SPECIAL MEETING
OF THE BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

Tuesday, January 24, 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

BOARD MEMBERS ABSENT:

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
Steven Bailey, M.D., Professor, Division of Cardiology/Department of Medicine, UTHSCSA
Tim Brierty, Chief Executive Officer, University Hospital
Francine Crockett, Vice President, Materials Management, University Health System
Roe Garrett, Controller/Vice President, Fiscal Services, University Health System
William Henrich, M.D., President, UTHSCSA
Michael Hernandez, Vice President, Legal Services, University Health System
Carlos Roberto Jaen, M.D. Professor, Department of Family & Community Medicine, UTHSCSA
Leni Kirkman, Vice President, Strategic Communications and Patient Relations, University Health System
Richard Lange, M.D., Professor, Department of Medicine, UTHSCSA
Mary Ann Mote, Senior Vice President/Chief Revenue Officer, University Health System
Nancy Ray, Vice President/Chief Nursing Officer, University Health System
Richard Rodriguez, Vice President, Facilities, University Health System
Allen Strickland, Vice President, Hospital Operations, University Hospital
Christann Vasquez, Executive Vice President/Chief Operating Officer, University Health System
Mark Webb, Vice President, Facilities Development & Project Management, University Health System
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

Mr. Adams called the meeting to order at 2:10 p.m. on behalf of Dr. Jimenez

INVOCATION AND PLEDGE OF ALLEGIANCE:

Mr. Adams gave the invocation and also led the pledge of allegiance.

CITIZENS’ PARTICIPATION: None.

COMMENTS:

Mr. Briseno thanked everyone for their get well wishes and support over the last couple of months. Mr. Briseno explained that because of a paralyzed vocal cord, his comments and questions during today’s meeting would be limited. He thanked all present for their patience.

APPROVAL OF MINUTES OF PREVIOUS MEETING(S):

NOVEMBER 29, 2011 – REGULAR BOARD MEETING:

SUMMARY: The minutes of the regular Board meeting of November 29, 2011, were submitted for approval by the Board of Managers.

RECOMMENDATION: Dr. Jimenez recommended approval of the minutes as submitted.

ACTION: A MOTION to approve Dr. Jimenez’s recommendation with the correction noted by Mr. Briseno about his absence was made by Mr. Smith, SECONDED by Mr. Briseno, and PASSED UNANIMOUSLY.

EVALUATION: Mr. Briseno noted an error in the minutes under attendance. His name was reflected as being both absent and present. A correction to the minutes will be made to reflect that Mr. Briseno was indeed absent at the November 29, 2011 Board meeting.

FOLLOW-UP: None.

REPORT FROM THE PRESIDENT OF THE HEALTH SCIENCE CENTER –WILLIAM HENRICH, M.D.

SUMMARY: Dr. Henrich welcomed the faculty physicians present. He reported that Bob Quinn, M.D., has accepted the position as Chair of the Department of Orthopedics. Dr. Quinn is an internationally renowned musculoskeletal tumor specialist.
He joins the HSC from the University of New Mexico School of Medicine, and was trained in Connecticut. He comes to San Antonio with tremendous credentials and an impressive career.

Ron Williams, M.D., the current Chair of the Department of Orthopaedics has taken a job in Austin in private practice. There will be a reception for him and his family this afternoon at UTHSCSA. Dr. Williams was educated here and for years was the only choice in San Antonio for someone with an orthopaedic sarcoma. He has been serving as interim Chair of the Department of Orthopaedics since 2010. Fred Corley, M.D., will take over that post until Dr. Quinn arrives. Dr. Williams recruited his own replacement.

Bruce Adams, M.D., has been selected to lead the Emergency Medicine program and will receive an offer soon. Dr. Adams comes to the HSC from El Paso, Texas. He is a colonel in the United States Army and is currently the Deputy Commander at William Beaumont Medical Center at Ft. Bliss, Texas. He has extensive experience around the country in many venues in emergency medicine. He has great enthusiasm and tremendous credentials. With the enormous patient load at University Hospital’s Emergency Department, and with the new trauma tower and future expanded emergency department, the School of Medicine hopes to establish an emergency medicine department as well as a residency program. At this time, San Antonio must recruit all emergency medicine physicians from other places. With the city being the 7th largest in the country, and having two trauma centers, the UTHSCSA and the Health System are missing out on a great opportunity. Dr. Henrich will encourage Dr. Gonzalez to bring both of these outstanding recruits to a future Board meeting for introductions.

The search for the chair of the Department of Radiology continues and has been narrowed down to a few, but no appointment has been made as of today.

Dr. Henrich also provided an update on the LCME issue. The process continues to go forward very rapidly and will be resolved in the not too distant future. The LCME is on a certain time table which is beyond the School of Medicine’s control because they only meet three times per year. Therefore, the review for the lifting of the probation status cannot be accelerated. He reported that many of the things on the LCME’s list have already been accomplished, including the change in reporting structure that was requested.

The number of applications received to the School of Medicine stand at 3,936 which is a record and a six percent increase over
2011. The number of medical students electing not to stay with the school continues to be very small. The applicant pool has remained very rich, with high MSAT objective scores and GPAs. Up to this point, the scores have been increasing every year. The School of Health Professions graduates 30 physician assistants every year. This year, the school has received over 1,300 applications for the 30 positions that are available. This coupled with the Doctorate of Nursing degree, which was recently approved by the Higher Board of Education for the School of Nursing, means that trainees at Health System facilities by virtue of their association with UTHSCSA will continue to be very robust. It is a wonderful mission that is being served by well by the Health System. Most of the applicants are from Texas, and Dr. Henrich offered to provide the number of local applicants as a follow up report for Mr. Smith. Dr. Henrich expressed his gratitude to the Board of Managers and the Health System's senior leadership team System for their support of the training programs.

The School of Medicine residency interview season has closed. Dr. Lange is in charge of that process for the Department of Medicine. The various departments will now rank the interviewees and the interviewees will go home and fill out their own ranking lists. On National Match Day in March, there will be a gathering that Dr. Henrich hopes the Board members will attend, when these individuals find out where they will complete their residencies. Typically, 25 percent of the medical students stay in San Antonio, and 45 percent stay in Texas. At this time, we are unable retain a higher percentage to stay in Texas because the state has not expanded the number of residency slots available.

Ms. Rivas commended Dr. Henrich for incorporating, into the medical school curriculum, training in the handling of issues faced by members of the Armed Forces, such as post traumatic stress syndrome and depression. She became aware of the efforts via a radio interview given by Dr. Nicolas Walsh. Dr. Henrich informed the Board that other faculty members — namely Alan Frazer, Ph.D., Chair of Pharmacology; and Pedro Delgado, M.D., Chair of the Department of Psychiatry are also experts regarding the depletion of serotonin in the brain, which is linked to many of these issues. Dr. Walsh’s background as a Navy Seal makes him an ideal expert in these matters.

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 the Following Appointments:
Members-at-Large to the Medical Executive Committee; and John Calhoon, M.D., as Chair, Department of Cardiothoracic Surgery - Nicolas Walsh, M.D., President, Medical/Dental Staff

Consideration and Appropriate Action Regarding 4th Quarter Investment Report - Peggy Deming

Consideration and Appropriate Action Regarding University Health System Policy No. 8.06, Capacity Management Plan - Bryan J. Alsip, M.D., M.P.H

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 Mr. Engberg, SECONDED by Mr. Adams and PASSED UNANIMOUSLY.

EVALUATION: Dr. Jimenez asked Mr. Hernandez to elaborate regarding the Members-at-large appointments to the Medical Executive Committee. The Bylaws of the medical/dental staff state that four Members-at-Large will be elected by the voting members of the active or provisional staff, in addition to the department chairs and officers. The Board of Managers has final approval of all medical/dental staff appointments. Dr. Alsip explained that he and other staff members are in the process of updating the Medical/Dental Staff Bylaws to ensure that senior leadership and Board members have more visibility among the various medical staff committees and in those areas that are of greatest interest to the Board.

FOLLOW UP: None.

REPORTS OF STANDING COMMITTEES:

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

UPDATE ON CAPITAL IMPROVEMENT PROGRAM ACTIVITIES – MARK WEBB

SUMMARY: Mr. Webb provided an update of progress made since December 19, 2012. He reported that two safety occurrences had recently occurred at University Hospital. First, a laborer at the West Parking Garage slipped on a puddle and was later diagnosed with a sprained right knee. The worker returned the next day and was assigned light duty tasks. The second incident involved a worker who injured his thumb while storing pan forms. First aid
treatment included ice on the injured area. Further examination found the thumb was sprained and the worker returned to work the next day.

Six hundred and one (601) management, administrative, and labor staff support the efforts of the capital improvement program at University Hospital and the Robert B. Green Campus. To date, laborers have spent over 700,000 work hours on University Hospital enabling, Central Utility Plant, new Tower, and West Parking Garage projects. Over 350,000 work hours have been expended at the Robert B. Green Campus.

Mr. Webb provided details on the new tower, west parking garage, central utility plant, bronchoscopy, trauma and eye clinic, imaging waiting room, temporary kitchen/main kitchen renovations all at University Hospital. He stressed that every effort is being made to minimize the impact on hospital operations and patient experience. The North Parking Garage and 1987 Building demolition, South Parking Garage Heliport, MRI Relocation and the Imaging Recovery Suite are all in the close out phase.

At the Robert B. Green campus, he reported the dry-in of the penthouse of the Clinical Services Building would be completed at the end of the month and glass placement on the west side of the building would begin at that time. Mechanical, electrical and plumbing system rough-in continues. Other construction work includes installation of metal studs on the 1st through 5th and 7th floors, as well as placement of exterior waterproofing panels on both sides of the building exterior and masonry on the east side of the building. Demolition of the outpatient pharmacy building space will also begin at the end of the month.

Both campuses are in-line to receive Leadership in Energy and Environmental Design Gold certification. Details of GMPs approved by the Board of Managers to date were reviewed, including the cost for control estimate, GMP amount, and savings from GMPs under contract, and he reported that all prior accrued savings for the University Hospital campus have been utilized to fund enhancement alternates. Also reviewed were the MedAssets savings and anticipated share-backs to date, in addition to SMWVBE participation levels for the CIP. He touched upon procurement activities, the design enhancement/public art program, and community outreach/education efforts.

As a follow up report on the issue of contaminated soil discovered during excavation of the new central utility plan area at University Hospital, further research and planning allowed construction activities to be re-sequenced (which has gained
back three weeks for the project) and found that the cost for resolution is now only $150,000, not $277,000 as initially reported.

RECOMMENDATION:
This report was provided for informational purposes only.

ACTION: None.

EVALUATION: Ms. Rivas requested an updated report regarding the workforce economic impact by the CIP to Bexar County, broken down by campus. She reminded staff that the Bexar County Commissioners Court had also asked for an updated report recently. Dr. Jimenez asked about ongoing studies regarding air contamination that might be harmful to the patients. Staff reported that Jan Patterson, M.D., from the Department of Medicine, Infectious Diseases, had been retained as an expert consultant for the capital improvement projects to assist in these matters.

FOLLOW UP: Workforce economic impact data as requested by Ms. Rivas.

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 TO APPROVE THE GUARANTEED MAXIMUM PRICE FOR THE CONSTRUCTION OF NEW ENTRY SIDEWALK AND ASSOCIATED LANDSCAPING/PAVING FOR THE NEW HOSPITAL TOWER (GMP#13M) – MARK WEBB

SUMMARY: Guaranteed Maximum Price Proposal (GMP #13m) is for construction of a new entry sidewalk along the east side of the main entry drive, stone retaining walls, landscaping, paving, associated signage, and other miscellaneous specialties. Due to increased pedestrian traffic going to and from the Pavilion to the hospital, it was decided to accelerate the work for the new entry sidewalk. This scope of work was originally planned to be constructed with the Site Development Document package but is now going to be constructed with the new Hospital Tower. Funding for this scope will be credited from Site Development Control Estimate and transferred to the Hospital Tower Control Estimate. The participation goals for local firms and SWMBEs is 80% and 40%, respectively. To date, SWMBE participation of awarded construction projects is 44.71% and local participation is 81.91%. 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 #16 total $503,589,829 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, 13l, 14, 15a, 15b, 15c, 15d, 16c, and 16b. The total value of this contract including Modification #47 is $548,671,494.

RECOMMENDATION: Staff recommends the Board of Managers approve GMP 13m in the amount of $629,915 and authorize the President/CEO to execute the amendment to the Zachry Vaughn Layton Construction Management Agreement.

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

EVALUATION: Dr. Henrich expressed concern regarding plans to close an exit from the UTHSCSA on to University Hospital to expand the new entry sidewalk, as well as the impact to HSC traffic as a result of the VIA Bus Rapid Station planned near the UHS Pavilion. Dr. Henrich will ask his staff to brief him on the plans as they pertain to the Health Science Center, and Mr. Webb will follow up with them regarding Dr. Henrich’s concerns. Board members urged Dr. Henrich to have his staff work directly with Mr. Webb to solve any problematic issues.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION TO ADJUST THE GUARANTEED MAXIMUM PRICE GMP#9B DUE TO ELIMINATION OF A STAFF BRIDGE FOR ACCESS DURING CONSTRUCTION OF THE HOSPITAL TOWER—MARK WEBB

SUMMARY: In order for the construction of the new Hospital Tower at the University Hospital to begin, demolition of the 1987 building, the 1981-1987 connection bridge and south quarter of the North Parking Garage (NPG) was warranted. Preparations or “make ready” activities prior to commencement of demolition included the Heliport and AirLife staff quarters be relocated to the top of the South Parking Garage along with and encompass the scope for GMP #9. To date, these activities have been included in two GMPs for the NPG project. Specifically, this third GMP for $721,000 is for credit to GMP#9b to eliminate the originally planned temporary bridge during construction phase of the Hospital tower. In lieu of the bridge, the CIP team developed alternate means to provide a protected walkway built for staff and visitors from the West Parking Garage. Phase III, GMP #9c, is anticipated for the May 2012 Board meeting and will include the reconstruction of the NPG to tie into the new Hospital Tower. This work includes final renovation of the NPG structure, new elevators, MEP upgrades and associated landscape work.
RECOMMENDATION: Staff recommends Board of Managers approval of the adjustment of GMP#9b in the credit amount of $721,000 and authorize the President/CEO to execute the amendment to reduce the Zachry Vaughn Layton Construction Management Agreement in this amount.

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

EVALUATION: None.

FOLLOW UP: None.

SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH EDWARDS LIFESCIENCES FOR THE PURCHASE OF DEVICES TO BE UTILIZED IN TRANSCATHETER AORTIC VALVE REPLACEMENT PROCEDURES (“TAVR”)—ALLEN STRICKLAND AND RICHARD LANGE, M.D., PROFESSOR/THE L. DAVID HILLIS, M.D., ENDOWED CHAIR IN MEDICINE

SUMMARY: This contract is for acquisition of a Transcatheter and Aortic Valve Replacement (TAVR) Device. This device will be added to the Cardiovascular Service Line and the Health System has been designated as the only approved site in San Antonio to implant this device. The benefit of using this device is that it creates an option for many patients who require aortic valve replacement but are not viable candidates to undergo an open cardiothoracic surgical procedure. As a Cardiovascular Center of Excellence, the Health System will provide South Central Texas with the capability of offering TAVR procedures which will have a positive impact on patient outcomes while further promoting the Health System as a Regional leader in Cardiovascular Medicine. The amount of this contract is $1,755,000 for a three year period. This is a budget neutral unbudgeted expense for Year 2012. Based upon the Business Plan there will be a positive contribution margin and a solid growth rate over the next few years. This is a new contract. The vendor is Edwards Lifesciences, LLC, and it has an affirmative action plan or policy in effect. Edwards Lifesciences, LLC has a total of 2,193 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers approval to participate in the TAVR program and to purchase TAVR valves at $32,500 each. The projected number of valves to be used during the three year contract period is 54, making the total funding request $1,755,000. The opening purchase order for 8 valves will total $260,000. Additional orders will be placed as needed.

ACTION: A MOTION to approve staff’s recommendation was made by Mr. Engberg, SECONDED by Mr. Smith, and PASSED UNANIMOUSLY.
EVALUATION: Richard Lange, M.D., Professor, Department of Medicine; and Steve Bailey, M.D., Professor, Department of Medicine/Cardiology, presented a video on the implementation of the device. Both physicians emphasized that the selection of University Hospital as a regional site reflects the excellent outcomes from the cath lab, the superb hybrid suite that was recently completed as well as the existing collaboration between CT Surgery, Anesthesiology, Non-Invasive Imaging, and Interventional Cardiology. Board members were impressed with the proposal and agreed that the capability to offer TAVR procedures would further promote the Health System as a leader in cardiovascular medicine for this region and also allows the Health System to remain at the forefront of advances in modern medicine.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT FOR CONSULTING FOR FACILITY AND STRATEGIC PLANNING SERVICES FOR A CHILDREN’S SERVICES PAVILLION AT THE ROBERT B. GREEN CAMPUS—MARK WEBB

SUMMARY: This contract provides consultative services for facility and strategic planning for children's services. The scope of services to be provided include the development of a bold vision for a children's services, definition of a targeted service area, physician practice options, types of services to be provided, and the type and amount of physical space required to meet the scope of services that will be provided at the Robert G. Green Campus. Capital funds are available for this acquisition which has been included as a 2012 Strategic Capital Item. Blue Cottage Consulting, Inc., is classified as a Small, Minority, and Women-Owned Business Enterprise (SMWBE). Blue Cottage Consulting does not have an Affirmative Action Plan or Policy in effect. However, a copy of their Equal Employment Opportunity and Affirmative Action Commitment statement has been provided. Blue Cottage Consulting has a total of 11 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends the Board of Managers approve additional funding in the amount of $124,000 for consulting services provided by Blue Cottage Consulting for facility and strategic planning services for a Children’s Services Pavilion and authorize the President/CEO to execute an appropriate agreement.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH INTERMEDIX (FORMERLY KNOWN AS ALEXANDER BILLING & CONSULTING, INCORPORATED) FOR BILLING SERVICES ON BEHALF OF SAN ANTONIO AIRLIFE—MARY ANN MOTE
SUMMARY: Modification #4 exercises the option to renew the contract with Intermedix (formerly Alexander Billing & Consulting, Inc.). This contract provides University Health System with assistance in AirLife billing (i.e. processing of charges, applicable diagnosis coding, third party insurance billing, patient follow up, and appropriate referrals to the designated collection agencies. This is a planned expense in the amount of $285,000 and funds have been included in the Year 2012 Operating Budget. The term of this contract is for one year. As compared to the previous contract, there is no change in pricing. The original contract was approved by the Board of Managers in April 2008 and included an option to renew for four additional one-year terms; this contract exercises the fourth and final renewal option. The total value of this contract including Modification #4 is $1,425,000. This contract provides approximately $7.6 million per year in cash to the Health System and the vendor is paid 3.75% of actual collections. Quality of Service measures to include cash collection budget; timeliness and detail of required reporting and patient satisfaction are included in the contract. Intermedix is classified as a local, Small Business Enterprise (SBE), and has an Affirmative Action Plan or Policy in effect, and has a total of 15 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends the Board of Managers approve the one year extension provided by contract #2804183-IF to Intermedix in the amount of $285,000.

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

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER, SAN ANTONIO FOR PROFESSIONAL, MANAGEMENT AND ADMINISTRATIVE SERVICES (“ANNUAL OPERATING AGREEMENT”)—THERESA SCEPANSKI

SUMMARY: This contract provides compensation to The University of Texas Health Science Center at San Antonio (UTHSCSA) through an Annual Operating Agreement for administrative/management of residency programs, administrative/medical direction, patient care services personnel, house staff malpractice insurance, and Community Medicine Associates malpractice insurance. This is a planned expense in the amount of $13,928,185 and operating funds have been included in the Year 2012 Operating Budget. The term of the contract is for one year. Contract amounts are negotiated based on salary benchmarks in this region/area and
projected operating dollars available to cover continuation and any expansion of the agreement. Performance expectations are agreed upon and included in the official language of the agreement. As compared to the previous contract, there is an 11% ($1,646,395) net decrease in cost. The components of the decrease are: Administrative/Medical Direction positions ($1,237,708); Patient Care Services Personnel ($350,928); Administrative/Management of the Residency Program ($72,941); Community Medicine Associates Malpractice Insurance ($19,818); and a ($35,000) increase in House Staff Medical Malpractice. UTHSCSA has an Affirmative Action Plan or Policy in effect, and has a total of 5,015 employees. The workforce composition data was reviewed with the Board.

RECOMMENDATION: Staff recommends Board of Managers approval to execute the 2012 Annual Operating Agreement with The University of Texas Health Science Center at San Antonio in an amount not to exceed $13,928,185, for a one year period.

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

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO, DEPARTMENT OF FAMILY & COMMUNITY MEDICINE FOR AN ADVANCED PRIMARY CARE PILOT—BRYAN J. ALSIP, M.D., M.P.H.

SUMMARY: This contract is for implementation of an advanced Primary Care Pilot for Health System CareLink patients. This Pilot uses the principles of the Patient Centered Medical Home Model to and was designed to optimize care for a cohort of 1500 CareLink patients to minimize unnecessary visits to the Emergency Center, Express Med, and hospitalizations. University Health System agreed to provide financial support and data to monitor the utilization and management of patients in the cohort during 2011. This is a planned expense and operating funds have been included in the Year 2012 Operating Budget. The contract includes specific goals, quality and utilization metrics. UTHSCSA Department of Family and Community Medicine has an Affirmative Action Plan or Policy in effect, and has a total of 111 employees. The workforce composition data was reviewed by the Board.

RECOMMENDATION: Staff recommends approval to enter into a contract with UTHSCSA for the additional cost of $585,000.00 ($292,500 for each term of the Agreement) with the Department of Family & Community Medicine for professional services in 2012 to implement an Advanced Primary Care Pilot for CareLink patients of University Health System.
ACTION: A MOTION to approve staff’s recommendation was made by Mr. Adams, SECONDED by Mr. Engberg, and PASSED UNANIMOUSLY.

EVALUATION: Bryan Alsip, M.D, and Carlos Roberto Jaen, M.D., Chair, Department of Family & Community Medicine, UTHSCSA, conducted a presentation regarding the services to be provided by the Department of Family & Community Medicine, as well as the budget, and on the evolution of the project: In advance of finalizing the 2012 Annual Operating Agreement, University Health System staff felt it would be more appropriate to design a pilot for potential allocation of funding through a specific contract with defined metrics while controlling for additional patient outcomes. In follow up discussions between the Dr. Alsip and Dr. Jaen, it was decided that the scope of the initiative would be expanded to all CareLink patients assigned to receive care by the Department of Family & Community Medicine at the Family Health Center at the Robert B. Green Campus (6,520 patients) with the goal of improving the quality of patient care and reducing the cost of providing services. This resulted on the proposed agreement to focus on specific quality and utilization metrics applicable to CareLink patients in both the ambulatory and inpatient setting. The metrics and goals were outlined for the Board, with the expectation of a reduction in the frequency of Emergency Center visits, Express Med visits, and inpatient admissions along with a ten percent or greater reduction in total direct costs specifically associated with these improvements. In addition, maintaining current rates or improving outcomes for the following inpatient indicators are a major focus of the contract:

1. 30-day readmission rate;
2. Average inpatient length of stay;
3. Percent complications of care;
4. Percent of cases with hospital acquired conditions; and
5. Inpatient mortality rate

Board members thanked both physicians for their work on this project. Mr. Engberg praised the business aspect and the efforts to address the needs of the future for this patient population. Mr. Adams made the following observations: First, he expressed concern with the specific budget line item that specifies payment of $97,000 for a project manager; he cautioned the physicians against over-emphasizing the administrative aspect of the project versus the service aspect. He believes that family and community medicine and community service are among the two most important things the Health System and the School of Medicine should be providing. He would like to see the Health Science Center give much more attention to implementation and execution of the residency program in family & community medicine. He encouraged Dr. Jaen to come to the Board of Managers with more innovative ideas such as this for bigger and
better partnerships. He emphasized the Board of Manager’s primary focus as being the provision of such services for the underserved in Bexar County. Mr. Adams asked Dr. Jaen to relay this message to Dr. Henrich.

Secondly, Mr. Adams acknowledged the good work of Richard Usatine, M.D., Professor, Department of Family and Community Medicine. Mr. Adams feels that he is one of the most outstanding physicians, not only for his medical capability but for his involvement outside the normal scope of his profession. Dr. Usatine has the ability to attract a large number of medical students who want to know more about working with the underserved, which is one of the most attractive qualities in a medical student that Mr. Adams has seen. In his opinion, these types of services deserve a great deal of attention and focus from program administrators. He urged Dr. Jaen to highly reward people like Dr. Usatine and Dr. Ruth Berggren, Director of the Center for Medical Humanities & Ethics; physicians who are highly respected in the community. He also encouraged Dr. Jaen to enlarge the role of primary care and training by adding more physicians to do more in the community.

Dr. Jaen thanked Mr. Adams for his comments and reported that he shares the same passion for creating a healthier future for the citizens of Bexar County. He is also very proud of Dr. Usatine's work and informed the Board of Managers of two existing medical academies that are run by the Department of Family & Community Medicine. Currently, they have 60 high school students enrolled in a program to work and learn on 9 different Saturdays during the year from 9 am to 5 pm. They are taught things such as how to apply a cast, and are enlightened about the realities of medicine. There is also a camp at which these kids teach other kids what they have learned. There is more demand for this program than what the Department can provide, but the Department does not have the resources to do more. He reported that eighty percent (80%) of the Department's services are provided at the Robert B. Green campus.

Again, Mr. Adams invited Dr. Jaen to approach the Board of Managers with more innovative ideas so that the Board of Managers can re-allocate resources to do what it considers important. Mr. Adams further suggested that this would also serve as a way to create a better sense of the Medical School’s value to the community.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH TEJAS PREMIER FOR EXPANSION OF THE LABORATORY AT THE UNIVERSITY FAMILY HEALTH CENTER – SOUTHWEST—RICHARD RODRIGUEZ
SUMMARY: This purchase order is to acquire labor and materials for relocation of the existing Pathology Laboratory at University Family Health Center Southwest. The renovation involves adding a new waiting area, increased work and storage space and is required because these deficiencies have been cited by the College of American Pathologists and must be addressed to avoid disruption of services. Capital funds in the amount of $143,600 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 60 days. Tejas Premier Building Contractor, Inc., is classified as a local Small, Minority, Woman, Disabled Owned Business Enterprise (SMWDBE) that is also certified as a Historically Underutilized Business (HUB). Tejas Premier Building Contractor, Inc., has an Affirmative Action Plan or Policy in effect, and has a total of 31 employees. The workforce composition data was reviewed by the Board.

RECOMMENDATION: Staff recommends Board of Managers approval of the purchase request for construction services with Tejas Premier, Inc., in the amount of $143,600 for the expansion of the Laboratory at the University Family Health Center – Southwest.

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

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH BREDA CONSTRUCTION INC. FOR CONSOLIDATION OF PSYCHIATRIC SERVICES AT UNIVERSITY HOSPITAL—RICHARD RODRIGUEZ

SUMMARY: This purchase order is to acquire labor and materials for renovations and consolidation of Psychiatry Emergency Services (PES). The PES Unit is currently located on the sub-level of University Hospital and will consolidate to the 7th Floor. Renovations include remodeling six patient rooms, the day room and the nurse's station. Additionally, these renovations bring the 7th floor in compliance with Texas Department of State Health Services and provides a single location for all psychiatric patient treatment. Capital funds in the amount of $257,595 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 90 days. Breda Construction, Inc., is classified as a local, Small Business Enterprise (SBE). Breda Construction, Inc., has an Affirmative Action Plan or policy in effect, and has a total of 10 employees. The workforce composition data was reviewed by the Board.

RECOMMENDATION: Staff recommends that the Board of Managers approve the purchase request for construction services with Breda
Construction in the amount of $257,595 for the relocation of the Psychiatric Emergency Services at University Hospital.

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

**FOLLOW UP**: None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING REPORT FOR DECEMBER 2011 FINANCIAL STATEMENTS — ROE GARRETT**

**SUMMARY**: For the month activity was down 5.1% for the Clinical Services (as measured based on discharges adjusted for outpatient activity). Community First Health Plan (CFHP) fully-insured membership was up 2.0%. From operations, the Health System experienced a loss of $590,000 which was $356,000 less than the budgeted loss of $946,000 due to higher operating revenue. Investment income was under budget by $134,000 due to lower interest rates than budgeted. An unrealized market loss of $169,000 was recorded in the month. The bottom line gain in excess of expenses excluding debt service was $1.9 million which was $2.4 million better than the budgeted loss of $530,000. Included in the above results is CFHP which experienced a $1.2 million bottom line gain that is $1.0 million higher than the budgeted gain of $135,000. In December, CFHP recorded two significant entries, a $6.9 million experience rebate offset by a $7.7 million release of reserves. Debt Service Revenue was $3.6 million which is equal to the budgeted portion of the Debt Service payment of $3.6 million. Mr. Garrett reviewed notable increases and/or decreases from the Consolidated Balance Sheet in detail with the Board.

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

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

**EVALUATION**: Mr. Engberg urged staff to continue to monitor the cost of supplies and the manner in which staff accounts for them.

**FOLLOW UP**: None.

**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 and upcoming events. She announced award of a grant to the University Health System in the amount of $2,861,547 from the
Cancer Prevention and Research Institute of Texas (CPRIT), which will serve to increase the resources to screen, educate and protect more women in Bexar County. She shared the following patient relations story: U.S. Army CPL Joshua Saul was serving in Afghanistan when he was shot in the back by a sniper in August 2011. The bullet caused extensive internal damage. Months later, after five operations, the young soldier was not even close to being able to regain his health, and his quality of life was very poor. Due to the location of his injuries, and the multiple bowel operations he had already undergone, the military urologists felt they had no other surgical options to offer. That’s when they mentioned “autotransplantation,” an extremely complex operation in which the damaged organ is removed from the body, repaired and then re-transplanted. Knowing how intricate this groundbreaking procedure would be, the military referred CPL Saul to Dr. Gregory Abrahamian at the University Transplant Center at University Hospital. Dr. Abrahamian had performed this procedure a few times and felt this was the best option for CPL Saul. The operation went according to plan at University Hospital on December 22. CPL Saul is recovering at the Fisher House at Fort Sam Houston with his family there to support him. CPL Saul will have no lifestyle or dietary restrictions and is looking forward to regaining his good health and getting on with his life.

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

**ACTION:** None.

**EVALUATION:** None.

**FOLLOW-UP:** None.

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

**SUMMARY:**
Dr. Jimenez yielded the floor to Mr. Engberg as chair of this year’s Nominating Committee for a recommendation on the election of officers. Mr. Engberg submitted the following nominations:

For Chairman of the Board - Jim Adams
For Vice Chair - Linda Rivas
For Secretary - Rebecca Cedillo

Dr. Jimenez formally discharged the Nominating Committee upon their formal presentation of this report, and called for further nominations from the floor by each individual office: Chair, Vice Chair, and Secretary. There were no additional nominations and Dr. Jimenez announced the nominations process closed.
RECOMMENDATION: Dr. Jimenez recommended approval of the Nominating Committee’s recommendations with an effective date of February 28, 2012.

ACTION: A MOTION to approve the Nominating Committee’s recommendations for the 2012 slate of officers was made by Mr. Engberg, SECONDED by Mr. Briseno, and PASSED UNANIMOUSLY.

FOLLOW UP: Mr. Engberg thanked the current team of officers for their work and leadership; the officers have done a great job and have been a great team. This team has been consistently strong and extremely dedicated. He looks forward to that same spirit and involvement for the new team.

Mr. Engberg expressed great appreciation for Dr. Jimenez’s remarkable work as Chairman of the Board. He described Dr. Jimenez as a leader who has been in the same role for 12 years. He has impressive knowledge of technical matters, excellent managerial skills, and finance know-how. Appropriate recognition will be give to Dr. Jimenez on a future date at another venue. Mr. Hernández will ask the UHS Foundation coordinate a nice event in recognition of Dr. Jimenez.

Mr. Briseno echoed Mr. Engberg’s sentiments and emphasized the premise of the Board’s work is to nurture and rotate leadership among the Board members. The Health System is in an excellent position right now and to continue to be successful, the Board will rely on the support of the Dr. Jimenez during this transition in leadership. According to Mr. Briseno’s research Dr. Jimenez has been the longest serving Chairman in the history of BCHD, and every Bexar County Commissioner has acknowledged his work. The work that this Board does is completely voluntary, and as such is a double sacrifice for Dr. Jimenez. Every time Dr. Jimenez is at a Health System activity, it represents time he can not see patients, and it impacts his business. He finds Dr. Jimenez’s dedication and character to be special. Mr. Briseno feels that the most ardent supporters of Dr. Jimenez’s work are the staff, which is why the nominating committee has recommended the effective date of February 28. The employee awards banquet will be held on February 23 and is an opportunity for Dr. Jimenez to host this event one final time.

Mr. Hernández thanked Dr. Jimenez for his leadership and guidance. He remembered fondly Dr. Jimenez’s recommendation of the management book Good to Great: Why Some Companies Make the Leap... and Others Don’t by James Collins. The book is about leaders who are humble, but driven to do what’s best for the company, and about getting the right people on the team and figuring out where to go from there. The book also states that it takes 5 years to see the fruit of your work, and as
you can see by the team we have today, Dr. Jimenez’s recommendation of the book was very wise.

Ms. Rivas did not wish to say goodbye or farewell to Dr. Jimenez. She has gotten to know Dr. Jimenez very well in many ways over the years and she is glad that he will be around to continue to mentor her. She recently learned that she and Dr. Jimenez are distant relatives, which she was happy to hear. It’s been an honor for her to watch him in action and learn from him. She considers everyone at the Board table a mentor, and she hopes to accomplish half of what Dr. Jimenez has accomplished for this community during his tenure as Chairman.

Mr. Adams expressed an immense amount of respect for Dr. Jimenez, and stated that he has learned a great deal from him. Mr. Adams has never asked him anything that he does not know about. He admires Dr. Jimenez for cheerfully giving of himself, and for being inspiration to many. Dr. Jimenez can probably make ten times the salary he makes now, but he is not one to cherish material things. He wants to give back.

Mr. Smith also expressed a great deal of admiration for Dr. Jimenez. It is not unusual for Dr. Jimenez to reach out to him and other colleagues at 10 p.m. or another hour of the night when he is passionate about a cause.

Dr. Jimenez thanked the Board members for their generous comments today and informed them that he had been in touch with Ms. Rebecca Cedillo. Ms. Cedillo was unable to attend today’s meeting but accepts the nomination for the office of Secretary of the Board of Managers.

Information Only Items:

REPORT REGARDING YEAR 2011 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 5:50 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