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

WORK SESSION

Tuesday, October 23, 2012
12:30 p.m.
Conference Room A
Corporate Square
4801 NW Loop 410, 10th Floor
San Antonio, Texas 78229-5347

MINUTES

BOARD MEMBERS PRESENT:

James R. Adams, Chair
Linda Rivas, Vice Chair
Rebecca Q. Cedillo, Secretary
Roberto L. Jimenez, M.D., Immediate Past Chair
Robert Engberg
Alex Briseño
Ira Smith

OTHERS PRESENT:

George B. Hernández, Jr. President/Chief Executive Officer, University Health System
Ted Day, Vice President, Strategic Planning, University Health System
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System
Michael Hernandez, Vice President/Chief Legal Officer, University Health System
Leni Kirkman, Vice President, Corporate Communications & Patient Relations, University Health System
Christann Vasquez, Executive Vice President/Chief Operating Officer, University Health System
Mark Webb, Senior Vice President, Facilities Administration, University Health System
Ernesto Gomez, Ph.D., President/Chief Executive Officer, CentroMed
Juliet Rogers, Ph.D., MPH, President/CEO Blue Cottage Consulting
Christine M. Stead, Executive Strategist, Blue Cottage Consulting
Mary Flanagan, Senior Vice President, Management Solutions Group

MEMBERS OF THE PRESS: Richard Marini, San Antonio Express-News
CALL TO ORDER AND RECORD OF ATTENDANCE: JIM ADAMS, CHAIR, BOARD OF MANAGERS

Mr. Adams called the meeting to order at 12:30 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Mr. Tomas Hernandez introduced Mr. Steven Jupiter for the invocation and Mr. Adams led the pledge of allegiance.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A LEASE AGREEMENT WITH RICHLAND INVESTMENTS, INC. FOR OFFICE SPACE AT RECTOR PLAZA FOR CARELINK OPERATIONS - RICHARD RODRIGUEZ/MARK WEBB

SUMMARY: In 2000, CareLink operations opened up an office at the University Family Health Center – North to assist patients with the application process. At that time, the CareLink office consisted of one office with less than 200 square feet. The volume of activity quickly outgrew the small work area; and due to the limited office space, customers were forced to wait in the hallway.

In order to alleviate this problem, the CareLink offices were relocated to a 900 square foot leased space at 7323 San Pedro in February 2011. The lease term was for three years at $17.00 a square foot plus a 15% allowance for the Landlord’s overhead and administrative costs, and the tenant’s pro rata share of the common area maintenance.

Since February 2011, operations have grown so that the current location is again too small to accommodate the growth, and the facilities are sub standard. Another issue at the current location is the crowded parking conditions.

The current CareLink operations on San Pedro include one manager and two clerks. The hours of operation are Monday thru Thursday, 8:00 am to 5:00 pm and Friday, 9:00 am to 5:00 pm, serving approximately 55 customers per day plus an additional 45 walk-ins.

A building located at 126 West Rector in the Rector Plaza, approximately two blocks east of the North Clinic, is currently available for leasing. The space is 2,128 square feet and will house a manager and five clerks. The waiting room will allow ample seating, and five offices for private patient interviews.

Richland Investments, Inc, the owner of Rector Plaza, offers a lease rate of $15 a square foot plus $5.15 a square foot for common area maintenance. For the three year lease option, Richland Investments offers a three month rental abatement. In comparison, the other toured office spaces offers lease rates ranging from $14 to $19 and common area maintenance of $3.78 to $5.87.
The infrastructure cost to relocate into this space is approximately $160,331 for information technology, communications, security, moving expenses and building finish-out costs. The monthly lease expense will be included as part of the 2013 operating budget.

The current lease on San Pedro has approximately 15 months remaining. The 900 square feet of office space vacated by CareLink will be used for ambulatory administrative functions.

RECOMMENDATION: Staff recommends Board of Managers’ approval for a lease agreement with Richland Investments, Inc. for the office space located at 126 West Rector and to expend the additional operational funds of $160,331 to bring the leased space into operation.

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

EVALUATION: Mr. Briseno thanked staff for graciously accepting his feedback on the existing facilities leased for CareLink, and for proactively exploring options to upgrade.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING AN INDIGENT CARE AFFILIATION AGREEMENT WITH CLARITY CHILD GUIDANCE CENTER—MICHAEL HERNANDEZ

SUMMARY: The Health System is an entity authorized to make an intergovernmental transfer (IGT) for itself and other participating providers in the Texas 1115 Waiver Program. A prerequisite of the 1115 waiver participation is an affiliation agreement between the entity making an IGT and the private provider seeking the IGT. Should the Health System enter into an affiliation agreement with Clarity, it would allow Clarity to participate in the 1115 Waiver Program. Clarity would be able to leverage healthcare fund subsidies from the federal government, which will be allocated to Clarity as matching federal funds, for the provision of mental health services to the children of Bexar County and south Texas. This provides a significant benefit to the community through the provision of enhanced and increased health care services by the affiliated entities.

Clarity Child Guidance Center was formed when Child Guidance Center of San Antonio and Southwest Mental Health Center merged. Clarity’s treatment centers provide mental health care for children ages three to seventeen, in San Antonio and South Texas. Their inpatient and outpatient programs are comprised of a range of services, including crisis stabilization, psychiatric evaluations, and ongoing therapy. Currently, Clarity has the region's largest staff of children's mental health professionals at their two campuses and several satellite locations. Clarity provides a highly specialize and critical clinical service for our community in a distinct setting designed around their pediatric patients.
Every private hospital that participates in the 1115 Waiver program must execute an affiliation agreement with the governmental entity that provides the intergovernmental transfer for any type of payment (UC or DSRIP). Other hospitals that have participated in the former regional upper payment limit (UPL) program already have the necessary affiliation agreements on file. The Board of Managers has approved them at prior meetings over the past several years. Entities that have not previously participated in the UPL, however, are required to enter into an affiliation agreement with the governmental entity. As such, the Health System and Clarity must enter into an affiliation agreement at this time to allow for Clarity’s participation in the Program.

This affiliation agreement does not provide for a specific transfer of funds. However, the 1115 waiver seeks to foster transformational health care change and requires wide participation by health care providers like Clarity. If approved, the Health System will make an IGT for Clarity as part of the Health System’s regional health plan.

RECOMMENDATION: Staff recommends Board of Managers’ approval for an Indigent Care Affiliation Agreement with Clarity Child Guidance Center.

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

EVALUATION: Ms. Rivas described Clarify as being very helpful and responsive to referrals from SER Jobs for Progress, Inc.

FOLLOW-UP: None.

PRESENTATION AND APPROPRIATE ACTION REGARDING THE HEALTH SYSTEM’S VISION AND ROLE FOR A COMPREHENSIVE CHILDREN’S NETWORK—GEORGE B. HERNÁNDEZ, JR. AND STAFF

SUMMARY: Mr. Hernandez reviewed the format for today’s work session. He reported that this portion of the presentation would cover current demographic and health dynamic trends and projections for the pediatric population in Bexar County. Building on that background, staff will then present recommendations on the strategy for provision of primary care and specialist services, research approaches on best ways to provide those services, and opportunities to improve the overall health of this population in the future. Mr. Hernandez reminded the Board members that Blue Cottage consultants were engaged to study the market and present recommendations for a strategic approach to working with the pediatric population long-term in Bexar County and beyond. Further, their planning activity was intentionally broad, not just covering what next steps should be, but where the health of the population in question is going and how the Health System can positively influence it. One key data element included in their work was interviews conducted with a cross-section of local providers. Those results were detailed in their report. The strategic approach staff will propose going forward fits the mission of University Health System in that the key component of research is integrally incorporated into future plans. Mr. Hernandez introduced Ms. Mary Flanagan, whom staff engaged to facilitate a dynamic conversation on the content presented today. Mr. Hernandez yielded the floor to Ms. Juliet Rogers for a graphics presentation that
included a proposed vision for pediatric care, demographics of areas with greatest need, community health needs, and addressing the community’s healthcare needs.

RECOMMENDATION: The presentation was provided for informational purposes only.
ACTION: No action was required by the Board of Managers.
EVALUATION: Ms. Flanagan led a discussion among the Board members which allowed them to provide additional input into the topics presented by the consultant; and, to affirm existing positive resources, and identify current challenges; while keeping in mind the current and future health care landscape supported by the data presented. Ms. Flanagan initiated additional discussion between Board members and staff under the following headings: What Must We Do…; Board of Managers’ Role; Impact on Children; Impact on Health Care Providers; and Impact on University Health System

FOLLOW-UP: The Board identified the following as necessary next steps: Develop a report, identify themes, distisize; get a better understanding of what is going to happen with pediatrics; make sure the Health System is a party in all pediatric discussions (this was noted as “critical”); deliver a total system of care; strengthen relationship with UTHSCSA (was described as being “vibrant and alive” at this time) - UHS is not a funding stream; opportunity for pediatric-family-customer focus at RBG; remain competitive and efficient; cultivate mental health partnerships and other partnerships in Bexar County; Identify premiere pediatric network – what does this mean and what are its functions?

RECESS:

Mr. Adams recessed the public meeting at 2:55 p.m. Dr. Roberto Jimenez departed the work session at this time. The public meeting was reconvened at 3:00 p.m.

PRESENTATION AND UPDATE ON THE 1115 WAIVER PROGRAM—GEORGE B. HERNÁNDEZ, JR. AND STAFF

SUMMARY: Mr. Hernandez introduced today’s presentation as a general update on the status of the 1115 Waiver, including terminology, highlights on current dynamics of the Waiver, Regional Healthcare Partnership management (and the anchor role), and timeline considerations. Each Regional Health Partnership (RHP) is coordinated by an entity designated as an anchor for that region. UHS serves in that capacity for Region 6. Mr. Hernandez yielded the floor to Ms. Vasquez, Ms. Deming and Mr. Day for a detailed report on communications, compilation of a needs assessment, reporting, project content review, and project management activity that UHS is conducting to fulfill this role effectively. Also discussed were some of the tools the Health System is using in this process.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: None.
EVALUATION: None.
FOLLOW-UP: Ms. Rivas urged staff to continually monitor and analyze the data collected on all DSRIP projects to promptly comply with any requests
received from the Texas Health and Human Services Commission. Ms. Cedillo encouraged quarterly Board work sessions. Mr. Briseno commended staff for their work in all 1115 waiver initiatives and in the Capital Improvement Project. On behalf of the Board, Mr. Adams expressed appreciation for the support and confidence of Bexar County Commissioners Court in executing CIP plans. He also thanked Dr. Gomez for joining the Board session today.

ADJOURNMENT:

There being no further business, Mr. Adams adjourned the meeting at 4:20 pm.

Jim Adams                          Rebecca Q. Cedillo
Chair, Board of Managers           Secretary, Board of Managers

Sandra D. Garcia, Recording Secretary