SPECIAL MEETING
OF THE BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

Monday, December 19, 2011
2:00 p.m.
Corporate Square, 10th Floor, Conference Room A
4801 NW Loop 410
San Antonio, Texas 78229-5347

MINUTES

BOARD MEMBERS PRESENT:

Robert L. Jimenez, M.D., Chair
Ira Smith, Secretary
Robert Engberg
Linda Rivas
Rebecca Q. Cedillo

ABSENT:

Alex Briseño
Jim Adams, Vice Chair

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
Francine Crockett, Vice President, Materials Management, University Health System
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System
Michael Hernandez, Vice President, Legal Services, University Health System
Roe Garrett, Controller/Vice President, Fiscal Services, University Health System
Leni Kirkman, Vice President, Strategic Communications and Patient Relations, University Health System
Richard Rodriguez, Vice President, Facilities, University Health System
Roberto Villarreal, M.D., Vice President, Community Initiatives, University Health System
Christann Vasquez, Executive Vice President/Chief Operating Officer, University Health System
Mark Webb, Vice President, Facilities Development & Project Management, University Health System
CALL TO ORDER AND RECORD OF ATTENDANCE: ROBERTO L. JIMENEZ, M.D.,
CHAIR, BOARD OF MANAGERS

Dr. Jimenez called the meeting to order at 2:03 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Volunteer Chaplain Tomas Hernandez said the invocation and Mr. Smith led the pledge of allegiance.

REPORT FROM THE NOMINATING COMMITTEE AND ELECTION OF BOARD OF
MANAGERS OFFICERS – ROBERT ENGBERG AND ALEX BRISENO

SUMMARY: This item was tabled until the January meeting due to Mr. Brise_o’s illness and absence from today’s meeting.
RECOMMENDATION: None.
ACTION: None.
EVALUATION: None.
FOLLOW UP: None.

CITIZENS’ PARTICIPATION: None.

APPROVAL OF MINUTES OF PREVIOUS MEETING(S):

NOVEMBER 15, 2011 – SPECIAL BOARD MEETING:

SUMMARY: The minutes of the special Board meeting of November 15, 2011, were submitted for approval by the Board of Managers.
RECOMMENDATION: Dr. Jimenez recommended approval of the minutes as submitted.
ACTION: A MOTION for approval of the recommendation was made by Mr. Engberg, SECONDED by Mr. Smith, and PASSED UNANIMOUSLY.
EVALUATION: None.
FOLLOW-UP: None.

NOVEMBER 21, 2011 – SPECIAL BOARD MEETING

SUMMARY: The minutes of the special Board meeting of November 21, 2011, were submitted for approval by the Board of Managers.
RECOMMENDATION: Dr. Jimenez recommended approval of the minutes as submitted.
ACTION: A MOTION for approval of the recommendation was made by Mr. Smith, SECONDED by Ms. Cedillo, and PASSED UNANIMOUSLY.
EVALUATION: None.
FOLLOW-UP: None.

CONSENT AGENDA – ROBERTO L. JIMENEZ, M.D.

Consideration and Appropriate Action Regarding Medical-Dental Staff Recommendations for Staff Membership – Nicolas Walsh, M.D., President, Medical/Dental Staff
Consideration and Appropriate Action Regarding an Amendment to the Medical-Dental Staff Bylaws—Nicolas Walsh, M.D., President, Medical/Dental Staff

Consideration and Appropriate Action Regarding Expansion of Affiliated Hospitals Participating in the Bexar County Upper Payment Limit Program—Michael Hernandez

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

RECOMMENDATION: Staff recommended approval of the items listed above in the consent agenda.

ACTION: A MOTION to approve staff’s recommendation was made by Ms. Cedillo, SECONDED by Ms. Rivas and PASSED UNANIMOUSLY.

EVALUATION: Mr. Smith asked if the contract for pharmaceutical distribution services with Morris & Dickson Company, LLC, in the amount of $27,821,976, was in any way related to, or necessary, as a result of President Obama’s Patient Protection and Affordable Care Act of 2010. Ms. Mote replied that although there is some anticipation that the Health Care Act may impact the Health System’s Medication Assistance Program because more patients will have funding in 2014, she was not aware of anything that is specifically tied to 2012. Staff will keep the Board apprised of any significant impact to the Health System’s medication assistance programs that result from the Health Care Act.

FOLLOW UP: None.

REPORTS OF STANDING COMMITTEES:

ITEMS RELATED TO PLANNING & OPERATIONS – LINDA RIVAS, CHAIR, AND PLANNNING & OPERATIONS COMMITTEE:

UPDATE ON CAPITAL IMPROVEMENT PROGRAM ACTIVITIES – MARK WEBB

SUMMARY: Mr. Webb reported that there had been no injuries at either campus during this reporting period. To date, laborers have spent approximately 670,000 work hours on University Hospital enabling, Central Utility Plant, new Tower, and West Parking Garage projects. Approximately 308,000 work hours have been expended at the Robert B. Green campus. In preparation for construction of the tower at University Hospital, staff continues to plan and execute interior and exterior building/site modifications and changes. Work efforts are planned to minimize the impact on hospital operations and patient inconvenience. At the Robert B. Green Clinical Services Building, workers continue rough-in of multiple mechanical, electrical, and plumbing systems, install metal studs on the first through fifth and seventh floors and place exterior waterproofing panels on both sides of the building exterior. The penthouse and roof steel framing is slated for completion this month. Demolition of the space at the Milagros Building is scheduled to start this month. Approximately 550 management, administrative and labor staff support the efforts of the Capital Improvement Projects. Mr. Webb
provided an in-depth report of this month’s progress at both sites, including traffic changes and parking, energy and environmental design efforts, procurement, design enhancement/public art and he reviewed GMPs approved by the Board to date, cost control estimates, and savings from GMPs. Regarding community outreach and education, he reported that architecture and environmental study students from Jefferson High School had spent part of a day with CIP team project managers and architects where they learned team building, critical thinking, and project management skills. CIP Team Blood Drive collaboration team ended this year with a total of 161 pints of blood donated. On November 4, the University Health System entered into an agreement with CPS Energy to provide 28 total electric vehicle (EV) charging stations at 6 locations within the Health System (University Hospital; Robert B Green Campus; North Clinic, Texas Diabetes Institute (TDI) and the Southwest and Southeast clinics). These charging stations will be available for electric vehicles, plug-in hybrid vehicles, and other vehicles that require an electric charge. CPS Energy will study charging behaviors, electric distribution system impacts, governmental EV policy and regulations, business models, and peak demand management. For the duration of the federal research project, ending December 31, 2013, the U.S. Department of Energy (DOE) will own the stations and CPS Energy will manage the stations, including maintenance and operating costs. Due to credits that will be received on future utility bills, the installation of these units is cost neutral. Installations began on Monday, November 21, 2011 and will occur through the end of December. Installations at the West Parking Garage, Robert B Green Campus, TDI, and the North Clinic are complete. Additionally, as part of the University Health system sustainability initiative, Graybar, in partnership with MedAssets, will be providing the Health System charging stations for the South Parking Garage at no cost to the Health System (a value of approximately $30,000). The project electrical contractor, Alterman Electric, is providing the labor for the installation and all gear and materials is being provided by Graybar. Finally, as a follow up report, Mr. Webb informed the Board that on December 6, 2011, the Bexar County Commissioners Court approved the sale of the Pretrial Services (Milagros) Building to the University Health System. The building will be renovated as part of the Robert B. Green campus Capital Improvement Program and will be the location of the new Pharmacy. The sales price is $1,350,000 and the closing date is anticipated to be no later than the third week of December 2011. Because of an inadvertent error in the May 18, 2010 Board memo, the Board of Managers approved the purchase at $1,300,000. As such, the full sales price will need to be adjusted by $50,000. Board members were also provided the monthly budget/cost and status schedules for review and discussion.

RECOMMENDATION:
ACTION: None.
EVALUATION: This report was provided for informational purposes only.

Ms. Rivas suggested that Mr. Webb take into consideration the after business hours lighting and security systems surrounding the electric car changing stations at the various facilities. Mr. Engberg requested additional information at a future date regarding plans to manage the various stations and possible fees to users of the stations. Dr. Jimenez
requested a future report on the economic impact of the capital improvement project to include the number of jobs that have been made available to Bexar County residents. He asked that the report also be provided to Bexar County Commissioner Court.

FOLLOW UP:
None.

ITEMS RELATED TO BUDGET & FINANCE – ROBERT ENGBERG, CHAIR, BUDGET & FINANCE COMMITTEE:

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS RELATED TO THE CAPITAL IMPROVEMENT PROJECT:

UNIVERSITY HOSPITAL:

CONSIDERATION AND APPROPRIATE ACTION TO AMEND THE PROFESSIONAL SERVICES CONTRACT WITH PERKINS + WILL FOR ADDITIONAL ARCHITECTURAL SERVICES ASSOCIATED WITH THE CENTRAL UTILITY PLANT AND WEST PARKING GARAGE PROJECTS - MARK WEBB

SUMMARY: This is a contract amendment for the development, design and engineering solutions for a number of issues that will help to better facilitate construction activities and betterment to ongoing projects (i.e. Central Utility Plant, steam line temporary re-route; waterproofing on main kitchen floor; LED lighting structural support for WPG; main kitchen tray line renovations; revisions to room service kitchen and pantries; WPG parking analysis; Tower temporary steam/chilled water line connections; loading dock crawl space access; HEPA filters redesign to high plume dilution system and cold water softening). Funding is available through the CIP Contingency Fund. Participation goals for this contract are 38% for SMWVBE and 60% for local firms. The original contract in the amount $45,310,513 was approved by the Board of Managers in July 2009. Modification #1 through #3 total $3,698,270. The total value of this contract including Modification #4 is $49,128,748

RECOMMENDATION: Staff recommends Board of Managers approval of a contract amendment with Perkins+Will to increase the dollar amount for design services in the amount of $119,965

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

EVALUATION: Mr. Webb assured Board members that there was not a high probability that all elevators in the West Parking Garage would go down simultaneously and inconvenience patients, especially those patients who are unable to climb stairs. One elevator bank inside the WPG houses three standalone elevators and another elevator bank in the existing garage houses another set of elevators. Soon there will be one more set of operational elevators. Additionally, the Health System has a very good elevator maintenance contract.

FOLLOW UP: None.
ROBERT B. GREEN CAMPUS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE FINISH OUT OF THE CLINICAL SERVICES BUILDING AND THE IMAGING BUILDING AT THE ROBERT B. GREEN CAMPUS - MARK WEBB

SUMMARY: The projects associated with the CIP at the Robert B. Green Campus (RBG) include a new Clinical Services Building (CSB), parking facilities, demolition of an existing building, and renovation of existing buildings on campus.

After completion of the CSB, departments will be moved into the new facility and certain areas of the “A” and “C” buildings renovated to allow for the relocation of remaining functions that are currently located in the “B” building (see attached diagram). Upon completion of the renovations/relocations, the “B” building will be razed and a parking plaza constructed. This will complete the CIP for the downtown campus. Based on the Master Facility Plan, the next growth of the RBG campus involves development of new facilities at the location of the “C” building. The new CSB is designed to accommodate the relocation of functions from the “C” building at the time of the next expansion of the campus.

In an effort to position the RBG campus for future growth, staff has developed for Board consideration, an enabling project that allows for future expansion. The plan provides for the relocation of planned functions currently in the “C” building to the new facility and other locations on campus thereby accommodating future growth of the campus in a more expedient manner. This proposed modification to the original plan will: 1) allow for the work to be done at the lowest possible construction price; 2) ensure funds aren’t spent on a facility that will be razed in the near future; and 3) provide for the development of future facilities on campus in a more expeditious, efficient, and economical manner.

The proposed plan involves the relocation of the several administrative and operational functions that were to be located in the “C” building to other areas of the downtown campus and one function (Family Justice Center) to be relocated off campus.

In addition, the café planned for the CSB will be enhanced to accommodate increased demand and food offerings. Staff is currently working with our food service management consultant (Sodexo) to develop these changes. The cost associated with those changes is still to be determined. To date, staff has kept the Family Justice Center informed of our progress and will work with them to make their transition to other facilities as smooth as possible.

The savings associated with not performing renovations to the “C” building is approximately $800,000. The approximate cost to finish out a portion of
the 6th floor of the new CSB and other areas of the downtown campus to accommodate the planned departmental moves is approximately $3,600,000. As such, the net additional cost to the CIP to implement the proposed plan is approximately $2,800,000. Funding has been included in the 2012 Capital Budget.

**RECOMMENDATION:** Staff recommends the proposed plan to provide for future growth of the Robert B. Green Campus, which includes the demolition of the “C” Building, with funding from the 2012 Capital Budget.

**ACTION:** A MOTION to approve staff’s recommendation was made by Ms. Cedillo, SECONDED by Ms. Rivas and PASSED UNANIMOUSLY.

**EVALUATION:** None.

**FOLLOW UP:** None.

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**CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR A SECOND OPERATING ROOM IN THE AMBULATORY SURGERY CENTER (“ASC”) AT THE ROBERT B. GREEN CAMPUS (RBG-GMP 6E)—MARK WEBB**

**SUMMARY:** Guaranteed Maximum Price Proposal (GMP#6e) includes the cost to finish out and equip the second operating room suite in the Ambulatory Surgery Center of Robert B. Green Campus. The scope of this work includes 817 square feet of interior finishes, mechanical, electrical, plumbing, fire protection, doors and hardware, millwork, and minor equipment installation. Additionally, this GMP includes the purchase of a quick turnaround sterilizer that is required by code to be included in the ASC. The remaining medical equipment and active information technology will be presented to the Board of Managers at a later date for consideration. Funding in the amount of $353,012 is available through Bond Proceeds. The participation goals for SMWVBE and local firms are 56% and 95% respectively. To date, SMWVBE participation of awarded construction projects is 65% and local participation is 99%. This does not include the dollars associated with the Construction Manager's Fee or other project administrative costs (i.e., insurance, bonds, permit fees, etc.). As compared to the Control Estimate, GMP #6e is under budget by $30,997.

**RECOMMENDATION:** Staff recommends the Board of Managers approve RBG-GMP 6e in the amount of $353,012 and authorize the President/CEO to execute the amendment to the Bartlett-Cocke Construction Management Agreement in an amount of $353,012.

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

**EVALUATION:** None.

**FOLLOW-UP:** None.
ROBERT B. GREEN CAMPUS AND UNIVERSITY HOSPITAL:

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE TO UPGRADE THE ACCESS CONTROL SYSTEM TO THE C-CURE 9000 PLATFORM FOR UNIVERSITY HEALTH SYSTEM (GMP 13L) - MARK WEBB

SUMMARY: Guaranteed Maximum Price (GMP #13L) is to upgrade the Health System’s Access Control System to the C-Cure 9000 Platform. This upgrade is warranted because the new Hospital Tower and Robert B. Green Campus will add more area which requires additional security access control and surveillance points. Additionally, this upgrade will help to better manage the existing security throughout the Health System. Funding is available through the CIP Contingency fund. The participation goals for local firms and SMWVBEs is 80% and 40%, respectively. To date, SMWVBE participation of awarded construction projects is 43.78% and local participation is 82.17%. This does not include the dollars associated with the Construction Manager's Fee or other project administrative costs (i.e., insurance, bonds, permit fees, etc.). The original contract in the amount of $44,451,753 was approved by the BCHD Board of Managers in September 2009. Modifications #1 through #45 total $504,128,351 and were for GMPs #1, 2, .2-R, 3a, 3b, 3c, 4, 5a, 5b, 5-R, 6, 7, 8, 8-R, 9a, 9b, 10, 11, 12, 13a, 13b, 13c, 13d, 13e, 13f, 13g, 13h, 13i, 13j, 13k, 14, 15a, 15b, 15c, 15d, 16c and 16b. The total value of this contract including Modification #46 is $548,762,579.

RECOMMENDATION: Staff recommends the Board of Managers approve the GMP 13l in the amount of $182,475 and authorize the President/CEO to execute the amendment to the Zachry Vaughn Layton Construction Management Agreement in an amount of $182,475.

ACTION: A MOTION to approve staff’s recommendation was made by Mr. Smith, SECONDED by Ms. Rivas, as PASSED UNANIMOUSLY.

EVALUATION: None.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO AMEND THE CONTRACT WITH SODEXO TO PROVIDE EQUIPMENT PLANNING SERVICES ASSOCIATED WITH THE RE-DESIGN OF THE MAIN KITCHEN’S ROOM SERVICE AREA AT UNIVERSITY HOSPITAL AND THE CAFÉ AT THE ROBERT B. GREEN CAMPUS - MARK WEBB

SUMMARY: Modification #1 is for the creation of a consolidated room service area (AYR kitchen) within the main kitchen located at University Hospital. This type of setup has proven to be more efficient for this service and will yield significant cost savings to the Health System. Additionally, this modification includes equipment changes at the Robert B. Green Campus Café; these enhancements will increase the offerings and revenues. Funding is available through the CIP Contingency Fund. These additional design services and equipment planning will be done by Sodexo's subcontractor HMC, Inc. HMC, Inc. will provide project management and coordination of architectural and engineering efforts between the existing and new equipment. The original contract in the amount of $2,279,496 was approved by the Board of Managers in May 2011. The total value of this contract including Modification #1 is
$2,329,359. The term of the contract is three years. Creation of the AYR Kitchen at University Hospital is projected to save the Health System $1,878,648 in capital expenditures. Sodexo Health Care Services has an Affirmative Action Plan or Policy in effect, and has a total of 115,093 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends the Board of Managers approve a contract increase to include HMC, Inc for project management and design coordination in the amount of $49,863 and authorize the President/CEO to execute the amendment to Sodexo, Inc’s consulting contract agreement in an amount of $49,863.

ACTION: A MOTION to approve staff’s recommendation was made by Ms. Rivas, SECONDED by Ms. Cedillo, and PASSED UNANIMOUSLY.

EVALUATION: None.
FOLLOW UP: None.

SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH BREDA CONSTRUCTION FOR THE RECEPTION DESK RENOVATIONS - RICHARD RODRIGUEZ

SUMMARY: This contract is to purchase labor and materials for the renovation of the existing reception areas at UFHC-SW, UFHC-SE and UFHC-North. Renovations will involve updating the reception areas by creating an open and more inviting atmosphere for patients and visitors. Additionally, to support better health outcomes, the design of hospital and clinical services must support the nature of interactions between humans and technology and the interactions between physical environments and quality outcomes. Healthcare facilities are utilizing evidence-based design as more research substantiates the positive impact of properly built environments on patient outcomes, staff and the business model. These renovations will help improve the Health System's overall goals for customer service and satisfaction. Capital funds in the amount of $156,595 are available for this acquisition which is included as a priority item on the Year 2011 Capital Prioritization list. The term of this contract is for 95 days. Breda Construction, Inc., is classified as a local Small Business Enterprise (SBE), with an Affirmative Action Plan or Policy in effect, and has a total of 4 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends that the Board of Managers approve the purchase request for construction services with Breda Construction in the amount of $156,595 for the reception desk renovations at University Family Health Center, Southwest, Southeast and North Clinics.

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

EVALUATION: Dr. Roberto Villarreal attended the meeting to present the findings of surveys conducted by his team of employees and patients at the three sites to get their perspective of a “pleasing and functional design.”
Participants were recruited from the front desks and lobby areas, which varied in size and design. Both employees and patients over 18 years old were included, if they gave consent. The sample population included 17 individuals, 16 female and 1 male. Of the 17 participants, 76% were Hispanic, 18% were White, and 6% were African-American.

The interviews were audio recorded and conducted in a private setting near the lobby area. The interviewees were asked questions regarding color, lighting and furniture and were shown 5 photographs and asked to select their favorite. He provided a visual graphics with 5 figures for the Board. Front desk sample designs were showed to participants who were then asked to rank order them from most to least favorite. Of the employees surveyed, figure 5 was ranked overall most favorite because: 1) patients can talk to us and be eye-to-eye; 2) you are able to see everybody; and 3) it looks more professional and less like a clinic. Figure 2 was the employee least favorite. Figure 4 was voted best clinic lobby by the patients.

The survey findings identified how front desks could be improved for best possible outcomes for both patients and staff. Even though there were different opinions between staff and patients on front desks; staff was clearly concerned about achieving comfort and support for patients during their waiting period and patients appreciated staff friendliness. This survey also uncovered how patients experienced clinic front desks and lobbies and what was most important to them, e.g. privacy and cheerful décor.

Mr. Rodriguez was asked to ensure that enough lobby area remains after the desk renovations to allow for the necessary privacy as well as comfortable seating. He will return with the design that is selected and he will alert the public that improvements are forthcoming with appropriate signage when the renovations begin. Also, Dr. Villarreal was asked to develop a tracking instrument at the first clinic to see how the new front desk is received by both patients and staff.

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTION OF DBMOTION FOR THE DEVELOPMENT OF A HEALTH INFORMATION EXCHANGE SYSTEM - BILL PHILLIPS

SUMMARY: This Purchase Order is for acquisition of a Health Information Exchange (HIE) System or solution to transmit healthcare related data electronically between organizations. This is an important component of the infrastructure necessary to electronically move clinical information among disparate healthcare information systems while maintaining the meaning of information being exchanged. In January 2011, the concept of a partnership in an HIE with the University of Texas Health Science Center San Antonio (UTHSCSA) was discussed and agreed upon by senior leadership of both organizations. This will be funded through Year 2012 Capital Reserve Funds. The execution of this contract is contingent upon UTHSCSA committing to fund 50% of this project. The cost to
CONSIDERATION AND APPROPRIATE ACTION REGARDING REPORT FOR NOVEMBER 2011 FINANCIAL STATEMENTS - ROE GARRETT AND PEGGY DEMING

SUMMARY: For the month, activity was down 3.9% for the Clinical Services (as measured based on discharged adjusted for outpatient activity). Community First Health Plan, Inc., fully-insured membership was up 3.5%. From operations, the Health System experienced a loss of $2.3 million which was $2.1 million more than the budgeted loss of $198,000 due to lower operating revenue and higher operating expense. Investment income was under budget by $37,000 due to lower interest rates than budgeted. An unrealized market loss of $183,000 was recorded in the month. The bottom line loss is excess of expenses excluding debt service was $2.1 million which was off by $2.3 million from the budgeted gain of $205,000. Included in the above results is CFHP which experienced a $101,000 bottom line gain that is $17,000 below the budgeted gain of $118,000. Debt service revenue was $3.6 million which is equal to the budgeted portion of the debt service payment of $3.6 million. To meet its obligations under the various contracts of the Bexar County UPL program, an intergovernmental transfer of $8.9 million was made and an additional expense of $3.4 million for Medicaid Supplemental Medical Services was recognized. Mr. Garrett also reviewed notable increases and/or decreases from the Consolidated Balance Sheet with the Board.

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

ACTION: A MOTION to accept the financial reports subject to audit was made by Mr. Engberg, SECONDED by Mr. Smith, and PASSED UNANIMOUSLY.

EVALUATION: A discussion ensued regarding year to date variances in employee compensation, medical services, supplies, and purchased services, and whether staff would be able to sustain the approved 2012 budget if these trends continue. Ms. Deming referred Board members to page one of the financial statements for statistics to help them better understand how
these numbers are reported as they relate to activity. The case mix index is important in that it reflects the acuity of the patients, and it also shows that we are seeing more patients with higher acuity levels. We are seeing higher costs in neonatology and in cardiology. The funded mix also comes into play. This tells us how these patients are paying for services. The cost is increasing but we have more paying patients. Revenue is up by $5 million. Further, the Health System measures itself against a fixed budget, when in reality a flex budget fluctuates, and actually allows staff to adjust the budget as necessary based on activity.

FOLLOW UP: Staff will add a slide to the monthly presentation on a flex budget to show how revenue and expenses are impacted based on actual activity. Mr. Smith requested operational/financial data on San Antonio AirLife.

REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS - LENI KIRKMAN

SUMMARY: Ms. Kirkman provided a detailed, written report on recent recognitions received by the Health System, media highlights as well as upcoming events. Ms. Kirkman also shared a patient relations story about the spouse of an employee in the transplant clinic needing a bone marrow transplant. The staff members coordinated a blood drive and bone marrow match drive to help their fellow employee in need. The story received very nice coverage by the media. Dr. Jimenez informed the Board that he was in the process of coordinating a conference with several world-renown neurologists regarding creativity and the brain for the month of January. Board members will be invited.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: None.
EVALUATION: None.
FOLLOW-UP: None.

INFORMATION ONLY ITEMS:

REPORT REGARDING MEDICAL-DENTAL STAFF COMMITTEES AND DEPARTMENTS - NICOLAS WALSH, M.D., PRESIDENT, MEDICAL/DENTAL STAFF

SUMMARY: This monthly report was provided to the Board pursuant to a Joint Commission Medical Staff standard which states that the medical staff executive committee will review, act, and report to the Board of Managers the activities of all Medical/Dental staff committees.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: None.
EVALUATION: None.
FOLLOW-UP: None.
ADJOURNMENT:

There being no further business, Dr. Jimenez adjourned the public meeting at 5:15 p.m.

Roberto L. Jimenez, M.D., F.A.P.A. Chair
Bexar County Hospital District
Board of Managers

Ira Smith, Secretary
Bexar County Hospital District
Board of Managers

Sandra D. Garcia, Recording Secretary