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

Tuesday, September 27, 2016
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
Dianna M. Burns, M.D., Secretary
Roberto L. Jimenez, M.D., Immediate Past Chair
Robert Engberg
James C. Hasslocher

BOARD MEMBERS ABSENT:

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
Felix Alvarez, Executive Director, Procurement Services, University Health System
Awoala Banigo, Senior Vice President, Operations/Chief Revenue Officer, University Health System
Edward Banos, Executive Vice President/Chief Operating Officer, University Health System
Ted Day, Senior Vice President, Strategic Planning and Business Development, University Health System
Sergio Farrell, Senior Vice President, Ambulatory Services, Robert B. Green, University Health System
Don Finley, Director, External Communications/Corporate Communications, University Health System
Greg Gieseman, President/Chief Executive Officer, Community First Health Plans, Inc.
William Henrich, M.D., President, UTHSCSA
Michael Hernandez, Vice President/Chief Legal Officer, University Health System
Reed Hurley, Executive Vice President/Chief Financial Officer, University Health System
Michelle Ingram, Vice President/Chief Quality Officer, University Health System
Daniel Johnson, M.D., Herbert F. Mueller Chair in Ophthalmology, UTHSCSA
Leni Kirkman, Senior Vice President, Strategic Communications and Patient Relations, University Health System
Monika Kapur, M.D., President/Chief Executive Officer, University Medicine Associates
Tom Mayes, M.D., Professor and Chairman, Department of Pediatrics, UTHSCSA
Kirsten Plastino, M.D., President/Medical Dental Staff, University Health System; and Professor,
Department of Obstetrics and Gynecology, UTHSCSA
Richard Rodriguez, Vice President, Asset and Property Management, 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. Arthur Sosa of St. Mark the Evangelist Church for the invocation, and he led the pledge of allegiance.

CITIZENS’ PARTICIPATION

Mr. Ruben Hernandez addressed the Board of Managers; he retired from the Health System about 5 years ago after 37 years of service in the cardiac cath lab at University Hospital. He shared his experiences as a patient having had open heart surgery and a severe stroke one week later. First, there were some billing issues which he has started to resolve with the help of Ms. Theresa Scepanski. He informed the Board that because the Health System does not currently have a cardiac rehab program, he has had to obtain this service from Methodist Health System. Staff has assured him that a cardiac rehab program will be implemented at UHS in approximately one month. He recounted his wait in the Emergency Department, which was about 16 hours. Prescriptions through the mail order system take 7 days for delivery, as compared to Walgreen’s where they are filled on the spot. After open heart surgery, transport to his room was rough, which can be fixed by reminding transporters that open heart surgery patients have just had their chest cracked open and are extra sensitive to these rough rides. Mr. Hernandez asked the Board to consider placing a cap on health insurance premiums for retirees. He suggested a cost of living increase for all retirees, and that a retiree position be made available on the Board of Managers. He thanked Mr. George Hernandez and Ms. Theresa Scepanski for their courtesy in meeting with him. He also thanked the Board for making him feel welcome to voice his concerns.

Mr. Damon Price addressed the Board regarding his wife, Ms. Angela Price. Ms. Price continues to visit the various doctors, the emergency department, and is deteriorating in front of his eyes. The physicians are unable to manage her pain any longer and it appears to him, that they have all given up on the patient. Mr. Price pleaded with the Board for their assistance since he does not know where to turn for help at this point. Mr. Banos and Dr. Alsip met privately with Mr. Price after his address to obtain additional information.

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

Mr. Adams yielded the floor Dr. Henrich after congratulating him on the wonderful gala he hosted on Saturday evening. Dr. Henrich reported that...
his team is finalizing an affiliation agreement with MD Anderson to improve the depth and scope of services provided by the Cancer Therapy and Research Center. Over the next decade, it is estimated that the number of cancer cases in Bexar County will grow by 29 percent while the population is slated to grow by 14 percent. The main demographic in San Antonio is age, the chief risk factor for developing cancer. The affiliation will be formally announced in 5 to 6 weeks, and the new name of the cancer center will most likely be UT Health MD Anderson Cancer Center at CTRC. This affiliation involves a substantial upgrade to the physical facility, and philanthropic and state support will exceed $30 million as a first installment. At the present time, plans call for $52 million worth of improvements to the facility. His staff has launched a search for a cancer center director, which they hope to identify in the upcoming months. Dr. Henrich thanked the Board of Managers for their support at the gala honoring Maj. Gen (USA Ret) Joe Robles, and his wife, Patty, for their service to the nation, military community, and USAA. It was attended by 1,700 individuals. Last month Dr. Jimenez asked Dr. Plastino to present information regarding a report that maternal mortality in the United States has increased, particularly in Texas. A state level task force on maternal mortality and morbidity, along with the Department of State Health Services, found that the number one cause for maternal mortality is cardiovascular issues, with substance abuse as the second cause. To put this increase into perspective, in 2010 there were 18.5 maternal deaths per 100,000 births, and in 2014, there were greater than 30 deaths per 100,000 births. There has definitely been an increase among the African-American population as compared to White and Hispanic. As far as risks, women who receive late prenatal care, were obese through pregnancy, and had high blood pressure, or diabetes, were over represented in these maternal deaths. The focus is now on how to get women in for early prenatal care, pre-pregnancy obesity preventative care, and mental health and substance abuse treatment. The mortality increases are not attributed to the usual causes, such as hemorrhage, as it was once believed. Dr. Plastino thanked UHS leadership for arranging appreciation meals for faculty physicians this month. Communication with the Medical/Dental staff continues through the daily huddles and through Dr. Alsip’s office, monthly at the Executive Committee meetings which care chaired by Dr. Plastino, and where information is pushed out to the department chairs.

RECOMMENDATION: None.
ACTION: None.
EVALUATION: Dr. Jimenez thanked Dr. Plastino for visiting the Center for Health Care Services and for her work with the Mommie’s Program, a program designed to help with high risk pregnancies.
FOLLOW-UP: None.

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 REGARDING THE APPOINTMENT
OF DR. ROBERT TAFT AS CHAIR, DEPARTMENT OF HOSPITAL DENTISTRY—
KRISTEN A. PLASTINO, M.D., PRESIDENT, MEDICAL/DENTAL STAFF

CONSIDERATION AND APPROPRIATE ACTION REGARDING
APPOINTMENT/REAPPOINTMENT TO THE BOARD OF DIRECTORS OF
COMMUNITY FIRST HEALTH PLANS—ROBERT ENGBERG, CHAIR, NOMINATING
COMMITTEE

CONSIDERATION AND APPROPRIATE ACTION REGARDING UNIVERSITY HEALTH
SYSTEM POLICY NO. 10.11, DISRUPTIVE OR UNPROFESSIONAL BEHAVIOR BY
MEMBERS OF THE MEDICAL-DENTAL STAFF—BRYAN ALSIP, M.D.

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

SUMMARY: The items listed above were presented for the Board’s consideration as
consent items.

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

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

EVALUATION: None.

FOLLOW-UP: None.

ACTION ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE SECOND
AMENDMENT TO A CONTRACT WITH NIX HOSPITALS SYSTEM, LLC FOR
BEHAVIORAL HEALTH SERVICES RELATED TO DSRIP PROJECTS—SALLY TAYLOR,
M.D./TED DAY

SUMMARY: As a result of the Medicaid section 1115 Demonstration Waiver approved
for the State of Texas by the Center for Medicare and Medicaid Services in
December 2011, the Board of Managers approved a contract in
December, 2013 with Nix Hospitals System, LLC d/b/a Nix Behavioral
Health Services (Nix). After program and space planning, direct patient
care began October 1, 2014. The projects are currently coming to the
end of year five of the DSRIP program (DY5 October 1, 2016 –
September 30, 2016). The initial contract amount was for a total amount
of $17,090,349.36 over a three year period. This is a request for a
contract amendment to extend both projects for DSRIP Year 6A
(October 1, 2016 – September 30, 2017) in the amount of $4,943,513.54.
Through DSRIP Year 4 (October 1, 2014 – September 30, 2015), all
milestones and metrics required for each project were met with the
exception of one that was carried-forward from DY4 to DY5, namely the
unduplicated quantifiable patient impact (QPI) for PES. This metric was
met in November, 2015 and incentive dollars were received by the
Health System. The length of stay for patients in the PES is limited to a
maximum of 48 hours, and all patients with a longer length of stay were
omitted from the QPI. Nix implemented multiple improvement
processes to assure a 48-hour throughput resulting in a much improved length of stay. A total of eight milestones (for both projects) are on target for completion in DY5. Two milestones are very likely to be met: (1) foot exams for patients admitted to CIU who have diabetes and (2) cholesterol testing for patients with diabetes and cardiovascular disease. The agreement with Nix will be for a term of one year commencing on October 1, 2016 and ending September 30, 2017. The nature of this agreement is an at-risk, capitated model where the Health System will pay Nix to provide services for the anticipated patient population and require the Nix to successfully fulfill milestones built into the two DSRIP projects. The anticipated financial outlay for this agreement is $4,943,513.54 for one year. This amount accounts for expenses and is budget neutral, it is a planned expense, and is included in the budget for each FY2016 and FY2017.

RECOMMENDATION: Staff recommends Board of Managers’ approval to renew a contract with Nix Hospitals System, LLC, for one year, October 1, 2016 – September 30, 2017 for psychiatric emergency services and crisis intervention services, in the amount of $4,943,513.54.

ACTION: A MOTION to approve staff’s recommendation was made by Mr. Hasslocher, SECONDED by Mr. Engberg, and PASSED UNANIMOUSLY. Dr. Roberto Jimenez DID NOT VOTE.

EVALUATION: None.
FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED PURCHASING ITEMS:

CONSIDERATION AND APPROPRIATE ACTION REGARDING THE CONTRACT WITH TURNER│STRAIGHTLINE ACTING AS CONSTRUCTION MANAGER AT RISK TO INCLUDE A GUARANTEED MAXIMUM PRICE PROPOSAL FOR MOBILIZATION AND SITE WORK REQUIRED FOR THE EASTSIDE CLINIC (GMP #2)—MARK WEBB

SUMMARY: Turner │ Straightline was engaged in July 2016 to perform work as Construction Manager at Risk on behalf of University Health System for the construction of the new Eastside Clinic, 601 Runnels Avenue, San Antonio TX 78208. The original contract, which included GMP #1 in the amount of $207,500, was approved during the July 26, 2016 Board meeting. This Guaranteed Maximum Price (GMP #2) will include the costs for mobilization and site development for the Eastside Clinic project. Mr. Webb reviewed estimated cost for mobilization and site development costs as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobilization Costs</td>
<td>$300,263</td>
</tr>
<tr>
<td>Site Development Costs</td>
<td></td>
</tr>
<tr>
<td>Clearing and Grubbing</td>
<td>$13,200</td>
</tr>
<tr>
<td>Grading</td>
<td>$16,500</td>
</tr>
<tr>
<td>Flatwork</td>
<td>$145,200</td>
</tr>
<tr>
<td>Storm Water Protection (SWP)</td>
<td>$15,900</td>
</tr>
<tr>
<td>Landscape</td>
<td>$29,500</td>
</tr>
<tr>
<td>Striping &amp; Signage</td>
<td>$15,600</td>
</tr>
<tr>
<td>Utilities</td>
<td>$96,300</td>
</tr>
<tr>
<td>Total</td>
<td>$632,463</td>
</tr>
</tbody>
</table>
Capital funds were previously allocated to support this project. Staff is requesting approval of existing project funds for mobilization and site development in the amount of $632,463. The Board previously approved GMP #1 for design and construction management services for phase 2 renovation in the amount of $207,500, with a total commitment to Turner│Straightline in the amount of $839,963, upon Board approval of GMP #2. Mr. Webb described the overall project detail in his written report for a total cost of $5 million, which includes construction, construction manager fees and general conditions of $207,500. Turner│Straightline is made up of Turner, a large national construction company, and Straightline, a local SMWBE certified company. The Turner│Straightline team has established a target of 35 percent for SMWVBE participation. In addition, Straightline Construction Management, which is certified by the South Central Texas Regional Certification Agency (SCTRCA) as a Small Business (SB), Small Disadvantaged Business (SDB), Woman Owned Small Business, and an Economically Disadvantaged Woman-Owned Small Business (EDWOSB), is 10 percent partner in the Joint Venture with Turner. Turner Construction’s local office has a total of 379 employees, and the workforce composition data was provided for the Board’s review.

RECOMMENDATION: Staff recommends Board of Managers approval to execute an amendment to the Turner│Straightline Construction Management Agreement in the amount of $632,463 for of GMP #2.

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

EVALUATION: Groundbreaking for the Robert Hilliard Eastside Clinic has been set for Thursday, October 27, 2016. Immediately after that, Turner will start clearing the site and construction will begin. Staff met with Dr. Burns and Mr. Smith earlier in the month to review layout of clinic and discuss operational issues. Mr. George Hernandez, Dr. Burns, Mr. Smith, and Mr. Webb also met with East side providers this past summer, and learned that the providers would appreciate referring their patients for specialty services (such as behavior health, addictions and substance abuse, endocrinology, and nutrition services) as an extension of their own practice where patients can self-refer. Providers expressed some anxiety and have indicated they need help managing patients with acute issues; they are interested in collaborating with the Health System. When their patients are admitted they are willing to serve as hospitalists, and are willing to enter into network arrangements, so that they can follow up on their own patients, they want their patients back. Dr. Burns added that as far as technology, she would recommend a futuristic concept. She cautioned that construction must be in real time, soon after breaking ground, and advised against “breaking promises” made to that community. Mr. Engberg asked who on the Board will monitor progress on this project; who will answer budgetary questions, and questions raised by the local medical community? An ad hoc committee comprised of Dr. Burns and Mr. Smith has been established. As for construction matters, Mr. George Hernandez suggested Mr. Engberg remain as the Board’s liaison because his background has been very helpful to the staff. Dr. Burns’ again expressed concern about the budget allocated for this project, to which Mr. Hernandez replied that the
construction of this clinic is being funded as a DSRIP project. There are a certain amount of DSRIP funds available, and the staff has held back some funds in the program for contingency purposes. When Dr. Jimenez suggested a community advisory group such as the one created in establishing the Texas Diabetes Institute, Mr. Hernandez replied that this clinic is slightly different since the East side providers are serving in this advisory capacity, they are the stakeholders. Mr. Adams agreed that this is a real opportunity for the Health System to be respected. The facility will be a showcase, something the Health System and the community will be proud of, and staff must ensure those expectations are met.

FOLLOW UP: Mr. Engberg agreed to serve as the Board’s construction liaison for the new clinic.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A REDUCTION IN SCOPE FOR IT SERVICES FOR THE PEDIATRIC PROGRAM FOR CONTRACT PREVIOUSLY AWARDED TO PRESIDIO—MARK WEBB

SUMMARY: As part of the originally conceived renovation of the Horizon Tower to centralize Pediatric Services, the Board previously approved a contract for information technology services with Presidio in the amount $6,182,193. The Board has since also approved a reduction of the original scope of the Pediatric program. As such, the scope of services and related costs of this contract for cabling and network system construction is being reduced in scope and will result in previously committed funds in the amount of $2,112,825 becoming available. Presidio is a local firm with an Affirmative Action Plan, which they have provided. The Presidio Corporation has a total of eight (8) employees, and the workforce composition data was provided for the Board’s review.

RECOMMENDATION: Staff recommends Board of Managers’ approval of a contract amendment with Presidio for a reduction in cost in the amount of $2,112,825.

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

EVALUATION: None.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING A REDUCTION IN SCOPE FOR NURSE CALL SYSTEM FOR PEDIATRIC PROGRAM FOR CONTRACT PREVIOUSLY AWARDED TO ADVANCED COMMUNICATION & CABLING —MARK WEBB

SUMMARY: As part of the originally conceived renovation of the Horizon Tower to centralize Pediatric Services, the Board previously approved a contract for the installation of a new nurse call system (Rauland Responder 5) to Advanced Communication & Cabling in the amount $562,674. The Board has since also approved a reduction of the original scope of the Pediatric program. As such, the scope of services and related costs of this contract for is being reduced in scope and will result in previously committed funds in the amount of $64,567 becoming available.
Advanced Communication & Cabling is classified as a Small, Historically Underutilized Business Enterprise (SBE, HUB) and has an Affirmative Action Plan or Policy in effect. Advanced Communication and Cabling has a total of forty-five (45) employees, and the workforce composition data was provided for the Board’s review.

RECOMMENDATION: Staff recommends Board of Managers’ approval of a contract amendment with Advanced Communication & Cabling for a reduction in cost in the amount of $64,567.

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

EVALUATION: None.

FOLLOW UP: None.

CONSIDERATION AND APPROPRIATE ACTION REGARDING SELECTED FIRMS TO PROVIDE MATERIAL TESTING SERVICES TO BE ON-CALL FOR PROJECTS—MARK WEBB

SUMMARY: A Request for Qualifications (RFQ) for materials testing was issued on May 6, 2016. Eleven (11) firms responded and an evaluation Committee of Facilities Development staff was assigned to review and evaluate the submissions. Based on the final scoring, staff recommends selection of the following four (4) highest scoring firms as qualified to provide services for Hospital and/or Clinic projects. These firms were found to meet and exceed the requirements stated in the RFQ.

1. PSI
2. Raba Kistner Consultants
3. Terracon
4. Arias & Associates

This request is for approval to pre-select these firms in order that staff may contract with any of them on an as needed basis to provide material testing services for any small projects that staff requires during the next five (5) years with an additional two (2) optional years. Any contract entered into under this pre-selection process will be handled in terms of pre-established approval limits that have been established for executives and the Board of Managers. No funds are being appropriated at this time. All the work will be awarded based on capability of a firm to provide services on a specific project and availability of its staff at the time the services are needed. **PSI** is a nationally-owned consulting firm with approximately 2,200 employees. The firm maintains a locally operated office in San Antonio with a total of 63 employees, and is not a SMWBE certified company. **Raba-Kistner Consultants** has a total of 338 employees, and is locally owned and operated since 1968. This firm is not a SMWBE certified company. **Terracon** is a nationally-owned consulting firm with approximately 3,800 employees. The firm was founded in 1965 and established a local presence in 1992. It has a total of 88 employees, and is not a SMWBE certified company. **Arias & Associates** has been locally-owned and operated since 1996. It has a total of 80 employees,
and is a SMBE certified company. The workforce composition data for each of the four vendors was provided for the Board’s review.

**RECOMMENDATION:** Staff recommends Board of Managers’ approval of a Master Services Agreement with the pre-selected material testing firms (PSI, Raba-Kistner Consultants, Terracon, and Arias & Associates) for Health System projects.

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

**EVALUATION:** None.

**FOLLOW UP:** None.

**CONSIDERATION AND APPROPRIATE ACTION REGARDING A CONTRACT WITH SOUTHWEST TEXAS REGIONAL ADVISORY COUNCIL (STRAC) FOR SERVICES RELATED TO THE IMPLEMENTATION OF A TEXAS NETWORK ACCESS IMPROVEMENT PROGRAM (NAIP) PROJECT FOR EMS MOBILE INTEGRATED HEALTHCARE—ROBERTO VILLARREAL, M.D.**

**SUMMARY:** A partnership between Community First Health Plans, University Health System, STRAC, City of Schertz, and City of San Antonio, helped to launch this innovative program which involved the development of specialized coordinated asthma care and outreach initiatives that support the continuity of care for asthma patients. The program focuses on Medicaid and CHIP enrolled children who are high utilizers of emergency services and provides an integrated health care approach utilizing community paramedics (referred to as Mobile Integrated Healthcare). The program is specifically tailored to CFHP members; however, any child 2 to 17 years of age with asthma can be referred to the program. This partnership aims to fill the gap in care for pediatric asthma patients by increasing access to preventive care and decrease overutilization of ED visits, hospital readmissions, transports, 911 non-emergency low acuity EMS calls, and health care costs. The total contract amount of $633,225 was budgeted in the 2015-2016 Network Access Improvement Program (NAIP) Operating Budget. The term of this agreement is for a six month period beginning July 1, 2016 to December 31, 2016, at a cost of $388,311 (current funding level). The total asthma health care costs for hospital admissions in Bexar County in 2014 was over $17,000,000. Additionally, the average cost for an asthma inpatient admission is $4,083.08; $384.93 for an ED visit; and $318.17 for an EMS transport. To reduce health care costs, these collaboration efforts aim to change the current health care delivery system by providing a cost savings approach demonstrating reduction in expenditures. Through STRAC, University Health System directs activities of MIH paramedics and gathers data on program outcome measures. STRAC has a total of 30 employees, and the workforce composition data was provided for the Board’s review.

**RECOMMENDATION:** Staff recommends Board of Managers’ approval of a contract with the Southwest Texas Regional Advisory Council (STRAC) for the pediatric asthma management program in the amount of $388,311, for the period July 1, 2016 through December 31, 2016.
ACTION:  A MOTION to approve staff’s recommendation was made by Mr. Hasslocher, SECONDED by Dr. Burns, and PASSED UNANIMOUSLY.

EVALUATION:  Mr. Adams cautioned the staff about obtaining after the fact approvals, the start date of this contract is July 1, 2016. Dr. Burns informed the Board that she, as a primary care provider, was initially not supportive of this program. Although paramedics are well trained, Asthma is a chronic condition that requires chronic management that can only be provided by the patient’s primary care provider. Further, she has not seen the data that demonstrates the outcomes, such as decreased ED visits. If the data is available and maintained by Community First Health Plans, it is her opinion that the data ought to be shared with community primary care physicians. Dr. Villarreal replied that the data is available and has been shared with ambulatory providers across the Health System. When EMS receives a call involving a pediatric asthma patient, they send a specially-trained technician who in turn urges the patient to contact their primary care providers. Mr. George Hernandez interjected that EMS receives calls from people in crises every day that they try to channel back to their primary care providers. The program is filling a void that really does exist although not all patients follow through with their providers. Dr. Burns has a very disciplined team and teaches her patients to call her, not EMS. Dr. Burns sees the program as an opportunity to collaborate with private practitioners in the community. Dr. Jimenez added that the Health System has an obligation to educate people, paramedics, or whoever is involved, and can be done by sharing such data.

FOLLOW UP:  Dr. Villarreal and Dr. Burns will visit to review the data offline.

CONSIDERATION AND APPROPRIATE ACTION REGARDING OPERATIONS AND FINANCIAL REPORT FOR AUGUST 2016—REED HURLEY/EDWARD BANOS

SUMMARY:  In August clinical activity (as measured by inpatient discharges) was up 6.1% for the month compared to budget. Community First Health Plan (CFHP) fully-insured membership was down 2.6% due to lower membership in STAR Medicaid. Operating gain for the month of August was $10.8 million, below the budget of $11 million, increased pharmacy expense was a major factor in the $214,000 miss. The bottom line gain (before financing activity) was $4.3 million, $503,000 better than budget and was due primarily to depreciation expense being below budget by $885,000. Mr. Hurley reviewed the major financial changes in 2016 versus 2017 as follows:

- DSRIP/UC/DSH decrease of $ 11.5 Million
- NAIP decreased funding of $ 17.4 Million
- BCCS decreased funding of $ 22.3 Million

Estimated major reductions $ 51.6 Million
- Estimated additional Property Tax $ 29.5 Million
- Potential new funding source “Uniform Rate Increase” $ 23 Million
  (Not approved by CMS)
- Increase in Pension Plan expense due to new accounting rules $10 Million
Mr. Hurley described the planned actions to improve the 2017 financial outlook as follows:

- Managed care contract negotiations estimated positive impact for 2017 $9.1 million
- Negotiations with current vendors for improved pricing, estimated savings of $2.3 million
- Reviewing all expenses during budget review process to look for additional savings opportunities

Mr. Banos provided a results overview of the 2016 Employee Survey, which was administered June 6 through June 22, 2016 across the Health System. The industry employee engagement survey response rate benchmark is 66.9 percent. The number of surveys' sampled in 2016 was 6,991, the number of surveys returned was 4,654, and actual response rate was 66.6 percent. The same data for years 2011 through 2015 was provided. Survey responses indicate a positive trend in overall ratings in workplace experience and loyalty measures. In this portion of the survey, only two response items were below the national average, as compared to 13 in 2015. Results went from ten red box items (significantly lower than national average) to zero. Six (6) of those items went from significantly below average to significantly above average. The workplace experience dimension report measures peer relationships, manager investment, commitment, and job satisfaction. These areas were all rated above the NRC average in 2016 as compared to 2015. Mr. Banos reviewed five (5) survey questions that were highly correlated to overall workplace experience in commitment and job satisfaction categories. The Health System scores for 2016 were compared against, and exceeded, the NRC national average. Department directors are reviewing individual department scores and putting together a written action plan, in consultation with their respective vice president. We want staff to know that we are listening to their concerns and taking action.

**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 Dr. Burns, and **PASSED UNANIMOUSLY**.

**EVALUATION:**
Mr. Hurley shared important budget dates with the Board. Mr. Adams congratulated the staff on the good news relative to the employee survey and challenged Mr. Banos and Mr. Hernandez to figure out a way that the Health System can measure certain items across boundaries with UTHSCSA.

**FOLLOW UP:** None.

**PRESENTATIONS AND EDUCATION:**

**UPDATE ON UNIVERSITY HEALTH SYSTEM’S COLLABORATION WITH HEARTGIFT—ADIL HUSAIN, M.D.**

**SUMMARY:** Adil Husain, M.D., serves as surgeon-in-chief for University Health System Pediatric Services, and professor of cardiothoracic surgery and chief of the division of pediatric cardiothoracic surgery at UT Medicine.
He is very involved with HeartGift, an organization that partners with University Health System to bring children from underserved nations to San Antonio to correct life-threatening congenital heart defects. Established in 2000, HeartGift has treated more than 200 children from over 30 countries. Dr. Husain introduced Ms. Paige Kauffman, the new San Antonio Executive Director for HeartGift for a brief update regarding collaborative efforts with the Health System.

**RECOMMENDATION:** None.

**ACTION:** This report was provided for informational purposes only; no action by the Board was required.

**EVALUATION:** Mr. Adams thanked Dr. Henrich and Mr. Hernandez for recruiting talented and compassionate physicians such as Dr. Husain.

**FOLLOW-UP:** None.

**INFORMATION ONLY ITEMS:**

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

**UPDATE ON FACILITIES DEVELOPMENT ACTIVITIES—MARK WEBB**

**REPORT ON RECENT RECOGNITIONS AND UPCOMING EVENTS—LENI KIRKMAN**

**2016 QUARTER 2 SUPPLIER DIVERSITY REPORT—FRANCINE WILSON**

**SUMMARY:** Mr. Adams directed the Board members’ attention to the four (4) 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, Mr. Adams adjourned the Board meeting at 8:00 p.m.

James R. Adams
Chair, Board of Managers

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

Sandra D. Garcia, Recording Secretary