REGULAR MEETING
OF THE BEXAR COUNTY HOSPITAL DISTRICT
BOARD OF MANAGERS

Tuesday, May 26, 2015
6:00 p.m.
Board Room
Texas Diabetes Institute
701 S. Zarzamora
San Antonio, Texas 78207

MINUTES

BOARD MEMBERS PRESENT:

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

BOARD MEMBERS ABSENT:

Dianna M. Burns, M.D., Secretary
Robert A. Gilbert

OTHERS PRESENT:

George B. Hernández, Jr. President/Chief Executive Officer, University Health System
Tricia Aleman, Executive Director, Marketing, Corporate Communications, University Health System
Bryan Alsp, M.D., Executive Vice President/Chief Medical Officer, University Health System
Felix Alvarez, Executive Director, Procurement Services, University Health System
Tim Brierty, Chief Executive Officer, University Hospital
Ted Day, Senior Vice President/Strategic Planning & Business Development, University Health System
Michael Dodd, Executive Director, Hematology/Oncology Service Line, Vascular Access Team, University Hospital
Sergio Farrell, Senior Vice President, Ambulatory Services, University Health System - Robert B. Green Campus
Don Finley, Senior Writer, Corporate Communications, University Health System
Roe Garrett, Vice President/Controller, University Health System
Jessica Gavia, Director, Patient Relations, University Health System
Greg Gieseman, President/Chief Executive Officer, Community First Health Plans, Inc., and Vice President/Managed Care, University Health System
Francisco Gonzalez-Scoranno, M.D, Dean, School of Medicine, UTHSCSA
William Heinrich, M.D., President, UTHSCSA
Michael Hernandez, Vice President/Chief Legal Officer, University Health System
CALL TO ORDER AND RECORD OF ATTENDANCE: JIM ADAMS, CHAIR, BOARD OF MANAGERS

Mr. Adams called the meeting to order at 6:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Mr. Adams introduced Mr. Dan Aguirre, Volunteer Chaplain at University Hospital, for the invocation, and he led the pledge of allegiance.

CITIZENS’ PARTICIPATION: None.

APPROVAL OF MINUTES OF PREVIOUS MEETING(S):

Tuesday, March 31, (Regular Meeting)

SUMMARY: Minutes of the regular meeting of the Board of Managers for Tuesday, March 31, 2015 were presented for approval.

RECOMMENDATION: Staff recommended approval of the minutes as submitted.

ACTION: A MOTION to approve the minutes was made by Mr. Engberg, SECONDED by Mr. Smith, and PASSED UNANIMOUSLY.

EVALUATION: None.

FOLLOW-UP: None.

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

SUMMARY: Dr. Henrich acknowledged the physician leaders present. He reported that UTHCSA successfully graduated a total of 800 individuals in five separate ceremonies this past month. Many of the graduates will stay and practice in and around San Antonio and in the state. Next, new cohorts will begin to arrive in July with new residents beginning orientation in a couple of weeks. Regarding the master affiliation agreement, he reported progress in the discussions. Hopes are high on both sides that if the lawyers capture what has been discussed among the group, an agreement will be finalized in the near future. There are a certain set of timing issues that need to be resolved to allow enough time, not only for Board review, but also Medical/Dental Staff review of
the new Bylaws that are tied to the affiliation agreement. This will ensure both sides will sign something that has mutually been agreed to.

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

NEW BUSINESS:

CONSENT AGENDA – JIM ADAMS, CHAIR

CONSIDERATION AND APPROPRIATE ACTION REGARDING MEDICAL-DENTAL STAFF RECOMMENDATIONS FOR STAFF MEMBERSHIP – KRISTEN A. PLASTINO, M.D., PRESIDENT, MEDICAL/DENTAL STAFF

CONSIDERATION AND APPROPRIATE ACTION TO AMEND THE PROFESSIONAL SERVICES CONTRACT WITH MARMON MOB TO PROVIDE ARCHITECTURAL/ENGINEERING SERVICES FOR MODIFICATIONS TO RECEIVING AT THE SOUTH LOADING DOCK IN CONJUNCTION WITH THE PLANT ENGINEERING SHOPS PROJECT AT UNIVERSITY HOSPITAL—MARK WEBB

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE A PROFESSIONAL SERVICES CONTRACT WITH BLUE COTTAGE CONSULTING REGARDING THE DEVELOPMENT OF A STRATEGIC VISION FOR CHILDREN'S AND WOMEN'S SERVICES—MARK WEBB

CONSIDERATION AND APPROPRIATE ACTION REGARDING COMMISSIONING OF A PEACE OFFICER FOR BEXAR COUNTY HOSPITAL DISTRICT—SERGIO FARRELL/CHIEF AJ SANDOVAL

CONSIDERATION AND APPROPRIATE ACTION REGARDING PURCHASING ACTIVITIES (SEE ATTACHMENT A) – FELIX ALVAREZ/FRANCINE WILSON

SUMMARY: The items listed on the consent agenda were presented for the Board's consideration.
RECOMMENDATION: Staff recommended approval of the consent agenda by the Board of Managers.
ACTION: A MOTION to approve staff’s recommendation was made by Mr. Engberg, SECONDED by Mr. Smith, and PASSED UNANIMOUSLY.
EVALUATION: The expected time-frame for the engagement of Blue Cottage Consulting is approximately 3 months.
FOLLOW-UP: None.

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

UNIVERSITY HOSPITAL:

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE GUARANTEED MAXIMUM PRICE WITH JOERIS GENERAL CONTRACTORS ACTING AS
CONSTRUCTION MANAGER AT RISK FOR PHASE 2 RENOVATIONS PACKAGE II
TO INCLUDE DEMOLITION AND CONSTRUCTION RELATED TO THE
RENOVATION OF THE PLANT ENGINEERING SHOPS AT UNIVERSITY HOSPITAL
(GMP #3)—MARK WEBB

SUMMARY: Joeris General Contractors was previously selected as Construction Manager for the Phase 2 work which is comprised of the following:

1. Follow-up Clinics – 2nd Floor, Rio Tower
2. Pharmacy and Adjacent Corridors – Ground Level Rio Tower and Horizon Tower
3. Plant Engineering Shops– Ground Level Rio Tower

In addition, Joeris will provide the limited work associated with the relocation of staff from Corporate Square to the University Hospital campus, as well as the aggregation of the Transplant Offices to the 11th floor Rio Tower. This additional scope is as follows:

1. Limited refurbishment of Levels 10, 11, and 12 of the Rio Tower
2. General Construction for new IDF Rooms on Levels 6, 7, 10, 11, and 12 of the Rio Tower

GMP #3 will commit the cost related to the demolition and construction required for the new Plant Engineering Shops. This commitment also includes the provisions required for the temporary relocation of shops to available space in the Central Utility Plant as well as modification to the receiving area that is impacted by expansion of the shops. The scope of this third GMP at the cost of $2,284,899 is for the demolition and construction for New Plant Engineering Shops in accordance with the Construction Documents prepared by Marmon Mok Architects. Also included will be renovations to reconfigure the adjacent Receiving Area at the South Loading Dock which will provide added control and security for Materials Management. Mr. Webb reviewed the cost for these projects work as follows:

<table>
<thead>
<tr>
<th>GMP#</th>
<th>Description</th>
<th>Control Estimate</th>
<th>GMP Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>GMP#1</td>
<td>Design Phase and Construction Management Services for the Phase 2 Renovations</td>
<td>$1,545,699</td>
<td>$1,545,699</td>
</tr>
<tr>
<td>GMP#2</td>
<td>Phase II Renovations Package I - Demolition and Corporate Square Relocation, Transplant Aggregation, and IDF Construction Costs</td>
<td>$2,051,122</td>
<td>$2,626,033</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2,527,402</td>
<td>$2,527,402</td>
</tr>
<tr>
<td>GMP#3</td>
<td>Demolition and Construction for New Plant Engineering Shops in accordance with the Construction Documents prepared by Marmon Mok Architects</td>
<td>$2,446,511</td>
<td>$2,284,899</td>
</tr>
<tr>
<td>Total</td>
<td>Commitment to date including all GMPs</td>
<td>$8,570,734</td>
<td>$8,984,033</td>
</tr>
</tbody>
</table>
The total estimated project cost of the Original Phase 2 is $30 million with $23.3 million allocated for construction. The participation goal for SMWVBE is 35 percent and the local participation goal is 75 percent.

**RECOMMENDATION:** Staff recommends Board of Managers’ approval to execute an amendment to the Construction Management Agreement with Joeris General Contractors, Ltd. for GMP #3 in the amount of $2,284,899.

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

**EVALUATION:** The size of the applicable area related to GMP #3 is 8,000 square feet. Mr. Webb informed Mr. Smith that work on projects related to the Capital Improvement Program at University Hospital by those business enterprises initially engaged has all ended with the exception of projects involving Zachary Vaughn Layton (ZVL). Perkins & Will is finishing up some Phase 2 work that will go into 2016. Mr. Webb clarified that Joeris was only recently engaged to conduct Phase 2 work and is a local business enterprise. ZVL also conducted work on Phase 0 projects and Joeris previously worked on Phase 1 jobs. Mr. Engberg suggested that it would be helpful for the Board to view the entire cost schedule – what has been accomplished, what is being requested, and future expenses related to each new project.

**FOLLOW-UP:** Mr. Webb will provide the entire cost schedule requested by Mr. Engberg at the next Board meeting for discussion purposes.

**CONSIDERATION AND APPROPRIATE ACTION TO APPROVE THE GUARANTEED MAXIMUM PRICE WITH JOERIS GENERAL CONTRACTORS TO PROVIDE CONSTRUCTION MANAGEMENT SERVICES FOR THE RENOVATION OF 1ST FLOOR HORIZON TOWER AND RECONFIGURATION OF THE EMERGENCY DEPARTMENT ACCESS DRIVE TO ACCOMMODATE THE NEW PEDIATRIC EMERGENCY DEPARTMENT (GMP #4)—MARK WEBB**

**SUMMARY:** Recently, staff developed the concept of modifying the former Emergency Department at the Ground Level of the Horizon Tower to become the Pediatric Emergency Department of the future. Because the original Construction Manager solicitation included a number of optional projects, staff and the project management team consider it appropriate to expand the Joeris scope of work to include the Pediatric Emergency Department construction. The Board of Managers approved an amendment to the HDR Architecture agreement to provide design services for the Pediatric Emergency Department in April 2015. This action will specifically cover the costs for Construction Management Services and Construction. To achieve speed to market, and to allow construction to begin more expeditiously than normal, staff and the project management team are recommending a not to exceed amount for this GMP since the design has not yet been completed. Future actions may be required to cover additional construction costs depending upon the final design of the Pediatric Emergency Department. The scope of this fourth GMP is for Construction Management Services and Construction for the Renovation of Ground Floor Horizon Tower and Reconfiguration of the Emergency Department Access Drive to Accommodate the New Pediatric Emergency Department at a cost not to exceed $1,500,000 and will be funded from
routine capital. The Construction Manager at Risk will provide Construction Management Services and Construction that will optimize the use of available funds while providing the highest quality construction within established project schedules. Control estimate for all commitments to date including GMP #4 is $10,070,734 and the actual cost is $10,484,033. The participation goal for SMWVBE is 35 percent and the local participation goal is 75 percent.

RECOMMENDATION: Staff recommends Board of Managers approval to execute a contract amendment with Joeris General Contractors, Ltd, for GMP #4 in the amount of $1,500,000.

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

EVALUATION: Following Mr. Engberg’s inquiry about the Board’s review of a complete cost schedule, Mr. Smith asked if Mr. Webb could provide an estimate for the overall costs at this time. Mr. Webb’s goal is to return to the Board in July at which time he will provide a better idea of where the costs stand. Staff will provide a recommendation and present options at that time. Regardless of the total costs, the work will not be completed by the end of 2015. As far as financial controls related to new projects, Mr. Webb assured the Board that certain staff members have more than 25 years’ expertise in project management and construction services. Also, staff continues to work closely with the expert project management teams at Jacobs Engineering. Dr. Jimenez asked the staff to provide him with a breakdown of the workforce data composition for Joeris.

FOLLOW-UP: Mr. Webb will return to the Board in the July timeframe with a complete cost schedule and will provide Dr. Jimenez with the workforce data composition he requested.

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING RENEWAL OF A CONTRACT WITH SATELLITE HEALTH CARE, INC. FOR BEDSIDE DIALYSIS SERVICES—NANCY RAY/MARK WEBB

SUMMARY: To ensure the success of the pediatric transplant program approved by the Board in June 2013, staff determined the best solution to address space issues at that time would be to provide all inpatient adult dialysis at the bedside. This would provide the dialysis services in a more patient focused manner and lead to better patient satisfaction. As such, in July 2013, the Health System entered into a two-year contract with Satellite Healthcare for the delivery of bedside dialysis services. Since the execution of the agreement with Satellite Healthcare, the volume in monthly dialysis treatments has increased approximately 22 percent, which has increased the estimated cost of providing these services over what was originally contemplated. The original contract was based upon the following estimated monthly treatment averages and compared to actual
The original two-year contract was for $2,787,620. Through the end of January 2015, Satellite Healthcare has used $2,160,695, with a remaining balance of $626,925. Over the last 15 months, Satellite Healthcare has been averaging $144,047 per month in billings. The original contract was based on a monthly average of $116,150. At this rate, additional funding in the amount of $669,492 will be required to complete the current contract period. Modification #1 will supplement the contract by adding $255,000 through July 31, 2015, and include $1,728,564 for the first yearly contract renewal option. Funding for the renewal option has been included in the 2015 operating budget. Due to the nature of the medical equipment industry, there is limited opportunity for SMWVBE, however this service is currently offered out of Austin, Texas and employees providing this service to University Health System will be offered employment at the local level.

**RECOMMENDATION:** Staff recommends Board of Managers’ approval of a one-year contract extension with Satellite Healthcare in the amount of $1,983,564 for inpatient dialysis services at University Hospital.

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

**EVALUATION:** Ms. Ray clarified for Dr. Henrich that this contract secures nursing services and technical support. The physicians are provided by the Nephrology Division of UTHSCSA. He also inquired about future plans to return to a central dialysis room, where patients are aggregated in one area for this service. In order for a physician to obtain credit for seeing a patient, the physician must sign the medical record while the patient is on the dialysis machine. Oftentimes, Dr. Henrich has had 10 to 12 patients scattered throughout hospital and requiring dialysis at different times. Although it is challenge, it can be accomplished; however, on occasion Dr. Henrich reported having missed signing a chart because he could not get to the patient during dialysis. From a physician perspective, the advantage of a central dialysis room is efficiency and convenience, and it is also less expensive because of nurse staffing requirements. Further, Dr. Henrich noted that the quality of dialysis is not affected by providing it at the bed-side. Mr. Adams asked for the relative cost of renal dialysis per case. Ms. Ray was not prepared to answer his question, however, informed the Board that the majority of large healthcare systems provide bed-side dialysis for inpatients. The Health System currently maintains a central dialysis room in the Rio Tower that can accommodate up to four patients and two nurses. On the other hand, the staff-patient ratio for bedside dialysis is one to one and works to the hospital’s advantage since Satellite Health Care can do that at a lower cost. Most of the patients in the Rio Tower who receive dialysis are medicine patients, including those in the Emergency Department, or a step down unit. The issue at University Hospital at this time for a central dialysis room is lack of
space. Dr. Jimenez asked about standards for inpatient versus outpatient dialysis, and also how the staff monitors the work of Satellite Healthcare. Inpatient dialysis is part of the treatment modality as opposed to being a separate clinic visit; while outpatient dialysis is accredited in a very different way. As for monitoring, the staff has quarterly meetings with Satellite Healthcare leadership. The inpatient service has a medical director from UTHSCSA, and staff meets on a regular basis to evaluate treatment plans. The most important thing with inpatient dialysis are maintaining excellent infection control practices hence the Infection Control Department provides oversight. Samples are taken and routinely submitted to them for testing. The inpatient dialysis service was recently evaluated by The Center for Improvement in Healthcare Quality (CIHQ) who found a couple of technical issues regarding documentation, but in general the consultants were pleased. Staff has a very good working relationship with Satellite Healthcare, they hire their own employees who then attend UHS orientation, and are becoming very much part of the Health System’s culture. Mr. Adams thanked Dr. Henrich for providing his perspective on this matter and urged the staff to solicit input from the physicians regarding such proposals and processes. He also asked Ms. Ray not to extend the contract with Satellite Healthcare for an additional year until staff researches all of the options pursuant to Dr. Henrich’s input regarding the space issue for a central dialysis room. Ms. Ray will also provide the relative cost per case the next time the contracts is up for renewal.

FOLLOW-UP: Staff will provide the relative cost per case as requested by Mr. Adams and research the feasibility of a central dialysis room at University Hospital.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH TEJAS PREMIER BUILDING CONTRACTOR TO REPAIR AND REPLACE BRICK FACE ON UNIVERSITY HOSPITAL-RIO TOWER NORTH EXTERIOR—MARK WEBB

SUMMARY:
This request is for the purchase of labor and material for the masonry repair of the north exterior wing of the Rio Tower at University Hospital. The existing exterior brick on the north side of the Rio Tower has cracked and become loose over time and needs to be repaired. Temporary netting was put in place to eliminate any possible safety issues. Jaster-Quintina Structural Engineers was hired to develop the project drawings for the masonry repair and replacement. The recommendation and scope of work for this project includes demolition and removal of approximately 650 square feet of existing brick at the exterior walls (identified by Mr. Webb on plans from floors 5 through 12). More specifically, the work includes installing new exterior brick and associated material, scaffolding, repairing and replacing capstone caps and lightning rods, and associated roof work. In addition, a temporary roof mounted hoist will be installed for materials and scaffolding. The work will all adhere to all Health System standards and code requirements, and will ensure the appropriate maintenance and long term safety of patients, visitors, and staff. Staff issued bid number RFCSP #214-06-031-CNST with four (4) construction firms attending the mandatory pre-bid meeting and two (2) firms
submitting bids. The two firms that submitted are MPS Construction, with a base bid of $447,862 and 147 calendar days, and Tejas Premier Building Contractor, with a base bid of $262,419 and 112 calendar days. Proposals were evaluated by staff, with Tejas Premier providing the best value. Staff is requesting approval for total replacement cost in the amount of $262,419. Capital funds are budgeted to support the cost for this project. Tejas Premier Building Contractor is a local SWMBE company.

RECOMMENDATION: Staff recommends approval of a contract with Tejas Premier Building Contractor in the amount of $262,419 for needed masonry repairs to the Rio Tower.

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

EVALUATION: Mr. Adams asked about the vendors’ work force data composition, which Mr. Webb could not immediately provide. The company is local-owned and is SWMVBE. Dr. Jimenez urged the staff to routinely provide this data and to also ensure it is taken into consideration by the staff when awarding contracts.

FOLLOW-UP: As indicated above.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH TRANE BUILDING SERVICES—ALLEN STRICKLAND

SUMMARY: University Hospital’s Energy Plant provides chilled water to both University Hospital (UH) and the Audie Murphy Memorial Veterans Affairs Hospital (VA) utilizing ten 1,250+ ton Trane chillers. The hospital is responsible for operating and maintaining the Energy Plant Facility and has a thirty-five year agreement (Contract# V671P-3150) with the VA to provide chilled water for comfort cooling purposes. The Health System contracts with Trane Building Services (Contract #21402025-1E) for service and periodic maintenance for 27 facility chilled water systems at the Rio, Horizon and Sky Towers as well as the Robert B. Green, Texas Diabetes Institute and the Data Technology Center. The Service and Maintenance contract does not cover repairs caused by erosion and corrosion over time. These repairs are being purchased through the MedAssets Group Purchasing Organization and are therefore considered to have been competitively bid. A routine inspection recently revealed defects in many of the condenser tubes in three chilled water systems. The ability of chillers to provide chilled water has a direct correlation with their ability to transfer heat, and to do so efficiently, the surfaces of all tubes must be clean and free of defects. At this time, 1,028 of the 1,251 tubes in chiller 3A are showing signs of defect due to corrosion and many are showing severe wall depth defects. Due to the large number of defects in this chiller, Trane recommends complete replacement of all 1,251 tubes, to ensure the future reliability and efficiency of the condenser. Chiller 3A is currently 19 years old. Replacement of the condenser tubes should allow this machine to either meet or exceed its normal life expectancy of 25 to 30 years. Chiller 5A has 626 of a total of 1,498 tubes that are showing shallow to severe defects and, Chiller 5B has 70 out of a total of 510 tubes that are showing shallow to severe defects. Trane recommends replacement of all affected tubes to ensure the future reliability of the condensers. These chillers are currently 6 years old. Replacement of these condenser tubes should allow these machines to either
meet or exceed its normal life expectancy of 25 to 30 years. The cost for repairs to Chiller 3A, 5A, and 5B is $260,756.06. The VA Hospital is responsible for 40 percent of the repairs, or $104,302.42. Additionally, these repairs will enable the chillers to operate more efficiently, resulting in energy cost savings. The net cost to the Health System is $156,453.64 after accounting for the reimbursement from the VA. This is an unplanned expense that will be funded through the 2015 Plant Engineering Operational Budget. Trane Building Services is not a local SWMBE, it is a large, national, business enterprise.

RECOMMENDATION: Staff recommends award of a contract to replace the condenser tubes in Chillers 3A, 5A, and 5B to Trane Building Systems in the amount of $260,756.06.

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

EVALUATION: None.

FOLLOW-UP: Staff will ensure preventive maintenance is conducted by the vendor on a regular basis, pursuant to the terms and conditions of the contract.

CONSIDERATION AND APPROPRIATE ACTION REGARDING OPERATIONS AND FINANCIAL REPORT FOR APRIL 2015—ROE GARRETT/REED HURLEY/MARK WEBB

SUMMARY: In April clinical activity (as measured based on discharges adjusted for outpatient activity) was up 7.6% for the month compared to budget. Community First Health Plan (CFHP) fully-insured membership was down 5.3% due to lower membership in STAR Medicaid and CHIP. The bottom line gain excluding debt service was $5.8 million, $4.1 million better than budget and was due to higher patient revenue and lower operating expense. Debt Service Revenue was $3.7 million which is equal to the budgeted portion of the Debt Service payment of $3.7 million. Mr. Hurley summarized notable increases or decreases from the Consolidated Balance Sheet in his graphics presentation:

- Hospital Average Length of Stay (ALOS) was over budget by 0.4 days at 6.1 days and below prior year of 6.3 days;
- Employee Compensation below budget by $621k;
- Salary Cost per Adjusted Discharge at $7,600 below budget of $8,560 and below prior year of $8,416.
- Supply Expense over budget in April by $607k, YTD over budget by $485k;
- Supply Expense per Adjusted Discharge at $3,359 under budget of $3,450 and over prior year of $3,282.
- April Month to Date Adjusted Discharges: Budget - 3,732; Actual - 4,014; and Prior Year - 3,494
- April Year to Date Adjusted Discharges: Budget - 15,016; Actual - 15,652; Prior Year - 13,684.
- April Month to Date Outpatient Activity: Budget - 57,724; Actual - 60,133; Prior Year - 59,301.
- April Year to Date Outpatient Activity: Budget - 222,870; Actual - 231,135; Prior Year - 230,460.
April 2015 Payer Mix Month to Date: Funded 73.1 percent; CareLink 9.7 percent; UHS 3.0 percent; Unfunded 14.2 percent

April 2015 Payer Mix Year to Date – Funded 72.9 percent; CareLink 10 percent; UHS 3.0 percent; Unfunded 14.1 percent

Mr. Hurley also briefed the Board regarding the annual process for allocating reserves which commences annually upon the completion of the external audit. Staff transfers available cash flow to Board-designated accounts pursuant to policy no. 7.0504, Reserves, and policy no. 7.0502 Funding of Financial Reserves for Capital Expenditures. The two accounts funded by these policies are the Emergency Operating Account and the Capital Account.

The Emergency Operating Account is funded first and reserves are held for use in contingency or for catastrophic events. The Board policy requires that this account have 90 days of operating cash, therefore, $22.6 million will be transferred this year. This account will have a balance of $201 million after the 2014 transfer.

Funds in the Capital Account are committed and supported by various Board-approved projects, and based on the 2014 external audit, $39.2 million will be transferred to this Capital Account. Total committed capital to date is $80.4 million, which has been encumbered. Discussion ensued regarding the $40.5 million for CIP Non-Bond Enhancements. This amount accounts for enhancements made to the original CIP cost of $899 million for items such as the 6th floor of the RBG Clinical Pavilion for future growth purposes, various equipment and design work associated to the Heart and Vascular Institute and renovation projects. Regarding available capital reserves, $25.2 million has been set aside over the past 6 years to grow a long-term reserve (repayment of the Board-approved $120 million to initially fund Capital Improvement Program), and the unencumbered capital reserve balance is $20.7 million. Total available capital is $45.7 million. Total in the Capital Account after transfer will be $126.1 million.

Mr. Hurley reviewed transfer history amounts for the period beginning 2010 through 2014 for both accounts.

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

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

### EVALUATION:
As indicated within the summary above and follow-up,

### FOLLOW-UP:
Mr. Adams asked staff to review and scrub the capital list for projects or equipment requests that are older than 2014 ($19.2 million). If the projects or equipment are no longer needed, staff will update the list. As requested by Mr. Engberg, staff will provide supporting details for total committed capital reserves, unencumbered capital reserves, and total available capital on an annual basis as a reminder to the Board of what still needs to be accomplished, reviewed, and what the urgent needs are. As Dr. Jimenez noted, it is useful information for the Board to have when they interact with tax payers in the community. Staff will review the
applicable Board policies regarding reserves and capital expenditures to ensure they still meet the needs of a changing and growing health system, as suggested by Mr. Smith.

PRESENTATIONS AND EDUCATION:

UPDATE ON EMERGENCY DEPARTMENT AND OPERATING ROOM ACTIVITIES — TIM BRIERTY

SUMMARY: Mr. Brierty introduced and yielded the floor to Mr. Jackson for an update on Emergency Department and Operating Room activities. Mr. Jackson reported that both areas have made changes to policies, staffing, and patient throughput, and are creating an enhanced culture of patient-centered care. Although the measurements of metrics differ, the goal of both departments is to improve the patient experience and improve patient throughput:

Emergency Department
- Minimize door to triage times
- Decrease door to provider times
- Improve “would recommend” patient experience
- Increase “overall rating” of the ED patient experience
- Maximize perception of “courtesy and respect” patient experience

Operating Rooms
- Improve the number of cases starting on time
- Decrease turn-around times between cases
- Improve operating room utilization

Through continued teamwork both teams have implemented multiple policy changes designed to enhance the patient experience:

Emergency Department
- Phone calls to patients who leave the ED before being seen
- Initiated a pain protocol for patients in the ED waiting room
- Implemented a call policy for nursing to be initiated as needed

Operating Rooms
- Initiating a new scheduling document
- Implemented new process for transporting of patients
- Increased emphasis and accountability for first start times

Emergency Department Progress

Door to Triage Times ranged from 65 minutes in 2013 to 6 minutes (YTD). The goal is 5 minutes.

Door to Doc Times ranged from 226 minutes in 2013 to 106 minutes (YTD). The goal is 90 minutes.

Activity ranged from 50,000 visits in 2013 to 72,000 (YTD)
Patient Experience
Would Recommend ratings ranged from 39.3 percent in 2013 to 46.5 in 2015.
Overall Ratings ranged from 39.4 percent in 2013 to 44.1 percent in 2015.
NurseCourtesy and Respect ratings ranted from 55.6 percent in 2013 to 60.1 percent in 2015.

Boarding by Hours (Holding of Patients for Medicine Patients (2015 YTD) / Patient Capacity and Transferred Hours*)
January – 1,082/173 patients/691
February – 627/82 patients/327
March – 850/123 patients/493
April – 943/143 patients/572

*The number of hours, after the first two hours of an admission, charged to a medicine floor when patient transfer is delayed due to bed availability issues on that floor. Discussion ensued regarding the 24 bed observation unit on the Ground Level of the Rio Tower that is used to hold these medicine patients. There is new dialogue among large healthcare systems across the country about how to address this old problem regarding excessive number of medicine patients.

Procedural Changes
Through-POD (a newly created, smaller emergency room within the Emergency Department, a non-teaching, thorough fare area to treat minor emergencies). Leadership rounding, new pain protocol, Left without being seen follow up calls, On Call Policy – Surges, Team Triage, Patient Services to round on patients in the waiting room, ProScribes (technical staff to help enter patient information in the electronic medical record), and Team Training.

Operating Room Progress
First start times ranged from 34 percent in 2014 to 83 percent (YTD). The goal is 80 percent.

Turn-around times ranged from 57 minutes in 2014 to 30 minutes in 2015. The goal is 30 minutes.

Road to Success – Sequence of Improvement Efforts Discussed
Phase I - Patient pre-op ready; Phase II - Day of surgery; Phase III - Time in room to incision time; Phase IV - Preference Card and Supply Optimization; and Phase V - Block Scheduling

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: No action was required by the Board of Managers.
EVALUATION: New initiatives started in the last 60 days, patient satisfaction scores lag by 30 days. Emergency Department has low turnover rates, and there has been significant improvement in staff morale. The Operating Room has very low turnover rates and management is working to improve morale in that area as well.
FOLLOW-UP: Staff will remove EMS arrivals and trauma data from Door to Doc averages for a more accurate picture.

INFORMATION ONLY ITEMS:

REPORT REGARDING MEDICAL-DENTAL STAFF COMMITTEES AND DEPARTMENTS — KRISTEN A. PLASTINO, M.D., PRESIDENT, MEDICAL/DENTAL STAFF

UPDATE ON CAPITAL IMPROVEMENT PROGRAM ACTIVITIES — MARK WEBB

REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS — LENI KIRKMAN

STATUS REPORT ON THE 84TH LEGISLATIVE SESSION — ANDREW SMITH

2015 QUARTER 1 SUPPLIER DIVERSITY REPORT — FRANCINE WILSON

SUMMARY: Mr. Adams directed the Board’s attention to the five (5) written reports above. He urged his colleagues to contact staff with specific comments, questions, or suggestions.

RECOMMENDATION: These reports were provided for informational purposes only.

ACTION: No action by the Board of Managers was required.

EVALUATION: None.

FOLLOW-UP: None.

ADJOURNMENT:

There being no further business, the public meeting adjourned at 7:50 p.m.

James R. Adams
Chairman, Board of Managers

Dianna M. Burns, M.D.
Secretary, Board of Managers

Sandra D. Garcia, Recording Secretary