REGULAR BI-MONTHLY MEETING
OF THE BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

Tuesday, April 23, 2013
2:00 p.m.
Conference Room A
Corporate Square
4801 NW Loop 410, 10th Floor
San Antonio, Texas 78229-5347

MINUTES

BOARD MEMBERS PRESENT:

James R. Adams, Chair
Linda Rivas, Vice Chair
Rebecca Q. Cedillo, Secretary
Roberto L. Jimenez, M.D., Immediate Past Chair
Robert Engberg
Alex Briseño
Ira Smith

OTHERS PRESENT:

George B. Hernández, Jr. President/Chief Executive Officer, University Health System
Bryan Alsip, M.D., Executive Vice President/Chief Medical Officer, University Health System
Karen Bryant, Vice President, Hospital Administration/Operational Excellence, University Hospital
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System
Sergio Farrell, Senior Vice President, Ambulatory Services, University Health System
Michael Hernandez, Vice President/Chief Legal Officer, University Health System
Sherry Johnson, Vice President/Integrity Officer, University Health System
Leni Kirkman, Vice President, Corporate Communications & Patient Relations, University Health System
Terrell McCombs, Chair, University Health System Foundation
Denise Pruett, Director, University Health System Foundation
Christann Vasquez, Executive Vice President/Chief Operating Officer, University Health System
Mark Webb, Senior Vice President, Facilities Administration, University Health System
Charles Nolan, M.D., Professor, Medicine & Surgery, UTHSCSA; and Medical Director, LIFE Care/Palliative Medicine Service, University Health System
Jason Morrow, M.D., Howard & Betty Hall Professorship in Medical Humanities & Ethics, Department of Medicine, Division of Geriatrics, UTHSCSA
Jennifer Healy, M.D., Assistant Clinical Professor, Department of Medicine, Division of Geriatrics and Palliative Medicine, UTHSCSA
Dan Riley, M.D., Professor, Department of Medicine/Renal Diseases, UTHSCSA
CALL TO ORDER AND RECORD OF ATTENDANCE: JIM ADAMS, CHAIR, BOARD OF MANAGERS

Mr. Adams called the meeting to order at 2:10 p.m.

INVOCATION AND PLEDGE OF ALLENGECE:

Ms. Scepanski introduced Pastor Dorothy De La Rosa of Church Triumphant for the invocation. Of special interest to the Board of Managers was Ms. De La Rosa’s status as a post transplant patient of the University Transplant Center. Mr. Adams led the pledge of allegiance.

APPROVAL OF MINUTES OF PREVIOUS MEETING(S): FEBRUARY 19, 2013

REGULAR MEETING

SUMMARY: The minutes of the regular meeting of Tuesday, February 19, 2013, were presented for the Board’s approval.

RECOMMENDATION: Mr. Adams recommended approval of the minutes as submitted.

ACTION: A MOTION to approve the minutes was made by Mr. Briseno, SECONDED by Mr. Engberg, and PASSED UNANIMOUSLY

EVALUATION: None.

FOLLOW-UP: None.

UPDATE ON THE UHS LIFELONG INTENSIVE FAMILY EMOTIONAL (LIFE) CARE/PALLIATIVE MEDICINE PROGRAM – BRYAN J. ALSIP, M.D., M.P.H./CHARLES R. NOLAN, M.D.

SUMMARY: Dr. Alsip presented and yielded the floor to Dr. Charles Nolan for introduction of the extended members of the Palliative Care team, all of whom have joined since July 2011, when the Health System launched its inpatient Lifelong Intensive Family Emotional (LIFE) Care Program. The LIFE Care/Palliative team consists of an interdisciplinary team of people who specialize in working with patients and families dealing with serious illness or injury. The team is concurrently involved with the active treatment of the patient and in providing a support system for the family. The team provides expert control of the patient’s symptoms and what is known as total pain – physical, spiritual and emotional. If these issues are not addressed well, patients do poorly. Early palliative care consultation and discussion of the goals of care will reduce the need for terminal admission to University Hospital for end-of-life care and facilitate timely referral of patients when appropriate to outpatient Hospice Services. Hospice is the last step in palliative care. The LIFE Care Team enhances communication and shared decision-making for care, and provides bereavement support for family. This involvement results in the facilitation of well-coordinated support for needs
of patients and families across the entire continuum of care. The Palliative Care Program has recently started providing palliative care services on an outpatient basis at the UHS Pavilion on Medical Drive.

Drs. Alsip and Nolan provided a graphics presentation that included a sample performance improvement plan and measures used in the care of patients. They reviewed consult trends, average days of admission to consult, and the number of Palliative Care Clinic visits from 2011 through December 2012. The staff is also tracking the discharge disposition of each and every patient via a palliative care database. Formal patient satisfaction surveys have documented consistently high ratings from patients and family members regarding their experience. The average patient satisfaction score was 97.5 for the sampling months of April and May 2011; November and December 2012; and January 2013.

The Joint Commission surveyed the LIFE Care Palliative Program on April 3, 2013 and granted full accreditation. The surveyor identified zero official findings and further, recommended that the Team present the palliative care interdisciplinary note, which was developed by the Team in the Sunrise Electronic Medical Record, as an industry-wide best practice. Further, only three programs in the nation have previously received zero official findings, and the Health System has one of only three Joint Commission-accredited palliative care programs in the entire state of Texas.

Many studies, to include our own, also demonstrate positive financial outcomes. Between June 15, 2011 and September 9, 2012 the LIFE Care/Palliative Medicine Service provided 614 unduplicated inpatient consults. A financial analysis conducted using the University of California at San Francisco (UCSF) Palliative Care program’s CaseMaker© application for these patients demonstrated a net margin benefit of $1,992,860 in cost savings to the Health System when comparing early palliative care consultation (within the first 24 hours of admission) to late palliative care intervention (greater than 24 hours after admission). Furthermore, Dr. Alsip reported that a Delivery System Reform Incentive Payment (DSRIP) project specific to Palliative Care services was submitted under the Medicaid 1115 Waiver. The program meets all Triple Aim Plus objectives and will truly transform care for patients with serious illness.

Goals for the expansion of the program include an enhanced consultation service provided to the Emergency Center and the Intensive Care Units; expansion of the Outpatient LIFE Care/Palliative Medicine services to manage patients being actively treated in Oncology clinics at the CTRC, the outpatient dialysis units, and other Health System subspecialty clinics; development of an Advance Care Planning Program to promote the concept of advance care planning for all adults with chronic progressive illness and increase early referrals for Outpatient LIFE Care/Palliative Medicine services. These improvements will translate into higher quality of care, improved patient satisfaction, enhanced access to care, and increased cost savings for the Health System.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: No action by the Board of Managers was required.
EVALUATION: Board members engaged the entire palliative care team in dialogue regarding life and death options, to include advance care planning documents available at www.TexasLivingWill.org. It is the team’s collective experience that most
patients will choose care focused on improving quality of life rather than prolonging life. Dr. Jimenez shared an observation in that members of the Latino community are more apt to accept this type of information in the form of a DVD. Team members noted a DVD-related project that encourages patients to take the precious time they have left to leave a legacy for their families. Team members help patients talk through the life and death process, express their wishes, and leave memories for their loved ones through photos and interviews. Regarding pediatrics, the Health System has always had palliative care services available to some degree within the Neonatal Intensive Care Unit by Dr. Jean Petershack. We now also have the services of Dr. Glen Medellin a highly trained physician in pediatric palliative care. Team members expressed a sense of gratification in offering the various care options to patients. Board members commended the Palliative Care team for the development of a very successful palliative care program that has achieved a high standard of care in a relatively short period of time.

**FOLLOW-UP:** None.

**OPERATIONAL EXCELLENCE – PERFORMANCE IMPROVEMENT UTILIZING LEAN METHODOLOGY – KAREN BRYANT**

**SUMMARY:** Ms. Bryant provided a graphics presentation with various examples of rapid improvement events, reviewed Lean tools, vocabulary, 2013 projects and their status (A3 Lean Foundation, 5S Workplace, Phase I Kaizen, Phase II, 3P, Ambulatory Kaizen for DSRIP). She described Operational Excellence as the vehicle to drive continuous process improvement through the use of Lean methodology which allows the staff to engage in problem solving techniques aimed to improving the patient experience and the staff’s day to day work. Lean methodology is a patient focused approach to identify and remove non-value added activities (waste), allowing more time for value added work (direct patient care). These strategies follow the Toyota philosophy and production system model which allows staff members throughout the Health System to work together to identify and implement improvements with the support of the executive leadership team. Operational Excellence gives employees the tools and ability to identify and eliminate waste in their daily work. A key component of Operational Excellence is staff-driven change. Process improvement comes from those who are closest to where the work is done. The lean principle of “going to the Gemba” (where the work is done) is fundamental to achieving sustainable change. For example, no one knows more about what is happening at the patient bedside than the physician, nurse and support team actually taking care of the patient. Empowering these stakeholders to create and implement change is the engine for operational excellence. The Health System journey to Operational Excellence begun in 2012, with the cornerstone to all activity being the Triple Aim Plus strategic vision of providing high quality care and an exceptional patient experience; coupled with improved access to affordable healthcare. In the last 12 months staff has focused on the areas of improving length of stay, medication management, surgical services and transitions of care from the inpatient to ambulatory setting. Year two of the program calls for transformational change, which will require the engagement at all levels of the organization to be successful, i.e., front-line staff, middle managers, senior
leadership and physician partners. Staff is committed to spreading this unique approach to continuous process improvement through the entire organization.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: None.
EVALUATION: Mr. Engberg asked how project leaders are handling change by employees and the management in terms of determining what projects will be taken on, as well as implementation of improvements. Have there been any real difficulties in getting acceptance or buy-in from the employees? Ms. Bryant acknowledged that although there is some staff who will not want to have change occur, the most challenging piece has been the unavailability of the physicians for participation in meeting events that will lead to change. However, staff has created time stamps during the week during which physicians can check in with project leaders and get a report on what staff is doing or planning to do, giving physicians the opportunity to provide feedback, and resulting in buy-in without much resistance. A Lean Steering Committee composed of senior leadership oversees all activities. After a frank conversation about sustainability of the projects, the steering committee strongly encouraged the leadership to make a commitment and to engage by walking through the units and interacting with staff at least one hour per day during a specified “Gemba” period. A recognition program for successful projects is being developed at this time. Mr. Hernandez informed the Board that a group of employees recently attended training at a Disney Institute for Health Care Excellence and returned with ideas for enhancing the current employee recognition program. Mr. Adams reminded staff that that recognition is vital to the continued success of the various Lean projects.

FOLLOW-UP: None.

ANNUAL UHS FOUNDATION REPORT – THERESA SCEPTANSKI/TERREL MCCOMBS

SUMMARY: Ms. Scepanski introduced and yielded the floor to Mr. Terrel McCombs, Chair of the UHS Foundation Board of Directors since January 2012. Mr. McCombs presented a six year summary and current state of affairs at the UHS Foundation, beginning with revenue trends in to 2007 (at $424,041) through 2012 (at $1,363,589--unaudited), with in-kind donations by UHS to support staff and operating expenses totaled $343,210 in 2012. Mr. McCombs reviewed the role of the UHS Foundation Board member and reported that eleven (11) Board members have been appointed by the Board of Managers since 2007, bringing the current Board of Directors membership to 26. The Foundations Bylaws allow a maximum of 31 Board members. The Medical Miracles Gala is an annual event which is highlighted by a Medical Miracle Honoree (a former patient) who shares their recovery story with the over 500 guests in attendance. This event highlights the Health System’s partnership with UTHSCSA and provides an opportunity to thank the community for its support of the life-saving mission. Net Gala proceeds were reviewed beginning with the first Gala in 2007 at $112,820 through 2012 at $180,947.

The employee giving campaign is in its fourth year of existence. Employees have the opportunity to pledge a financial commitment to the projects and programs that further the mission of the Health System through the UHS Foundation. Approximately 50 staff members serve as Foundation Ambassadors to assist with presentations and provide campaign materials to over 5,000
employees. Some of the funds most supported by staff include: the Unrestricted General Fund, the Burned Children’s Fund and the Neonatal ICU Fund.

On May 31, 2001 the Foundation created a nursing scholarship fund for Health System employees. The scholarship program was established in response to the national and local shortage of registered nurses. The program has been a resounding success not only for retention of great employees but for the morale and benefit of the students and families. A total of 63 nursing scholarship recipients have become registered nurses for University Health System to date. Mr. McCombs reviewed scholarship criteria and program statistics since the program’s inception.

The “Our Sons & Daughters” Scholarship was founded as an addition to the employee benefit total rewards program of Health System staff. This fund provides financial support in the form of a one-time scholarship to the dependent children of employees who are pursuing a post-secondary degree. Scholarship awards are based on available fund balance.

Finally, Mr. McCombs reported that the UHS Foundation has engaged Campbell & Company to provide expertise in fundraising best practices for healthcare organizations. Currently, the case for support is being developed and priority projects are being identified. The next steps include leadership recruitment and training as well as prospect identification and solicitation. These steps are needed to effectively plan and implement a successful campaign.

**RECOMMENDATION:** This report was provided for informational purposes only.

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

**EVALUATION:**

Mr. Adams thanked Mr. McCombs and acknowledged that the Board of Managers is fortunate to have a strong and highly respected leader as Chair of the Foundation Board. He is a person who gets things done and is committed to the success of the UHS Foundation. Mr. Briseno noted that the overall quality of the Foundation Board membership has also improved, with all members actively engaged in all Foundation activities. They realize the value of UHS to the community, and that is a great message. Mr. Adams also thanked Mr. Briseno for his work with the Foundation and reminded his colleagues that any Board of Managers’ concern is communicated to the Foundation Board by Mr. Briseno. Also, the strongest endorser of a campaign is the Board of Managers. He encouraged Board members to show 100 percent support of all Foundation campaigns, and asked them to remind those individuals in their respective networks about the importance of supporting philanthropy, with the message that tax payer support does not get it all done.

Dr. Jimenez noted that in the last 10 years the focus of healthcare has shifted towards outpatient care. This shift is going to continue and what the public knows about UHS today is that it provides inpatient care. The changes in 2014 will require this Board to review fundamental aspects of the business, and the changes will undoubtedly place new expectations upon the UHS Foundation. Mr. McCombs agreed that as the business environment changes all must adapt. He assured the Board that the UHS Foundation is concerned about its long term mission of supporting the University Health System and is vital in supporting key enhancements to the Capital Improvement Project that are not budgeted for but
align with the visionary future of the Health System. Mr. Adams and Mr. McCombs have previously discussed the critical roles both Boards have in future Foundation campaigns. They are considering the possibility of a joint Board session that would provide the Board of Managers with an opportunity to visit with members of the Foundation Board, some of whom have signed up for the Walk in My Shoes nursing event next week because they are also impressed with the Health System’s work. Mr. Adams thanked Denise Pruett, Director, UHS Foundation, for her work.

FOLLOW-UP:
None.

REPORT ON THE 83RD LEGISLATURE—ANDREW SMITH

SUMMARY:
The 83rd Texas Legislature convened on Tuesday, January 8, 2013 for its 140 day biennial regular session. On January 7th Texas Comptroller Susan Combs released the state’s Biennial Revenue Estimate, showing the state is projected to have $101.4 billion available for general-purpose spending during the 2014-15 biennium. The state’s general revenue collection from taxes, fees and other income is estimated to be $96.2 billion for the 2014-15 biennium, of which about $3.6 billion would be set aside for future transfers to the Rainy Day Fund. This leaves approximately $92.6 billion in net general revenue. Adding to that is a projected $8.8 billion ending balance from the current biennium, giving the Legislature the estimated $101.4 billion for general-purpose spending for the next biennium. However, approximately $5 billion is needed to fund Medicaid for the current biennium. On Thursday, April 4th, the Texas House of Representatives took up Senate Bill 1, the Texas budget for 2014-15. The House version of the budget bill totals nearly $100 billion in state and federal funds per year and includes a number of key Medicaid and Children’s Health Insurance Program initiatives impacting hospitals. Mr. Smith provided detailed update information on the following budget items currently under review by the Texas Legislature: THHSC Rider 70, THHSC Rider, THHSC Rider 50, THHSC Rider 53, and HB 1025, a supplemental appropriations bill. In addition, he reviewed items of specific interest to the Health System, which staff continues to follow and analyze:

- All matters relating to Medicaid Expansion under the Affordable Care Act, including HB 3791, by State Rep. John Zerwas (Richmond), which seeks a "Texas solution" to take part in the Affordable Care Act's expansion of Medicaid;

- Driver Responsibility Program (DRP) for full funding from the Designated Trauma Facility and EMS Account;

- Legislation to Increase Healthcare Providers, including SB 143;

- HB 581, giving public hospital-employed nurses a right to recover damages if retaliated against for patient advocacy was voted out of committee Monday, April 15;

- HB 705, Reducing Violence Against Nurses, was voted out on Tuesday, April 16; and
- Prevention Efforts – Legislation that improves access to women’s preventive healthcare, and restores funding to the DSHS Family Planning Program to 2010-2011 levels.

At the federal level, the Budget Control Act (BCA) of 2011, which created the Joint Select Committee on Deficit Reduction (known as the "Super Committee") was tasked with finding more than $1 trillion in spending reductions or revenue increases. Under the BCA, automatic, across-the-board spending cuts - "sequestration" - would begin Jan. 1, 2013. However, lawmakers approved a delay in the start of sequestration until March 1, 2013. Sequestration went into effect on that date with Medicare cuts delayed until April 1, 2013. Congress has yet to enact legislation to alter sequestration and there does not appear to be significant movement to change the law in the near future.

The BCA exempted Medicaid, the Children's Health Insurance Program and other low-income programs from cuts under sequestration. Medicare and some other programs are partly protected from sequestration by limiting their cuts to 2 percent annually. This includes pharmacy and electronic health record incentives. Medicare Advantage payments to health plans also will be reduced by 2 percent and they are expected to pass those reductions on to hospitals and other providers. In addition cuts of 5% (up to 9% in FY13) are included for certain Federal grants and Build American Bond subsidies.

Staff provided a written estimate of the impact of the BCA sequestration cuts for the Health System through December 2015.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: No action by the Board of Managers was required.
EVALUATION: None.
FOLLOW-UP: Ms. Rivas asked Mr. Smith to provide her with a status report on pending legislation relating to the funding of drug testing for the qualification of state benefits, such as unemployment compensation benefits and Temporary Assistance for Needy Families.

ACTION ITEMS:

**CONSIDERATION AND APPROPRIATE ACTION REGARDING COMMISSIONING PEACE OFFICER FOR BEXAR COUNTY HOSPITAL DISTRICT - MARK WEBB**

SUMMARY: Chief Armando Sandoval introduced Mr. Gilbert Olivares and verified that all of his credentials have been examined and certified as meeting all of the requirements of a Bexar County Hospital District police officer. Mr. Olivarez has over 38 years law enforcement experience; having held a Sergeant position with the San Antonio Police Department and Peace Officer with Harlandale Independent School District. As required of all Health System peace officers, Gilbert Olivarez will attend the 40-hour crisis intervention training immediately following his commissioning. This course is sponsored by The Center for Healthcare Services, San Antonio Police Department, Bexar County Sheriff’s Office, and the University Health System.
RECOMMENDATION: Staff recommends Board approval to commission Gilbert Olivarez as Bexar County Hospital District Peace Officer.

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

EVALUATION: Mr. Webb commended Chief Sandoval’s leadership and credited him with the high caliber of recent applicants. Board members agreed and expressed appreciation of the Chief’s leadership.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO AMEND THE CONTRACT WITH PARSONS COMMERCIAL TECHNOLOGY GROUP, INC., TO REDUCE THE TERM AND ASSOCIATED FEES – MARK WEBB

SUMMARY: In October 2008, University Health System issued a Request for Proposals for a Lead Program Manager and Site Specific Project Managers. Thirteen proposals were received. A committee comprised of both Health System staff and outside experts evaluated the proposals, and ultimately selected the three most qualified firms to recommend to the Board of Managers.

On January 8, 2009, staff presented the committee’s recommendation of the three firms to the Planning and Operations Committee. The committee accepted the recommendation and designated the firms to perform the following work: Jacobs as the lead program manager; Broaddus + Muñoz as the site specific project manager at University Hospital; and Parsons Commercial Technology Group, Inc. (Parsons) as the site specific project manager at the Robert B. Green campus.

The Board of Managers approved the agreements with Jacobs and Broaddus + Muñoz at its February 17, 2009 meeting. The Parsons agreement was approved at the February 24, 2009 meeting.

Based on a re-evaluation of the project at the Robert B. Green Campus and the current workloads, staff proposes that the term and fee of the agreement with Parsons be amended. The original termination date of the agreement is June 2014 and the fee is set at $5,766,941 for all services. Staff has determined that it is more efficient to terminate the existing agreement with Parsons in May 2013 and have the remaining services provided to the Health System by Jacobs. The contractual end date of the Jacobs contract will be adjusted from March 2015 to July 2014 to accommodate the staffing needs associated with the Robert B. Green Campus project. The July 2014 date also coincides with final completion of the new tower at the University Hospital Campus.

The reduction in term will be a cost savings to the Health System of $844,896. There will not be an increase to the Jacobs fee for their provision of the remaining Parsons services. The current SMWVBE participation levels of Parsons are 18.82% SMWVBE and 15% local.

RECOMMENDATION: Staff recommends Board of Managers’ approval of an amendment to the contract with Parsons Commercial Technology, Inc. for a reduction in fee - a cost savings of $844,896, and an early termination date of July 2014 (from June 2013).
A MOTION to approve staff’s recommendation was made by Ms. Cedillo, SECONDED by Mr. Briseno, and PASSED UNANIMOUSLY.

Mr. Smith asked Mr. Webb to confirm his understanding that this transaction will not extend the original contract nor create new projects. The purpose of this amendment is to complete projects that have been authorized by the Board of Managers thus far. Any thing that is brought to the Board of Managers for approval through June 2014 will be necessary to complete this project only. Ms. Rivas asked for the staff’s assurance that this change would not result in any potential problems with change orders, delivery, and/or staffing issues.

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CLOSED SESSION:

Mr. Adams announced the Board meeting closed to public at 4:45 p.m., pursuant to TEX. GOV’T CODE, Section 551.074 (Vernon 2004) to evaluate the performance and duties of the President/CEO. All Board members were present. After discussion, no action was taken in closed session, and the public meeting reconvened at 5:45 p.m.

ADJOURNMENT:

There being no further business, Mr. Adams adjourned the meeting at 5:46 pm.

Jim Adams
Chair, Board of Managers

Rebecca Q. Cedillo
Secretary, Board of Managers

Sandra D. Garcia, Recording Secretary