

Board of Managers Meeting

[Cypress Conference Room](#)
[First Floor, University Hospital](#)

Tuesday, 6/23/2020

2:00 - 4:00 PM CT

1. Call to Order and Record of Attendance *Presented By: Jim Adams, Chair* (:01)
2. Invocation - Pastor Tom Robinson, Evangelical Lutheran Church in America *Presented By: Jim Adams, Chair* (:03)
3. Pledge of Allegiance *Presented By: Jim Adams, Chair* (:01)
4. Public Comment: (:05)
5. Approval of Minutes of Previous Meetings - Tuesday, May 19, 2020 (Regular Meeting) (:03)
5.19.20 minutes - Page 3
6. New Business: Consent *Presented By: Jim Adams, Chair* (:30)
 - A. Report from the Nominating Committee and Election of the Board of Managers Secretary
Presented By: Robert Engberg, Chair, Nominating Committee
6.23.20 Nominating Committee and Election of Officers - Page 18
 - B. Consideration and Appropriate Action Regarding Re-Appointments to the Board of Trustees of The Center For Health Care Services *Presented By: Robert Engberg*
6.23.20 - CHCS Board Re-appointment of R. Usatine and G. Cigarroa - Page 19
6.23.20 CHCS Graciela Cigarroa Bio - Page 20
6.23.210 CHCS - Richard Usatine Bio - Page 21
 - C. Consideration and Appropriate Action Regarding An Appointment to the Board of Directors of Community First Health Plans, Inc. *Presented By: Robert Engberg*
6.23.20 CFHP Board Appointee - Mayes - Page 22
thomas-c-mayes-jr - Page 23
 - D. Consideration and Appropriate Action Regarding An Appointment to the University Health System Foundation Board of Directors *Presented By: Robert Engberg*
6.23.20 Foundation Board Appointment - Dr. Kelley - Page 24
6.23.20 UHS Founation - Dr margaret-kelley bio - Page 25
7. Action
 - A. Consideration and Appropriate Action Regarding Selected Purchasing Items:
 - (1) Consideration and Appropriate Action Regarding a Lease Amendment with 5282 Medical Dr., LLC for the NW Family Health Center *Presented By: Don Ryden*
6.23.20 Lease Amend with 5282 Medical Dr. LLC for NW Family Health and Women's Health Svs - Page 26
 - (2) Consideration and Appropriate Action Regarding a Lease Agreement with Huebner Commons, Ltd. for the NW Women's Health Center *Presented By: Don Ryden*
6.23.20 Lease Amend - Huebner Commons - Page 30
 - (3) Consideration and Appropriate Action Regarding an Agreement with Deloitte Transactions and Business Analytics, LLP for Consulting and Construction Auditing Services *Presented*

By: Joshua Nieto/Larry Wallis

6.23.20 - Deloitte Audit Services - Page 33

- (4) Consideration and Appropriate Action Regarding a Contract with U.S. Food for Food Distribution Services *Presented By: Jim Willis*

6.23.20 US Foods Contract - Page 37

- (5) Consideration and Appropriate Action Regarding a Professional Services Agreement with Medical Center Cardiology, PLLC d/b/a Cardiology Partners of San Antonio for Outpatient Cardiology Services *Presented By: Jim Willis*

6.23.20 Cardiology Partners of SA - Page 41

- (6) Consideration and Appropriate Action Regarding an Agreement with Pediatrix Medical Services, Inc. for Pediatric and Neonatal Surgical Services *Presented By: Allen Strickland*

6.23.20 Pediatrix Medical Svcs - Page 45

8. Presentations and Education:

None at this time

9. Adjournment *Presented By: James Adams, Chair*

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.

Courtesy Notice: A closed meeting will be held pursuant to TEX. HEALTH & SAFETY CODE, Section 161.032 to evaluate the quality of medical and/or health care services and receive records, information, or reports provided by a medical committee, medical peer review committee, or compliance officer.



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

By Telephone

Tuesday, May 19, 2020

2:00 p.m.

University Hospital
4502 Medical Drive
San Antonio, Texas 78229

MINUTES

BOARD MEMBERS PRESENT:

James R. Adams, Chair
Ira Smith, Vice Chair
Dianna M. Burns, M.D., Secretary
Roberto L. Jimenez, M.D, Immediate Past Chair
Robert Engberg
James C. Hasslocher
Janie Barrera

OTHERS PRESENT:

George B. Hernández, Jr., President/Chief Executive Officer, University Health System
Bryan Alsip, MD, Executive Vice President/Chief Medical Officer, University Health System
Edward Banos, Executive Vice President/Chief Operating Officer, University Health System
Ted Day, Executive Vice President, Strategic Planning and Business Development, University Health System
Rob Hromas, MD, Dean, Long School of Medicine, UT Health, San Antonio
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health System
Bill Phillips, Senior Vice President/Chief Information Officer, Information Services, University Health System
Serina Rivela, Vice President/Chief Legal Officer, University Health System
Rajeev Suri, MD, Professor/Department of Radiology; President, Medical/Dental Staff, University Health System
Michael Roussos, Hospital Administrator, University Hospital
Don Ryden, Vice President/Project, Design, and Construction, University Health System
James Willis, Vice President/Associate Administrator, University Hospital
Chris Clark, Partner, BKD CPAs and Advisors
And other attendees.

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

Mr. Adams called the meeting to order at 2:01 pm. He yielded the floor to the Recording Secretary for the roll call to confirm a quorum. All Board members indicated “present.” Upon confirmation of a quorum, Mr. Adams asked Board members to hold their questions until after each presentation. Voting

today will be conducted by individual roll call to clearly identify each Board member by name and vote. Mr. Adams addressed the audience and noted that while members of the public are not able to ask questions during today's meeting, should any citizen or member of the media have any questions or comments, he asked they be emailed to Public.Relations@uhs-sa.com. This email address is on the Health System's corporate website in the Contact Us section. A staff member will follow up within a day or two.

INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. Adams introduced Ms. Julie Rowe, Spiritual Care Services, University Hospital, for the invocation and he led the Pledge of Allegiance.

PUBLIC COMMENT: None.

SPECIAL RECOGNITION: DIANNA M. BURNS, MD, SECRETARY, BOARD OF MANAGERS; AND MS. JANIE BARRERA, MEMBER, BOARD OF MANAGERS - (JIM ADAMS/GEORGE B. HERNÁNDEZ, JR./BOARD MEMBERS)

SUMMARY: Mr. Adams, Board members, and Mr. Hernández recognized Dr. Burns and Ms. Barrera in appreciation of their outstanding service on the BCHD Board of Managers and their leadership of the University Health System. Both have made enormous and long-lasting impact on the organization. Mr. Hernandez feels that the staff has been blessed with their leadership, especially at this juncture with the Women's & Children's Hospital. On Tuesday, May 12, 2020, Judge Wolff appointed, and Bexar County Commissioners Court approved, two successors to the Board of Managers as their replacements.

RECOMMENDATION: This report was provided for recognition purposes.

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

EVALUATION: Ms. Barrera thanked her Board colleagues and the staff for their remarks. Dr. Burns expressed appreciation for the comradery. She expects great things from her friends on the Board and at the University Health System.

FOLLOW-UP: None.

APPROVAL OF MINUTES OF PREVIOUS MEETING(S): April 21, 2020 (Regular Meeting

SUMMARY: The meeting minutes of Tuesday, April 21, 2020, were submitted for Board approval.

RECOMMENDATION: Staff recommended approval of the minutes as submitted.

ACTION: There being **NO OBJECTION**, the minutes were **APPROVED** as submitted.

EVALUATION: None.

FOLLOW-UP: None.

REPORT FROM UT HEALTH SAN ANTONIO — ROB HROMAS, MD FOR WILLIAM HENRICH, M.D., PRESIDENT

SUMMARY: Dr. Hromas thanked Dr. Burns and Ms. Barrera, their kindness and leadership has been an example for all. He reported that 440 third- and fourth-year medical students will return for clinical rotations and will comply with universal face masking, screening, and daily temperature checks. Two-thirds will be placed at University Hospital, and one-third will be placed at the VA Hospital or Brooke Army Medical Center. Interviews for incoming medical students and residents will be conducted virtually, for the first time ever. Students will start training on how to interview virtually in about one month. The Long School of Medicine's incoming class tied for the highest Medical College Admission Test (MCAT) scores with Baylor College of Medicine in Houston, Texas, according to the American Association of Medical Colleges. The incoming class also had the second highest Grade Point Average (GPA) behind Baylor College of Medicine in the entire state. Virtual commencement ceremonies were held on Sunday, May 17, 2020 with 209 graduates, or 100 percent participation. Dr. Hromas made a virtual speech that was recorded in advance. Both UT Health and the Health System have started ramping up calendar activity by opening up the elective surgery process. He thanked Mr. Roussos for his help in this regard. He reported that the UT Physician Practice had 1,500 outpatient visits the prior day, and can have up to 2,000 visits on a good day. Mr. Gabriel Hernandez, Vice Dean of Finance, will be leaving UT Health San Antonio for UTMB Health in July, where he will serve as Vice President of Finance. Richard Nuttel will serve as interim Vice Dean for Finance at UT Health. Finally, Dr. Hromas stated he was very proud of University Health System and UT Health for jointly leading the city during the COVID-19 pandemic.

RECOMMENDATION: None.
ACTION: None.
EVALUATION: None.
FOLLOW-UP: None.

NEW BUSINESS:

CONSENT AGENDA –JIM ADAMS, CHAIR

CONSIDERATION AND APPROPRIATE ACTION REGARDING MEDICAL-DENTAL STAFF RECOMMENDATIONS FOR STAFF MEMBERSHIP AND DELINEATION OF PRIVILEGES — RAJEEV SURI, M.D., PRESIDENT, MEDICAL/DENTAL STAFF

CONSIDERATION AND APPROPRIATE ACTION TO APPOINT DR. MONICA VERDUZCO-GUTIERREZ AS THE CLINICAL DEPARTMENT CHAIR OF REHABILITATION MEDICINE — RAJEEV SURI, M.D., PRESIDENT, MEDICAL/DENTAL STAFF

CONSIDERATION AND APPROPRIATE ACTION REGARDING AN EXTENSION OF THE AGREEMENT WITH ABM HEALTHCARE SUPPORT SERVICES, INC. FOR MANAGEMENT OF FOOD AND NUTRITIONAL SERVICES AT UNIVERSITY HOSPITAL — JIM WILLIS

CONSIDERATION AND APPROPRIATE ACTION REGARDING AN EXTENSION OF A LEASE AGREEMENT WITH 700LP FOR THE REFUGEE CLINIC LOCATED AT THE WESTSIDE PROFESSIONAL BUILDING, 700 S. ZARZAMORA, SAN ANTONIO, TEXAS 78207 — DON RYDEN

CONSIDERATION AND APPROPRIATE ACTION REGARDING POLICY 9.27, MANAGING THE CARE OF PATIENTS IN THE EMERGENCY DEPARTMENT AWAITING ADMISSION OR OBSERVATION— JUAN GARZA, M.D.

CONSIDERATION AND APPROPRIATE ACTION REGARDING POLICY 7.16, BEXAR COUNTY HOSPITAL DISTRICT PENSION PLAN FUNDING POLICY — REED HURLEY

CONSIDERATION AND APPROPRIATE ACTION REGARDING PURCHASING ACTIVITIES (SEE ATTACHMENT A) — ANTONIO CARRILLO/TRAVIS SMITH

SUMMARY:

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Staff Membership and Delineation of Privileges — Rajeev Suri, M.D., President, Medical/Dental Staff - Monthly Credentials Committee Report (listing of providers in accordance with the Health System's Credentialing and Privileging Process); and Focused/Ongoing Professional Performance Evaluation Reports submitted to the Board of Managers for approval.

Consideration and Appropriate Action to Appoint Dr. Monica Verduzco-Gutierrez as the Clinical Department Chair of Rehabilitation Medicine — Rajeev Suri, M.D., President, Medical/Dental Staff – Pursuant to the Bylaws of the Medical/ Dental Staff, the recommendation of Clinical Department Chair is a joint decision between University Health System and the School of Medicine. The goal is to select the best qualified candidate whose personal qualifications and clinical practice experience can best lead the department's operations, assure high quality care, patient satisfaction and efficiency. All Chairs must be members in good standing of the Active or Provisional Staff at the time of nomination and appointment, and they must remain active members in good standing during their term of office. The Executive Committee of the Medical/Dental Staff recommends approval of Monica Verduzco-Gutierrez, MD, as Clinical Department Chair for the Department of Rehabilitation Medicine.

Consideration and Appropriate Action Regarding an Extension of the Agreement with ABM Healthcare Support Services, Inc. for Management of Food and Nutritional Services at University Hospital — Jim Willis - On February 21, 2017 the Board of Managers approved a contract with ABM Healthcare Support Services to provide management services for the Food and Nutritional Services at University Hospital.

The Board approved an initial three year contract with the option for two (2) one year renewals. The initial three year contract was awarded in the amount of \$962,834 per year with a rate increase of four percent per year for years two through five. Under this agreement, ABM provides University Hospital with seven FTEs of leadership to include Food Service Director, Patient Services Manager, Retail Manager, Clinical Manager, Executive Chef, Patient Services Supervisor, and Production Supervisor. In addition to contracting for leadership FTEs, the contract also includes fees for office operations, administrative support services, and management fees. During the term of this first three year contract, ABM has met all contractual obligations while providing excellent service. Leadership therefore recommends the execution of an extension for both two (2) one year renewal options in the amount of \$2,213,000.

Consideration and Appropriate Action Regarding an Extension of a Lease Agreement with 700LP for the Refugee Clinic located at the Westside Professional Building, 700 S. Zarzamora, San Antonio, Texas 78207 — Don Ryden - On January 30, 2014 the Health System entered into a lease agreement with the owner of Westside Professional Building located at 700 S. Zarzamora, San Antonio, Texas 78207 to provide clinical services for patients through a grant from the U.S. Committee on Refugees and Immigrants. Since January 31, 2017, the United States Committee on Refugee and Immigrants has provided oversight and funding for the state refugee programs from the federal Office of Refugee Resettlement. The Health System has ten (10) one-year renewal options. This is the first renewal term beginning April 1, 2020. The current base rental rate is \$15.50 per sq. ft. or \$3,422.92 per month for an annual cost of \$41,075.04. The lease payments over the renewal term have a 3 percent increase and are as follows:

<u>Time Period</u>	<u>Rent / SF</u>	<u>Monthly Rent</u>	<u>Annual Rent</u>
4/1/20 – 3/31/21	\$15.86	\$3,502.00	\$42,024.00

This is a planned expense and funding has been included in 2020 Annual Operating Budget and is expensed through the USCRI grant contract 2020-BEXTX-04. Staff recommends Board of Managers' approval of a one year lease agreement with 700LP in the amount of \$42,024.

Consideration and Appropriate Action Regarding Policy 9.27, Managing the Care of Patients in the Emergency Department Awaiting Admission or Observation — Juan Garza, MD – The purpose of this proposed new policy is to provide guidance for the care of patients waiting for an inpatient or observation bed once the decision for admission has been made and the order placed in the Electronic Health Record. Staff recommend approval of this policy.

Consideration and Appropriate Action Regarding Policy 7.16, Bexar County Hospital District Pension Plan Funding Policy — Reed Hurley - The purpose of this proposed new policy is to formalize the Health System's long-term strategic goal for financing the pension obligations at a 100 percent funded ratio in compliance with the requirements of Section 802.2011 of the Texas Government Code. This will be

accomplished through the Health System contributing, at a minimum, the Actuarially Determined Contribution to the University Health System Pension Plan annually. Staff recommends approval of this policy.

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) — Antonio Carrillo/Travis Smith – A total of 17 contracts with a value of \$133,301,755 are being presented to the Board of Managers during the May 2020 meeting. The following contracts require approval by the BCHD Board of Managers: 12 consent contracts with a total value of \$12,141,631; and 5 presented contracts with a total value of \$121,160,124. During the month of May, there were two contracts classified as Small, Minority, Woman, or Veteran Owned Business Enterprises. May 2020 SMWVBE reflects all items submitted for Board approval.

RECOMMENDATION: Staff recommends approval of the items listed on the consent agenda.
ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Dr. Jimenez, and **PASSED UNANIMOUSLY**.
EVALUATION: None.
FOLLOW-UP: None.

ACTION ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE EXTERNAL AUDITOR'S REPORT ON THE AUDITED FINANCIAL STATEMENTS FOR 2019 — BKD, LLP/ROBERT ENGBERG, CHAIR, AUDIT COMMITTEE

SUMMARY: Mr. Engberg reported that the Board's Audit Committee had met with BKD Auditors on May 12, 2020 to receive an overview of the auditors' findings of the FY 2019 audited financial statements; an update on a new accounting standard to address fiduciary activities; and impact of the EPIC Implementation on the budget. BKD Auditors also discussed transitions in supplemental funding programs and transition away from burden alleviation; as well. The Audit Committee previewed the presentation meant for the Board of Managers today. The committee was informed that during the audit process, there were no: 1) Difficulties encountered by the BKD team when conducting the audit; 2) Disagreements with management; 3) Contentious accounting issues; and 4) Consultations with other accountants. In addition, the auditors provided draft financial statements and related notes and are prepared to issue an unmodified opinion. BKD conducted separate audits of CFHP, the Foundation, the Pension and OPEB Trusts, and will issue unmodified opinions on each audit. Mr. Engberg introduced and then yielded the floor to Mr. Chris Clark, Partner, BKD, LLP for a synopsis to the Board of Managers. Mr. Clark noted BKD's responsibilities and opinion and he identified the Material Written Communications that would be provided at the conclusion of the 2019 audit: 1) An Audit communication letter; 2) Management representation letter; and 3) Separate communications to the governing boards of CFHP, the Health System Foundation, Pension Plan, and OPEB Trust. BKD also concluded that the Health System's

accounting policies and practices are consistent with accounting and industry standards.

At this point, it was discovered that several Board members did not receive the draft audit report from BKD, LLP with the results of the 2019 financial statement audit and other required communication in time to prepare for today's vote. Mr. Smith stressed the importance of making these documents available to the entire Board in advance of a meeting, not only to the Audit Committee, in order to vote, while Dr. Burns stated she was confident in the overview provided by Mr. Engberg. Dr. Jimenez echoed Mr. Smith's concerns but also concurred with Dr. Burns; he stated he was satisfied that three of the seven Board members were thoroughly briefed by the auditors. These remarks, in turn, led Chairman Adams to poll each Board member on their respective preference to either: a) approve the 2019 audited financial statements today; or b) schedule another meeting for the sole purpose of receiving results from BKD Auditors. Mr. Smith requested a special meeting; and the remaining Board members agreed to rely solely on Mr. Engberg's overview and brief remarks provided by Mr. Clark.

RECOMMENDATION: Staff recommends approval of the 2019 audited financial statements as presented to the Audit Committee of the Board of Managers on Tuesday, May 12, 2020.

ACTION: A **MOTION** to approve staff's recommendation was made by Mr. Engberg, **SECONDED** by Dr. Jimenez with the stipulation that questions by Board members about the audit will be addressed by Mr. Chris Clark, as needed. The **MOTION CARRIED UNANIMOUSLY.**

EVALUATION: After deliberation, Mr. Engberg expressed his satisfaction with the work previously performed by BKD auditors. In addition, BKD informed the Audit Committee, comprised of Messrs. Engberg, Adams and Hasslocher, that during the audit process, BKD found no contentious controversies nor accounting issues to report to the Board; and therefore, expressed confidence in BKD's findings. Dr. Jimenez was interested in knowing BKD's professional outlook regarding the impact COVID-19 would have on University Health System's finances. Mr. Clark referred Dr. Jimenez to Note 15 of the Financial Statements which reads: "On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT). The Health System received grants totaling approximately \$14,016 in April 2020 pursuant to the CARES Act provider relief fund provisions. The Health System anticipates using all of the proceeds to cover costs associated with preventing, preparing for and responding to coronavirus as reimbursement for health care related expenses and lost revenues that are attributable to the coronavirus. The passage of laws and the expansion of Medicare's accelerated or advance payment program has a wide sweeping effect on all businesses but especially to health care organizations, as they address the impact to their business in treating patients impacted by the COVID-19 pandemic and its' impact on their business in treating patients not directly infected with COVID-19. *The overall impact of the COVID-19 pandemic and the effect it will have on the economic and specifically the health care environment is unknown at this time due to the uncertainty of the pandemic and it constantly changing and evolving.*"

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONSULTING AGREEMENT WITH PIVOTPOINT CONSULTING ASSOCIATES FOR HELP DESK SUPPORT FOR THE EPIC ELECTRONIC HEALTH RECORD PROJECT — BILL PHILLIPS

SUMMARY: As staff prepares for the approaching go-live of the Epic Electronic Medical Record, one aspect is to provide Help Desk support for end users, including providers. This service will assist end users with access, questions, and provide problem tracking/escalation to quickly resolve complex issues as they arise. To assist with this critical Help Desk function, a Request for Proposals (RFP) was created to acquire consulting services for a period of four months. After three months the staff will have a better understanding of what normal call volumes are. At that point, the existing Help Desk will be appropriately filled with fulltime Health System employees. Eleven (11) vendors responded to the RFP. Each respondent submitted detailed qualifications, references, resumes of the team members and an all-inclusive cost proposal. After deliberate considerations, the RFP scoring team was unanimous in recommending approval of Pivot Point Consulting combined with Paragon Development Systems, Inc. Pivot Point Consulting has a contractually structured alliance with Paragon Development Systems and currently provides Help Desk services for 28 Epic clients. Mr. Phillips summarized the reasons this vendor ranked highly, in addition to submitting the lowest bid. The total cost of this service will not exceed \$765,000 for a period of four (4) months based on tiered volume pricing. The Health System will only incur costs for calls placed to the Help Desk, which is estimated to be approximately 45,000 calls over the contract period. The following is the tiered monthly volume based pricing:

TIER MONTHLY VOLUME	INCIDENT PRICING
1-999	\$21.00
1,000 – 1,499	\$20.00
1,500 – 1,999	\$19.50
2,000 – 2,499	\$19.00
2,500 – 2,999	\$18.50
3,000 – 3,499	\$18.00
3,500 – 3,999	\$17.50
4,000+	\$17.00

The workforce composition data for Pivotpoint Consulting and Paragon Development Systems Consulting Associates was provided for the Board's review.

RECOMMENDATION: Staff recommends the Board of Managers approve procurement of Epic Help Desk services from Pivotpoint Consulting in an amount not to exceed \$765,000.

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

EVALUATION: Dr. Jimenez expressed concern with lack of diversity in the vendors' workforce composition data. While he understands the expert nature of the

positions; Pivotpoint has zero minorities on its staff; and Paragon Development Systems has low numbers of African-Americans and Hispanics on their staff. Dr. Jimenez suggested that Mr. Phillips inform both vendors of the Board's policy, and encourage them to address the issue.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A GUARANTEED MAXIMUM PRICE PROPOSAL (GMP #10) FOR THE WOMEN'S AND CHILDREN'S HOSPITAL STRUCTURE AND INFRASTRUCTURE FOR THE CONSTRUCTION MANAGER AT RISK AGREEMENT WITH JOERIS/DUNN JOINT VENTURE — DON RYDEN

SUMMARY: Site work, excavation, retention and foundations are underway which will allow for construction of the Women's and Children's Hospital, Parking Garage and Podium Expansion Core and Shell. This will allow the structure and infrastructure to commence associated with Joeris+JE Dunn GMP #10 which is anticipated to take approximately twenty-two (22) months. GMP #10, comprised of the Structure and Infrastructure, shall not to exceed \$112,740,960. Mr. Ryden reviewed the scope of work for GMP#10 in detail consists of primary trades critical to the continuing progress of construction (GMP#10), and excludes steel truss mill order (previously approved GMP #8) and equipment support steel (future GMP). Mr. Ryden also reviewed costs and described the work included in GMP 1 through GMP 10 for a total contract value of \$241,649,062. The workforce composition data for Joeris+JE Dunn was provided for the Board's review.

RECOMMENDATION: Staff recommends Board of Managers' approval of an amendment to the Joeris+JE Dunn construction agreement for GMP#10, Structure and Infrastructure, in an amount not to exceed \$112,740,960.

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

EVALUATION: Mr. Ryden noted for Mr. Engberg the total contract value including GMPs 1 through 10 as \$241.6 million as compared to budget of \$399 million. The total budget for the new hospital is \$689 million. Dr. Burns informed the Board that the Women's & Children's Hospital Committee, which she chairs, met earlier in the day by telephone. Mr. Ryden went into much more detail at that meeting and the topic received significant discussion. Regarding the budget for the Women's & Children's Hospital, Dr. Jimenez asked Mr. Ryden if he anticipates increases for labor or building materials, to which he replied that an inflation factor is built in to the construction contract with Joeris+JE Dunn. Staff will continue to monitor costs.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH PHILIPS NORTH AMERICA FOR THE PURCHASE AND INSTALLATION OF TWO MRI SCANNERS AT UNIVERSITY HOSPITAL AND ROBERT B. GREEN CAMPUS — JIM WILLIS

SUMMARY:

The Health System performs MRI imaging at both University Hospital and the Robert B. Green Campus (RBG). University Hospital operates three MRIs consisting of one 3T Philips, one 3T Toshiba, and one 1.5T Toshiba performing approximately 14,000 MRI procedures per year. All hospital units operate at maximum capacity. The Philips 3T MRI was upgraded in late 2019 at a cost of \$2.1M. RBG operates one 3T Toshiba and one 1.5T Toshiba performing approximately 5,000 MRI procedures per year. Due to the age of the equipment, the need for increased image quality, and to meet best practice cyber security goals, the recommendation is to completely replace both Toshiba MRI scanners at the RBG. The two Toshiba scanners were purchased in 2008 and are fully depreciated. A multidisciplinary committee of end users, including providers from UT Health, was created, and the committee identified the necessary MRI configurations, accessories, and software options to meet the needs of the Health System. Initial vendors invited to provide a full presentation to the selection committee included: 1) Philips Healthcare; 2) Siemens Medical; 3) Cannon Medical, and 4) GE Healthcare. The selection committee identified Philips Healthcare and Siemens Medical as finalists. Both vendors were provided a detailed set of technical questions to answer about their scanners. Quotes provided to the Health System were turnkey, inclusive of construction, installation, and mobile MRI rental. After careful consideration, the selection committee's recommendation is to award a contract to Philips Healthcare based on their best value to the Health System. The most significant factor for this decision was pricing, and Philips Healthcare was \$600,000 less than Siemens Medical. An additional factor in this decision to partner with Philips Healthcare, has been the Health System's strategic objective to consolidate most advanced imaging with a small number of high quality vendors to maximize efficiencies. The new proposed replacement MRI scanners for both University Hospital and RBG is the Philips Ingenia Ambition 1.5T MRI. Philips Healthcare is a contracted vendor with the Premier GPO, and therefore the costs are considered to be competitively bid. The MRI replacement costs for this turnkey project is \$5,399,140. Equipment and construction are budgeted 2020 capital expenditures.

Ingenia Ambition 1.5T	University Hospital	\$1,904,513
Construction	University Hospital	\$813,582
Mobile MRI 12-Week Rental	University Hospital	\$109,100
Ingenia Ambition 1.5T	RBG	\$1,904,513
Construction	RBG	\$667,432
Project Total		\$5,399,140

RECOMMENDATION: Staff recommends the Board of Managers approve the purchase of two MRI scanners from Philips Healthcare in the amount of \$5,399,140.

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

EVALUATION: Regarding maintenance of the MRI scanners, Mr. Willis informed Dr. Jimenez that the first year of the contract with Phillips Healthcare is all in inclusive. Thereafter, maintenance is required annually and Phillips Healthcare will train in house biomedical engineers to perform these services. Mr. Smith asked why the Phillips Healthcare models are so much less costly than those of Siemens Medical, to which Mr. Willis replied that the staff has had a very good working relationship with Phillips over the years and they were able to offer a deeper discount in light of the Health System strategic objective to consolidate most advanced imaging equipment with the Phillips brand.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING ASSIGNMENT OF TRANSPLANT OUTREACH CLINICS IN SUPPORT OF THE TRANSPLANT PROGRAM AT UNIVERSITY HOSPITAL — MICHAEL ROUSSOS

SUMMARY: In the past three years, over 1,600 patients have been seen in the outreach clinics which are jointly owned by the University Health System and UT Health SA. These clinics are currently located in El Paso, Corpus Christi, New Braunfels, the Rio Grande Valley, Austin and Laredo. Although they are the product of joint efforts, the outreach clinics are currently operated by UT Health San Antonio. The Health System's interest in providing health care services to pre and post-transplant patients continues its mission and commitment to enhancing the Transplant service line using best-practice benchmarks and standards to deliver quality care. Mr. Roussos described the services provided at the outreach clinics in his written report. The continuation of the operation of the Transplant Outreach Clinics provides vital health care services to patients of the University Transplant Center. The ability of these patients to receive care in their own communities versus traveling to San Antonio or not receiving the care at all is a major factor in improved patient outcomes. As part of the collaboration with UT Health San Antonio, the Health System currently provides support for the Transplant Outreach Clinics. This support will be discontinued to offset the cost of directly supporting the clinics, including the cost of the leased spaces which is \$117,000 annually for all five locations. There will be no net cost to the Health System as a result of this transition. This will allow University Health System to market and bill for services under the University Health System name. The workforce composition data for UT Health SA was provided for the Board's review.

RECOMMENDATION: Staff recommends the Board of Managers authorize the Health System President/CEO to enter into any leases or other contracts necessary to effectuate the transition of the Transplant Outreach Clinics from UT Health San Antonio to University Health System.

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

EVALUATION: None.

FOLLOW-UP:

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE FINANCIAL REPORT FOR APRIL 2020 — REED HURLEY

SUMMARY: In April, Health System operations continued to be significantly impacted by the COVID-19 crisis resulting in stay at home and social distancing directives reducing in and outpatient activity. Clinical activity (as measured by inpatient discharges) was down 25 percent for the month compared to budget. Community First Health Plans (CFHP) fully-insured membership was down 1 percent to budget. On a consolidated basis, gain from operations was \$5.4 million, \$4.0 million better than budget. The consolidated bottom line gain (before financing activity) was \$2.0 million, \$4.7 million better than the budgeted loss of \$2.7 million. Lower operating expense resulted in performance better than budget. CFHP experienced a bottom line gain of \$949 thousand which was \$1.7 million better than the budgeted loss of \$729 thousand. Higher premium revenue and lower claims expense offset by higher administrative expense accounted for the performance to budget. Debt service revenue was \$5.9 million which was equal to budget. Mr. Hurley reviewed notable increases and/or decreases from the December 31, 2019 Consolidated Balance Sheet in detail with the Board and discussion ensued. Net patient revenue of \$60.8 million in April was below budget \$17.4 million and down \$25.1 million YTD due to lower activity related to COVID-19 disruptions. Other operating revenue was over budget \$5.6 million for April due to the recognition of \$6.5 million of CARES Act funding received in April, and lower Foundation and Cafeteria revenue due to COVID-19 and over budget \$4.8 million year to date due to recognition of \$6.5 million of CARES Act funds received in April, higher outside pharmacy revenue \$2.7 million and lower grant revenue \$2.1 million, Foundation revenue \$1.2 million and sundry revenue \$1.1 million related to COVID-19.

RECOMMENDATION: Staff recommends acceptance of the financial reports subject to audit.

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

EVALUATION: Discussion ensued and Mr. Hurley reported that Epic training started on Monday, May 18, 2020, which will increase salary expense for the next two months. The new Epic go-live date is July 11. Mr. Smith was specifically interested in the adult Emergency Department's performance during COVID-19. Since April, the adult Emergency Department has been operating at 50 percent capacity, but is now climbing back up. They had 174 visits on Monday, May 18, compared to 200 visits per day prior to COVID-19. In addition, the hospital is seeing a higher admission rate from the Emergency Department; the rate went from 22 percent to 30 percent during this period.

FOLLOW-UP: None.

PRESENTATIONS AND EDUCATION:

COVID-19 OPERATIONS REPORT — ED BANOS/BRYAN ALSIP, M.D

SUMMARY: Mr. Banos and Dr. Alsip provided an update regarding hospital operations during the Covid-19 pandemic. The first meeting of the Infectious Disease

Response Group was on January 29, 2020; six weeks before COVID-19 was officially declared a pandemic by the World Health Organization (WHO) on March 11, 2020. Despite the challenges this disease has created in the community and nation, the Health System has taken all necessary precautions and will remain vigilant as new circumstances arise.

Community Testing

- The Regional Medical Operations Center (RMOC) worked with local entities and on March 18, 2020 the first community testing site was established.
- On March 25, 2020 community testing was relocated to the Joe Freeman Coliseum.
- Testing increased from an initial average of 20 to 120 specimens collected per day.

Screening Tables

- On March 13, 2020 screening tables were established to assess visitors and staff.
- The tables are primarily staffed by a mixture of nurses and techs from the STARS (PRN) staffing pool.

Detention Healthcare Services

- On March 13, 2020 screening tables were established to assess visitors and staff.
- The tables are primarily staffed by a mixture of nurses and techs from the STARS (PRN) staffing pool.
- On March 13, 2020 twice daily temperature/symptom monitoring began on all inmates at the Bexar County Detention Center.
- On May 8, 2020 specimen collection began to evaluate all Health System and Bexar County Sherriff's Office staff working at the jail.
- The personnel dedicated to the screening tables, inmate temperature testing, and COVID-19 swab testing included staff that was temporarily reassigned from low patient census areas of the Health System to Detention Health Services.

Operations Command Center

- On March 17, 2020 a Code Gray (Activation of University Health System Emergency Operations Plan) was initiated in response to COVID-19.
- On March 27, 2020 two tents were set-up outside of the Emergency Department to serve as additional treatment space in the event of a patient surge that could possible exceed the current capacity. The tents can be fully staffed and functional in less than 20 minutes.
- Development of a comprehensive patient capacity surge plan. The fifth floor of the Sky Tower has 52 physical beds that originally were a mixture of acute (30 beds) and intensive care (22 beds); however, due to COVID-19 all of the beds in the unit have been converted to all intensive care beds.

Procurement

- Purchased over 1.5 million masks

- Purchased over 3 million gloves
- Worked with local vendors and multiple distribution channels to purchase ventilators and mixers, non-medical N95s, and multiple products that were on backorder.
- Ensured supplies were distributed just in time to all ambulatory locations to include Detention Health Services for patient care and screening table operations

Community Support - Through the University Health System Foundation, Bexar County as a community has exhibited overwhelming generosity to Health System staff and patients from March 2020 to date:

- COVID-19 Grants and Donations - \$73,923
- Direct Patient Assistance (lodging vouchers, HEB gift cards, and Valero gift cards) - \$6,050
- Food Deliveries – 91 total deliveries, resulting in 6,965 meals for frontline healthcare workers
- In-Kind Gifts - \$145,421
 - 86,366 masks
 - 107,033 gloves
 - 1,237 variety of personal protective equipment

Fiscal Impact

- Hospital: Volume in the Emergency Department has decreased about 30 percent in patient encounters and close to a 50 percent reduction in adult Hospital Medicine admissions.
- UMA: Total adult continuity visits in March and April decreased 24 percent for MDs, and the midlevel providers decreased by 36 percent.

Ramping Up Elective Surgeries

- On April 27, 2020 the Health System started Pre-Op testing for COVID-19 as a requirement to be scheduled, and elective procedures resumed on April 28, 2020.
- The goal will be to have all elective procedures waiting to be scheduled and completed by the end of July 2020.

Telehealth vs. Face-to-Face Visits

- As of April 14, 2020, 66.5 percent of all April visits were telehealth

Going Forward

- The Hologic Panther is a total lab automated sample-to-result system that not only tests for COVID-19 but also has the ability to test for a multitude of other pathogens.
- On May 8, 2020 Laboratory Services increased the testing capacity utilizing the two existing Panther systems to 2,000 tests per day.
- The week of May 18, 2020 Laboratory Services will receive the new Roche COBAs system for increased COVID-19 testing capacity.
- University Health System will continue to monitor for any increase in community COVID-19 activity, and will work closely with UT Health San Antonio to get “back to normal” as soon as possible but with safety as a top priority.

- Innovative teamwork in response to COVID-19:
https://youtu.be/QS9m7TRa_Go

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: No action was required of the Board of Managers.
EVALUATION: Mr. Adams commended the written report, it comes across how well the Health System reacted to the pandemic. Management did an excellent job of communicating staff and community needs to leadership.
FOLLOW-UP: None.

INFORMATION ONLY ITEMS:

2020 QUARTER 1 SUPPLIER DIVERSITY REPORT — EDWARD CRUZ JR./ANTONIO CARRILLO/TRAVIS SMITH

EPIC ELECTRONIC HEALTH RECORD PROJECT UPDATE — BILL PHILLIPS

UPDATE ON THE WOMEN'S AND CHILDREN'S HOSPITAL AND ASSOCIATED PROJECTS — DON RYDEN

UNIVERSITY HEALTH SYSTEM FOUNDATION UPDATE — LENI KIRKMAN

REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS — LENI KIRKMAN

SUMMARY: Mr. Adams directed his colleagues' attention to the five (5) informational reports above and asked them to provide feedback, comments, or questions directly to the staff.
RECOMMENDATION: These reports were provided for informational purposes only.
ACTION: No action by the Board of Managers was required.
EVALUATION: None.
FOLLOW-UP: None.

ADJOURNMENT:

There being no further business, Mr. Adams adjourned the Board meeting at 4:26 p.m.

James R. Adams
Chair, Board of Managers

Dianna M. Burns, M.D.
Secretary, Board of Managers

Sandra D. Garcia, Recording Secretary



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Report from the Nominating Committee and Election of Officers

Background:

On Tuesday, May 12, 2020, Judge Nelson Wolff nominated, and Bexar County Commissioners Court approved, the appointment of two successors to the Board of Managers as respective replacements for Dr. Dianna Burns and Ms. Janie Barrera.

Although Board bylaws call for the election of officers annually in September, they allow for the election of an officer to fill the unexpired term for a position left vacant due to loss of Board membership at the next regular meeting of the Board, as is the case with Dr. Burns.

Recommendation:

The nominating committee recommends the election of Mr. James C. Hasslocher to fill the unexpired term of the Board Secretary position previously held by Dr. Dianna Burns effective immediately through September, 2020.

This recommendation is provided for approval by the Board of Managers.

Robert Engberg
Chair, Nominating Committee
Board of Managers



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Consideration and Appropriate Action Regarding Two Reappointments to The Center for Health Care Services Board of Trustees

Background:

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

Richard Usatine, M.D., has represented the Board of Managers on the Center's Board of Trustees since his initial appointment in August, 2009. He currently serves on the Planning & Operations Committee, bringing a wealth of knowledge to the Center. His talents and experience have been invaluable for the Board of Trustees and staff at the Center. His commitment to the Bexar County community is exceptional.

Graciela Cigarroa, J.D., has represented the Board of Managers on the Center's Board of Trustees since her initial appointment in July, 2014. At the present time, she serves as Board Secretary, member of the Finance Committee, member of the Center's Advisory Committee, and President of the Center's Foundation Board. She is very active and dedicated to the mission of the Center; she is described as an asset to the organization.

Recommendation:

Dr. Usatine and Mrs. Cigarroa would like to continue to serve in this capacity, and after thoughtful consideration, the Nominating Committee recommends each as a re-appointment to The Center for Health Care Services Board of Trustees for a two year term beginning July 1, 2020 through June 30, 2022. Their one-page biographies are attached for the Board's review.

Robert Engberg
Chair, Nominating Committee
Board of Managers

Graciela A. Cigarroa, J.D., LL.M.



Graciela A. Cigarroa is an attorney serving as general counsel for Centro Med, a Federally Qualified Health Center. Her legal focus is health law. Prior to her current position, she was in private practice specializing in nonprofit law and healthcare privacy and security representing nonprofits, healthcare and education organizations.

Cigarroa received her Bachelor's and Law Degree from St. Mary's University in San Antonio and a Master of Laws in Tax Law from Boston University School of Law. She is a member of the San Antonio Bar Association, the San Antonio Bar Foundation and a Fellow of the Texas Bar Foundation.

Cigarroa served on the Bexar County Women's Bar Association Board of Directors for seven years chairing the Elder Law Handbook Project. She completed a six year gubernatorial appointment with the Department of State Health Services Council. She serves on a number of community boards including The Center for Healthcare Services; Heartgift Expansion Board; Thrivewell Cancer Foundation; Alamo City Cancer Council; Cancer Therapy and Research Center Board of Governors, San Antonio Young Women's Leadership Academy; University of Texas Health Science Center Council for Excellence in Women's Health, Medical Humanities and Ethics Advisory Board, and School of Nursing Advisory Council; Patient Institute; Children's Shelter, Family Violence Prevention Services Advisory Board and Chamber Orchestra of San Antonio. She is past chair of the Mental Health Association of Texas. She has also served on the boards of United Way, United Way Women's Leadership Council (as chair), Zoological Society, Cancer Center Council, the San Antonio Library Foundation, the Bexar County Medical Society Alliance, UT Preemie Advisory Council, the Austin Community Foundation, and San Antonio Opera.

Richard P. Usatine, M.D.



I am motivated to provide medical students the opportunity to give back to the community by working in our free clinics for underserved women or homeless families. In partnership with our medical students, we developed the new Alpha Home and SAMM student run clinics for our medical school. My philosophy of teaching involves service-learning in the community. I have been doing this with students since 1990 when we started a student-run homeless clinic in a transitional housing village in Los Angeles. I had the pleasure of helping to start 3 other programs to provide care to homeless persons.

I am very conscious of the importance of being a good role model for our students. I derive great pleasure from working with vulnerable populations in the community. I believe it is very important for physicians to give back to their communities and I want students to see their faculty living this ideal. I am motivated to inspire students to become excellent doctors who are caring and concerned about their patients and communities. As a teacher, I advocate for a health care system and medical education system that is humane and responsive to the needs of our population including the needs of the most vulnerable persons in our world.

As the founder and medical director of the University Health System Skin Clinic in San Antonio, I work to see that underserved patients have access to medical and surgical care for their dermatological needs. I am the lead author of the book *Skin Surgery: A Practical Guide*. He is the national chair of the yearly Skin Course put on by the American Academy of Family Physicians. Dr. Usatine is the founder of the Interactive Dermatology Atlas on the web <http://www.dermatlas.net> and the editor of Photo Rounds in the *Journal of Family Practice*. Dr. Usatine is the year 2000 recipient of a National Humanism in Medicine Award from the Association of American Medical Colleges. Since 2000, he has been chosen yearly by his peers to be included in *The Best Doctors in America*.



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 20, 2020 09

Consideration and Appropriate Action Regarding an Appointment to the Board of Directors of Community First Health Plans, Inc.

Background:

The Bylaws of Community First Health Plans state that the Board of Managers as the governing body for the sole member of the corporation shall approve the appointments of the Board of Directors to manage the affairs of the corporation. There are currently six Board members and one vacancy created by the passing of Dr. Johnny Lovejoy, II, on May 3, 2020.

Mr. Thomas C. (“TJ”) Mayes was appointed to the Board of Managers by Judge Nelson Wolff on May 12, 2020. He is a local attorney in private practice with public service interests centered on healthcare and education. At the present time, he is the chair of the Bexar County Opioid Task Force.

Recommendation:

The Nominating Committee recommends the appointment of Mr. T.J. Mayes to fill the unexpired term of Dr. Johnny Lovejoy, II, effective immediately through September 30, 2021. Mr. Mayes will bring a wealth of knowledge and fresh perspective to all matters at Community First Health Plans, Inc. His short bio is attached for the Board’s review.

Robert Engberg
Chair, Nominating Committee

Thomas C. Mayes, Jr.

Board Member

Bexar County Hospital District Board of Managers



Thomas C. Mayes, Jr. is a partner with Phipps Deacon Purnell, PLLC, a San Antonio law firm, and an active volunteer serving on civic committees and boards in Bexar County. He joined the Bexar County Hospital District Board of Managers in 2020. He was nominated by Bexar County Judge Nelson Wolff.

Mayes, known as T.J., graduated from Winston Churchill High School in the North East Independent School District. He earned his undergraduate degree in political science from Texas Tech University in Lubbock, and his law degree from Southern Methodist University Dedman School of Law in Dallas.

Mayes' public service interests largely center on healthcare and education, including chair of the Bexar County Opioid Task Force and chair of the San Antonio Chamber of Commerce Healthcare Committee, as well as member of the San Antonio Medical Foundation Board of Trustees, the North East Education Foundation Board of Directors, the North East Independent School District Bond Oversight Committee, and the San Antonio Council on Alcohol and Drug Awareness Board of Directors.



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2019

Consideration and Appropriate Action Regarding an Appointment to the Board of Directors of the University Health System Foundation

Background:

The University Health System Foundation is a 501(c)(3) charitable organization founded in 1983 to solicit, receive and maintain funds exclusively for the benefit of University Health System and the community served through its charitable mission. The Board of Managers, as the governing body, shall approve appointments to the Board of Directors of the Foundation.

As you know, Bexar County Commissioners Court approved the appointment of Dr. Margaret Kelley and Mr. TJ Mayes to the Board of Managers on Tuesday, May 12, 2020. With the departures of Dr. Burns and Ms. Barrera, vacancies were created on various subsidiary Boards, including the University Health System Foundation Board of Directors.

Dr. Margaret Kelly was nominated to serve on the Board of Managers by Bexar County Judge Nelson Wolff. She is a board-certified obstetrician and gynecologist in private practice, and has served on many community boards, such as, The Center for Healthcare Services.

Recommendation:

The Nominating Committee recommends approval of the appointment of Dr. Margaret Kelley to fill the unexpired term of Ms. Janie Barrera as a Board of Managers representative on the University Health System Foundation Board of Directors, effective immediately through December 31, 2020. Dr. Kelley's short bio is attached for your review.

Robert Engberg
Chair, Nominating Committee
Board of Managers

Margaret A. Kelley, M.D., F.A.C.O.G.

Board Member

Bexar County Hospital District Board of Managers



Dr. Margaret A. Kelley joined the Bexar County Hospital District Board of Managers in 2020. She was nominated by Bexar County Judge Nelson Wolff.

Dr. Kelley is a board-certified obstetrician and gynecologist who received her undergraduate degree from Brown University, her medical degree from the Warren Alpert Medical School of Brown University in Providence, R.I. She completed her OB-GYN residency at UT Health San Antonio in 2002. Since that time, she has practiced in San Antonio at Southeast OB-GYN Associates with her father, Dr. Harmon Kelley. She was a 1990 Summa Cum Laude graduate of Winston Churchill High School in the Northeast Independent School District.

Dr. Kelley has served as President of the Texas Association of Obstetricians and Gynecologists, and as Chairman of Section V, District XI of the American College of Obstetricians and Gynecologists. In 2007, as a Representative of the American College of Obstetricians and Gynecologists she testified before the U.S. House Committee on Small Business' Subcommittee on Regulations, Trade and Healthcare's Hearing on "The Value of Health Information Technology to Solo and Small Medical Practices."

Dr. Kelley has served on many community boards. She has previously served as a Trustee for the Center for Healthcare Services, Mental Health Authority for Bexar County. In addition, she has served on Board of Directors of Methodist Healthcare Ministries, the Alamo Public Telecommunications Council, and the Texas Blood and Tissue Center. She has also served as a member of the Vestry of St. Luke's Episcopal Church.

Dr. Kelley has received many honors. She was honored in 2011 as "40 under 40" Rising Star by the San Antonio Business Journal. She is a 2012 Graduate of the American College of Obstetricians and Gynecologists Robert Cefalo Leadership Institute. In 2019 Dr. Kelley was the recipient of the Outstanding Former Resident Award from the Department of Obstetrics and Gynecology at the UT Health San Antonio.

Dr. Kelley is a member of the San Antonio (TX) Chapter of The Links, Incorporated, where she has held several leadership positions. In addition, she is a member of Alpha Tau Omega Chapter of Alpha Kappa Alpha Sorority, Incorporated and the Bexar County Medical Society.



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Consideration and Appropriate Action Regarding a Lease Amendment with 5282 Medical Dr., LLC for the NW Family Health Center

Background:

The NW Family Health Center operates out of leased space owned by Methodist Healthcare Ministries (MHM) located at 7726 Louis Pasteur. The lease for the facility ends July 31, 2020 but MHM is willing to extend the lease through December 31, 2020 to allow for a smooth transition to another location.

This NW Family Health Center serves as a primary care hub for northwest Bexar County. To better serve this large geographic area, staff recommends a lease of two separate locations.

In January 2020, the Board of Managers approved a lease for a NW Pediatric and Women's Health Services Clinic at the Westgate Medical Office Building located at 5282 Medical Drive. That lease allowed the Health System to co-locate both pediatric and women's services. This proposed lease allows the Health System to supplement those services with adult primary care in an adjacent 3939 sq. ft. suite (Suite 250). Co-location of these clinics improves efficiency of back office operations.

Analysis:

The landlord has agreed to amend the current lease to include the additional clinical space at the existing rental rate and terms. This base rental rate is \$27.00 per sq. ft., with annual escalations of 3%. The landlord will provide a \$25.00 per sq. ft. allowance for tenant improvements. The landlord is 5282 Medical Dr., LLC, as successor in interest to Welltower OM Group, LLC.

Fiscal Impact:

1. Clinic Lease and Construction Costs:

The lease term will be for five (5) years commencing on the date a certificate of occupancy is issued by the City of San Antonio, but no later than sixty (60) days following Lease execution. The lease expense for the five (5) year term is approximately \$568,512. The base rental rates for the term are the following:

Period	Annual Base Rent	Monthly Installments of Base Rent	Annual Expense
Year 1	\$ 27.00psf	\$ 8,863	\$ 106,353
Year 2	\$ 27.81psf	\$ 9,129	\$ 109,544
Year 3	\$ 28.64psf	\$ 9,401	\$ 112,813
Year 4	\$ 29.50psf	\$ 9,684	\$ 116,200
Year 5	\$ 30.39psf	\$ 9,976	\$ 119,706

Sub-Total \$ 564,616

The rental rate is on a modified gross basis with includes an operating expense stop for the calendar year 2019 at \$11.96 per sq. ft. Assuming a 2% escalation per year in operating expenses, the following additional rental expenses will be incurred:

Period	Annual Rate	Monthly Expense	Annual Expense
Year 1	0	0	0
Year 2	\$.24psf	\$ 79	\$ 945
Year 3	\$.24psf	\$ 80	\$ 964
Year 4	\$.25psf	\$ 82	\$ 984
Year 5	\$.25psf	\$ 84	\$ 1,003

Sub-Total \$ 3,896
Grand Total \$ 568,512

The landlord is providing a tenant improvement allowance of \$98,475 (\$25 per sq. ft.). The cost of the renovations required for this space is not expected to exceed this amount.

2. Information Technology Costs:

This new clinic will require network connectivity to all existing electronic medical records and other related hospital information systems. The costs for setting up the necessary information technology (I.T.) components at this location are estimated as follows:

Telephones, IDF, Structured Cabling, etc.	\$59,594
Security System	\$ 16,722
Personal Computers and Printers	<u>\$ 5,300</u>
Total I.T. Costs	\$ 81,616

3. Other Costs:

In addition, as part of the associated costs for occupying this space, the following estimated expenditures will be required:

Furniture & Signage	\$ 17,000
Moving Services & Other Related Costs	<u>\$ 7,500</u>
Total Other Costs	\$ 24,500

Strategic Note:

The acquisition of this property supports our Triple-Aim Plus objectives by improving access to care, efficiencies, and the patient experience.

Workforce Composition:

As an affiliate of Welltower, Inc., 5282 Medical Dr., LLC is a single purpose entity and has no employees. The local branch office of the Welltower management group has a total of four employees. The workforce composition data is as follows:

NON PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Total
#	0	0	0	0	0	0
%	0%	0%	0%	0%	0%	%
PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Total
#	0	0	0	0	4	4
%	0%	0%	0%	0%	100%	100%
TOTAL	American Indian	Asian American	African American	Hispanic	White	TOTAL
#	0	0	0	0	4	4
%	0%	0%	0%	0%	100%	100%

Recommendation:

Staff recommends Board of Managers' approval of lease Amendment with 5282 Medical Dr., LLC for Suite 250 at 5282 Medical Drive, San Antonio, Texas. The five year cost of the lease is \$568,512. In addition to the lease agreement, staff recommends Board or Managers approve I.T. expenditures of \$81,616 and the purchase of medical equipment and furniture, and other related costs at a cost not to exceed \$24,500.

Don Ryden
Vice President
Planning, Design and Construction

Ed Banos
Executive Vice President
Chief Operating Officer

George B. Hernández, Jr.
President/Chief Executive Officer



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Consideration and Appropriate Action Regarding a Lease Agreement with Huebner Commons, Ltd. for NW Primary Care and Women's Health Center

Background:

The NW Family Health Center operates out of leased space owned by Methodist Healthcare Ministries (MHM) located at 7726 Louis Pasteur. The lease for the facility ends July 31, 2020 but MHM is willing to extend the lease through December 31, 2020 to allow for a smooth transition to another location.

This NW Family Health Center serves as a primary care hub for northwest Bexar County. To better serve this large geographic area, staff recommends a lease of two separate locations. This clinic site is located at Huebner Commons, 11703 Huebner Road, San Antonio, Texas. The clinic will be staffed with 2 full time primary care providers and support a grant funded program for women that need Opioid-related Suboxone treatment. Estimated volume for this location will be 6,800 patient encounters per year. The grant will be used to help pay the rental expense.

Analysis:

The location is a former urgent care clinic was found at Huebner Commons, at 1703 Huebner Road. This vacant clinic is already built out and will require only minor modification. The space is 2283 sq. ft. and the Health System will also be able to purchase the existing furniture at a reduced price of \$15,000 from the bank lien. The furniture is estimated to have a value at over \$50,000 and is in excellent condition.

This base rental rate is \$24.00 per sq. ft., with annual escalations of \$.50 per sq. ft., (or approximately 2% per year).

Fiscal Impact:

1. Clinic Lease and Construction Costs:

The lease term will be for five (5) years commencing on the lease execution date. However, the rent will not start for sixty (60) days following lease execution. The lease expense for the five (5) year term is approximately \$413,452 which will be an operational expense. The base rental rates for the term are the following:

Period	Annual Base Rent	Monthly Installments of Base Rent	Annual Expense
Year 1	\$ 24.00psf	\$ 4,566	\$ 54,792
Year 2	\$ 24.50psf	\$ 4,611	\$ 55,934
Year 3	\$ 25.00psf	\$ 4,756	\$ 57,075
Year 4	\$ 25.50psf	\$ 4,851	\$ 58,217
Year 5	\$ 26.00psf	\$ 4,974	\$ 59,358
Sub-Total			\$ 285,376

The rental rate is on a triple net basis with includes a common area maintenance (CAM) charge for the first year of \$10.78 per sq. ft. This CAM charge covers the tenant's pro-rata share of taxes, insurance, and other related real estate expenses. Assuming a 2% escalation per year in operating expenses, the following additional rental expenses will be incurred:

Period	Rate	Monthly Expense	Annual Expense
Year 1	\$ 10.78	\$ 2,051	\$ 24,611
Year 2	\$ 11.00	\$ 2,092	\$ 25,103
Year 3	\$ 11.22	\$ 2,134	\$ 25,605
Year 4	\$ 11.44	\$ 2,176	\$ 26,117
Year 5	\$ 11.67	\$ 2,220	\$ 26,640
Sub-Total			\$ 128,076
Grand Total			\$ 413,452

The construction cost for minor renovations are estimated not to exceed \$42,317.

2. Information Technology Costs:

This new clinic will require network connectivity to all existing electronic medical records and other related hospital information systems. The costs for setting up the necessary information technology (I.T.) components at this location are estimated as follows:

Telephones, IDF, Structured Cabling, etc.	\$109,885
Security System	\$ 12,604
Personal Computers and Printers	<u>\$ 7,050</u>
Total I.T. Costs	\$129,539

3. Other Costs:

In addition, as part of the associated costs for occupying this space, the following estimated expenditures will be required:

Medical Equipment	\$ 10,000
Furniture & Signage	\$ 18,000
Moving Services	<u>\$ 1,500</u>
Total Other Costs	<u>\$ 29,500</u>

Strategic Note:

The acquisition of this property supports our Triple-Aim Plus objectives by improving access to care, efficiencies, and the patient experience.

Workforce Composition:

Huebner Commons, Ltd. utilizes local contract help; it does not directly hire employees.

Recommendation:

Staff recommends Board of Managers' approval of a five (5) year lease agreement with Huebner Commons Ltd. located at 1703 Huebner Road, San Antonio, Texas in the amount of \$413,452. In addition to the lease agreement, staff recommends the Board or Managers approve miscellaneous construction costs of \$42,317, I.T. expenditures of \$129,539 and the purchase of medical equipment and furniture, and other lease related costs up to but not exceeding \$29,500.

Don Ryden
Vice President
Planning, Design and Construction

Ed Banos
Executive Vice President
Chief Operating Officer

George B. Hernández, Jr.
President/Chief Executive Officer



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Consideration and Appropriate Action Regarding an Agreement with Deloitte Transactions and Business Analytics, LLP for Consulting and Construction Auditing Services

Background:

Construction of the Women's and Children's Hospital, along with construction of a new parking garage and build-out of the Heart / Vascular and Endoscopy Center, is underway. As with construction of the Sky Tower and Robert B. Green Medical Pavilion, professional auditing services for University Health System's current Capital Improvement Program (CIP) is being sought to ensure good stewardship of resources and to maximize the Health System's ability to carry out its mission to the community.

Deloitte Transactions and Business Analytics, LLP has more than thirty-five (35) years' experience conducting construction audits. Similar projects in addition to the Health System's Sky Tower and Robert B. Green campus expansion, include Parkland Hospital's \$1.3 billion replacement hospital, the Kimmel Pavilion at NYU Langone Health in New York City, the new Adventist Healthcare White Oak Tower in Maryland, the new Children and Women's Hospital at the University of Maryland and several large projects for the Children's Hospital of Philadelphia.

Analysis:

The Women's and Children's Hospital and associated projects referenced above exceeds \$675 million. Given Deloitte's prior demonstration of its ability to provide competent construction related consulting and auditing services as well as the fiscal impact of the project, the Health System began negotiations with Deloitte for expert professional services in construction auditing and general consultation services.

Deloitte's proposed audit team for the Health System's current CIP Project includes

accountants and engineers with healthcare construction auditing, consulting, and risk and fraud advisory experience. The scope of professional services will include:

- Front-end review of accounting and facilities procedures and controls;
- Quarterly industry standard and leading practice construction audits;
- Risk advisory and fraud detection services; and,
- Supplemental and related construction and accounting consulting services as required during the project.

The above-referenced auditing and consulting services will ensure that bond funding expenditures in furtherance of the project meet or exceed regulatory requirements. The audit will also better ensure good stewardship of resources and maximizes the Health System’s ability to carry out its mission to the community.

Fiscal Impact:

The proposed term of the contract is three years with the option to renew for up to two additional one-year terms at the discretion of the Health System. Pricing is consistent with similar construction projects completed by Deloitte for the Health System and is also consistent with pricing of competing public accounting firms with similar expertise in auditing major construction projects. For the proposed contract, pricing will remain fixed throughout the initial three-year contract term with a maximum financial outlay of \$693,600 as further outlined below:

	Deloitte Professional Services [a]	GGA Professional Services [b]	Total Professional Services [c]=a+b	Travel Cap [d]	Total Expenditure [e]=c+d
Control Review	\$64,000	\$16,000	\$80,000	\$9,600	\$89,600
Qtr. Audit 1	\$52,000	\$8,000	\$60,000	\$7,200	\$67,200
Qtr. Audit 2	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 3	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 4	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 5	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 6	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 7	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 8	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 9	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 10	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 11	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
Qtr. Audit 12	\$36,000	\$8,000	\$44,000	\$4,800	\$48,800
	\$512,000	\$112,000	\$624,000	\$69,600	\$693,600

This is a planned operating expense that will be incurred over three years.

Strategic Note:

The agreement with Deloitte aligns with all aspects of the Health System’s Triple Aim Plus. The audit and consulting service will ensure that funding appropriated towards the construction of Women’s and Children’s and associated projects is utilized in a cost efficient manner to improve access to care, efficiencies, and enhance the patient experience.

Workforce Composition:

Deloitte Transactions & Business Analytics LLP, has a total of 64 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	14	10	11	28	1	64
%	0%	22%	16%	17%	44%	2%	100%
TOTAL	American Indian	Asian American	African American	Hispanic	White	Other	TOTAL
#	0	14	10	11	28	1	64
%	0%	22%	16%	17%	44%	2%	100%

Community Outreach:

The audit team will also include a local, Minority-owned-certified Business consultant with past experience supporting the Health System’s projects. Deloitte proposes to engage Garza Gonzales & Associates to assist in the audit work with a commitment to subcontracting at least 18% of the total professional services to the local firm. Garza/Gonzalez & Associates is a certified HUB, MBE and SBE local business.

Recommendation:

Staff recommends approval of the selection of Deloitte Transactions and Business Analytics, LLP to provide auditing and consulting services for the Health System's Capital Improvement Project for an amount not to exceed \$693,600 for the initial three year term and an amount not to exceed \$195,200 per renewal term thereafter.

Joshua H. Nieto
Chief Compliance/HIPPA Officer

Larry G. Wallis
Director, Internal Audit

Reed Hurley
Executive Vice President,
Chief Financial Officer

George B. Hernández, Jr.
President/Chief Executive Officer



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Consideration and Appropriate Action to Approve a Contract with U.S. Foods for Food Distribution Services

Background:

The current Labatt food distribution contract with University Health System expired on December 31, 2019. The contract was extended to allow the evaluation committee adequate time to review RFP solicitations for a new contract. The food distributor will supply food products for all Health System locations.

Analysis:

On December 9, 2019, a Request for Proposal (RFP) was published by University Health System for the provision of food distribution services. The RFP required respondents to provide written answers and/or data for the following key criteria:

- **Product pricing**
 - Provide line item pricing for the top 430 most utilized food items (based on current product selection) representing 90% of the total spend
 - Provide distribution markup percentage for all categories (cost plus)
- **Rebates and discounts**
 - Description of all rebates and related discounts to be offered to the Health System
- **Scope**
 - Acknowledgement to accept/reject key contract preferences that the Health System requested
- **Qualitative responses**
 - Answer a set of comprehensive questions that describe each vendor's capabilities to create efficiencies and deliver quality services for the

Health System

- **Facility locations**

- Identify all distribution locations to ensure timely deliveries to the Health System

Food Distribution Services Selection Process:

The RFP scoring criteria included: Ability to meet scope (30 points), qualitative responses (20 points) and pricing (50 points) for a maximum of 100 points. By January 21, 2020, five responsive submittals were received by the Health System:

- Ben E. Keith Foods
- Labatt Food Service, LLC
- Gordon Food Service, Inc.
- Sysco Food Services
- U.S. Foods

On February 5, 2020, all submittals were reviewed and scored by the evaluation committee. Labatt Food Service, LLC and U.S. Foods were identified as the top two scoring finalists. The evaluation committee recommended that the two finalists provide the Health System with best and final offer by February 10, 2020.

After careful consideration, the evaluation committee recommendation was to award the full contract to U.S. Foods as best value for the Health System. Both finalists ranked near equal in scope and qualitative responses. The deciding factor for this selection was pricing. U.S. Foods is able to provide current product to the Health System for approximately \$2.4 million less over a three year period than the next lowest priced vendor. U.S. Foods was the only submitting vendor to be fully contracted with the Premier GPO for which University Health System is a partner member. Through Premier, the three year savings is comprised of \$476,000 in lower food costs for the top usage items, \$1,068,000 in tier savings, and \$912,000 in delivery drop rebates. No modifications to existing purchasing practices are required by the Health System to achieve tier savings or drop rebates with U.S. Foods.

A contract with U.S. Foods, negotiated through Premier GPO, allows University Health System to have direct contract manufacturer agreements (CMAs) with more

than 440 food manufacturers. Premier assumes the burden for the Health System to manage these contracts and verify invoice pricing on a quarterly basis. Many of the 440+ contracts administered by Premier will be eligible for manufacturer rebates. Rebates will be paid directly to the Health System. These rebates are additional incentives for the Health System and not part of the calculated savings of \$2.4 million.

Quality Note:

This food distribution contract will provide quality meals for all Health System patients, visitors, and staff. Quality food enhances the patient experience. U.S. Foods has provided secondary distributor services to the Health System for many years and all services and products have been of a high quality.

Fiscal Impact:

The three-year total contract amount is not to exceed \$15,100,000. In partnership with Premier, Procurement will evaluate contract performance on a quarterly basis to include review of invoices, discounts/savings, and rebates. There will be additional opportunities to move another \$1M per year in purchases from other vendors to this agreement which would generate even further savings for the Health System.

Strategic Note:

This contract supports multiple elements of Triple-Aim Plus. Quality will be maintained through guaranteed order fill rates and timely deliveries. Patient experience will be maintained by providing high quality food products. New efficiencies will be achieved through price savings and rebates.

Workforce Composition:

U.S. Foods, Buda Division (local business and member Regional Certification Agency) has a total of 281 employees. The workforce composition data is as follows:

NON PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	
#	0	1	37	114	40		192

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%	0%	1%	19%	59%	21%		100%
PROFESSIONAL	American Indian	Asian American	African American	Hispanic	White	Other	
#	0	1	5	30	53		89
%	0%	1%	6%	34%	60%		%
TOTAL	American Indian	Asian American	African American	Hispanic	White	Other	TOTAL
#	0	2	42	144	93		281
%	0%	1%	15%	51%	33%		100%

Recommendation:

Staff recommends that the Board of Managers approve a non-assignable food service contract for three years in the total amount of **\$15,100,000** with two additional one year renewal terms with U.S. Foods.

James Willis
Vice President/Associate Administrator
University Hospital

Michael Roussos
Hospital Administrator
University Hospital

Edward Banos
Executive Vice President/
Chief Operating Officer

George B. Hernández, Jr.
President/Chief Executive Officer
University Health System



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Consideration and Appropriate Action Regarding a Professional Services Agreement with Medical Center Cardiology, PLLC d/b/a Cardiology Partners of San Antonio for Outpatient Cardiology Services

Background:

In June 2018, the Board of Managers approved a one-year agreement with Cardiology Partners of San Antonio to provide outpatient cardiology consult services. This pilot program was initiated to reduce the growing number of unseen patients in the Health System cardiology queue. Prior to this agreement, cardiology consult services had been solely provided by UT Health San Antonio since 2009. In March 2017, University Medicine Associates (UMA) hired a dedicated cardiologist to support cardiac consults. By May 2018, the cardiology queue of unseen patients had peaked at 580 unseen patients with an average wait time of 71 days for the next available appointment. Within the first year of this contract being initiated, the combined cardiology queue (UMA and UT) dropped to approximately 60 unseen patients with an average wait of 7 days for the next available appointment.

In June 2019, the Board of Managers approved the first one-year renewal with Cardiology Partners of San Antonio. Today, the combined cardiology queue (UMA and UT) holds approximately 80 unseen patients with an average wait of 7-10 days for the next available appointment. Within the UMA practice, requests for immediate consults can be accomplished within one business day. Staff is seeking a second one-year renewal with Cardiology Partners of San Antonio.

Analysis:

Renewal of the UMA contract with Cardiology Partners of San Antonio will continue providing UMA with eight hours of physician coverage per day, Monday

through Friday, excluding hospital holidays. Contract services will continue to be provided at the dedicated clinic located at University Hospital on the second floor of Rio Tower. This clinic treated approximately 3,051 patients in 2019. In addition to providing primary cardiac care during 2019, the clinic has continued to generate a significant volume of diagnostic testing to include 200 cardiac catheterization consults, 500 stress tests, 2000 EKGs, 800 cardiac ultrasounds and 350 miscellaneous procedures. The clinic referred 12 patients for open heart consults and 11 for vascular consults.

The Health System operates three locations providing cardiac consults. UMA provides services at two locations to include University Hospital and Southwest Clinic. UT Health San Antonio provides services at the Robert B. Green Campus. Below is a 2019 comparison of clinic volumes for all locations:

Cardiology Consult Volumes 2019

	Clinic Visits	Physician FTE	Mid-Level FTE	Total FTE	Visit per FTE
UMA-UH	3051	1.0	0.2	1.2	2543
UMA-SW	3592	1.0	0.8	1.8	1996
UT-RBG	2282	1.0		1.0	2282

Quality:

The ability for University Medicine Associates to contract with Cardiology Partners of San Antonio has impacted all areas of the Triple Aim Plus goals. This contract provides improved access for the community by increasing the number of appointments for new patient consults, as well as providing patients with a third geographic location to be seen and treated within the community. The UMA clinic at University Hospital continues to accommodate cardiology patients directly from the Emergency Department as opposed to those patients waiting and returning for an appointment at a later date. Patient experience and outcomes have been enhanced by these shortened wait times. The longer a patient waits to see a cardiologist, complications and risks increase proportionately. All procedure interventions and advanced care are referred to a UT Health San Antonio provider. Efficiency has been improved by managing acute and chronic cardiac care in the appropriate clinic environment. Access to clinic care diverts patients from seeking higher cost care in our UHS Emergency Department.

Fiscal Impact:

This contract with Cardiology Partners of San Antonio will be for a period of 12 months beginning July 9, 2020. Costs remain unchanged from the initiation of the original contract at **\$287 per hour**. This amount was confirmed to be at or below fair market value by VMG, an independent valuation consultant. The Health System, through University Medicine Associates, will bill and collect for all services provided by Cardiology Partners of San Antonio. The total value for this contract is not to exceed \$650,000. This contract is a budgeted operational expense. In reflecting back on the assumptions made in the original pro forma, the contribution margin for this contract less collections was \$24,000 better than budget.

Strategic Note:

UMA contracting with Cardiology Partners of San Antonio will continue to strategically align with the UHS mission to promote the good health of the community through high quality care and appropriate access. This contract will continue to enhance services provided by the Heart and Vascular Institute (HVI) soon to be located within the new Advanced Diagnostic Center. This contract has fostered collaboration between providers while maintaining all the patient’s healthcare needs within the University Health System.

Workforce Composition:

Cardiology Partners of San Antonio has a total of four 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	1	0	2	1	0	4
%	0%	25%	%	50%	25%	0%	100%
TOTAL	American Indian	Asian American	African American	Hispanic	White	Other	TOTAL
#		1		2	1	0	4
%	0%	25%	0%	50%	25%	0%	100%

Recommendation:

Staff recommends Board of Managers' approval for a contract with Cardiology Partners of San Antonio to provide outpatient cardiology services in the amount of \$650,000 for a twelve month period beginning July 9, 2019.

James Willis
Associate Administrator
Hospital Administration

Michael Roussos
Hospital Administrator
University Hospital

Edward Banos
Executive Vice President/
Chief Operating Officer

George B. Hernández, Jr.
President/Chief Executive Officer
University Health System



University Health System

BEXAR COUNTY HOSPITAL DISTRICT BOARD OF MANAGERS

Tuesday, June 23, 2020

Consideration and Appropriate Action Regarding an Agreement with Pediatrix Medical Services, Inc. for Pediatric and Neonatal Surgical Services

Background:

University Health System and the Pediatric Department of UT Health San Antonio (UT Health) work together to provide pediatric health care services to meet patient demand in Bexar County. Although UT Health will provide professional services across numerous specialty areas, there is a need for pediatric surgical support to assist in the diagnosis and treatment of complex pediatric and neonatal surgery patients. Contracting with a third party to cover inpatient and outpatient urgent and elective pediatric surgical cases is critical to the overall success of the Health System pediatric program. Currently, UT Health does not have the specialized providers to support pediatric surgical services, and the Health System has contracted with Pediatrix Medical Services, Inc. (Pediatrix) to provide these services.

The current agreement with Pediatrix expires June 30, 2020. Health System leadership, working in conjunction with UT Health Department of Surgery leadership, has determined that it is necessary to enter into a new agreement with Pediatrix to continue providing their specialized services due to our complex pediatric and neonatal surgical patients. This agreement with Pediatrix will ensure that the Health System maintains access to the highest quality pediatric and neonatal surgical coverage.

Analysis:

All physicians providing services pursuant to this agreement are credentialed through UT Health. The UT Health Departments of Surgery and Pediatrics are supportive of this agreement which complements the current UT Health Surgery and Pediatric practices at the Health System. Pediatrix is a multi-specialty group practice that

has an excellent reputation for providing specialized pediatric surgical services in the community.

Quality Note:

Entering into this agreement with Pediatrix enables the Health System to ensure that the Pediatric and Neonatal Surgical Programs will have a sufficient number of qualified physicians available to provide the highest quality health care to our most complex pediatric and neonatal surgical patients.

Fiscal Impact:

The cost of this contract is \$650,000 per year for pediatric surgical coverage and \$150,000 per year for neonatal surgical coverage for a total of \$800,000 per year. This is a planned expense and is included in the 2020 operating budget.

Strategic Note:

Entering into this agreement supports our strategic goal of expanding pediatric and neonatal surgical services and the pediatric and neonatal service lines at the Health System.

Workforce Composition:

Pediatrix Medical Services, Inc., has a total of 33 employees. The workforce composition data is as follows:

Non-Professional Workforce	American Indian	Asian American	African American	Hispanic	White	Total
Female Total			2	16	1	19
Male Total					1	1
Combined Non-Prof Total			2	16	2	20
Professional Workforce	American Indian	Asian American	African American	Hispanic	White	Total
Female Total				1	3	4
Male Total		1			2	3
Combined Prof Total		1		1	11	13
Total Workforce		1	2	17	13	33

Recommendation:

Staff recommends Board of Managers' approval to execute the contract with Pediatrix Medical Services, Inc., for specialized pediatric and neonatal surgical services at a cost of \$800,000 for the year ending June 30, 2020 with an option to renew for an addition one year period under the same terms and conditions.

Allen Strickland
Vice President Hospital Administration-
Fiscal Management

Edward Banos
Executive Vice President/
Chief Operating Officer

George B. Hernández, Jr.
President/Chief Executive Officer