REGULAR MEETING OF THE BOARD OF MANAGERS
Tuesday, March 26, 2002
Board Room
University Center for Community Health
701 S. Zarzamora

Minutes

BOARD MEMBERS PRESENT

Robert Jimenez, M.D., Chair
James R. Adams, Vice Chair
Robert Engberg
Mary Beth Williamson
Luis Roberto Vera, Jr., J.D.
Joe D. Edmonson
Alexander E. Briseño

BOARD MEMBERS ABSENT

None.

OTHERS PRESENT

Jeff Turner, President/Chief Executive Officer, University Health System
Leticia Aguilar, M.D., Medical Director, University Family Health Center – North, Community Medicine Associates
Jim Alexander, M.D., University Physicians Group; and Medical Director, University Health Center-Downtown
John Blandford, Vice President, Information Services, University Health System
Linda Boyer-Owens, Vice President, People & Organizational Development, University Health System
Patricia Butler, PA-C, University Family Health Center – Southeast, Community Medicine Associates
Francisco Cigarroa, M.D., President, UTHSCSA
Francine Crockett, Administrative Director, Purchased Resources, University Health System
Theresa DeLaHaya, Vice President, University Center for Community Health and Prevention Services
Steve Enders, Senior Vice President, Ambulatory Services, University Health System
Roe Garrett, Vice President/Controller, University Health System
George B. Hernandez, Jr., Executive Vice President/Assistant Administrator, University Health System
Dr. Jimenez called the meeting to order at 6:08 p.m.
INVOCATION AND PLEDGE OF ALLEGIANCE

Pastor John Kaster provided the invocation and Dr. Jimenez led the pledge of allegiance.

SPECIAL RECOGNITIONS:

On behalf of the Board of Managers, Mrs. Williamson recognized Sandra Garcia, Assistant to the President/CEO for her work with the Board members and presented her with a token of appreciation.

CITIZEN'S PARTICIPATION - None.

APPROVAL OF MINUTES OF PREVIOUS MEETING

CONCLUSION: The minutes of the regular Board meeting of February 26, 2002 were presented for approval.
RECOMMENDATION: Dr. Jimenez recommended approval of the minutes as submitted.
ACTION: A MOTION for approval of the recommendation was made by Mrs. Williamson and SECONDED by Mr. Edmonson. MOTION carried.
EVALUATION: None.
FOLLOW-UP: None.

REPORT FROM THE PRESIDENT OF THE HEALTH SCIENCE CENTER – DR. FRANCISCO CIGARROA

CONCLUSION: Dr. Cigarroa was delayed to the Board meeting. Dr. Wartman reported that the Health Science Center and UHS leadership continue to work together diligently. He introduced the UTHSCSA faculty present, and Dr. Jimenez invited Dr. Urby to introduce CMA physicians at this time. Upon Dr. Cigarroa’s arrival he updated the Board on the brief visit of Juan Ramon de la Fuente, M.D., Rector of the Universidad Nacional Autonoma de Mexico (UNAM) to the UTHSCSA campus on Tuesday March 20, 2002. UTHSCSA/UHS leadership had an opportunity to visit during lunch with Dr. de la Fuente and discuss matters of mutual interest, including legislative opportunities on the national and international level. This coincides with recent UHS/UTHSCSA discussions about teaming up on legislative issues that affect both institutions at the state level.
RECOMMENDATION: None.
ACTION: This report was presented for information and no action was required.
EVALUATION: None.
FOLLOW-UP: None.

REPORTS OF STANDING COMMITTEES - None.
UNFINISHED BUSINESS - None.

NEW BUSINESS

A. CONSIDERATION OF APPROVAL OF RECOMMENDATIONS AND ACCEPTANCE OF REPORTS IDENTIFIED AS CONSENT AGENDA ITEMS:

CONCLUSION: Three (3) items were presented for approval on the consent agenda:
1. Report from the President of the Medical-Dental Staff - William E. Strodel, M.D.
   (a) Consideration of Medical-Dental Staff Recommendations Regarding Staff Membership
2. Report on Emergency Center and Walk-In Services – Greg Rufe
3. Purchasing Activities – Francine Crockett

EVALUATION: The following items were pulled for discussion:

Item No. 2 – The term “mandatory re-opening” was clarified for Mrs. Williamson. It is a declaration by EMS of an emergency room being open after consideration of ER availability in identified geographical segments of the city and anticipated ambulance runs before an arbitrary number of emergency rooms go on diversion

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

ACTION: A MOTION for approval of staff’s recommendation was made by Mr. Adams and SECONDED by Mrs. Williamson. MOTION carried.

FOLLOW-UP: None.

B. ITEMS RELATED TO PLANNING & OPERATIONS

1. REPORT ON WORKFORCE ENHANCEMENTS & “LIVING WAGE” IMPLEMENTATION – LINDA BOYER OWENS

CONCLUSION: Ms. Boyer-Owens outlined the implementation of the workforce enhancement plan, impact, and expected benefits of the UHS living wage.

Implementation of a living wage will generate an average base rate increase of 12.8% ($0.93/hour) for our lowest paid employees. The projected implementation cost of the UHS plan will be $1,308,905. The annualized cost is projected to be $2,375,270. A 4 step implementation process will begin on April 1, 2002, affecting 1,623 employees assigned to the lowest UHS pay grades (5-13). A series of metrics have been
established to monitor over the course of the coming year as gauges of the benefits of living wage to the Health System: employee turnover, employee advancement, employee utilization of in-house GED and English as a Second Language and scholastic performance scores, internal customer satisfaction with support services, patient satisfaction, physician satisfaction, employee satisfaction and family enrollments in UHS medical insurance plans.

Increasing pay for entry-level positions will improve the Health System’s ability to recruit and retain an outstanding staff. Provision of a living wage in conjunction with skills development and validated competence is designed to raise staff expertise and dignity.

**EVALUATION:** Mr. Briseño expressed concern that the plan to ease pay compression created by implementation of living wage adjustments would conflict with the Health System’s longstanding commitment to pay-for-performance. Under the implementation plan, merit performance awards will be suspended during 4/2/02 to 4/1/03 for 518 employees in grades 5-13 who receive living wage adjustments of more than 6%. During that same timeframe, 1106 employees in grades 5-13 who receive living wage adjustments of 0-6% will be eligible for an accelerated merit award based on actual job performance. Mr. Turner was receptive to revising the implementation plan by adopting an alternative methodology.

**RECOMMENDATION:** Mr. Adams suggested that staff more clearly communicate the inclusion of merit awards in the April 1st pay adjustments. He recommended that actual performance evaluations be conducted for each employee and that the merit award portion of the April 1st pay adjustment be applied first followed by a living wage adjustment.

**ACTION:** Mr. Briseño made a **MOTION** to assure that all employees eligible for the living wage adjustment receive recognition for their performance with appropriate merit increases, when applicable, followed by a living wage adjustment amount. This motion was **SECONDED** by Mr. Edmonson, and the **MOTION** carried.

**FOLLOW-UP:** Ms. Boyer-Owens will ensure that each employee in grades 5-13 receives a performance evaluation and that the merit award is communicated clearly as an element of the living wage adjustment to each employee receiving an April 1st pay adjustment of greater than 6%. Ms. Boyer-Owens will provide Mr. Briseño with a copy of the captured baseline metrics which she referred to in her written report.
2. REPORT ON COMMUNITY CLINICS – STEVE ENDERS/DR. RUDY URBY

CONCLUSION: Mr. Enders and Dr. Urby provided a brief overview of activity at the clinics, their operations, the patient types, and funding issues. They reviewed both facility and provider capacity, and reported issues which are of primary concern in the clinic environment.

Activity at the Health System’s ambulatory care facilities continues to increase, but the distribution of this activity among the sites is changing. Over 460,000 physician visits occurred in the various clinic sites of the University Health System, University Physicians Group, and Community Medicine Associates in 2001. Services grew rapidly at the University Center for Community Health/Texas Diabetes Institute and the new North Clinic locations. Much of this shift in activity is the planned result of strategies implemented in the early to mid 1990’s to decentralize outpatient services and increase access to primary care medical services throughout the community. The Health System leases space at the various sites to the VA Hospital, Centro del Barrio Dental Clinic, Bexar County, and University Physicians Group.

EVALUATION: The medical leadership of the various clinics was present to answer questions from Board members and provide feedback regarding the improved clinic system. Dr. Modi-Bailey expressed support for the opportunity to develop computerized medical information systems that facilitate clinical information. Dr. Gaspard echoed support for a physician order entry and patient clinical record system. Mr. Adams again cautioned that current literature indicates that failure of computerized medical information systems across that country occurs when physicians do not accept the technological change. Dr. Farrokhi reported that he had put the physician order entry system issue to a vote, as President of House Staff Council, following the last Board meeting, and assured the Board that the result was 100% support by house staff physicians. Dr. Aguilar stressed a need for additional primary care providers because PCP panels are filling quickly. She encouraged consideration of the current unused space at the University Family Health Center - North for this purpose. Dr. Jimenez inquired of both the UPG and CMA Physician Groups regarding their positions as they relate to the Health System’s teaching and research missions, Dr. Urby reported that Family Practice residents are trained at the Southeast and Southwest facilities by CMA physicians. Dr. Cigarroa reiterated that both missions are important to UTHSCSA, as evidenced by the research conducted at TDI by
Dr. Ralph De Fronzo. Dr. Alexander pointed out that UHC-D is the only facility that charges its patients for parking, aside from University Hospital. He urged staff to consider discontinuing the practice of charging our patients to visit. Regarding opportunities and challenges, Dr. Jimenez suggested increasing community relationships between UHS and private practice providers for access to the community clinics.

**RECOMMENDATION:** None.

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

**FOLLOW-UP:** Dr. Mayes will be invited to make a similar presentation at a future Board meeting for the University Physicians Group. The Board will be provided with a copy of the graphics presentation, *Ambulatory Care Facilities Trends and Opportunities*.

C. **ITEMS RELATED TO BUDGET & FINANCE**

1. **CONSIDERATION OF FINANCIAL/OPERATIONS REPORTS FOR FEBRUARY 2002**
   - **PEGGY DEMING**

   **CONCLUSION:** Ms. Deming provided a financial overview for February 2002. The Health System experienced a gain in excess of expenses of $380,000 compared to a budgeted loss of $609,000. From operations, the Health System experienced a $592,000 loss that was lower than the $1.6 million loss planned by $969,000. Ms. Deming also reviewed February 2002 highlights on the balance sheet noting a $7.1 million increase in total assets and liabilities from February 2001. The primary increases in assets are related to cash and investment while increases in liabilities are related to deferred taxes due to a higher tax base in 2002.

   **RECOMMENDATION:** Staff recommended that the Board of Managers accept this report subject to audit.

   **EVALUATION:** None.

   **FOLLOW-UP:** None.

   **ACTION:** An **MOTION** for approval of staff’s recommendation to accept this report, subject to audit, was made by Mr. Engberg and **SECONDED** by Mrs. Williamson. **MOTION** carried.

2. **REPORT ON MULTI-YEAR FINANCIAL & OPERATIONAL PLAN DEVELOPMENT**
   - **JEFF TURNER**

   **CONCLUSION:** Mr. Engberg reported that staff continues to develop the multi-year and operational plan. It is not complete and much work remains, especially for the out years, which are a major concern of the Strategic Financial Planning Committee. A draft plan will be complete by the end of May for review by the Board of Managers, and for subsequent presentation to Commissioners.

   **EVALUATION:** None.
RECOMMENDATION: None.
ACTION: This report was presented for informational purposes only and no action is required by the Board of Managers.
FOLLOW-UP: None.

COMMUNICATIONS

Mr. Turner thanked all physicians for their commitment to our patients and reminded the Board of the Doctor’s Week Reception planned for Wednesday, March 27, 2002, from 4-6 p.m., in the new Joe D. Eisenberg Physicians Lounge at University Hospital.

Mr. Turner explained that Tuesday, March 27, 2002, had been Diabetes Alert Day, the reason for much of activity at the University Center for Community Health before and during the Board meeting. The event attracted media coverage from KENS-TV, Univision, and others, and approximately 700 people were screened for diabetes. Other activities include a Diabetes Phone Bank-Question and Answer Hotline, open house of the Texas Diabetes Institute, and a Town Hall Meeting.

Dr. Mayes expressed appreciation for the new Joe D. Eisenberg Doctor’s Lounge made possible by the University Health System Foundation.

Dr. Jimenez invited Board members to a dinner on Tuesday, April 9, 2002 at 6:30 p.m. at Piatti Italian Ristorante. It is an event for community leaders and mental health care providers to begin an alliance to address access to care at the state and federal level of government and to educate, inform, and advocate for patients and families, and begin a dialogue on the issues that face the community.

ADJOURNMENT

There being no further business, the Board meeting adjourned at 8:07 p.m.

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Robert Jimenez, M.D.    Joe Edmonson
Chairman     Secretary

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Sandra D. Garcia, Recording Secretary