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

Tuesday, March 21, 2017
2:00 p.m.
Cypress Room
University Hospital
4502 Medical Drive
San Antonio, Texas 78229

MINUTES

BOARD MEMBERS PRESENT:

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

OTHERS PRESENT:

George B. Hernández, Jr., President/Chief Executive Officer, University Health System
Bryan Alsip, M.D., Executive Vice President/Chief Medical Officer, University Health System
Edward Banos, Executive Vice President/Chief Operating Officer, University Health System
Lourdes Castro-Ramirez, President, University Health System Foundation
Ted Day, Executive Vice President, Strategic Planning and Business Development, University Health System
Donald Finley, Director, External Communications/Corporate Communications, University Health System
Roe Garrett, Vice President/Controller, University Health System
Russell Higgins, M.D., Medical Director, Pathology Services, University Health System; and Associate Professor/Clinical, Pathology Services, UT Health San Antonio
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health System
Leni Kirkman, Senior Vice President, Strategic Communications and Patient Relations, University Health System
Kirsten Plastino, M.D., President/Medical Dental Staff, University Health System; and Professor, Department of Obstetrics and Gynecology, UTHSCSA
Serina Rivela, Associate General Counsel/Legal Services, University Health System
Michael Roussos, Hospital Administrator, University Health System
Armando J. Sandoval, Chief of Police, University Health System
Theresa Scepanski, Senior Vice President/Chief Administrative Officer, University Health System
Travis Smith, Deputy Chief Financial Officer, University Health System
Allen Strickland, Vice President/Hospital Administration, University Hospital
Mark Webb, Chief Executive Officer/University Children’s Health, University Health System
Stephanie Whitehead, Executive Director, Pathology Services, University Health System
CALL TO ORDER AND RECORD OF ATTENDANCE: JAMES R. ADAMS, CHAIR, BOARD OF MANAGERS

Mr. Adams called the meeting to order at 2:05 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Ms. Norma Garza of Holy Trinity Catholic Church said the invocation, and Mr. Adams led the pledge of allegiance.

NEW BUSINESS:

CONSENT AGENDA:

CONSIDERATION AND APPROPRIATE ACTION REGARDING AN AMENDMENT TO UNIVERSITY HEALTH SYSTEM’S PENSION PLAN – THERESA SCEPANSKI

SUMMARY: Ms. Scepanski submitted a First Amendment to the University Health System Pension Plan, as restated effective January 1, 2013, and made effective January 1, 2017, necessary to enhance the matching contributions made under the Plan. This revised amendment is effective upon approval by the Board of Managers and ends the sooner of i) December 31, 2017, or ii) the date on which the System adopts a Section 403(b) plan. Commencing July 1, 1998 and effective for Compensation earned on or after that date, University Health System will make an employer matching contribution with respect to the first four percent (4%) of Compensation deferred by a Participant in this Plan under the University Health System Deferred Compensation Plan (the “457 Plan”). Such matching contribution shall be equal to twenty-five percent (25%) of each Participant’s Compensation deferred under the 457 Plan, as limited by the preceding sentence. Notwithstanding the foregoing, the matching contribution made by University Health System on behalf of the President/Chief Executive Officer of the System (“CEO”) shall be equal to 150% of the CEO’s Compensation deferred under the 457 Plan, without limitation as to the percentage of such Compensation but excluding any Compensation that is deferred under the 457 Plan as a special catch-up within the last three taxable years preceding retirement. University Health System’s contribution made under this Article V shall be referred to as the Matching Contribution.

RECOMMENDATION: Staff recommends Board of Managers’ approval and adoption of this First Amendment to the University Health System’s Pension Plan, as restated effective January 1, 2013, is made effective January 1, 2017.
ACTION: A MOTION to approve staff’s recommendation was made by Mr. Engberg, SECONDED by Dr. Jimenez, and PASSED UNANIMOUSLY.

EVALUATION: None.

FOLLOW-UP: None.

ACTION:

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING TO AMEND THE CONTRACT FOR PROFESSIONAL SERVICES WITH UT HEALTH, SAN ANTONIO, SOUTH TEXAS REFERENCE LABORATORY – JAMES WILLIS FOR MIKE ROUSSOUS

SUMMARY: The Health System currently contracts with Quest Diagnostics as the primary reference laboratory for testing not offered elsewhere in the community. Since Quest is stationed in California, they are unable to perform rapid turnaround times for critical and urgent cases (turnaround times can be over three days, depending on the case). Therefore, the Health System has also contracted with UT Health, STRL to provide rapid 24-hour reference lab testing (determined to be medically necessary and time sensitive) that is low-volume but highly specialized. STRL contracts are renewed once a year. The contract began April 12, 2016 and will end April 11, 2017 with funding of $310,119. Currently, there is $0 in remaining funds left on the contract, which is not enough to cover expenses for term of contract. The amendment will allow additional funding of $280,000 for the Health System to (a) pay the remaining invoices for the contract period and (b) extend contract for an additional 120 days, to expire on August 11, 2017. Pathology and Laboratory leadership have a decision matrix that is followed to determine which cases are appropriate for STRL or Quest. These are based on patient acuity and efficiency of treatment. There is a list of tests that both Health System Laboratory Department and the UT Health Department of Pathology track for appropriateness. Since 2014-2016, the amount paid to STRL have increased as follows: 2014 - $104,870; 2015 - $264,046; and 2016 - $306,364.

In 2016, the total amount of lab testing performed at STRL was 5,974 tests (36% increase from 2015). The increase in urgent lab testing sent to STRL is associated with renal biopsy evaluation, oncological biopsies, fungal testing, and pediatric cases. Each of these cases are reviewed by the Pathology Medical Staff for appropriateness and confirmation that the quicker turnaround time will shorten length of stay and expedite treatment. Mr. Willis reviewed increased/unanticipated STRL costs in 2016 as follows: Urgent surgical cases – 32%; urgent flow cytometry/weekend – 4%, muscle biopsies – 6%; renal biopsies – 33%; breast prognostics – 22%, fungal testing – 3%. He also reviewed the various indications for STRL testing.
The initial funding on the STRL contract was $310,119 for a one year contract ending April 11, 2017. Staff is asking for an additional $140,000 to cover the incremental STRL costs associated with additional urgent and medically approved tests completed in the contract period from April 2016 through the remainder of the contract ending April 2017. This corresponds to a reduction to the Quest contract which is under budget by $270,000. Combined these two laboratory contracts are $130,000 under budget.

Staff is also asking for a contract extension to STRL for 120 days (to August 11, 2017), which will be an additional $140,000 ($35,000 a month) for the time of the extension. These funds are included in 2017 lab budget. This brings the total contract with STRL for the last year, plus the additional four months, to a total of $590,119.

RECOMMENDATION: Staff recommends Board of Managers’ approval to amend the existing contract to accommodate the need to continuously provide test results within 24 hours for critical and urgent cases and extension of the current contract for an additional 120 days through August 1, 2017.

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

EVALUATION: Dr. Jimenez questioned the rising volume of urgent lab tests and indicated his preference to receive detailed explanations regarding such complexities in staff’s written reports. High volume lab tests are in support of comprehensive pediatric services, complex trauma, transplant, cardiology, neurology, and urology tests, many of which are not offered elsewhere in the community. If the patient is insured, the Health System will receive reimbursement. Only time sensitive testing will be sent to STRL. The 120 day extension is to better align lab services with UT Health Department of Pathology and Laboratory management. It indicates staff’s willingness to work with physician leaders to ensure patients and providers have consistent, reliable access to reference laboratory testing that is time-sensitive and can be better performed by a local laboratory while the Health System completes its RFP process for lab referral send-out testing. Dr. Burns urged the staff to compare community standards objectively in preparation for the RFP.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING CONTRACTS WITH UT HEALTH, SAN ANTONIO, FOR PROFESSIONAL AND SUPPORT SERVICES (“ANNUAL OPERATING AGREEMENTS”)—ALLEN STRICKLAND

SUMMARY: The Health System compensates UT Health for (1) administrative/management of the residency programs, (2) administrative/medical direction, (3) patient care services personnel, (4) housestaff malpractice insurance and (5) University Medicine Associates malpractice insurance through two Annual Operating Agreements. The negotiated 2017 Annual Operating Agreements total $14,824,405 compared to the 2016 agreements of $13,955,983. This represents an increase of $868,422 or 6.2 percent. The Annual Operating Agreements represent two distinct areas of services; Medical Director Services and
General Services. The contract amount for Medical Director Services is $5,789,808 consisting of 18.4 FTEs vs. $5,331,778 and 17.5 FTEs in 2016. New and expanded Medical Director positions for Orthopedic Joint Implants, Hospital Medicine, Infection Control/Antibiotic Stewardship, Advanced Lung Disease, FFACTS Clinic, OB Prenatal Care and Radiology account for this increase. The contract amount for General Services is $7,682,790 consisting of 78.6 FTEs vs. $8,624,205 and 77.6 FTEs in 2016.

As previously requested by the Board, Mr. Strickland provided a summary of all contracts with the various divisions of UT Health for an array of clinical services. Payments made pursuant to these agreements are based on time sheets submitted by UT Health providers and verified by the leadership of the departments being served:

Bexar County Clinical Services, Inc. - the Health System administers the payments to UT Medicine San Antonio for direct patient care and call coverage at University Hospital, Robert B. Green and Texas Diabetes Institute facilities in the amount of approximately $118,000,000 for 2017.

UT Health San Antonio - for primary and specialty professional services provided to CareLink members in the amount of $13,000,000 for 2017.

UT Health San Antonio, Sponsored Care Agreement – for urgent and emergent clinical care provided to unfunded patients at an annual amount of $2,600,000 for 2017.

UT Health San Antonio Dental School – for dental, oral and maxillofacial surgery, prosthetic services, provided to CareLink members and unfunded patients; as well as on-call surgical coverage at University Hospital, at an annual cost of $1,100,000.

UT Health San Antonio and University Medicine Associates - for leased physician services for Pediatric Hematology/Oncology, OB/GYN, Outpatient Pediatrics, Family and Community Medicine, Neonatology and Psychiatry with an aggregate total of $8,000,000.

UT Health San Antonio – for a variety of services with annual spends of approximately $6,000,000.

Total of Health System’s contracts with UT Health for 2017 - including the Annual Operating Agreement is approximately $163,000,000.

The workforce composition data for UT Health San Antonio was provided for the Board’s review.

**RECOMMENDATION:** Staff recommends Board of Managers’ approval to execute the 2017 Annual Operating Agreements for Medical Director Services and General Services with UT Health, San Antonio in the combined amount not to exceed $14,824,405.

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

**EVALUATION:**

Mr. Adams asked if the medical director position for the FFACTS Clinic (Family-Focused AIDS Clinical Treatment Services) at the Robert B. Green campus is funded through the AOA agreement. The FFACTS Clinic is an outpatient HIV/AIDS clinic funded in part by the Ryan White Treatment and Modernization Act. However, due to funding cuts, the medical director position was transferred to the AOA agreement. Mr. Adams requested that Mr. Banos assess the operation of the FFACTS clinic to assure services provided are adequate for that population.

Dr. Jimenez asked if the Health System currently participates in the development of the Medical School’s cultural training curriculum. The Accreditation Council for Medical Graduate Education (ACGME) recently issued recommendations to sponsoring institutions (hospitals) that appear to suggest opportunity to partner closer with the School of Medicine in this area. For Dr. Alsip, at first glance, the new recommendations suggest that teaching hospitals can influence the type of experiences a resident might have while in their teaching facilities. Given this language and soon to be new leadership in the Graduate Medical Education Office at UT Health, he foresees new opportunities.

According to Dr. Plastino, ACGME does not make annual site visits, and as such, the various residency programs are undergoing their own self-study to internally review where and how their program can be improved. For example, as part of the integration of the learning environment between UT Health and University Health System, the Obstetrics/Gynecology program is undergoing a self-study at this time.

Mr. Roussos along with Ob/Gyn nursing and support staff, residents, and faculty participate in meetings where they review opportunities, challenges, threats to the program, and needed improvements. In another example, she cited how the Health System has been a big part of the education for medical students via the various rotations they complete. The Health System is engaged by their third year, when medical students are learning about infection control, cultural competency and how to avoid breakdowns in communication, valuable training provided by Health System staff.

**FOLLOW-UP:**

As suggested by Mr. Adams, Mr. Banos will assess the operation of the FFACTS clinic to assure services provided are adequate for that population.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A QUALITY INCENTIVE CONTRACT WITH THE UT HEALTH, SAN ANTONIO—ALLEN STRICKLAND**

**SUMMARY:**

In preparation for the inception of this program, the compilation of metrics is currently being generated by Health System staff and forwarded to the respective UT Health departmental administrators on a monthly basis for their review. Interaction between the Health System’s metric team and the administrators has been facilitated by a series of meetings led by Mr. Banos. Many of the agreed upon metrics are
directly related to the quality of care being provided to Health System patients. These include length of stay, readmission rates, surgical site infection rates, alert to balloon time for STEMI patients, arrival to TPA administration for stroke patients and prompt consults when requested. Other metrics are geared toward enhancing the overall patient experience. In the Emergency Department, door to provider time, treatment room to discharge time and treatment room to bed request for admitted patients will all be measured each month as will delays in the Operating Rooms. Rate your Provider scores from NRC Picker will be used to evaluate the Patient/Provider relationship at the Health System clinics. Patient throughput will be enhanced by the metric requiring a higher percentage of physician discharge orders being completed prior to 11:00 a.m. Compliance and other regulatory issues are addressed with a metric requiring surgeons and clinicians to complete their documentation according to Joint Commission standards. The total amount available for the achievement of 100 percent of the metrics is $3,760,000. Failure to fully achieve metrics does not result in a penalty other than not earning the amount available. However, failure to achieve some of the metrics and/or in the case of the results actually deteriorating, a penalty may be assessed and result in an offset to the amounts earned. Discussion ensued and Mr. Strickland provided a sample scenario for earning incentives in reducing length of stay as well as savings to the Health System. The total amount of these potential offsets is $1,800,000. The workforce composition data for UT Health, San Antonio, was provided for the Board’s review.

RECOMMENDATION: Staff recommends Board of Managers’ approval for the execution of this agreement with UT Health, San Antonio, for a one year period at a cost not to exceed $3,760,000.

ACTION: A MOTION to approve staff’s recommendation was made by Dr. Jimenez, SECONDED by Dr. Burns, and PASSED UNANIMOUSLY.

EVALUATION: Staff will prepare preliminary monthly reports for UT Health and Health System leadership, and will account and true up every six months. Mr. Adams congratulated the staff for reaching a milestone in negotiating a quality incentives agreement with UT Health, San Antonio; both organizations must view this arrangement as a good deal for the program to succeed. Dr. Plastino agrees that this program is on the right track, and both organizations need to move forward to incentivize the physicians who do the actual work. She sees this program as both a challenge and an opportunity for the partnership.

FOLLOW-UP: Mr. Hernandez agreed to provide a status report on incentives to the Board every six months.

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE FOLLOWING REPORTS FOR FEBRUARY 2017: QUALITY, OPERATIONS, AND FINANCIAL—EDWARD BANOS/BRYAN ALSIP, M.D./REED HURLEY

SUMMARY: Dr. Alsip provided a quality update, touching upon the following areas:
- Quality Improvement & Patient Safety
  - Strategic Oversight Committee
  - Measure Focus
– Center for Medicare & Medicaid Services (CMS) Hospital Star Rating
– Leapfrog Group Safety Score (LF)
• Designated Leaders for accountability
• Cross functional teams and system-wide strategic approach

Major Measure Groups
• Mortality & Readmission (CMS)
• Safety of Care (CMS & LF)
  – Nurse sensitive indicators, major patient safety indicators or events, maternal care, high risk births
• Timeliness & Efficiency of Care (CMS)
  – ED throughput, selected imaging studies
• Effectiveness of Care (CMS)
  – Stroke, Sepsis, Deep Vein Thrombosis, Influenza & Pneumonia vaccination

Data Sources
• Reported data for CMS and Leapfrog lag significantly for ratings
• For 2017 data range from 2012 to 2016 depending on metrics
• Use of real or near real time surrogate sources must be used to provide actionable data for quality and operations to address
• Data sources include reports from Midas, Sunrise (EMR), and ICNet

Group 1 Report
• **Mortality**
  – Heart Failure, CABG, COPD, AMI, Stroke, and Pneumonia
• **Readmissions**
  – Heart Failure, COPD and Pneumonia
• All cause readmissions

Next Report – Group 2
• **Safety of Care**
  – Nurse Sensitive Quality Indicators
• Central Line Infections, Urinary Catheter Infections, Hospital Acquired Pressure Ulcers, Falls
  – Surgical Site Infections
  – Patient Safety Indicators (Adverse Events)
  – Maternal Care & High Risk Births

Dr. Alsip yielded the floor to Mr. Edward Banos for an operations update:

• March 1 new upfront process to medically screen patients by a physician, nurse practitioner or physician assistant
• Evaluated and treated all patients not needing further medical attention are being scheduled appointment at UMA or UT specialty clinics from the ER front office.

Mr. Banos reviewed time for Door to Greet (Patient seeing Provider) for the period beginning January 2016 to March 2017, which ranged from 81 minutes in 2016 to 13 minutes on March 17, 2017. He also reviewed Left After Medical Screening Exam (LAMSE) rates pre and post implementation of the new process, which ranged from 9.9 percent on February 7, 2017, to 3.6 percent the week of March 9, 2017.
also presented NCR Picker Patient Satisfaction Scores (for would recommend hospital, communication with nurses, communication with doctors, overall rating of hospital). Discussion between Board members and staff ensued.

Next Steps:
• 24/7 Fast Track: April start (see lower acuity patient faster)
• Continue to develop culture with physicians and staff working together to create solutions
• Streamline patient admission from the Emergency Room processes with the hospitalist team
• Outpatient scheduling clinic follow-up trending to assure patient leaving the Emergency room satisfied

Finally, there will be Town Hall sessions with inpatient (all three shifts) and ambulatory staff beginning April 6 through April 15, 2017.

Mr. Hurley presented the monthly financials report. In February, clinical activity (as measured by inpatient discharges) was down 8.1 percent for the month compared to budget. Community First Health Plan (CFHP) fully-insured membership was equal to budget. Gain from operations was $11.4 million, $4.2 million better than budget. The bottom line gain (before financing activity) was $5.6 million, $4.9 million better than budget and was due primarily to lower operating expenses. Debt Service Revenue was $4.7 million which is equal to the budgeted Debt Service payment of $4.7 million. He reviewed notable increases and/or decreases from the Consolidated Balance Sheet in detail with the Board.

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

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

EVALUATION: Regarding the emergency department, Mr. Adams asked Mr. Banos to provide this update on a monthly basis going forward. He would also like the staff to consider the possibility of having hospitalists rotate through the emergency department as the staff strives to improve wait times. Mr. Engberg commended the staff, he is impressed with the quality of the reports and the ongoing work in operations. He would, however, like to see a connection between all of the progress being made and the financials, in a consistent format, addressing 10-12 items, or the drivers of success.

FOLLOW-UP: As indicated above.

ANNOUNCEMENTS:
Dr. Ronald Rodriguez was unable to attend today’s meeting due to clinical commitments. On his behalf, Dr. Plastino reported that Match Day took place on Friday, March 17, 2017 at 10:30 a.m., and was a huge success. Match Day is a geographic rite of passage for graduating medical students throughout the U.S. It is on this day that medical students find out where their residency training will take them. More than 200 medical students from UT Health, San Antonio stood in front of their classmates, family, friends and faculty members to open an envelope revealing their future. The event took place at John T. Floore Country Store in Helotes, Texas. Dr. Plastino explained the process, which starts during the fourth year
of medical school, students typically interview with several graduate medical education programs and health care institutions to compete for residency slots in various specialties and have ranked their top choices. The health care institutions and programs also have ranked their top choices of residents. Match Day reveals where the students have been accepted, and is held in conjunction with the National Resident Matching Program, a private, not-for-profit corporation that ensures both a standardized systematic process and uniform period of appointment to positions in graduate medical education. Match results for the Long School of Medicine at UT Health, SA, are as follows: Out of the 201 graduating seniors, all but four were matched to residency programs. Fifty (50) percent of the graduating medical students will stay in Texas. Twenty one and one half (21.5) percent of the graduating medical students will stay in San Antonio, and twenty (20) percent will train at UT Health, San Antonio. Further, forty-three (43) percent will go into primary care at UT Health as follows: Ob/Gyn 20; internal medicine 30, anesthesia 19, psychiatry 10, and pediatrics 20. The four that did not match will probably go into research for one year or decide to obtain a different type of degree.

**ADJOURNMENT:**

There being no further business, Mr. Adams adjourned the Board meeting at 4:27 p.m.

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James R. Adams    Dianna M. Burns, M.D.
Chair, Board of Managers   Secretary, Board of Managers

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Sandra D. Garcia, Recording Secretary