRESENT:**

George B. Hernández, Jr. President/Chief Executive Officer, University Health System  
Bryan Alsip, M.D., Executive Vice President/Chief Medical Officer, University Health System  
Antonio Arrey, Special Assistant to the President/CEO, University Health System  
Tim Brierty, Chief Executive Officer, University Hospital  
Francine Crockett, Vice President, Supply Chain Management, University Health System  
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System  
Theresa De La Haya, Senior Vice President, Community Health and Clinical Preventive Programs,  
University Health System  
Sergio Farrell, Vice President, Ambulatory Services, University Health System  
Roe Garrett, Vice President/Controller, University Health System  
Greg Gieseeman, President/Chief Executive Officer, Community First Health Plans, Inc., and Vice  
President Managed Care, University Health System  
Francisco Gonzalez-Scorano, M.D., Dean, School of Medicine, UTHSCSA  
Michael Hernandez, Vice President, Legal Services and Risk Management, University Health System  
Sherry Johnson, Vice President/Integrity and Regulatory Services, University Health System  
Gary McWilliams, M.D., Executive Vice President/Chief Ambulatory Services Officer, University Health  
System  
Priti Mody-Bailey, M.D., President/Chief Executive Officer, Community Medicine Associates

Mary Ann Mote, Senior Vice President of Operations/Chief Revenue Officer  
Bill Phillips, Vice President/Chief Information Officer, Information Services, University Health System  
Nancy Ray, Vice President, Chief Nursing Officer, University Health System  
Richard Rodriguez, Vice President, Facilities Management, University Health System  
Theresa Scepanski, Senior Vice President, Organizational and Strategic Development, University Health System  
Andrew Smith, Director, Government Relations, University Health System  
Christann Vasquez, Executive Vice President/Chief Operating Officer, University Health System  
Roberto Villarreal, M.D., Vice President, Community Initiatives, University Health System  
Nicolas Walsh, M.D., President, Medical/Dental Staff, University Health System; and Professor and Chair, Department of Rehabilitation Medicine, UTHSCSA  
And other attendees.

**MEMBERS OF THE PRESS:**

Richard Marini, San Antonio Express News

**CALL TO ORDER AND RECORD OF ATTENDANCE: JIM ADAMS, VICE CHAIR, BOARD OF MANAGERS**

Mr. Adams called the meeting to order at 6:05 p.m.

**INVOCATION AND PLEDGE OF ALLEGEANCE:**

Ms. De La Torre introduced Officer Jesse Trevino for the invocation and Mr. Adams led the pledge of allegiance.

**SPECIAL RECOGNITION OF THE LATE CHUCK RAMIREZ AND HIS ART – MARK WEBB:**

SUMMARY:

In August 2010, local artist Chuck Ramirez was selected through a call for artists and artist selection process associated with the Robert B. Green Design Enhancement Public Art (DEPA) Program. Mr. Ramirez was to provide design enhancement services to various interior spaces of the new Clinical Services Building. Prior to his untimely death in November 2010, Mr. Ramirez had worked closely with Capital Improvement Project (CIP) team members and developed concepts for several interior building spaces. However, these concepts still needed to be finalized for construction.

Following his death, CIP team members were in touch with the Ramirez family regarding the desire to complete the works that Mr. Ramirez had started. A close family friend, Henry Estrada, took the lead in getting the effort started to complete Mr. Ramirez's vision for the project. Working closely with local artist and graphic designer Jill Giles, the pair met with the project team in late November to identify the steps necessary to complete the project and a time frame for completion of those steps to keep in alignment with the design and construction schedule.

During the following months, Mr. Estrada and Ms. Giles gathered a small group of Mr. Ramirez's artist friends to collaborate on the

unfinished aspects of his work. Subsequent to the collaborative efforts, Ms. Giles took the leadership role as the liaison to the design team (RTKL, Overland Partners, and Valla Design) coordinating the building's interior and exterior design elements.

Based on these efforts, Mr. Ramirez's vision will become a reality. The fact that so many of his friends stepped up to complete his work are true testimonials to the deep regard the community has for Chuck Ramirez. Without the assistance of the individuals listed below, it would have been impossible to make this project reflect the vision and art that was and always will be Chuck Ramirez. Staff is grateful of the efforts of the Ramirez family and the many individuals finalizing Mr. Ramirez's design enhancement vision for the new Clinical Services Building: Mike Addkison, Stuart Allen, Andrea Caillouet, Rodolfo Choperena, Henry Estrada, Rick Frederick, Eduardo Garcia, Jill Giles, Allison Hayes Lane, Roberto (Beto) Gonzalez, Scott Lifshutz, Karen Mahaffey, Naomi Shihab Nye, Patty Ortiz, Chris Sauter, Ansen Seale, Debra Sugerman, Anne Wallace, and Vicki Yuan.

Family members of Chuck Ramirez - Charles Ramirez, Lilly Ramirez, and Patricia Marcus, were all present for this special recognition by the Board of Managers.

RECOMMENDATION:	This item was submitted for special recognition by the Board of Managers.
ACTION:	None.
EVALUATION:	None.
FOLLOW-UP:	None.

**CITIZEN PARTICIPATION:**

Employee Helen F. Bruns addressed the Board on behalf of the food services staff at University Hospital. She expressed concern about the contract with Sodexo Healthcare for Nutrition, Vending, and Gift Shop Services that was approved by the Board of Managers on Tuesday, May 24, 2011. She asked the Board to reconsider this action due to the employees' concern for their jobs, low morale, and lack of trust. The food services director is unable to answer any of their questions because she has not been kept informed by administration regarding the Board action and changes that are to take place. She requested an update for the employees and re-iterated the staff's concern with the award of this contract.

Mr. Adams thanked Ms. Bruns and the food services staff for their courage in providing this feedback. He acknowledged that employees deserve full communication and asked Mr. Hernandez to arrange to have them briefed as soon as possible. The Board's goal is clear and open communication and their wish is to be completely transparent regarding these matters.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS OF THE BOARD OF MANAGERS:**

**APRIL 19, 2011 – SPECIAL BOARD MEETING:**

SUMMARY: The minutes of the special Board meeting of April 19, 2011, were submitted for approval by the Board of Managers.  
RECOMMENDATION: Mr. Adams recommended approval of the minutes as submitted.  
ACTION: A **MOTION** for approval of the recommendation was made by Mr. Briseno, **SECONDED** by Mr. Engberg, and **PASSED UNANIMOUSLY**.  
EVALUATION: None.  
FOLLOW-UP: None.

**APRIL 26, 2011 – REGULAR BOARD MEETING:**

SUMMARY: The minutes of the regular Board meeting of April 26, 2011, were submitted for approval by the Board of Managers.  
RECOMMENDATION: Mr. Adams recommended approval of the minutes as submitted.  
ACTION: A **MOTION** for approval of the recommendation was made by Mr. Smith, **SECONDED** by Ms. Cedillo, and **PASSED UNANIMOUSLY**.  
EVALUATION: None.  
FOLLOW-UP: None.

**REPORT FROM THE PRESIDENT OF THE HEALTH SCIENCE CENTER – WILLIAM HENRICH, M.D.:**

SUMMARY Dr. Henrich provided a brief summary of budget implications to the Health Science Center as a result of the 82<sup>nd</sup> legislative session which adjourned on Monday, May, 30, 2011, without a final vote on the state budget. The higher education issues facing all 3,700 colleges around the state were addressed in part by the addition of \$200 million per biennium to approximately 10 health related institutions' budgets. This means that roughly each institution will receive \$20 million for a two year period. The Health Science Center's share is \$10 million, \$8 million for operations and \$2 million for an umbilical stem cell program, the details of which have not been revealed to Dr. Henrich. Before this latest action, the Health Science Center budget was being cut 24% or \$37 million per year. The addition of \$8 million of funding would reduce the cuts to 21%, a significant improvement. The worst budget the Health Science Center has received in the history of its existence was 12.5 % in 2003. Staff is in the process of planning the 2012-13 budget and detailing all of the steps that must be taken to meet this budget shortfall, it will be very difficult to manage these cuts. Another bill of concern to the Health Science Center is the one that would allow guns on campus. This bill did not make it to final vote, thanks to State Representative Mike Villarreal. There are no indications that this bill will be inserted into the special session that commenced this morning. Dr. Henrich will continue to brief the Board on the specific effects of the cuts to the Health Science Center.

Dr. Henrich yielded the floor to Dr. Gonzalez-Scoranno for introduction of the physician leaders present. The opening of the UHS Heart, Vascular and Lung Station at the Medical Arts and Research Center has been set for Friday, July 1, 2011. Dr. Gonzalez stressed his commitment to this signature service line, a great need in our community and the patients we serve. Mr. Adams thanked Drs. Henrich and Gonzalez for their reports.

RECOMMENDATION: This report was provided for information purposes only.

ACTION: None.

EVALUATION: None.

FOLLOW-UP: None.

## **NEW BUSINESS**

### **CONSENT AGENDA – JIM ADAMS:**

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Staff Membership – Nicolas Walsh, M.D., President, Medical/Dental Staff

Consideration and Appropriate Action Regarding Amendments to the Medical-Dental Staff Bylaws—Nicolas Walsh, M.D., President, Medical/Dental Staff

Consideration and Appropriate Action Regarding Appointments to the Board of Directors of the University Health System Foundation—Jim Adams, Chair, Nominating Committee

Consideration and Appropriate Action Regarding Policy No. 2.17, Responsibility for External Health Data Requests - Roberto Villarreal, M.D. Vice President, Community Initiatives and Translational Research

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) - Francine Crockett

RECOMMENDATION: Staff recommends approval of the items listed on consent agenda.

ACTION: A **MOTION** to approve staff's recommendation regarding the items listed on the consent agenda was made by Mr. Smith, **SECONDED** by Mr. Engberg, and **PASSED UNANIMOUSLY**.

EVALUATION: Mr. Adams asked staff to ensure that the details of the rules regarding policy no. 2.17, Responsibility for External Health Data Requests, as they relate to UTHSCSA, clearly articulate how revenues, fees, and ongoing values will be arranged in each case. It is not simply about a fee that will be charged for looking up information it is about ownership of the data.

Mr. Briseno noted what appeared to be a calculation error in the Summary of Purchasing Activities (page 4), in the year-to-date minority column. Assuming that the year- to-date total is inclusive of the items presented today for approval, the total does not add up. Ms. Crockett explained that the year-to-date total does not yet include the items

presented today. The new year-to-date total will appear in next month's summary report.

Mr. Adams confirmed with Dr. Walsh that all changes and amendments to the Bylaws of the Medical/Dental require approval by the Board of Managers. Article XVII, Amendments, states that the Board of Managers will provisionally approve urgent amendments necessary to comply with laws and/or regulations. It does not clearly state that the Board of Managers grants final approval of the Bylaws.

Mr. Adams also asked that future purchase requests for Information Technology items include a clear description of ongoing contracts and/or cost implications for maintenance, software updates, and/or software revisions

FOLLOW-UP: As indicated above.

**ITEMS RELATED TO PLANNING & OPERATIONS – LINDA RIVAS, CHAIR, PLANNING & OPERATIONS COMMITTEE**

**UPDATE ON CAPITAL IMPROVEMENT PROGRAM ACTIVITIES – MARK WEBB**

SUMMARY: Mr. Webb provided a detailed written report regarding CIP activities on both campuses. He reported that a final report on the collapse of the west parking garage was expected to be available at either the August or September Board meeting. He provided a breakdown of GMPs approved to date, and included cost for control estimates, GMP amount, savings from GMPs under contract, and overall savings. This information was provided in response to the Board's request of May 24, 2011.

Aside from one safety incident at the downtown facility that was included in the report, there was a heat-related incident earlier today. No incidents occurred at University Hospital during this reporting period.

Local artist Bill FitzGibbons, who is providing design enhancement work at the downtown facility, was recently selected to serve on the Texas Commission of the Arts as the state's official three-dimensional artist for 2012. Mr. FitzGibbons was selected for the exceptional quality of his work and for his outstanding commitment to the arts in Texas.

There will be 12 CIP company-sponsored interns beginning this summer at UHS. Two date, two former interns have been hired by Perkins+Will and RVK, respectively, as full-time employees after having successfully completed CIP internships. Mr. Webb expects to directly mentor one student this summer.

As follow up to a concern previously raised by Mr. Smith, Mr. Webb reported that he is scheduled to meet with Zachry Vaughn Layton and Barlette Cocke representatives later in the week to discuss opportunities

for small, women, and minority business enterprises, specifically locally owned African American businesses.

RECOMMENDATION: This report was provided for informational purposes only.

ACTION: No action was required by the Board of Managers.

EVALUATION: Mr. Smith requested that design enhancements/public art be tracked as a separate line item on the monthly budget/cost status report. Currently, these expenses are tracked under Architectural/Engineering, Consultants & Other Project Costs.

FOLLOW-UP: As indicated above.

**ITEMS BEING RECOMMENDED BY THE BUDGET AND FINANCE COMMITTEE - ROBERT ENGBERG, CHAIR, BUDGET & FINANCE COMMITTEE**

**SELECTED PURCHASING ITEM**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING CONTRACTS FOR MEDICAL RECORD CODING SERVICES WITH: (1) LAURA SOSA; AND (2) K FORCE HEALTHCARE, INC —MARY ANN MOTE**

SUMMARY: The contracts with Laura Sosa and K Force, Inc., provide medical records coding services by contracted coders to respond quickly to vacancies or increased volumes. These contractors will only be utilized to ensure the timely coding of outpatient accounts which cannot be expeditiously completed by Health System staff. Both contracts are two year contracts for a combined total of \$780,000. This is a planned expense and operating funds have been included in the 2011 Operating Budget. As compared to the previous contract, there is a 68.3% (\$420,000) yearly decrease in cost. This decrease is due to the reduced need for outsourced because seven (7) additional coders were hired internally. Laura Sosa is classified as a local, Small, Woman Owned (SWBE) Business Enterprise; without an Affirmative Action Plan. However, a copy of the company's Equal Employment Opportunity Policy statement was submitted. Laura Sosa has a total of 6 employees. KForce Healthcare, Inc., has an Affirmative Action Plan or Policy in effect, with a total of 2,522 employees. The Workforce Composition Data of both companies was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers approval of the contracts with K Force and Laura Sosa for \$780,000 for a two year period. This does not obligate the Health System to spend the dollars but provides the resources if they are needed.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Mr. Briseno, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH  
CARDON HEALTHCARE NETWORK INC., FOR THIRD PARTY ELIGIBILITY  
SERVICES - MARY ANN MOTE**

- SUMMARY:** Modification #1 exercises the option to renew the contract for third party eligibility services. The contract provides staff at University Hospital and Robert B. Green Campus to assist patients in completing applications for financial assistance (i.e. Medicaid, SSI, Victims of Crime, and University Health System's Charity Program). This is a planned expense and operating funds have been included in the 2011 Operating Budget. The original contract for \$4,509,972 was approved by the Board of Managers in June 2009 and included an option to renew for one additional two-year term; this contract exercises that option. The total value of this contract including Modification #1 is \$8,559,972. The payment for services provided under this contract is based on a contingency fee of 6.75%. It is estimated that the Health System will receive approximately \$30,000,000 per year in Medicaid cash; this level of receipts represents 43% of the Medicaid cash received in Year 2010. Cardon Healthcare Network, Incorporated is classified as a Minority Business Enterprise (MBE) and Historically Underutilized Business (HUB). Cardon Healthcare Network, Inc., has an Affirmative Action Plan or Policy in effect, and a total of 660 employees. The Workforce Composition Data was reviewed with the board.
- RECOMMENDATION:** Staff recommends Board of Managers approval of the option to extend the contract for an additional two year period in the amount of \$4,050,000. Cardon Healthcare is a small, minority-owned, historically underutilized business.
- ACTION:** A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Mr. Briseno, and **PASSED UNANIMOUSLY**.
- EVALUATION:** Board members expressed an interest in knowing the fees charged by other companies that submitted bids for this service. The information was not readily available at the Board meeting because the original bid was awarded in June 2009.
- FOLLOW UP:** None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT FOR  
CONSULTING AND AUDITING SERVICES FOR THE CAPITAL IMPROVEMENT  
PROJECT- SHERRY JOHNSON**

- SUMMARY:** In October 2010, the Health System solicited a Request for Proposals for expert professional service firms capable of providing construction related consulting and auditing services for the University Health System's CIP. An audit of the CIP assures that good stewardship of our limited resources and maximizes the Health System's ability to carryout its mission to the community.

The scope of professional services requested was:

- Front-end review of accounting and facilities procedures a and controls;
- Quarterly industry standard and leading practice construction audits;
- Final audits prior to the release of retainage at 50%, 75% and 100% construction completion;
- Risk advisory and fraud detection services; and
- Supplemental and related construction and accounting consulting services as required during the project

The following six firms provided proposals:

Martinez, Rosario & Company	\$1,901,500
UHY Advisors	\$513,000
ACC Consulting, Inc.	\$756,000
Fort Hill Associates, LLC	\$502,600
Deloitte Financial Advisory Services, LLP	\$868,900
Auspicium, LLC	\$1,160,000

All proposals were initially evaluated by a selection committee comprised of Sherry Johnson, Vice President, Integrity Services; Roe Garrett, Vice President/Controller; Lisa Todd, Director, Financial Accounting; and Diane Salvador, Director, Project Budgeting & Scheduling.

Three firms were selected for further consideration by the Board's Audit Committee:

Deloitte FAS, LLP	\$868,900
Fort Hill Associates, LLC	\$502,600
UHY Advisors	\$513,000

On April 26, 2011 the Audit Committee met and reviewed the three proposals. The Audit Committee tentatively agreed to recommend to the Board of Managers a contract with Deloitte Financial Advisory Services. However, given the expense, the Committee recommended staff obtain a best and final offer regarding the audit cost before this matter is set for Board consideration. Pursuant to policy, the Purchasing Department obtained best and final offers from all three firms.

Deloitte FAS, LLP	\$764,300/\$104,600 reduction
Fort Hill Associates, LLC	\$488,600/\$14,000 reduction
UHY Advisors	\$513,000/\$0 reduction

Deloitte Financial Advisory Services reduced their overall initial bid to \$764,300 (\$254,767 per year). This is a reduction of \$104,600, or 12 percent.

The proposed term of the contract is three years which may be renewed for up to two additional one year terms at the discretion of the Health

System. Pricing will remain firm and fixed throughout the contract term, including the option years.

Deloitte FAS, LLP has also committed to subcontracting at least 10% to a local certified Small, Minority, Woman owned Business Enterprise based on the firm's expertise related to construction auditing.

This is an unbudgeted expense that was not included in the 2011 capital or operating budget. Staff requested approval to pay this expense from the operating budget.

- RECOMMENDATION: Staff recommends approval to use 2011 operating funds for this expense. The item will be budgeted for in subsequent years. The Budget & Finance Committee recommends Board of Managers approval for the selection of Deloitte Financial Advisory Services to provide auditing and consulting services for the Health System's Capital Improvement Project in the amount of \$764,300 for a three year term.
- ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Mr. Briseno, and **PASSED UNANIMOUSLY**.
- EVALUATION: Mr. Briseno asked staff to carefully look at these costs to determine whether or not the expense could be more appropriately funded from reserves, under CIP Non Bond Enhancements.
- FOLLOW UP: Consider allocation of this expense from the Capital Needs Fund.

**REPORT ON ALLOCATION OF RESERVES PURSUANT TO POLICY—PEGGY DEMING**

- SUMMARY: The provisions of policies 7.0504, Reserves, and 7.0502, Funding of Financial Reserves for Capital Expenditures, have been applied based on audited results for calendar year 2010. As a result, staff will transfer \$35.5 million in cash flow reserves to meet the provisions specified. Of the amount of the transfer, \$3.8 million will be transferred to the Emergency Operating Fund to meet the 90 days of cash expenditure level provided for in Section III.G of the Reserves Policy. The remaining \$31.7 million will be transferred to the Capital Needs Fund to address future capital needs as provided in Policy No. 7.0502. The total in the capital needs fund after the transfer is \$198.4 million. Of this amount, \$182.1 million has been committed, leaving an unencumbered balance of \$16.3 million. Staff will prepare a prioritized list of strategic projects representing the highest and best use of the unencumbered balance. This list will be presented to the Board of Managers at a future date and will include descriptions and amounts of those items planning for all ambulatory clinics, as requested by Ms. Cedillo.
- RECOMMENDATION: This report was provided for informational purposes only
- ACTION: No action was required by the Board of Managers.
- EVALUATION: Because there is an unencumbered balance available in the amount of \$16.3 million, Mr. Briseno directed staff to consider paying the first year costs in the amount of \$254,000 for CIP auditing and consulting services from available capital reserves as a non-bond enhancement item. Mr.

Smith and the other Board members agreed that this approach was feasible and joined Mr. Briseno in his direction to the staff.

FOLLOW UP: Mr. Adams asked staff to bring forward both policies related to financial reserves for Board review and updating as necessary. Staff will return with a prioritized list of strategic priorities representing the highest and best use of the unencumbered balance, to include CIP first year auditing costs, and items needed on the ambulatory side as requested by Ms. Cedillo.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING REPORT FOR APRIL 2011 FINANCIAL STATEMENTS – ROE GARRETT AND PEGGY DEMING**

SUMMARY: For the month, activity was down 4.3% for the Clinical Services as measured based on discharged adjusted for outpatient activity). Community First Health Plan (CFHP) fully-insured membership was down 3.8%. From operations, the Health System experienced a gain of \$115,000 which was \$697,000 below the budgeted gain of \$812,000 due to lower operating revenue and lower operating expense. Investment income was below budget by \$67,000 due to lower interest rates than budgeted. An unrealized market gain of \$292,000 was recorded due to a decrease in interest rates as the economy is showing signs of weakness. The bottom line gain in excess of expenses excluding debt service was \$743,000 for the month which was \$472,00 lower than the budgeted gain of \$1.2 million. Included in the above results is CFHP which experienced a \$1.4 million bottom line gain (\$1.2 million better than the budgeted gains of \$195,000). Debt service revenue was \$3.6 million which is equal to the budgeted portion of the debt service payment of \$3.6 million. Notable increases and/or decreases from the consolidated balance sheet were reviewed with the Board.

RECOMMENDATION: Staff recommended acceptance of the financial statements for April 2011, subject to audit.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Mr. Briseno, and **PASSED UNANIMOUSLY**.

EVALUATION: None.

FOLLOW UP: None.

**REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS—LENI KIRKMAN**

SUMMARY: Ms. Kirkman did not attend the Board meeting due to a television commercial shoot that was scheduled in the evening to accommodate patient schedules. She provided a detailed written report on recent recognitions received by the Health System and media highlights as well as upcoming events.

RECOMMENDATION: This report was provided for information purposes only.

ACTION: None.

EVALUATION: Mr. Briseno recounted a recent visit to a restaurant where he was approached by a waiter who had seen his photo in the lobby of University Hospital. The waiter thanked him for the benefits provided to him through the CareLink program, to include financial assistance with the birth of two children. Another waiter at the same restaurant with

other complicated medical issues also thanked him. Mr. Briseno was glad to hear of the television commercial and hopes it communicates to the tax payers of Bexar County the value of the Health System, the CareLink program, and Community First Health Plans.

Mr. Smith expressed an interest in holding a Board strategic planning session this summer before approving the next budget. Board members agreed with the timing in light of the legislative cuts and uncertainty in health care reform. The Board wishes to understand the parameters and collectively has agreed to receive more input on these issues in the next few months. It is also important to review the results comprehensively, for example, some of the cuts at the Health Science Center are bound to have an impact on the Health System.

FOLLOW-UP: None.

**INFORMATION ONLY ITEMS:**

**UPDATE ON THE 82<sup>ND</sup> LEGISLATIVE SESSION – ANDREW SMITH**

**2011 QUARTER 1 SUPPLIER DIVERSITY REPORT—GABRIELA CANALES AND FRANCINE CROCKETT**

SUMMARY: Written reports were provided for each of the information-only items Andrew Smith provided both a written and a detailed verbal report regarding the 82<sup>nd</sup> Regular Legislative Session.

RECOMMENDATION: None.

ACTION: None.

EVALUATION: None.

FOLLOW-UP: None.

**Closed Meeting:**

The public meeting recessed at 7:45 p.m. Mr. Adams announced that a closed meeting would be held pursuant to TEX. GOV'T CODE, Section 551.074 (Vernon 2004) to evaluate the performance, goals and duties of the President/CEO. No action was taken in closed session and the public meeting reconvened at 8:21 p.m.

**ADJOURNMENT:**

There being no further business, Mr. Adams adjourned the public meeting at 8:22 p.m.

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James R. Adams  
Vice Chair, Board of Managers

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Ira Smith  
Secretary, Board of Managers

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Sandra D. Garcia, Recording Secretary