SPECIAL MEETING
OF THE BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

Tuesday, February 21, 2012
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
Jim Adams, Vice Chair
Ira Smith, Secretary
Robert Engberg
Linda Rivas
Alex Briseño
Rebecca Q. Cedillo

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
Tim Brierty, Chief Executive Officer, University Hospital
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
Mary Ann Mote, Senior Vice President/Chief Revenue Officer, 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
Eduardo Garcia, President, Duende Design Architects
Melinda Rodriguez, CEO, Access Quality Therapy Services, Inc.
And other attendees.

MEDIA:

Richard Marini, San Antonio Express News

CALL TO ORDER AND RECORD OF ATTENDANCE: ROBERTO L. JIMENEZ, M.D.,
CHAIR, BOARD OF MANAGERS
Dr. Jimenez called the meeting to order at 2:00 p.m.

**INVOCATION AND PLEDGE OF ALLEGIANCE:**

Volunteer Chaplain Loretta Welsh said the invocation and Dr. Jimenez led the pledge of allegiance.

**CITIZENS’ PARTICIPATION:** None.

**APPROVAL OF MINUTES OF PREVIOUS MEETING:**

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

**SUMMARY:** The minutes of the special Board meeting of on Monday, December 19, 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 Ms. Rivas, and PASSED UNANIMOUSLY.

**EVALUATION:** None.

**FOLLOW-UP:** None.

**REPORTS OF STANDING COMMITTEES:**

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

**UNIVERSITY HOSPITAL:**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING ARTIST CONSULTANT CONTRACTS WITH THE FOLLOWING INDIVIDUALS FOR DESIGN AND INSTALLATION OF PUBLIC ART PIECES AT UNIVERSITY HOSPITAL: ED CARPENTER, MARTIN DONLIN, LETICIA HUERTA, RILEY ROBINSON, AND GEORGE SCHROEDER—MARK WEBB**

**SUMMARY:** These agreements provide for services to design, fabricate, and install public art elements that serve as "positive distractions" to patients, staff and visitors. Interior spaces in the new tower and its exterior landscape provide optimal locations to exhibit artists' work. The Emergency Center entrance, the glass enclosed three level hospital entry and lobby, as well as the exterior pathways will display the work of five artists. These proposed increased amenities include various areas for pedestrians to enter and experience the site. Funding for the five contracts is available through Bond Proceeds.

Ed Carpenter's proposed work "Foxglove" will be located at the northern end of the atrium and will be a cylindrical/cone shape sculpture that is derived from the 'Digitalis' Flower whose extracts are used to create cardiovascular medicines. Additionally, this sculpture will consist of stainless steel cable, dichroic glass, mirror, terrazzo flooring, and lighting. The amount of this agreement is $225,000, and the term is for
two years. Ed Carpenter is classified as a Sole Proprietorship, Small Business Enterprise (SBE).

Martin Donlin's proposed artwork for the entry mural artwork is composed of 14 glass disks or "cells" each with different images, icons, or text imprinted on them. When viewed from a distance, the disks reveal an image of the face of Hippocrates, the father of modern medicine. The amount of this contract is for $175,000, and the term is for two years. Martin Donlin is classified as a Sole Proprietorship, Small Business Enterprise (SBE).

Leticia Huerta's proposal embellishes paving and stonework along the east/west sidewalks, Portales, limestone benches, and the water features planned for the front entry. Additionally, she proposes a series of flower elements in the artwork at the fountain and various other locations. The amount of this contract is $175,000, and the term is for two years. Leticia Huerta is classified as a local, Sole Proprietorship, Small Business Enterprise (SBE).

Riley Robinson's proposal is for the entry mural artwork and is based on the landscape painting of Texas bluebonnets. His artwork is made up of approximately 4000 enamel painted flowers of different sizes, each water jet cut and installed on the wall of the tower base). The amount of this contract is $125,000, and the term is for two years. Riley Robinson is classified as a local, Sole Proprietorship, Small Business Enterprise (SBE).

George Schroeder's proposal is for the Wall of Service artwork which is comprised of a stainless steel cloud mounted on the retaining wall of the auto court at the Emergency Center drop-off area. The cloud will have laser cut-outs of text taken from interviews with various first responders and Health System staff. The amount of this contract is $175,000, and the term is for two years. George Schroeder is classified as a local, Sole Proprietorship, Small Business Enterprise (SBE).

RECOMMENDATION: Staff recommends the Board of Managers approve agreements with Ed Carpenter, Martin Donlin, Leticia Huerta, Riley Robinson and George Schroeder for design, fabrication and installation of public art pieces in the total amount of $875,000.

ACTION: Mr. Briseno recused himself from the presentation and discussion due to his brother’s interest in this project as an artist applicant. A MOTION to approve staff’s recommendation was made by Ms. Rivas, SECONDED by Ms. Cedillo, and PASSED UNANIMOUSLY. Mr. Adams ABSTAINED. The approval of this recommendation is subject to the Board’s review and acceptance of translations of any written inscriptions that are to be incorporated into each of the five art projects.

EVALUATION: Mr. Smith expressed concern regarding the portion of the art proposal by Leticia Huerta, which calls for written messages about healing in both English and Spanish. Mr. Smith requested that all of the Spanish text
include an English translation. Much discussion also ensued regarding the proposal for the Wall of Service outside the Emergency Center. The piece calls for quotes taken from interviews with various first responders. Mr. Smith asked questions about this structure’s durability and maintenance, while Dr. Jimenez expressed reservations that the text, if not limited, would make the art piece appear too busy. He suggested that in addition to limiting the text, perhaps the inscriptions would be more inspirational if the quotes were identified by community branch, i.e., Emergency Medical Services, San Antonio Police Department, San Antonio Fire Department, UHS staff member.

**FOLLOW UP:** Mr. Webb will take the feedback provided by the Board members today to the Design Enhancement & Public Art Committee, and to the artists, for appropriate modifications. Mr. Webb will then return to the Board of Managers for final approval of the Emergency Center art piece as well as the translated inscriptions. He will invite the artists so that they can present their concepts to the Board and address any remaining concerns.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS:**

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH CARVAJAL INCORPORATED D/B/A CARVAJAL PHARMACY TO PROVIDE PHARMACY SERVICES IN THE DETENTION HEALTHCARE SETTING—**

**THERESA SCEPANSKI**

**SUMMARY:** Modification #2 exercises the option to renew the contract for Pharmacy Services the Bexar County Adult and Juvenile Detention Centers. This contract provides emergency pharmacological services 55 hours per week to include an on-call Pharmacist seven (7) days a week, twenty-four (24) hours per day, 1.5 FTE Registered Pharmacists; 5.5 FTE Pharmacy Technicians; and one part-time (0.5) FTE Driver. In addition to the pharmaceutical and delivery services, this contract includes maintenance of controlled substance stock levels in the dispensing areas for the annex and main detention center and maintenance of perpetual inventory in the pharmacy for controlled substances. This is a planned expense and operating funds in the amount of $243,000 have been included in the Year 2012 Operating Budget. The original contract was approved by the Board of Managers in October 2008 and included an option to renew for one additional one-year term; this contract exercises the renewal option. Modification # 1 in the amount of $40,500 extended the contract for 60 days. The total value of this contract including Modification #2 $1,012,500. As compared to the current contract, there is no change in pricing. Carvajal Pharmacy is classified as a Small, Minority Business Enterprise (SMBE). Carvajal Pharmacy has an Affirmative Action Plan or Policy in effect. Carvajal Pharmacy has a total of 56 employees. The Workforce Composition Data was reviewed with the Board.
RECOMMENDATION: Staff recommends the Board of Managers approve the contract with Carvajal Pharmacy for Pharmacy Services at the Detention Healthcare Settings in the amount of $243,000 for a one year period.

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

EVALUATION: Ms. Rivas thanked Mr. Ray Carvajal for his work at the detention facilities.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH THE FOLLOWING ENTITIES TO PROVIDE HOSPICE SERVICES IN CONJUNCTION WITH THE PALLIATIVE CARE PROGRAM: NEW CENTURY HOSPICE, LIGHTHOUSE HOSPICE, AND HEARTLAND HOME HEALTH AND HOSPICE - MARY ANN MOTE AND BRYAN ALSIP, M.D.

SUMMARY: This contract provides Home Hospice services. Home Hospice services are designed to provide comfort and support to patients and families in the last phase of life and enables patients to carry on in a comfortable pain free manner so that their last months are spent with dignity and quality. This Home Hospice Services contract is being awarded to three separate vendors which allows staff to more effectively rotate patients between the organizations based upon the patient's specific need. The aggregate allocation of dollars between the three vendors will not exceed $600,000 for two years. Goals have been established to include reduced visits to the Emergency Department and reduced need for hospitalizations which results from support to the patient and family in the home environment. This is a planned expense and operating funds have been included in the Year 2012 Operating Budget.

New Century Hospice of San Antonio is classified as a Small Business Enterprise (SBE) and is Joint Commission certified. The vendor does not have an Affirmative Action Plan; however, a copy of their Equal Employment Opportunity Statement and Policy was provided. The vendor has a total of 22 employees. Heartland Home Health Care and Hospice has an Affirmative Action Plan or Policy in effect and has a total of 25 employees. Lighthouse Hospice is classified as a Small Business Enterprise (SBE). Lighthouse Hospice has an Affirmative Action Plan or Policy in effect, with a total of 25 employees. The Workforce Composition Data for all three vendors was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers approval of a two-year contract at an annual estimated cost of $300,000 with the following three hospice providers, Heartland Home Health and Hospice, Lighthouse Hospice and New Century Hospice. Patients will be assigned to the respective providers at the discretion of the Health System.

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

EVALUATION: Mr. Adams commended staff for placing such value on the hospice concept. This is a new program for the Health System which will allow
the staff to offer patients who have less than 60 days to live, another option that is more comfortable for the patient and less expensive for the hospital. Patients will have to agree to participate in this program. As the program develops Dr. Alsip and Ms. Mote will measure operational, clinical, and financial outcomes, and will track other data as well, such as where patients are going upon discharge, and if they are being readmitted. Dr. Jimenez expressed an interest in the human side of the outcomes. He would like to know the patients’ end of life experiences as a result of hospice interventions.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE A CONTRACT WITH ACCESS QUALITY THERAPY SERVICES, INC. TO PROVIDE SKILLED NURSING VISITS, PHYSICAL THERAPY, OCCUPATIONAL THERAPY, SPEECH THERAPY, SOCIAL WORK AND HOME HEALTH SERVICES FOR CARELINK AND UNFUNDED PATIENTS BEING DISCHARGED FROM UNIVERSITY HOSPITAL - MARY ANN MOTE

SUMMARY: On September 27, 2011 the Board of Managers approved a two year contract with Prestigious Healthcare Services for $698,588. On February 14, 2012 Prestigious notified the Health System that they were terminating the contract.

In order to ensure continuity of care for patients currently receiving home health services and to provide access for care for any new patient requiring home health services the President/CEO approved an interim contract with Access Quality Therapy Services, Inc. in accordance with the Purchasing Policy; section 6.A3 pending award of the contract by the Board of Managers.

Access Quality Therapy Services, Inc. (AQTS) was founded in 1998 and is a San Antonio based Medicare certified home health agency providing quality healthcare to residents of Bexar County. AQTS is a locally owned and operated company that falls under the designation of small, woman and minority owned business. In 2009 AQTS was recognized as the Best Small Business Minority Firm of the year. AQTS has been recognized by the San Antonio Business Journal in both 2010 and 2011. It was also ranked as the 5th largest home health agency in San Antonio. AQTS received Joint Commission Accreditation in 2011.

Home health is required for approximately 358 CareLink members and 150 unfunded patients annually. The services include skilled nursing visits, physical therapy, occupational therapy, speech therapy, social work and home health aid services. These services are provided for patients requiring hydration, parenteral nutrition, antibiotics or wound care; patients who are immune-suppressed or recovering from total joint replacement or trauma; and psychiatric patients requiring medical monitoring. Quality expectations/measurements include monthly meetings to review patients and processes, readmission rate and patient satisfaction.
The total annual expense for the anticipated patient activity is $349,279 or $698,558 for the two year contract period. Of the two year amount, $513,658 is for services provided to CareLink members and $184,900 is for services provided to unfunded patients discharging from the hospital. This service is provided only if the patient is unable to utilize services in a clinic location due to their medical condition. Both groups of patients require pre-authorization for the initial and continued home therapy.

Compared to the previous contract, there is a 25% decrease in cost for the two year period. This decrease in expense is due to decreased fees by the vendor. This is a planned expense and funding has been included in the 2012 Operating Budget. The term of this agreement is for two years.

RECOMMENDATION:
Staff recommends the Board of Managers approval of the Agreement with Access Quality Therapy Services in the amount of $698,558 for a two year period.

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

EVALUATION:
Dr. Melinda Rodriguez, CEO of AQTS introduced her leadership team and addressed the Board. One of the major goals for this contract is to decrease re-admission rates. Currently, AQTS has a 4 percent re-admission rate. The national rate is 20 percent and the rate in the State of Texas is 15 percent. The most important thing, however, is providing the appropriate skill level for the patient. Dr. Rodriguez emphasized the use of a transitional care model to ensure health care continuity and avoid preventable poor outcomes among multiple providers and/or across settings. She thanked the Board of Managers for their support.

FOLLOW UP:
None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING SECURITIES LENDING AS AN INVESTMENT VEHICLE—ROE GARRETT AND PEGGY DEMING

SUMMARY:
At the regular Board meeting on October 26, 2011 after the initial presentation on securities lending, Mr. Adams suggested that the Board take the issue under advisement, due to its complex nature, after consulting with investment advisors and money managers. Mr. Adams further advised staff to brief Mr. Briseno in detail regarding the financial implications and projected impact of securities lending on the Health System. Mr. Briseno requested information on assumptions, recommendation options, and about the appropriateness of tying the Health System’s depository contract to securities lending transactions at Frost Bank. Ms. Deming reported that she had met with both Mr. Briseno and Mr. Engberg on February 13, as suggested by Mr. Adams.

Securities lending is an approved investment vehicle under the Texas Public Funds Investment Act. Frost Bank is the dominant manager of Texas Public Funds Securities lending programs given their unique ability to lend treasury and agency securities when very few others will. This is attractive to governmental entities like the Health System. The City of San Antonio, the City of Amarillo and CPS Energy have all implemented securities lending programs with Frost Bank who maintains a business unit dedicated
to securities lending. The County of Bexar is assessing the value of a securities lending program at this time. Frost Bank maintains a select list of approved entities to which they lend and this list is reviewed quarterly by their Credit Committee. The benefit to the Health System would be in the form of incremental investment income from a fee charged and split (based on a negotiated percentage) with Frost on the value of the securities loaned rather than reinvestment of collateral. The process is a low risk and a decision on whether or not to continue the program can be made daily. If the Board of Managers approves including Securities Lending as an investment vehicle in the Investment Policy, staff will bring a recommendation of an option for Board’s consideration at a later date.

RECOMMENDATION: Staff recommends the inclusion of Securities Lending as an approved investment vehicle in Section IV. J. of UHS Policy No. 7.05, Investment Policy.

ACTION: A MOTION to approve staff’s recommendation, SUBJECT to Bexar County’s acceptance and establishment of a securities lending program, was made by Mr. Briseno, SECONDED by Mr. Adams, and PASSED UNANIMOUSLY.

EVALUATION: None.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING UHS POLICY NO. 7.05, INVESTMENTS—ROE GARRETT AND PEGGY DEMING

SUMMARY: The Investment Policy was created to direct and govern the investment practices of University Health System. The current policy was last updated on July 29, 2008. By statute, the Health System’s investment practices are subject to Texas Government Code 2256, also referred to as the Texas Public Funds Investment Act (the Act). The policy is necessary to ensure the Health System manages the investment of taxpayer provided funds in accordance with the guidelines set out in the Act which are preserving capital, providing for adequate liquidity, maximizing earnings and maintaining public trust. Staff reviewed the current policy with the Health System’s Investment Advisor, First Southwest Asset Management, to recommend changes to the investment policy. Based this review, changes are recommended to incorporate approved changes to the Act made during the last Legislative Session and to update definitions, accounting terminology and UHS account names that have been changed since this policy was last updated.

The most significant change is the addition of securities lending which is an approved vehicle in the Act that is intended to incrementally improve investment income. This change is described in Section IV. J.

Several recommendations are related to revisions to the Act in Legislation in 2011 which include the acceptance of FDIC insured securities, to permit cash as a collateral asset and improvements to reporting guidelines. In addition, there were revisions made to:
• Clarify descriptions to more closely follow those provided in the Act;

• Update terminology and language to reflect the current investment environment and regulatory guidance; and

• Improve the policy to reduce risk by increasing guidelines on diversification and clarifying a limit on the number of days to maturity of specific investment assets.

**RECOMMENDATION:** Staff recommends approval of the proposed changes to the Health System Investment Policy.

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

**EVALUATION:** None.

**FOLLOW UP:** None.

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**REPORT ON SODEXO CONTRACT IN NUTRITIONAL SERVICES AND APPROPRIATE ACTION - TIM BRIERTY**

**SUMMARY:** Sodexo Healthcare joined University Health System through a management contract on August 15, 2011, with clear objectives for year one, including:

- Patient Satisfaction
- Café Customer Satisfaction
- Department Employee Engagement
- Renovation Support – Main Campus and Health Centers
- Regulatory Compliance

**Patient Satisfaction** - New patient menus have been implemented, for all existing diets and supported by the Sodexo recipe data base and nutritional documentation. A patient meal tray delivery tracking process was implemented to quantify timeliness of tray delivery to the nursing units. Timeliness improved from 50% to 80% within 5 minutes of scheduled delivery.

**Café Customer Satisfaction** - Phase 1 of Sodexo’s retail brand offer, *Fresh Inspirations* was implemented in the hospital Café to include increased menu selections with a focus on fresh and healthy options, adding to overall increased sales of 33%. To meet our commitment to wellness, UHS has partnered with *Por Vida!* to provide a city sponsored initiative to healthier eating. We are providing nutritional information for all items served, allowing the customer to make informed healthy choices.

A new register system was installed, offering immediate credit card processing. Seats were added to the hospital café in order to accommodate the customer volume increase.
Phase 2 of Fresh Inspirations coming in March 2012, which will include a new Sub Connection and World Cuisine Display Cooking station, both anticipated to be extremely popular with staff and visitors.

**Employee Engagement** – Employees throughout the department have received customer service, safety and technical training. A 10 module learning plan for CARES (Compassion – Accountability – Respect – Enthusiasm – Service) is being presented to staff to create a culture based on shared values. Employees have been keenly receptive and enthusiastic about the changes and new educational tools.

Skills based training has been conducted by department managers based on individual competency and service needs. Culinary skills training for line cooks and cold production personnel by Sodexo’s experienced culinary start up team of chefs and on-site Executive Chef to implement new menus and quality assurance has been a welcomed enhancement.

Safety training and employee recognition for all department staff during regular monthly meeting are conducted to keep everyone apprised of changes and solicit their feedback.

**Renovation Support** – Plans and human resource support are being provided for the transition to the temporary kitchen in late February. Participation in the conception, equipment planning and architectural drawings are also being provided for the new Bistro at the Robert B. Green Health Center.

**Regulatory Compliance** – Audits for compliance to local, state and national health and safety regulations have been conducted. Sodexo partners with a NSF (National Safety Foundation) to conduct third party unannounced safety inspections to insure a safe work environment with audit scores linked to Sodexo management performance plans. Safety audits are conducted monthly for Food and Physical Safety using the NSF guidelines. HACCP & Food Safety training has been implemented with all team members.

**RECOMMENDATION:** This report was provided for informational purposes only and no action by the Board of Managers was required.

**ACTION:** None.

**EVALUATION:** None.

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**CONSIDERATION AND APPROPRIATE ACTION REGARDING ANNUAL EVALUATION OF THE PERFORMANCE AND DUTIES OF THE PRESIDENT/CEO - JIM ADAMS**

**SUMMARY:** This item was not discussed.

**RECOMMENDATION:** None.

**ACTION:** None.

**EVALUATION:** None.
FOLLOW UP

None.

CLOSED MEETING:

The public meeting was closed to the public at 4:50 p.m. A closed meeting followed pursuant to TEX. GOV'T. CODE, Section 551.074 (Vernon 2004) to evaluate the performance and duties of the President/CEO. The closed meeting ended at 6:25 p.m. No action was taken in closed session, and Dr. Jimenez re-convened the public meeting.

ADJOURNMENT:

There being no further business, Dr. Jimenez adjourned the public meeting at 6:25 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