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

Tuesday, September 25, 2012
6:00 p.m.
Board Room
University Health System - Texas Diabetes Institute
701 S. Zarzamora
San Antonio, Texas 78207

MINUTES

BOARD MEMBERS PRESENT:

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

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
Tricia Aleman, Director, Marketing, University Health System
Phillip Burrell, Administrative Fellow, University Health System
Tim Brierty, Chief Executive Office, University Hospital
Francine Crockett, Vice President, Materials Management, University Health System
Ted Day, Vice President, Strategic Planning & Business Development, University Health System
Peggy Deming, Executive Vice President/Chief Financial Officer, University Health System
Roe Garrett, Vice President/Controller, University Health System
Greg Gieseman, President/Chief Executive Officer, Community First Health Plans, Inc., and Vice President Managed Care, University Health System
Barbara Holmes, Vice President/Chief Financial Officer, Community First Health Plans, Inc.
Michael Hernandez, Chief Legal Officer, University Health System
Kenneth Kalkwarf, D.D.S., President Ad Interim, UTHSCSA
Leni Kirkman, Vice President, Strategic Communications and Patient Relations, University Health System
Sherry Johnson, Vice President/Integrity and Regulatory Services, University Health System
Priti Mody-Bailey, M.D., President, Community Medicine Associates
Bill Phillips, Vice President/Chief Information Officer, Information Services, University Health System
Richard Rodriguez, Vice President/Controller, University Health System
Christann Vasquez, Executive Vice President/Chief Operating Officer, University Health System
Roberto Villarreal, M.D., Vice President, Community Initiatives, University Health System
Nicolas Walsh, M.D., Professor & Chair, Department of Rehab Medicine, UTHSCSA; and President,
Medical Dental Staff, University Health System
Mark Webb, Senior Vice President, Facilities Development and Project Management, University Health System
Elly Marie-Jeanne Xenakis, M.D., Professor, Department of Ob/Gyn, UTHSCSA
And other attendees.

MEMBERS OF THE PRESS:
Don Finley, San Antonio Express News

CALL TO ORDER AND RECORD OF ATTENDANCE: JAMES R. ADAMS, CHAIR, BOARD OF MANAGERS
Mr. Adams called the meeting to order at 6:07 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:
Ms. De La Torre introduced Ms. Pam Haley for the invocation and Mr. Adams led the pledge of allegiance.

CITIZEN PARTICIPATION: None.

APPROVAL OF MINUTES OF PREVIOUS MEETING(S):

AUGUST 14, 2012

SUMMARY: The minutes of the Special meeting of August 14, 2012 were presented for the Board’s approval.

RECOMMENDATION: Mr. Adams recommended approval of the minutes as submitted.

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

EVALUATION: None.

FOLLOW-UP: None.

REPORT FROM THE HEALTH SCIENCE CENTER – DR. KENNETH KALKWARF, PRESIDENT AD INTERIM:

SUMMARY: Dr. Kalkwarf introduced the physician leaders present. He informed the Board of Managers that on September 7, 2012, the UT System Board of Regents authorized UTHSC-San Antonio to execute an agreement with Nashville-based Vanguard Health Systems to bring a new, state-of-the-art children’s hospital to San Antonio. The Children’s Hospital of Philadelphia one of the nation’s top-ranked children’s hospitals, will join Vanguard in the administration of the San Antonio facility. Dr. Kalkwarf feels that the agreement will be a tremendous step toward enhancing world-class pediatric care in San Antonio and South Texas and will provide students and medical residents with transformational educational and research experiences as future pediatric health care providers working in the region. The UT regents considered three proposals but determined that Vanguard’s would best serve the needs of
patients and families in South Texas, building a coordinated regional network with expertise offered by Children’s Hospital of Philadelphia to provide the highest quality preventative, primary, subspecialty and urgent care to families throughout the region. The Vanguard proposal was also determined to be best aligned with UTHSC-San Antonio’s teaching and research missions in serving the needs of the university’s medical students and faculty. When exploring all proposals, the regents came to the conclusion that a relationship with Vanguard and CHOP offered the best combination for outstanding care of pediatric patients, an ideal venue in which to educate next-generation physicians and important proximity to medical research institutes.

Board members were invited to a ground breaking ceremony for the UTHCSA’s new Center for Oral Health Care & Research Groundbreaking. The event will be held on Friday, October 26, 2012.

Dr. Kalkwarf announced that Ronald Rodriguez, MD, PhD is the Chairman Designate of the Department of Urology. Dr. Rodriguez will begin his new position in January, 2013. He is an outstanding clinician and investigator with a focus on urologic malignancies, with an emphasis on prostate, bladder, and kidney cancer. He is a native of San Antonio having graduated at the top of his class from Thomas Jefferson High School in 1980. Dr. Rodriguez trained at Johns Hopkins and is excited about returning to San Antonio and working with UHS.

RECOMMENDATION: This report was provided for informational purposes only.
ACTION: No action was requested of the Board of Managers
EVALUATION: Mr. Adams pledged the commitment of University Health System staff to actively, proactively and continually work to provide a robust network of children’s services in Bexar County. The principal objective is to provide a comprehensive ambulatory network to keep children out of the hospital. This is a very important part of the Health System’s strategic planning, which is currently underway. Dr. Jimenez thanked Dr. Kalkwarf for attending the dedication of the Roberto L. Jimenez Restoration Center earlier in the month.
FOLLOW-UP: None.

NEW BUSINESS

CONSENT AGENDA – JAMES R. ADAMS

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 Election of Board of Managers Officers—Dr. Robert Jimenez, Chair, Nominating Committee

Consideration and Appropriate Action Regarding Purchasing Activities (See Attachment A) – Kourtney Mosby/Francine Crockett
SUMMARY: Mr. Adams pulled the item on the Election of Officers for deliberation by the Board members. On behalf of the Nominating Committee, Dr. Jimenez recommended the slate of current officers (Jim Adams, Linda Rivas, and Rebecca Cedillo) to serve for the ensuing 12 months. Members of the nominating committee reported a very rich discussion among themselves in reaching their recommendation. Mr. Smith stressed the importance of the Board officers’ participation at the various meetings.

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

ACTION: A MOTION to approve the items listed on the consent agenda was made by Dr. Jimenez, SECONDED by Mr. Engberg, and PASSED UNANIMOUSLY.

EVALUATION: None.

FOLLOW-UP: None.

ACTION ITEMS:

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

SUMMARY: Activity projections and bed demand by service projections were developed during the Master Planning phase of the CIP. These projections were revised during the Programming Phase which resulted in the addition of a large number of surgical procedures to the projected volumes. During the Project Definition and Schematic Design Phases, these numbers were reviewed and it was confirmed that the projected bed numbers will accommodate the anticipated activity if the appropriate reductions in Average Length of Stay are achieved. However, data discrepancies were found between reported trauma and emergency surgery volumes and the Trauma Registry data.

Due to the discrepancies, it is necessary to revise service line definitions according to principle discharge final diagnosis. Activity volumes will require adjustment based on this new information, which in turn will affect bed allocation planning. Staff will continue to make adjustments to the volume projections and bed allocation plan through the new tower opening. Management Information Analysis has worked with the CIP team on these projections and volumes consistently since the Master Planning Phase of the project. The firm is familiar with the needs of the Health System and is best suited to perform the continuation of work.

This is a professional service agreement that is being procured as a sole source. Staff is recommending an exemption from the competitive bid
process and having the services performed by Management Information Analysis based on the following.

- Continuation of services already provided to the health system during the Master Planning Phase and in recent months to update previous information
- Continuity, accuracy, and integrity of analysis associated with complex information and data
- Reasonable and fair cost of service (agreement provides up to 1,000 hours of work)
- Timeliness of services to be provided

The cost for this agreement in the amount $120,000 will be paid from CIP capital funds. Management Information Analysis is classified as a Sole Proprietorship, Small Business Enterprise.

RECOMMENDATION: Staff recommends the Board of Managers approve a contract with Management Information Analysis to perform requested analytical services in the amount of $120,000.

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

EVALUATION: The first report was completed during the master facility planning phase, approximately in 2007. The new report will update initial information, or changes that have taken place along the way. Board members agreed that Mr. Briseno raised a key question when he asked how pediatric bed allocation projections would be impacted in light of the potential for three children’s hospitals in San Antonio. The design of the rooms are universal in nature and can serve different functions if needed, i.e., surgical, pediatrics.

FOLLOW-UP: Issue raised by Mr. Briseno regarding the allocation of inpatient pediatric beds.

UNIVERSITY HOSPITAL:

CONSIDERATION AND APPROPRIATE ACTION TO APPROVE A CONTRACT WITH RTKL FOR SIMULATION MODELING SERVICES—MARK WEBB

SUMMARY: During the finalization of planning for the use of the new building, it was determined that the first floor of the new tower would be reserved for the future Heart Center. This change necessitates renovation to the existing 1968 building for the Trauma Clinic, which was originally to be located on the first floor of the new tower. At the same time, staff also recognized that the Transplant Clinic should be expanded.

Based on the changes described, staff considered that by combining the space for the Trauma Clinic and Transplant Clinic with the Vascular Clinic and the Rehabilitation Follow-Up Clinic, overall operational efficiency and the patient experience could be enhanced. Based on the positive outcomes that reduced the size and numbers of clinic spaces from
the simulation services provided by RTKL at the Robert B. Green campus, RTKL was asked to submit a proposal for simulation modeling of these clinics to ensure the most efficient design.

Staff reviewed the proposal, which also included an option for Surgical Suite modeling, as well as Pre-Admissions Testing modeling. Upon careful consideration, Staff recommends moving forward with the modeling of the clinics and not the additional areas. Future simulation modeling may be required at a later date.

RECOMMENDATION: Staff recommends the Board of Managers approves a contract with RTKL in the amount of $365,525 for simulation modeling services and authorize the President/CEO to execute a contract with RTKL in the amount of $365,525.

ACTION: There being NO OBJECTION, the Board of Managers ADOPTED staff’s recommendation and UNANIMOUSLY APPROVED a contract with RTKL in the amount of $365,525.

EVALUATION: Mr. Webb arrived at the cost of this contract based on the number of hours needed pursuant to the scope of work. This company has some knowledge of what is needed because of previous work at University Hospital, but more importantly, due to their expertise and functional knowledge of simulation modeling. Mr. Webb reviewed, in detail, the tangible versus the intangible value of this contract. Mr. Smith expressed concern regarding this vendor’s prior knowledge. The fact that the contract is a sole source recommendation highlights the vendor’s prior work history with the Health System. He urged staff to proceed cautiously with these types of transactions.

Ms. Vasquez and Mr. Webb assured the Board that there is constant coordination with, and cross training among, nursing, physician extenders, and medical staffs to maximize efficiencies throughout the entire hospital, particularly for the new areas that are being constructed. Department chairs at the School of Medicine and other physician leaders have also been included in the planning. Dr. Kalkwarf acknowledged that efficiencies must fall together because it is necessary for the physicians to deliver cost-effective care, best use their time, and patient care space. The resident physicians and other trainees will learn to do things better in the future.

FOLLOW-UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING REPORT FOR AUGUST 2012 FINANCIAL STATEMENTS—ROE GARRETT/PEGGY DEMING

SUMMARY: For the month activity was up 6.5% for the Clinical Services (as measured based on discharges adjusted for outpatient activity). Community First Health Plan (CFHP) fully-insured membership was down 4.0%. From operations, the Health System experienced a gain of $2.3 million which was $2.1 million higher than the budgeted gain of $207,000 due primarily to higher operating revenue. Meaningful use
A motion to approve staff’s recommendation was made by Mr. Briseno, seconded by Ms. Cedillo, and passed unanimously.

Evaluation: Mr. Garrett answered questions regarding some of the pie charts and bar graphs and what the data represented. In particular, charges for services rendered by the Health System versus the collection rates for CareLink accounts and those paid by third party payers. Mr. Adams suggested that Mr. Garrett poll Board members for feedback regarding the newly designed graphics presentation for clarity purposes only.

Follow-up: None.

Reports and Education:

Report on Recent Recognitions and Upcoming Events—Leni Kirkman

Summary: Ms. Kirkman provided a detailed, written report on recent recognitions and upcoming events.

Recommendation: This report was provided for informational purposes.

Action: No action was required by the Board members.

Evaluation: None.

Follow-up: None.

Information Only Items:

Report Regarding Year 2012 Medical-Dental Staff Committees and Departments—Nicolas Walsh, M.D., President, Medical/Dental Staff

Update on Capital Improvement Program Activities—Mark Webb

Update on Robert B. Green Pavilion Transitional Activities—Sergio Farrell/Gary McWilliams, M.D.
SUMMARY: Staff provided three detailed, written reports for informational purposes. Mr. Adams encouraged Board members to review and ask questions or provide feedback to staff.

RECOMMENDATION: None.

ACTION: No action was required by the Board members.

EVALUATION: None.

FOLLOW-UP: None.

**ADJOURNMENT:**

There being no further business, Mr. Adams adjourned the public meeting at 7:02 p.m.

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James R. Adams    Rebecca Q. Cedillo
Chair, Board of Managers   Secretary, Board of Managers

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Sandra D. Garcia, Recording Secretary