



UNIVERSITY HEALTH SYSTEM

SPECIAL MEETING OF THE BOARD OF MANAGERS

Wednesday, December 1, 2004
Board Room
University Center for Community Health
701 S. Zarzamora

Minutes

BOARD MEMBERS PRESENT:

Robert Jimenez, M.D., Chair
James R. Adams, Vice Chair
Robert Engberg
Mary Beth Williamson
Alexander E. Briseño
Luis Roberto Vera, Jr., J.D.
Ira Smith, Jr.

OTHERS PRESENT:

Jeff Turner, President/Chief Executive Officer, University
Linda Boyer-Owens, Vice President, People & Organizational Development
Francisco Cigarroa, M.D., President, The University of Texas Health Science Center at San Antonio
Theresa DeLaHaya, Vice President, Prevention Services/University Center for Community Health
Peggy Deming, Senior Executive Vice President/Chief Financial Officer, University Health System
Steve Enders, Senior Vice President, Ambulatory Services, University Health System
George B. Hernandez, Jr., Executive Vice President/Assistant Administrator, University Health System
Charles Kight, President/Chief Executive Officer, Community First Health Plans, Inc.
Tony Lobasso, Vice President/Chief Financial Officer, Community First Health Plans, Inc.
Gary McWilliams, M.D., Chief Ambulatory Medical Officer, University Health System
Thomas Peters, Vice President, Military/Government Affairs, University Health System
Richard Rodriguez, Assistant Administrator, University Hospital
Greg Rufe, Administrator, University Hospital
Jean R. Setzer, Ph.D., Vice President, Strategic Planning/Corporate Communications/Business Development
John Sparks, M.D., Medical Director, Detention Health Care Services
Rodolfo Urby, M.D, M.P.H., President/CEO, Community Medicine Associates; and Family & Community Medicine, UTHSCSA
And other attendees.

MEMBERS OF THE PRESS:

Nicole Foy, Medical Writer, San Antonio Express-News

CALL TO ORDER:

Dr. Jimenez called the meeting to order at 12:10 p.m.

INVOCATION:

Ira Smith led the invocation and Dr. Jimenez led the pledge of allegiance.

DISCUSSION REGARDING THE NATIONAL SEARCH FOR A PRESIDENT/CHIEF EXECUTIVE OFFICER – ROBERT JIMENEZ, M.D.

Dr. Jimenez yielded the floor to Mr. Adams for a brief explanation of the CEO search process. Mr. Adams was appointed to chair the three-member Search Committee, with Luis Vera and Ira Smith. The committee has met on 7 to 9 occasions and has had numerous telephone conferences. DHR International, one of the best health care executive search firms was engaged because our community deserves the best, and our patients and employees have a right to expect quality leadership. Over 100 resumes were received, and the firm specifically reviewed the credentials of 23 qualified applicants from all over the country. This process narrowed the pool to nine applicants, all of whom were interviewed and thoroughly screened by the DHR International. Four out of those nine individuals were selected for interviews by the Search Committee in a half day process each. Every member of the Board of Managers has been kept fully informed of the status of the CEO search throughout the process. This task was taken very seriously and considered to be one of the most important decisions made by this Board. It is consensus of the Board, senior staff as well as the various community leaders that the individual selected must be sensitive to today's stresses in the health care industry.

CLOSED SESSION:

After this explanation, Dr. Jimenez recessed the public meeting at 12:33 p.m., pursuant to Tex. Gov't Code, Section 551.074 (Vernon 1994) to deliberate regarding the appointment, employment, evaluation and duties of the President/CEO, during which no action was taken. The public meeting reconvened at 3:35 p.m.

DISCUSSION AND APPROPRIATE ACTION REGARDING THE NATIONAL SEARCH FOR A PRESIDENT/CHIEF EXECUTIVE OFFICER – DR. JIMENEZ

CONCLUSION: Of the final candidates interviewed, only one had the vast experience necessary to run a complex Health System such as ours. This experience includes working with federally qualified health centers, an HMO, an Air Ambulance Program, various Physician Groups, the CareLink Financial Assistance Program, The Center for Health Care Services on mental health and substance abuse issues, and the Texas Diabetes Institute, all of which are very critical components of the University Health System. Not one other applicant had the knowledge of San

Antonio or rich history with this community, except for the final candidate, George B. Hernandez, Jr.

The Board met with Mr. Hernandez today and extensively reviewed his experience and his credentials, which includes a law degree from one of the top law schools in this country. He is a problem solver and a leader in this community. His past work experience has all been within the City of San Antonio, Bexar County, and the University Health System. The Board of Managers is very impressed with Mr. Hernandez's knowledge of this community and his expert experience, but most importantly, with his compassion and the caring he has demonstrated for the patients we serve. Thanks to Mr. Turner's guidance and nurturing of Mr. Hernandez, the community can feel confident that it will be well served.

RECOMMENDATION: Mr. Vera recommended that Dr. Jimenez appoint a committee of the Board of Managers to begin negotiations of an employment contract with George B. Hernandez, Jr., to become the new President/Chief Executive Officer of the University Health System effective January 1, 2005.

ACTION: A **MOTION** for approval of the recommendation was made by Mr. Vera and **SECONDED** by Mrs. Williamson. **MOTION CARRIED** and **PASSED UNANIMOUSLY**.

EVALUATION: Dr. Jimenez thanked Mr. Adams for sharing his knowledge and providing his wisdom and guiding the Board through this very challenging process. The entire Board appreciates his courtesy, respect, and sensitivity to the issue and all were made to feel very involved in the process. The committee kept Dr. Cigarroa involved in the process as well. Dr. Cigarroa expressed his appreciation in light of the value he and the community place on this partnership. The Board members thanked all involved in this great effort, for providing frank and open feedback.

FOLLOW-UP: Dr. Jimenez will soon appoint a committee to oversee contract negotiations with Mr. Hernandez regarding salary and benefits. Staff will immediately implement the communications plan which includes a press release and employee notice, previously approved by Mr. Adams, and will notify community stakeholders of the Board's decision today. Inquiries from the public regarding the CEO search process will be directed to Dr. Jimenez and/or Mr. Adams.

COMMUNICATIONS

Mr. Turner notified the Board of Managers that the University Health System had been rescheduled to appear before the Bexar County Commissioners Court at a regular session on Tuesday, December 7, 2004, at 9:00 a.m. to present the 2005 capital and operating budgets.

ADJOURNMENT:

There being no further business, the special meeting of the Board of Managers adjourned at 3:48 p.m.

Robert Jimenez, M.D.
Chairman, Board of Managers

Ira Smith
Secretary, Board of Managers

Sandra Garcia, Recording Secretary